



REVISED

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

will be held at 9:00 a.m., on Thursday, April 28, 2022
at 255 Industrial Way, Buellton, California 93427
and
Montecito Water District Board Room
583 San Ysidro Road, Montecito, CA 93108

Members of the public may participate by video call or telephone via
URL: https://v.ringcentral.com/join/861734831
or by dialing (650) 419-1505 and entering access Code/Meeting ID: 861734831 #

- Eric Friedman
Chairman
Ed Andrisek
Vice Chairman
Ray A. Stokes
Executive Director
Brownstein Hyatt
Farber Schreck
General Counsel
Member Agencies
City of Buellton
Carpinteria Valley
Water District
City of Guadalupe
City of Santa Barbara
City of Santa Maria
Goleta Water District
Montecito Water District
Santa Ynez River Water
Conservation District,
Improvement District #1
Associate Member
La Cumbre Mutual
Water Company

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

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

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

I. Call to Order and Roll Call

II. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code section 54956.9(d) (1)
Name of case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al. (Case No. 21CV02432)
B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code § 54956.9(d)(2)
Number of cases: 2
C. CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Government Code section 54956.8
Property: Warren Act Contract
Agency negotiator: Ray Stokes
D. Public Employee Performance Evaluation - Government Code Section 54957
Title: Executive Director
E. Conference with Labor Negotiator - Government Code Section 54957.6
Name of Negotiator: Jeffrey Dinkin
Unrepresented Employees: Executive Director, Deputy Director

Agenda Item II, the Closed Session, is anticipated to take 1.5 hour. The remainder of the Meeting will start no earlier than 10:30 am.

III. Return to Open Session

- A. Report on Closed Session Actions (if any)

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

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

Continued

V. Consent Calendar

- * A. Minutes of the March 24, 2022 Regular Meeting
- * B. Bills
- * C. Controller's Report
- * D. Operations Report
Staff Recommendation: Approve the Consent Calendar

VI. Executive Director's Report

- A. CCWA Employee Recognition of Darin Dargatz for 25 Years of Service
Staff Recommendation: Informational item only.
- B. Water Supply Situation Report
Staff Recommendation: Informational item only.
- * C. 2022 Supplemental Water Purchase Program: Casitas Municipal Water District Transfer
 1. Resolution No. 22-03: A Resolution Of The Board Of Directors Of The Central Coast Water Authority Approving The 2022 Purchase Of Supplemental State Water Project Water Supplies From Casitas Municipal Water District
Staff Recommendation: Adopt Resolution No. 22-03 Approving The 2022 Purchase of Supplemental State Water Project Water Supplies From Casitas Municipal Water District
- * D. Temporary Warren Act Contract between CCWA and United States Bureau of Reclamation
Staff Recommendation: Informational item only.
- E. Personnel Committee
 - * 1. CCWA 2022 Employee Salary and Benefits Survey Results
Staff Recommendation: Accept the "2022 Total Compensation Study Report" and approve the changes to the employee compensation and benefits as outlined in the Staff Report and changes to CCWA Personnel Policy Manual to reflect benefit changes.
 - * 2. 2022 Review of Personnel Policy Manual
Staff Recommendation: Approve the proposed changes to the Personnel Policy Manual as outlined in Personnel Counsel's memo dated April 5, 2022.
 - 3. CCWA Board Consideration of Executive Director and Deputy Director Compensation Adjustments
Staff Recommendation: Consider matter
- ◆ F. Finance Committee
 1. FY 2021/22 Third Quarter Investment Report
Staff Recommendation: Approve the Third Quarter FY 2021/22 Investment Report.
 2. Annual Review of the CCWA Investment Policy
Staff Recommendation: Consider matter and direct no changes to the existing CCWA Investment Policy.
- * G. Request for Approval for the Use of Appropriated Contingency in the Amount of \$21,281 for Chloramination Dosing Trailer
Staff Recommendation: Authorize the Executive Director to utilize funds from the appropriated contingency budget in the amount of \$21,281 to fund the Chloramination Dosing Trailer.
- * H. Adoption of Final CCWA FY 2022/23 Budget
Staff Recommendation: Adopt Final CCWA FY 2022/23 Budget
 - I. State Water Contractors Update
Staff Recommendation: Informational item only.
- * J. Legislative Report
Staff Recommendation: Informational item only.

VII. Reports from Board Members for Information Only

VIII. Items for Next Regular Meeting Agenda

IX. Date of Next Regular Meeting: May 26, 2022

X. Adjournment

**MINUTES OF THE
CENTRAL COAST WATER AUTHORITY
BOARD OF DIRECTORS
February 24, 2022**

I. Call to Order and Roll Call

Chairman Friedman called the Central Coast Water Authority (CCWA) Board of Directors meeting to order at 9:03 AM.

CCWA member agencies with voting privileges were represented by:

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

II. Closed Session

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

The Board went to closed session at 9:04 AM.

III. Return to Open Session

The Board reconvened from closed session at 9:27 AM.

Ms. Hastings, CCWA General Counsel, stated there were no actions to report as a result of either of the two closed session items.

IV. Public Comment

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

V. Consent Calendar

- A. Minutes of the February 24, 2022 Regular Meeting
- B. Bills
- C. Controller's Report
- D. Operations Report

A motion to approve the Consent Calendar was made by Director Borah, seconded by Director Springer and carried with all in favor and none opposed.

VI. Executive Director's Report

A. State Water Contractor Activities and Objectives

Ms. Jennifer Pierre, General Manager of the State Water Contractors (SWC), was introduced and provided a presentation on the activities and accomplishments over the past year, as well as the objectives for the upcoming year.

B. Water Supply Situation Report

Mr. Ray Stokes, CCWA Executive Director, reviewed precipitation indices and current reservoir storage conditions within California, noting that following a very wet October and December, January, February and March have been very dry, with historically low precipitation. Snow pack also has been impacted by the dry months, with current trends falling below average for the water year. Reservoir conditions have improved, but continue below historical average.

The Table A allocation has been decreased from 15% to 5%, due to the ongoing drought. This change has resulted in operational challenges as well concerns for local agency managers.

Discussions are ongoing with San Luis Obispo County on a water for WTP capacity transfer, and Mr. Stokes anticipates he will be bringing a term sheet to the Board in the near future. He stated the transaction currently being considered is a one year transfer.

C. CCWA 2022 Supplemental Water Purchase Program Update

At the February 24, 2022 CCWA's Board of Directors approved the 2022 Supplement Water Purchase Program (SWPP) and the form "Participation Agreement" for CCWA Participants that wish to participate in the SWPP. Six CCWA member agencies have expressed an interest in a total of 6,350 AF through the program.

CCWA has negotiated 250 AF from Casitas Municipal Water District at \$700/AF, and is proposing participation in the Dry Year Transfer program, which is still being negotiated for price and amount of water available. Mojave Water Agency is still considering making some water available for sale, and the Yuba Accord is also being negotiated and will potentially have water available.

1. Approval for CCWA Participation in the State Water Contractors Supplemental Water Purchase Program for 2022

The SWC Board of Directors authorized the 2022 Dry Year Transfer Program (DYTP) to assist those SWC members needing additional water supplies for calendar year 2022. On behalf of its participating members, the SWC negotiates for water purchases from farmers north of the Sacramento-San Joaquin Delta in the Sacramento River area.

CCWA has participated in the DYTP for a number of years, the most recent being 2021. This year, to date, two CCWA Participants have elected to participate in the SWC DYTP and have executed CCWA's SWPP "Participation Agreement for the State Water Contractors Dry Year Transfer Program."

Participation in the DYTP does not obligate CCWA or any participating CCWA Participant to purchase water. As individual sellers are identified under the DYTP, each proposed purchase opportunity will be evaluated. If one or more CCWA Participants in the DYTP elect to purchase the supply, CCWA staff will return to the CCWA Board of Directors for consideration of the specific proposed purchase opportunity and separate purchase agreements will be executed for each purchase under the DYTP.

Upon a motion by Director Springer, seconded by Director Andrisek and carried with all in favor and none opposed, the Board authorized the Executive Director to execute the State Water Contractors 2022 Dry Year Water Transfer Agreement on behalf of the CCWA Participants that have elected to participate in the DYTP by executing CCWA's SWPP "Participation Agreement for the State Water Contractors Dry Year Transfer Program."

D. Proposal for Water Management Consulting Services

Provost & Pritchard, provided a proposal to assist in identifying projects to maximize the use of State Water Project water as outlined in the Water Management Strategies Study. Mr. Stokes provided background on the individuals involved, the proposal, and the activities that the consultants would be conducting to pursue additional water options. He noted that the scope of this contract is not just purchasing additional water supplies, but also how to take advantage of opportunities for groundwater banking, water exchanges, long term storage and other options for developing water resiliency. He noted that he also feels this expertise is important to the long term viability of CCWA, as diversification of knowledge of State Water within the organization.

Upon a motion by Director Coates, seconded by Director Springer and carried with all in favor and none opposed, the Board authorized the Executive Director to enter into a contract with Provost & Pritchard for water management consulting services for an amount not to exceed \$30,000.

E. Procurement of WTP Heating Ventilation and Air Conditioning System Installation, Budget \$105,000

The existing heating, ventilation and air conditioning (HVAC) systems for the WTP Operation Building is not adequately providing the heating and cooling functions as needed. In addition, the Unified Building Code prohibits air flow to pass from the laboratory to other parts of the building. To improve the existing HVAC systems so that they can provide the required heating and cooling functions as well as to comply with the laboratory ventilation requirements, CCWA retained the services of 3C Engineering, an experienced HVAC engineering firm, to prepare a design and specifications for the upgrading the Plant's HVAC system.

Once 3C Engineering completed work on the design and specifications for upgrading the HVAC system at the WTP Operations Building, CCWA staff prepared a Request for Bids (RFB) using the 3C Engineering design. One bid was received in the amount of \$167,961, from Smith Mechanical Electric Plumbing Corporation. CCWA staff reviewed the submitted bid and found that the Bid was responsive to the Bid Documents and the Bidder was a responsible contractor.

The budget for the WTP HVAC Project is \$105,000 (C-21HVAC), which was the engineer's construction cost estimate. To move forward with this project, additional budget will be required. Mr. Brady stated a source of funding is available in the Seismic Joint Pipe Spools and Parts Project currently on hold, as no bids were received during the bid solicitation for this project. CCWA staff proposes to transfer funds from the Seismic Joint Pipe Spools and Parts Project in the amount of \$82,000. This transfer would increase the project budget for the WTP HVAC from \$105,000 to \$187,000. This proposed increased budget would provide \$19,039 or 11.3% in contingency funding for the WTP HVAC Project.

Coupled with this recommendation, CCWA staff recommends that the FY 2022/2023 budget be modified to include a Supplemental Budget for the Seismic Joint Pipe Spools and Parts Project in the amount of \$82,000.

Upon a motion by Director Borah, seconded by Director Andrisek and carried with all in favor and none opposed, the Board authorized the Executive Director to transfer funds from the Seismic Joint Pipe Spools and Parts Project (C-20SMCJNT and C-17SMCJNT) in the amount of \$82,000 to the WTP HVAC Project (C-21HVAC), and further authorized the Executive Director to award the WTP HVAC contract to Smith Mechanical Electric Plumbing Corporation in the amount of \$167,961.00

- F. FY 2021/2022 Procurement of Distribution Sample Truck and Crew Truck, Budget \$73,500

Mr. Brady explained that CCWA participates in the California Multiple Awards program, and has used the program in the past to procure equipment. CCWA has several vehicles that require replacement, and Mr. Brady provided the anticipated salvage value of the vehicles being replaced, which will be sold a public auction. The budget for the vehicle replacement is \$73,500, the purchase price of the vehicles is \$89,206.17, and the salvage value of the vehicles to be sold is \$20,000, for a net cost of \$69,206.17.

Upon a motion by Director Coates, seconded by Director Springer and carried with Directors Borah, Clay, Coates, Friedman, Johnson, Sanchez, and Waterfield in favor and none opposed, the Board authorized the Executive Director to procure the vehicles described in the Board Report in the amount of \$89,206.17, and further authorized the Executive Director to sell the replaced vehicles as surplus equipment at public auction.

- G. Update on the CCWA Warren Act Contract Renewal

CCWA has received a draft of the proposed temporary (two year interim) contract with the USBR which has been distributed to CCWA's South Coast Project Participants. Mr. Stokes noted that the draft of the contract did not include the

exhibits to the contract, which are integral to the contract as they will include the description of water, as well as the cost per AF. After comments are received from CCWA South Coast participants, they will be consolidated and returned to USBR. National Marine Fisheries Service will also need to do a consultation on the environmental analysis, and they have 60 days to complete their review. Mr. Stokes stated if they take the full 60 days, a special CCWA Board meeting may be necessary in June to approve the contract.

H. CCWA FY 2022/23 Preliminary Budget

The FY 2022/23 Preliminary Budget calls for total project participant payments of \$47.4 million compared to the FY 2021/22 budget of \$69.6 million, a \$22.2 million decrease, or about 32%. The decrease is largely due to the payoff of the bond debt, and also to a decrease in the amount of water requested for delivery by the Project Participants. Dessi Mladenova, CCWA Controller, provided additional detail on specific expenses and differences in the proposed FY 2022/23 Budget as compared to the current FY 2021/22 Budget.

The preliminary FY 2022/23 Operating Expense Budget is \$9.9 million, a \$3.7 decrease from the FY 2021/22 budget, due largely to decreases in legal and utility expenses. Ms. Mladenova provided additional detail on certain budget amounts, including decrease in requested water deliveries from 31,007 AF in FY 2021/22 to 14,983 AF in FY 2022/23, the cost per acre foot calculations, and DWR fixed and variable charges.

I. Legislative Update

The item was included in the Board materials for the information of the Board.

VII. Reports from Board Members for Information Only

There were no other reports from Board members.

VIII. Items for Future Meeting Agendas

IX. Date of Next Regular Meeting: April 28, 2022

X. Adjournment

The meeting was adjourned at 11:18 AM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2022

VENDOR	INVOICE AMOUNT	DESCRIPTION
GENERAL & ADMINISTRATIVE EXPENSES		
Bank of America Business Card	140.00	Certification Renewal
Bank of America Business Card	426.93	Publications, subscriptions, postage
Bank of America Business Card	843.82	Staff meetings
Cardmember Service	16.00	Publications, subscriptions, postage
Cardmember Service	297.95	State Water Contractors - Travel and meetings
Federal Express	240.58	Express shipping
Governmentjobs.com	4,442.92	NEOGOV Subscription
Pitney Bowes	1,000.00	Postage - postage machine
United Parcel Service	127.18	Shipping expenses
Valley Oaks Printing	161.63	Back Covers
	\$ 7,697.01	Total General & Administrative
MONITORING EXPENSES		
Eurofins Eaton Analytical	1,170.00	Lab testing
Hach Company	1,782.24	Lab supplies
VWR International	815.07	Lab supplies
	\$ 3,767.31	Total Monitoring Expenses
OFFICE EXPENSES		
Bank of America Business Card	86.01	Office and kitchen supplies
Office Depot	81.41	Office, janitorial & kitchen supplies
Staples Inc.	56.87	Office, janitorial & kitchen supplies
	\$ 224.29	Total Office Expenses
OTHER EXPENSES		
Bank of America Business Card	126.04	Computer miscellaneous expenses
Brownstein Hyatt Farber	28,500.00	Legal Services
Comcast	199.40	Internet Service
CompuVision	225.00	Computer Services
CompuVision	995.00	Datto Cloud Backup
CompuVision	2,164.75	EndPoint Detection
CompuVision	5,085.00	Managed Service Agreement
De Lage Landen Financial Services	451.79	Copier Lease - BAO and WTP
Frontier Communications	64.99	Internet
Marborg Industries	325.45	Tank 5/Tank 7/Tank 2/ EDV/Bradbury Dam
Pitney Bowes Global Financial	147.35	Postage Machine Lease
Provost & Pritchard Consulting	8,360.50	Water Management Strategies
Sympro, Inc.	9,191.66	Sympro Maintenance Agreement
United Rentals North America, Inc.	1,099.95	Equipment Rental
Wilson Creek Communications	155.00	Internet Service
	\$ 57,091.88	Total Other Expenses
OTHER MISCELLANEOUS EXPENSES		
Department of Water Resources	1,878,674.00	Variable OMP&R, Delta Water & Transport Charge
	\$ 1,878,674.00	Total Other Miscellaneous Expenses
PERSONNEL EXPENSES		
CalPERS Health	35,021.19	Health Insurance
CalPERS Retirement	35,910.46	Pension Contributions
CCWA Payroll Wages/Taxes	273,600.82	Gross Payroll Wages/Taxes



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2022

VENDOR	INVOICE AMOUNT	DESCRIPTION
Dental/Vision Payments	4,391.95	Dental/Vision Benefits
MetLife SBC Insurance	1,007.30	Life Insurance
Other Misc Employee Benefits	5,719.33	Vehicle, Uniform and Cafeteria Plan Benefits
Standard Insurance Company	1,315.65	Disability Insurance
	\$ 356,966.70	Total Personnel Expenses
PROFESSIONAL SERVICES		
Air Pollution Control District	941.48	Equipment permit renewals
B&T Service Station Contractor	1,800.00	Annual Monitor Certification
Bartel Associates, LLC	7,049.00	OPEB Valuation Accounting Report
Brownstein Hyatt Farber	60,846.11	Legal Services
Cardno, Inc.	1,119.75	Environmental Consulting
Credential Check Corporation	26.40	Background checks
Delta Liquid Energy	120.00	Annual Propane Inspection
HDR Engineering Inc	4,392.25	Engineering Services
Risk Management Professionals	6,705.22	WTP Compliance Audit & Five-Year Update
Sentry Alarm Systems	450.00	Security System - WTP
Stanley Convergent Security	1,352.46	Security Service BAO/SYPS
State Water Resources Control	4,250.00	Environmental Lab Accreditation Fees
Underground Service Alert	38.05	New USA tickets
	\$ 89,090.72	Total Professional Services
CIP PROJECTS - MATERIALS & OVERHEAD		
Action Glass, Inc	4,590.00	CyberLock Replacement and Door Service
Bailey Valve Inc	52,767.00	Lopez Turnout Sleeve Valve Replacement
Bank of America Business Card	622.50	WTP Heating Ventilation and Air Conditioning System
Cannon Corporation	9,610.75	WTP PLC Upgrade
HDR Engineering Inc	35,075.25	Technical Memo - Ozone System Evaluation/Tank 5 & Tank 7
Home Depot	106.57	Rectifier Replacement
REP Com Intl, LLC	26,386.89	Locator and Toning Packages
Steven Engineering Inc.	84,812.55	PLC Upgrade WTP - Phase 2 of 3
	\$ 213,971.51	Total CIP Project - Materials and Overhead
REPAIRS & MAINTENANCE		
Battery Systems Inc	460.50	Battery replacements
Brezden Pest Control, Inc	165.00	Pest Control Spraying - WTP
Cal Coast Irrigation, Inc.	5.73	Parts, repair and maintenance
City of Buellton	96.89	Landscape maintenance - water
Coverall North America, Inc	1,402.00	Janitorial service - BAO/SYPS
Fluke Electronics	210.00	Parts, repair and maintenance
GFG Instrumentation Inc.	1,376.52	Equipment repairs and maintenance
Grainger Inc.	113.39	Parts, repair and maintenance
Home Depot	97.83	Parts, repair and maintenance
Procure Janitorial Supply	171.04	Janitorial supplies - WTP
Progressive Greenery	360.00	Landscape maintenance - WTP
Southwest Valve, LLC	340.20	Equipment repairs and maintenance
Ultrasystems Electronics Inc.	490.17	Equipment repairs and maintenance
Ultrix Business Products	197.79	Copier maintenance
US Bank	175.09	Equipment repairs and maintenance
Western Exterminator Co	230.00	Pest control spraying - BAO and SYPS
	\$ 5,892.15	Total Repairs & Maintenance



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2022

VENDOR	INVOICE AMOUNT	DESCRIPTION
SUPPLIES & EQUIPMENT		
Airgas USA, LLC	422.06	Safety supplies/Minor tools
Aramark	649.73	Uniform expenses
Bank of America Business Card	141.33	Equipment & maintenance supplies
Bank of America Business Card	1,607.12	Safety supplies
Burt Industrial Supply, Inc	126.98	Minor Tools, Maintenance supplies and hardware
CalPortland Company	1,464.31	Equipment & maintenance supplies
Carr's Boots & Western Wear	175.00	Uniform expenses
Chemtrade Chemicals US, LLC	20,254.07	Chemicals - WTP
Eagle Energy	890.39	Equipment service, Fuel & Lubricants
Harrison Hardware	63.24	Maintenance supplies and hardware
Hill Brothers Chemical Company	4,351.52	Chemicals - WTP
Home Depot	30.24	Safety supplies
Home Depot	248.70	Minor tools, equipment & maintenance supplies
JCI Jones Chemical	4,680.00	Chemicals - WTP
Keller & Associates Inc	1,483.76	Safety supplies
Petersen, Tom	175.00	Uniform expenses
Ross, Don	246.50	Reimbursable expenses - Uniform reimbursement
United Rentals North America Inc	1,228.15	Equipment rentals
Univar Solutions USA, Inc.	22,979.52	Chemicals - WTP
US Bank	414.52	Maintenance supplies, Minor Tools, Safety Supplies
WEX Bank - Wright Express	7,904.42	Fuel - Autos
	\$ 69,536.56	Total Supplies & Equipment
UTILITIES		
City of Buellton	203.72	Water - BAO
Delta Liquid Energy	2,453.97	Propane gas
Frontier	296.88	Telephone charges
Health Sanitation Services	267.49	Waste Disposal - SYPS
Pacific Gas & Electric	55,116.81	Utilities - BAO/SYPS/WTP
San Miguel Garbage Company	225.02	Waste Disposal - WTP
SoCalGas	304.84	Natural Gas - BAO
Stokes, Ray	283.08	Reimbursable Expenses - Cell Phone charges
Surfnet Communications, Inc.	75.00	Wireless Internet - Chorro
Verizon Wireless	596.87	Cell phone charges
	\$ 59,823.68	Total Utilities
Subtotal - Bills for Ratification	\$ 2,742,735.81	



CENTRAL COAST WATER AUTHORITY

Bills for Approval

VENDOR	INVOICE AMOUNT	DESCRIPTION
State of California DWR	\$ 1,193,157.00	Capital Cost and Minimum OMP&R Charges -April '22
Subtotal - Bills for Approval	\$ 1,193,157.00	
Total Ratification and Approval Bills	<u>\$ 3,935,892.81</u>	



Statements of Net Position

ASSETS

	<u>March 31, 2022</u>	<u>February 28, 2022</u>
Current Assets		
Cash and investments	\$ 7,142,697	\$ 7,726,820
Accounts Receivable (Note 1)	263	263
Accrued interest receivable	33,369	18,217
Other assets	1,431,126	1,441,277
Total Current Assets	<u>8,607,455</u>	<u>9,186,577</u>
Restricted Assets		
Operations and Maintenance Reserve Fund (Note 2)	2,130,348	2,130,343
DWR Reserve Fund (Note 3)	6,598,136	4,686,759
Rate Coverage Reserve Fund (Note 4)	9,547,769	9,547,748
Debt Service Payments (Note 5)	40,157	40,157
Department of Water Resources (Note 6a)	7,011,588	10,686,032
CCWA and DWR Variable Fund (Note 6b)	2,925,539	3,042,259
Credits Payable (Note 7)	1,307,910	1,312,907
Escrow Deposits (Note 8)	516,388	516,387
Total Restricted Assets	<u>30,077,835</u>	<u>31,962,591</u>
Property, Plant and Equipment		
Construction in progress (Note 9)	960,968	753,697
Fixed assets (net of accumulated depreciation)	87,733,120	87,942,935
Total Property, Plant and Equipment	<u>88,694,087</u>	<u>88,696,633</u>
Other Assets		
Long Term Receivable	-	-
Total Other Assets	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 127,379,378</u>	<u>\$ 129,845,800</u>



Statements of Net Position

LIABILITIES AND FUND EQUITY

	<u>March 31, 2022</u>	<u>February 28, 2022</u>
<u>Current Liabilities</u>		
Accounts Payable	\$ 276,062	\$ 101,234
DWR and Warren Act Charge Deposits (Note 6a)	7,011,588	10,686,032
CCWA & DWR Variable Charge Deposits (Note 6b)	2,925,539	3,042,259
Other liabilities	983,062	936,912
DWR Reserve Fund	6,598,078	4,686,701
Rate Coverage Reserve Fund	9,495,379	9,495,379
Unearned Revenue	5,470	21,251
Credits Payable to Project Participants	1,602,771	1,607,725
Total Current Liabilities	<u>28,897,948</u>	<u>30,577,492</u>
<u>Non-Current Liabilities</u>		
OPEB Liability	552,948	552,948
Escrow Deposits	516,382	516,381
Net Pension Liability	4,034,798	4,034,798
Total Non-Current Liabilities	<u>5,104,128</u>	<u>5,104,127</u>
<u>Commitments and Uncertainties</u>		
<u>Net Assets</u>		
Contributed capital, net (Note 10)	22,562,433	22,562,433
Retained earnings	70,814,868	71,601,749
Total Net Assets	<u>93,377,301</u>	<u>94,164,182</u>
Total Liabilities and Net Assets	\$ <u>127,379,378</u>	\$ <u>129,845,800</u>



Statements of Revenues, Expenses and Changes in Net Position

	<u>March 31, 2022</u>	<u>February 28, 2022</u>
<u>Operating Revenues</u>		
Operating reimbursements		
from project participants	\$ 21,905,855	\$ 21,717,348
Other revenues	64,258	64,258
Total Operating Revenues	21,970,113	21,781,606
<u>Operating Expenses</u>		
Personnel expenses	3,721,908	3,367,243
Office expenses	13,184	12,909
General and administrative	129,961	117,728
Professional Services	563,100	367,640
Supplies and equipment	718,085	648,653
Monitoring expenses	77,704	73,956
Repairs and maintenance	195,311	189,556
Utilities	613,199	553,375
Depreciation and amortization	1,823,785	1,613,969
Other expenses	558,840	479,506
Total Operating Expenses	8,415,076	7,424,535
Operating Income	13,555,038	14,357,071
<u>Non-Operating Revenues</u>		
Investment income	116,784	101,535
Total Non-Operating Revenues	116,784	101,535
<u>Non-Operating Expenses</u>		
Interest	126,186	126,186
Current year credits payable	82,749	82,653
Loss on disposal of fixed assets		49
Total Non-Operating Expenses	208,985	208,888
Net Income	13,462,837	14,249,718
<u>Retained Earnings</u>		
Retained earnings at beginning of period	57,352,031	57,352,031
Retained earnings at end of period	\$ 70,814,868	\$ 71,601,750



Budget and Actual All Reaches

	March 31, 2022		
	Budget	Actual	Percent Expended ⁽¹⁾
Revenues			
Fixed operating assessments ⁽²⁾	\$ 11,514,795	11,671,595	
Variable operating assessments	4,153,649	1,211,991	29.18%
Miscellaneous income		64,258	
Investment income		20,442	
Total Revenues	15,668,444	12,968,286	82.77%
Expenses ⁽²⁾			
Personnel expenses	3,990,290	3,721,908	93.27%
Office expenses	15,975	13,184	82.53%
General and administrative	230,374	129,961	56.41%
Professional Services	1,676,089	563,100	33.60%
Supplies and equipment	1,031,482	718,085	69.62%
Monitoring expenses	88,056	77,704	88.24%
Repairs and maintenance	219,606	195,311	88.94%
Utilities	2,383,252	613,199	25.73%
Other expenses	534,743	412,698	77.18%
Capital and Non-Capital Expenditures	1,562,607	1,107,110	70.85%
Total Expenses	11,732,474	7,552,260	64.37%
Operating Income	3,935,970	5,416,026	
Net Income (Loss)	\$ 3,935,970	5,416,026	

(1) Percent of year expended: 75%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues from FY 2020/21 to FY 2021/22

Central Coast Water Authority
Notes to Financial Statements
March 31, 2022

Note 1: Accounts Receivable

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

Note 2: O&M Reserve Fund

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

<u>Project Participant</u>	<u>Amount</u>
City of Guadalupe	\$ 28,335
City of Santa Maria	834,587
Golden State Water Company	25,759
Vandenberg SFB	402,361
City of Buellton	29,777
Santa Ynez ID #1 (Solvang)	77,277
Santa Ynez ID #1	25,665
Goleta Water District	230,989
Morehart Land Co.	10,304
La Cumbre Mutual Water Company	51,512
Raytheon Systems Company	2,576
City of Santa Barbara	154,553
Montecito Water District	153,993
Carpinteria Valley Water District	102,662
TOTAL:	<u>\$ 2,130,348</u>

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2022

Note 3: DWR Reserve Fund

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

Project Participant	Amount
City of Guadalupe	\$ 140,804
City of Santa Maria	4,145,075
Golden State Water Company	98,966
City of Buellton	147,886
Santa Ynez ID #1 (Solvang)	383,798
Santa Ynez ID #1	878,171
Morehart Land Co.	51,173
La Cumbre Mutual Water Company	200,796
Raytheon Systems Co.	12,793
City of Santa Barbara	538,676
TOTAL:	\$ 6,598,136

Note 4: Rate Coverage Reserve Fund Cash Deposits

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

Project Participant	Amount
City of Guadalupe	\$ 192,275
City of Santa Maria	5,200,764
City of Buellton	276,677
Santa Ynez ID #1 (Solvang)	636,276
Santa Ynez ID #1	462,296
La Cumbre Mutual Water Company	402,998
Montecito Water District	1,498,354
Carpinteria Valley Water District	862,316
Shandon	15,813
TOTAL:	\$ 9,547,769

Central Coast Water Authority
Notes to Financial Statements
March 31, 2022

Note 5: Debt Service Payments

The following table shows the financing participant residual cash balances after repayment in full of the 2016 Revenue Bonds in October 2021.

Participant	Amount
Avila Beach	\$ 54
California Men's Colony	473
County of SLO	504
Cuesta College	236
Morro Bay	3,050
Oceano	395
Pismo Beach	653
Shandon	54
Guadalupe	679
Buellton	1,253
Santa Ynez (Solvang)	2,989
Santa Ynez	1,122
Goleta	9,412
Morehart Land	515
La Cumbre	2,110
Raytheon	115
Santa Barbara	5,786
Montecito	6,837
Carpinteria	3,920
TOTAL:	\$ 40,157

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2022

Note 6a: Cash and Investments Payment to DWR

Cash deposits for DWR payments.

Project Participant	Amount
City of Guadalupe	\$ 127,561
City of Santa Maria	2,276,400
Golden State Water Company	17,206
Vandenberg SFB	2,979,505
City of Buellton	116,161
Santa Ynez ID #1 (Solvang)	60,667
Santa Ynez ID #1	146,078
Goleta Water District	576,389
Morehart Land Co.	9,060
La Cumbre Mutual Water Company	26,416
Raytheon Systems Co.	8,412
City of Santa Barbara	79,532
Montecito Water District	354,176
Carpinteria Valley Water District	234,025
TOTAL:	<u>\$ 7,011,588</u>

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

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

Project Participant	Amount
City of Guadalupe	\$ 29,447
City of Santa Maria	1,055,257
Golden State Water Company	24,203
Vandenberg SFB	341,552
City of Buellton	36,146
Santa Ynez ID #1 (Solvang)	100,866
Santa Ynez ID #1	104,142
Goleta Water District	263,623
Morehart Land Co.	40,589
La Cumbre Mutual Water Company	143,690
Raytheon Systems Co.	4,130
City of Santa Barbara	230,562
Montecito Water District	306,405
Carpinteria Valley Water District	244,925
TOTAL:	<u>\$ 2,925,539</u>

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2022

Note 7: Credits Payable

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

Project Participant	Amount
City of Guadalupe	\$ 18,583
City of Santa Maria	320,365
Golden State Water Company	5,329
Vandenberg SFB	664,357
City of Buellton	15,131
Santa Ynez ID #1 (Solvang)	45,035
Santa Ynez ID #1	(78)
Goleta Water District	49,637
Morehart Land Co.	883
La Cumbre Mutual Water Company	5,531
Raytheon Systems Co.	255
City of Santa Barbara	36
Montecito Water District	33,865
Carpinteria Valley Water District	17,570
Shandon	2,900
Lopez Turnout	68,425
Chorro Turnout	60,086
TOTAL:	<u>\$ 1,307,910</u>

Note 8: Escrow Deposits

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

Project Participant	Amount
Morehart Land Company	\$ 407,675
Raytheon Systems Company	108,713
TOTAL:	<u>\$ 516,388</u>

Note 9: Construction in Progress

Amounts in construction in progress represent expenditures incurred during FY 2021/22 and amounts retained in construction in progress at March 31, 2022. The following schedule shows the CIP expenditures for CCWA projects.

Financial Reach	Amount
Labor	\$ 26,110
Materials	121,126
Overhead	606,462
Project CIP Total:	<u>\$ 753,697</u>

Central Coast Water Authority
Notes to Financial Statements
March 31, 2022

Note 10: Contributed Capital

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

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

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

Agenda Item V.D.
Board of Directors
April 28, 2022

System Name: Central Coast Water Authority

System Number: 4210030

Treatment Plant Name: Polonio Pass Water Treatment Plant

March 2022

Date:	RW pH (SU)	RW Turbidity (NTU)	SW Turbidity (NTU)	RW Odor (TON)	RW Total Coliform (MPN)	RW E. Coli (MPN)	RW Cl- (mg/L)	RW Alkalinity (mg/L)		RW Hardness (mg/L)		RW E.C. (uS/cm)	RW TOC (mg/L)
								Total	Phenol	Total	Ca		
1	8.85	1.18	0.20	1.0			108	93	8	131	64		
2	8.90	1.15	0.21	1.0			108	90	9	129	63		4.8
3	8.91	1.10	0.24	1.0			109	91	9	130	65		
4	8.90	1.10	0.21	1.0			109	91	9	128	63		
5	8.98	1.00	0.20	1.0			111	90	11	127	63		
6	8.92	1.10	0.23	1.0			114	89	10	128	62		
7	8.90	1.03	0.23	1.5	20	<1	112	90	11	134	64	601	
8	8.90	1.10	0.17	1.0			111	86	16	120	54		
9	8.97	1.01	0.24	1.0			116	90	10	123	57		
10	8.98	0.99	0.22	1.0			115	92	11	120	56		
11	8.99	1.01	0.20	1.5			118	88	11	123	59		
12	8.98	1.02	0.24	1.5			116	88	10	126	58		
13	8.98	1.00	0.23	1.0			118	92	10	121	58		
14	8.97	0.90	0.26	1.0	10	<1	118	89	10	124	58	670	
15	9.00	1.00	0.21	1.0			119	86	12	127	60		
16	8.95	1.07	0.21	1.0			119	84	12	127	60		
17	8.90	1.05	0.23	1.0			117	83	10	128	61		
18	8.87	1.11	0.22	1.0			115	82	8	123	60		
19	8.72	1.07	0.22	1.0			114	81	7	126	61		
20	8.70	1.13	0.26	1.0			112	83	6	126	61		
21	8.73	1.15	0.28	1.0	33	<1	111	82	8	128	61	634	
22	8.82	1.20	0.33	1.0			106	85	7	122	60		
23	8.94	1.30	0.29	1.0			105	82	7	121	57		
24	9.00	1.24	0.31	1.0			103	82	9	123	57		
25	8.99	2.22	0.36	1.0			103	84	9	121	60		
26	8.90	1.48	0.39	1.0			100	86	10	121	59		
27	8.80	1.60	0.41	1.0			104	85	9	122	60		
28	8.74	1.60	0.31	1.0	22	<1	102	85	9	126	60	628	
29	8.70	1.92	0.38	1.5			104	86	6	126	61		
30	8.70	2.20	0.41	1.5			101	87	7	131	61		
31	8.72	2.32	0.38	1.0			102	87	7	123	63		
Avg:	8.88	1.27	0.27	1.1	21	<1	110	87	9	125	60	633	4.8

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

System Name: Central Coast Water Authority

System Number: 4210030

Treatment Plant Name: Polonio Pass Water Treatment Plant

March 2022

Date:	TW pH (SU)	TW Turbidity (NTU)	Filter Rate (gpm/ft ²)	CW Odor (TON)	TW Total Coliform	CW Cl- (mg/L)	CW Total Alk (mg/L)	CW Hardness (mg/L)		TW Chlorine (mg/L)		CCB3 Chlorine Free (mg/L)	TW NH3-N (mg/L)		(CCB3 Cl2 Free) / (TW NH3-N Total)	CW E.C. (uS/cm)	TW TOC (mg/L)
								Total	Ca	Total	Free		Total	Free			
1	8.33	0.07	4.61	0.0	ABSENT	111	81	130	66	3.70	0.00	3.60	0.67	0.00	5.4		
2	8.42	0.07	4.85	0.0	ABSENT	109	81	129	64	3.65	0.00	3.49	0.68	0.00	5.1		4.5
3	8.33	0.06	4.85	0.0	ABSENT	109	79	128	63	3.65	0.00	3.56	0.69	0.00	5.2		
4	8.26	0.03	4.85	0.0	ABSENT	110	78	130	62	3.73	0.00	3.53	0.70	0.00	5.0		
5	8.22	0.06	4.85	0.0	ABSENT	112	79	129	65	3.78	0.00	3.68	0.71	0.00	5.2		
6	8.17	0.06	4.85	0.0	ABSENT	115	76	128	62	3.75	0.00	3.68	0.70	0.00	5.3		
7	8.42	0.06	4.85	0.0	ABSENT	110	78	133	63	3.78	0.00	3.66	0.71	0.00	5.2	663	
8	8.38	0.06	4.85	0.0	ABSENT	114	80	120	54	3.78	0.00	3.58	0.75	0.00	4.8		
9	8.38	0.06	4.63	0.0	ABSENT	117	79	122	59	3.67	0.00	3.59	0.73	0.01	4.9		
10	8.37	0.06	4.37	0.0	ABSENT	119	80	119	58	3.73	0.00	3.70	0.71	0.00	5.2		
11	8.27	0.06	4.37	0.0	ABSENT	122	75	125	60	3.68	0.00	3.63	0.69	0.00	5.3		
12	8.37	0.06	4.37	0.0	ABSENT	119	74	125	58	3.64	0.00	3.57	0.69	0.00	5.2		
13	8.35	0.06	4.37	0.0	ABSENT	120	77	127	61	3.63	0.00	3.57	0.68	0.00	5.3		
14	8.33	0.06	4.37	0.0	ABSENT	120	77	122	58	3.62	0.00	3.65	0.68	0.00	5.4	740	
15	8.40	0.06	4.37	0.0	ABSENT	120	75	129	61	3.87	0.00	3.86	0.65	0.00	5.9		
16	8.17	0.06	4.37	0.0	ABSENT	121	71	126	61	3.70	0.00	3.61	0.67	0.00	5.4		
17	8.38	0.06	4.37	0.0	ABSENT	120	71	126	61	3.65	0.00	3.56	0.67	0.00	5.3		
18	8.28	0.07	4.37	0.0	ABSENT	121	73	127	63	3.72	0.00	3.62	0.66	0.00	5.5		
19	8.27	0.07	4.37	0.0	ABSENT	118	74	125	59	3.68	0.00	3.61	0.69	0.00	5.2		
20	8.30	0.07	4.37	0.0	ABSENT	116	74	129	61	3.77	0.00	3.71	0.71	0.00	5.2		
21	8.32	0.07	4.37	0.0	ABSENT	115	73	125	60	3.77	0.00	3.69	0.71	0.00	5.2	712	
22	8.33	0.07	4.37	0.0	ABSENT	110	75	121	59	3.67	0.00	3.59	0.71	0.01	5.1		
23	8.51	0.07	4.37	0.0	ABSENT	108	77	120	57	3.80	0.00	3.64	0.75	0.00	4.9		
24	8.43	0.08	4.37	0.0	ABSENT	106	71	121	56	3.72	0.00	3.60	0.73	0.00	4.9		
25	8.33	0.08	4.37	0.0	ABSENT	106	75	120	59	3.63	0.00	3.38	0.72	0.00	4.7		
26	8.36	0.08	4.37	0.0	ABSENT	104	71	120	58	3.56	0.00	3.35	0.70	0.00	4.8		
27	8.38	0.09	4.37	0.0	ABSENT	107	72	121	59	3.65	0.00	3.45	0.72	0.00	4.8		
28	8.32	0.08	4.37	0.0	ABSENT	105	73	122	59	3.65	0.00	3.46	0.71	0.00	4.9	690	
29	8.41	0.08	4.37	0.0	ABSENT	105	76	127	61	3.66	0.00	3.56	0.70	0.00	5.1		
30	8.40	0.09	4.05	0.0	ABSENT	104	76	123	62	3.63	0.00	3.55	0.67	0.00	5.3		
31	8.30	0.09	3.40	0.0	ABSENT	107	74	124	60	3.58	0.00	3.51	0.69	0.01	5.1		
Avg	8.34	0.07	4.45	0.00		113	76	125	60	3.69	0.00	3.59	0.70	0.00	5.1	701	4.50

Central Coast Water Authority
Calendar Year 2022 Actual and Requested Deliveries in Acre Feet

Project Participant	Total Available AF Amounts ⁽¹⁾	ACTUALS				REQUESTED										Estimated Annual Delivery Total
		Jan.	Feb.	Mar.	Subtotal	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Subtotal	
Guadalupe	44	1	1	1	3	1	1	1	1	1	1	1	1	1	9	12
Santa Maria	1,863	0	333	0	333	0	0	276	285	285	276	285	0	0	1,407	1,740
So. Cal. Water Co.	61	0	0	1	1	0	0	5	10	10	10	3	0	0	38	39
Vandenberg AFB	834	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Buellton	74	0	0	0	0	0	0	14	14	14	14	18	0	0	74	74
Solvang (Billed to SY)	644	30	35	47	112	80	92	120	120	110	100	100	20	43	785	897
Santa Ynez ID#1	216	0	0	0	0	75	75	75	0	0	0	0	0	0	225	225
Goleta	3,421	377	332	338	1,047	308	378	102	304	307	280	354	152	388	2,573	3,620
Morehart Land Co.	214	10	10	10	30	10	10	10	10	10	10	10	10	10	90	120
La Cumbre	820	40	25	20	85	20	20	0	0	0	0	0	30	20	90	175
Raytheon	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Santa Barbara	899	0	0	0	0	100	130	154	270	276	178	30	0	0	1,138	1,138
Montecito	165	0	0	0	0	0	30	54	90	96	78	30	0	0	378	378
Carpinteria	578	0	0	0	0	0	20	36	140	136	52	20	0	0	404	404
Subtotal Santa Barbara:	9,844	458	736	417	1,611	594	756	847	1,244	1,245	999	851	213	462	7,211	8,822
Shandon		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chorro Valley		158	163	188	509	185	185	185	185	185	185	185	185	185	1,665	2,174
Lopez		106	132	179	417	199	199	199	199	199	135	180	147	138	1,595	2,012
Subtotal SLO County:		264	295	367	926	384	384	384	384	384	320	365	332	323	3,260	4,186
TOTAL ENTITLEMENT DELIVERIES	9,844	722	1,031	784	2,537	978	1,140	1,231	1,628	1,629	1,319	1,216	545	785	10,471	13,008
EXCHANGE DELIVERIES																
Santa Ynez-Exchange		0	0	0	0	0	(125)	(225)	(375)	(400)	(325)	(125)	0	0	(1,575)	(1,575)
Goleta-Exchange		0	0	0	0	0	45	81	135	144	117	45	0	0	567	567
Santa Barbara-Exchange		0	0	0	0	0	30	54	90	96	78	30	0	0	378	378
Montecito-Exchange		0	0	0	0	0	30	54	90	96	78	30	0	0	378	378
Carpinteria-Exchange		0	0	0	0	0	20	36	60	64	52	20	0	0	252	252
TOTAL EXCHANGE DELIVERIES		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lake Deliveries only		427	367	368		438	588	356	814	825	598	444	192	418		5,835

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



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 20, 2022

TO: CCWA Board of Directors

FROM: Ray A. Stokes
Executive Director

SUBJECT: 2022 Supplemental Water Purchase Program: Casitas Municipal Water District Transfer

SUMMARY

Pursuant to the 2022 Supplemental Water Purchase Program, Staff has identified a potential purchase opportunity from the Casitas Municipal Water District. Five CCWA Participants have elected to purchase a portion of the water to be purchased from the CMWD.

This report summarizes the proposed transfer and requests the Board of Directors' approval of the transfer and further requests authorization to execute the agreements required to effectuate the proposed transfer.

RECOMMENDATION

Staff recommends that the Board of Directors:

Adopt Resolution No. 22-03: A Resolution Of The Board Of Directors Of The Central Coast Water Authority Approving The 2022 Purchase Of Supplemental State Water Project Water Supplies From Casitas Municipal Water District

DISCUSSION

Due to prolonged drought conditions and low SWP "Table A Amount" for 2022, CCWA currently needs additional water supplies to supplement its 2022 supplies. CMWD will make available up to 250 acre-feet (AF) of CMWD's 2022 Annual Table A Amount, as that term is defined by the State Water Contract, for transfer to CCWA. CCWA will pay CMWD a rate of \$700 for every AF of water purchased, which will occur on execution of an agreement with DWR which incorporates the terms and conditions of the transfer. The point of delivery for the transfer is Banks Pumping Plant, a DWR facility, and all water delivered to CCWA will be used entirely within CCWA's service area and within the service area.

The Carpinteria Valley Water District, the City of Santa Barbara, the Santa Ynez River Conservation District – Improvement District No. 1 (on behalf of the City of Solvang), the City of Santa Maria, and the La Cumbre Mutual Water Company (each, a "CCWA Purchase Participant") have executed agreements with CCWA (CCWA Purchase Agreement) whereby each CCWA Purchase Participant has agreed to purchase a portion of the water made available by the proposed transfer, to pay its pro rata share of all costs associated with the proposed transfer, and to assume all obligations and liabilities associated with the proposed transfer.

Pursuant to the terms and conditions of the CCWA Purchase Agreements, CCWA Participants who are not also CCWA Purchase Participants have no financial or legal responsibility for the proposed transfer.

In order to effectuate the proposed transfer, the Board of Directors must approve the proposed transfer and authorize me to execute the necessary agreements, including an agreement with CMWD (the "Transfer Agreement") and an agreement with the Santa Barbara County Flood Control and Water Conservation District (the "SBCFCWCD Agreement").

Before executing the Transfer Agreement and SBCFCWCD Agreements, a number of conditions must be satisfied, including CCWA's receipt of each Purchase Participant's executed Purchase Agreement, deposit, and the certification required by section 4.2.3 of the CCWA Purchase Agreement.

ENVIRONMENTAL REVIEW

Pursuant to the authority granted to me by Section 4 of CCWA's Local Guidelines for Implementing the California Environmental Quality Act (CEQA), adopted January 22, 2015, I have determined that the proposed transfer is exempt from CEQA because:

- The transfer will facilitate the delivery of SWP water from one SWP contractor to another, using only existing DWR facilities and existing facilities in Santa Barbara and Ventura Counties and is intended to meet existing uses of water and would not support new development or a change in land use. (14 Cal. Code Regs. §§ 15061(b)(2), 15061(b)(3), 15301.)
- The transfer is entirely within the authorized SWP place of use.
- None of the exceptions to use of an exemption set forth in CEQA Guidelines section 15300.2 apply and the Transfer will not have a significant impact on the environment.

Attachment:

Resolution No. 22-03: A Resolution Of The Board Of Directors Of The Central Coast Water Authority Approving The 2022 Purchase Of Supplemental State Water Project Water Supplies From Casitas Municipal Water District

RESOLUTION NO. 22-03

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CENTRAL COAST WATER AUTHORITY APPROVING THE 2022 PURCHASE OF
SUPPLEMENTAL STATE WATER PROJECT WATER SUPPLIES FROM CASITAS
MUNICIPAL WATER DISTRICT**

Recitals

- A. The Central Coast Water Authority (“**CCWA**”) is a Joint Powers Agency formed pursuant to Government Code section 6500 et seq. and that certain Joint Exercise of Powers Agreement dated August 1, 1991, as amended.
- B. In 1963, the Santa Barbara County Flood Control and Water Conservation District (“**District**”) and the Department of Water Resources (“**DWR**”), acting on behalf of the State of California, executed that certain agreement dated February 26, 1963 for the supply and delivery of State Water Project (“**SWP**”) water (“**State Water Contract**”). The State Water Contract has been amended on numerous occasions, most recently by the Water Management Amendment in April, 2021.
- C. On November 12, 1991, the District and CCWA entered into the Transfer of Financial Responsibility Agreement whereby CCWA assumed full responsibility for all of the District’s obligations pursuant to the State Water Contract.
- D. CCWA entered into a series of “Water Supply Agreements” with various cities, water districts, and other water supply retailers who purchase and deliver water to their customers, and other end users, in Santa Barbara County (each a “**CCWA Participant**” and collectively, the “**CCWA Participants**”).
- E. On March 18, 2022, in light of developing drought conditions throughout California, DWR notified the parties that contract with DWR for SWP water (“**State Water Contractors**”) that SWP deliveries would be reduced to five percent of each State Water Contractor’s annual allocation of the SWP water supply for the upcoming water year. Accordingly, CCWA anticipates that its “Annual Table A Amount” of 45,486 acre-feet (AF) pursuant to the State Water Contract will be reduced for 2022 to as little as 2,275 AF. CCWA’s historical average annual delivery of SWP water is approximately 21,400 AF per year.
- F. The State Water Contract, as amended by the Water Management Amendment, allows for transfers of Annual Table A Amount. Casitas Municipal Water District (“**CMWD**”) has up to 250 AF of Annual Table A Amount available for transfer to CCWA in 2022.
- G. Several CCWA Participants have notified CCWA of a current need for water to supplement their respective annual water supplies. For that purpose, CCWA

seeks to purchase up to 250 AF of the 2022 Annual Table A Amount allocated to CMWD by DWR (the “**Transfer**”). The terms and conditions of the proposed Transfer are described in the 2022 Water Transfer Letter Agreement between CCWA and CMWD (“**Transfer Agreement**”), a copy of which is attached hereto as **Exhibit A**.

- H. The Transfer is subject to the terms and conditions of the State Water Contract, as amended by the Water Management Amendment, and requires DWR’s approval. DWR’s approval of the Transfer is anticipated in the form of a Change in Point of Delivery Agreement (“**DWR Agreement**”).
- I. The Carpinteria Valley Water District, the City of Santa Barbara, the Santa Ynez River Conservation District – Improvement District No. 1 (on behalf of the City of Solvang), the City of Santa Maria, and the La Cumbre Mutual Water Company (each, a “**CCWA Purchase Participant**”) have each executed agreements with CCWA (“**CCWA Purchase Agreement**”) whereby each CCWA Purchase Participant has agreed to purchase a portion of the water made available by the Transfer, to pay its pro rata share of all costs associated with the Transfer, and to be responsible for all obligations and liabilities associated with the Transfer. The CCWA Purchase Agreements with each of the CCWA Purchase Participants are substantially identical. A representative CCWA Purchase Agreement for the Transfer is attached hereto as **Exhibit B**.
- J. The CCWA Purchase Agreement includes numerous conditions precedent to the effectiveness of CCWA’s approval of the Transfer and execution of the associated agreements, including but not limited to CCWA’s receipt of payment and certification of certain matters required by Article 57(g) of the State Water Contract from each CCWA Purchase Participant.
- K. By email dated April 20, 2022, CCWA’s Executive Director transmitted a copy of the Transfer Agreement to all State Water Contractors and to the Water Transfers Committee of the State Water Contractors Association.
- L. Because the District remains the contracting party to the State Water Contract for Santa Barbara County, DWR requires the District’s execution of the DWR Agreement, on behalf of CCWA. To obtain the District’s execution of the DWR Agreement, it is anticipated that the District will require CCWA to indemnify the District from all liabilities associated with the DWR Agreement, as provided in the proposed Release, Assumption, Indemnification and Release Agreement (“**SBCFCWCD Agreement**”), a copy of which is attached hereto as **Exhibit C**.
- M. Prior to approving the Transfer and executing the associated agreements, CCWA must comply with the California Environmental Quality Act (“**CEQA**”). The CCWA Board of Directors has considered, agrees with, and incorporates herein all of the findings made by Staff in the Notice of Exemption attached hereto as **Exhibit D**, including but not limited to, the determinations that approval of the Transfer falls

within a categorical exclusion under CEQA and that none of the exceptions to use of an exemption set forth in CEQA Guidelines section 15300.2 apply and the Transfer will not have a significant impact on the environment.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1

The above recitals are true and correct and are incorporated herein as though set forth in full.

SECTION 2

As required by Article 57(g) of the State Water Contract, the Board of Directors finds:

1. CCWA has complied with all applicable laws.
2. CCWA has provided any required notices to public agencies and the public.
3. CCWA has provided the relevant terms to all contractors and to the Water Transfers Committee of the State Water Contractors Association.
4. CCWA is informed and believes that the Transfer will not harm other contractors.
5. CCWA is informed and believes that the Transfer will not adversely impact SWP operations.
6. CCWA is informed and believes that the Transfer will not affect its ability to make all payments, including payments when due under the State Water Contract for CCWA's share of the financing costs of the State's Central Valley Project Revenue Bonds.
7. CCWA has considered the potential impacts of the Transfer within its service area.

SECTION 3

Based on the findings set forth herein, the Board of Directors approves the Transfer. Subject to the Executive Director's determination that the DWR Agreement is consistent with the Transfer, as described in the Transfer Agreement, the Board of Directors agrees to be bound by the DWR Agreement.

This Resolution shall take effect immediately.

SECTION 4

The Board of Directors authorizes the Executive Director to do and cause to be done any and all acts and things necessary or proper for carrying out the Transfer, including but not limited to executing CCWA Purchase Agreements with each of the CCWA Purchase Participants and making such non-substantive modifications to the Transfer as may be required to obtain DWR's approval of the Transfer.

Upon satisfaction of all of the conditions set forth in each CCWA Purchase Agreement, the Board of Directors further authorizes the Executive Director to execute the Transfer Agreement and to execute the SBCFCWCD Agreement, as may be required to obtain the District's execution of the DWR Approval Agreement on behalf of CCWA, all on behalf of the CCWA Purchase Participants.

PASSED, APPROVED AND ADOPTED on April 28, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair of the Board

ATTEST:

I hereby certify that the foregoing resolution was adopted at a regular meeting of the Central Coast Water Authority held on April 28, 2022.

APPROVED AS TO FORM:

Brownstein Hyatt Farber Schreck LLP

Stephanie Osler Hastings

Exhibits:

- A. Agreement for Transfer of Table A Water between CCWA and CMWD
- B. Representative CCWA Purchase Agreement between CCWA and CCWA Purchase Participants for the Transfer
- C. Assignment, Assumption, Indemnification and Release Agreement between CCWA and the Santa Barbara County Flood Control and Water Conservation District
- D. Notice of Exemption re. Central Coast Water Authority and Casitas Municipal Water District 2022 Transfer of Table A Water



March 15, 2022

Michael L. Flood, General Manager
Casitas Municipal Water District
1055 Ventura Ave.
Oak View, CA 93022

Subject: 2022 Water Transfer Agreement

Dear Mr. Flood,

This letter agreement ("Agreement") documents and confirms the agreement that has been reached between the Central Coast Water Authority, ("CCWA") and Casitas Municipal Water District ("CMWD") for a transfer of water from the State Water Project.

BACKGROUND AND PURPOSE

In Santa Barbara County, CCWA is responsible for the State Water Contract between the Santa Barbara County Flood Control and Water Conservation District (SBCFCWCD) and the Department of Water Resources (DWR). In Ventura County, a portion of the Table A Amount made available by the State Water Contract between the Ventura County Flood Control District (VCFCD) and DWR has been allocated to CMWD.

As of the date of this Agreement, the DWR has approved an allocation of water from the SWP to CCWA and CMWD of 5% of the Table A Amounts set forth in their respective State Water Project Contracts for calendar year 2022. For CCWA, that equals an allocation of 2,274 acre- feet (AF) that CCWA will receive from the SWP in 2022. CCWA's allocation for 2022 is not sufficient to satisfy CCWA's need for imported water in 2022. CMWD has surplus water available to it and has agreed to transfer up to 250 AF of CMWD's 2022 Annual Table A Amount, as that term is defined by the State Water Contract, to CCWA for delivery in 2022, subject to the terms and conditions hereinafter set forth ("Transfer").

TERMS AND CONDITIONS

Condition Precedent

DWR's written approval of the Transfer is a condition precedent to the effectiveness of this Agreement. CCWA and CMWD anticipate that DWR's approval will be provided in the form of a Change in Point of Delivery Agreement ("DWR Approval").

In the event of a conflict between the terms of this Agreement and the DWR Approval, the terms of the DWR Approval shall govern.

Water Transfer to CCWA

CMWD shall make available and CCWA shall take delivery of up to 250 AF of CMWD's Annual Table A Amount in 2022. By March 31, 2022, CMWD shall provide written notice to CCWA of the final quantity of Table A Amount to be made available to

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

CCWA for delivery in 2022. Within 2 weeks of receiving written notice from CMWD of the total quantity of water made available to CCWA, CCWA shall provide notice to CMWD of the quantity of available water that CCWA would like to receive, up to the total amount made available. The Transfer will occur as provided in the DWR Approval. The point of delivery for the Transfer is Banks Pumping Plant.

Places of Use

The water delivered to CCWA in 2022 pursuant to this Agreement shall be used entirely within CCWA's service area.

Notice of Exemption

Because all of the water delivered to CCWA and to CMWD pursuant to this Agreement will be delivered through existing facilities, without the construction of additional facilities to effect such deliveries, CCWA and CMWD agree that the Transfer described herein constitutes a project that is exempt from CEQA pursuant to Sections 15061(b)(3) and 15301 of the State CEQA Guidelines. Furthermore, the Transfer, which is a temporary water transfer, qualifies for a Statutory Exemption under CEQA as follows: Section 15282 (u) Temporary changes in the point of diversion, place of use, of purpose of use due to a transfer or exchange of water or water rights as set forth in Section 1729 of the Water Code.

CCWA and CMWD each shall file, in their respective counties, a Notice of Exemption for the Transfer with the applicable County Clerk/Recorder.

Pricing and Transaction Costs

CCWA shall pay CMWD a rate of \$700 for every AF of water CCWA agrees to purchase from CMWD pursuant to the Transfer; payment shall be made within 30 days of the invoice date.

Additionally, CCWA shall be responsible for the DWR variable costs for the water delivered to CCWA.

Additionally CCWA shall be responsible for any administrative or other transactional costs charged by DWR for DWR's Approval and for the preparation and processing of such other approvals as may be necessary to affect the Transfer.

Notwithstanding the foregoing, CMWD and CCWA shall each be responsible for their own transaction costs, including but not limited to legal and consulting costs incurred in the preparation, review and implementation of this Agreement, the DWR Approval, and any other documents and approvals that may be required.

Cooperation

CCWA and CMWD each agrees to cooperate with each other to request and obtain the DWR Approval of the Transfer described in this Agreement and with the processing of such other documents and approvals as may be necessary to affect the Transfer described herein.

Costs of Defense

In the event of any legal action by a third party to challenge this Agreement and/or the water transfer described herein, CCWA and CMWD agree to cooperate in the defense thereof and to share equally in the costs of such defense, utilizing counsel mutually acceptable to the parties.

Force Majeure

In the event that an unavoidable event renders the performance of this Agreement impossible or infeasible, the parties hereto shall be excused from the performance thereof, with a corresponding refund or adjustment of the payments required herein as may be necessary to achieve financial equity as between the parties for that portion of the Agreement that cannot be performed; provided, however, that CCWA and CMWD shall first coordinate with DWR to determine whether alternate performance may be possible pursuant to an alternate schedule for completion of performance.

Authority

The undersigned representatives of CCWA and CMWD hereby represent that they are authorized to execute the Agreement for the party on whose behalf this Agreement is executed.

Notice


Written notice may be provided by either party to the other by first-class mail, postage prepaid, to the following addresses:

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

Casitas Municipal Water District
1055 Ventura Ave.
Oak View, CA 93022
Attn: Michael L. Flood, General Manager

If acceptable, sign below acknowledging your agreement to these terms and conditions.

Sincerely,


Ray A. Stokes
Executive Director

Michael L. Flood
Page 4 of 4
March 15, 2022

CASITAS MUNICIPAL WATER DISTRICT

By: 
Michael L. Flood, General Manager

Date: March 18, 2022

CENTRAL COAST WATER AUTHORITY

2022 SUPPLEMENTAL WATER PURCHASE PROGRAM

PURCHASE AGREEMENT
re. Casitas Municipal Water District

This Supplemental Water Purchase Program Purchase Agreement (“**Agreement**”) is made as of April 12, 2022 by

CENTRAL COAST WATER AUTHORITY (“**CCWA**”)

and

CITY OF SANTA MARIA (“**Contractor**”) (each, a “**Party**,” and together, the “**Parties**”).

RECITALS

A. Pursuant to the Transfer of Financial Responsibility Agreement, the Santa Barbara County Flood Control and Water Conservation District (“**SBCFCWCD**”) transferred to CCWA, and CCWA accepted and assumed, all rights and obligations to the State Water Supply Contract between SBCFCWCD and the Department of Water Resources (“**DWR**”) that provides for the delivery of water from California’s State Water Project to portions of Santa Barbara County.

B. Additionally, CCWA owns, operates and maintains water conveyance, storage and treatment facilities to deliver water made available to CCWA pursuant to the State Water Supply Contract to cities, water districts and other water purveyors and users in portions of Santa Barbara County pursuant to one or more water supply agreements (collectively, the “**CCWA Participants**”).

C. CCWA and Contractor are parties to a Water Supply Agreement, as amended from time to time, related to the matters described in Recitals A and B.

D. Due to persistent drought conditions, it is anticipated that the State Water Project will be unable to deliver to CCWA the quantity of water needed by CCWA for delivery to the CCWA Participants. Accordingly, CCWA implemented the 2022 Supplemental Water Purchase Program.

E. CCWA and Contractor entered into a 2022 Supplemental Water Purchase Program Participation Agreement (“**Participation Agreement**”). Pursuant to Contractor’s Participation Agreement, CCWA has identified an opportunity to purchase a source of supply from Casitas Municipal Water District (“**Seller**”) to supplement the supply provided for in Contractor’s Water Supply Agreement (“**Supplemental Water**”) on behalf of Contractor and Contractor has determined to participate in the purchase of Supplemental Water and has submitted to CCWA a Statement of Intent (as that term is defined in the Participation Agreement) related thereto. All references to the “purchase” of water herein include both transfers of water and exchanges of water.

F. The Parties anticipate that one or more other CCWA Participants, having also submitted a Statement of Intent pursuant to a Participation Agreement with CCWA, have or will elect to participate in the purchase of Supplemental Water and have or will execute a Purchase Agreement in substantially the same form as this Agreement for that purpose. Contractor and these other participating CCWA Participants are collectively referred to herein as “**Purchase Contractors**.”

G. The Parties anticipate that numerous approvals will be required to effectuate CCWA’s acquisition of Supplemental Water from Seller and delivery to Contractor (the “**Transfer/Exchange**”), including DWR’s approval of the Transfer/Exchange in the form of a contract (“**DWR Approval Agreement**”), and that the DWR Approval Agreement will require that SBCFCWCD, as party to the State Water Contract, execute the DWR Approval Agreement on behalf of CCWA and further, that as a condition precedent to executing the DWR Approval

Agreement, SBCFCWCD will require CCWA to enter into an SBCFCWCD Agreement, as this term is defined in Paragraph 4.3 of this Agreement, to indemnify and release the SBCFCWCD from any liabilities arising from or related to the Transfer/Exchange.

H. The Parties desire to enter into this Agreement to set forth the rights, responsibilities and obligations of the Parties as it relates to the proposed Transfer/Exchange.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual representations, warranties, covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follow:

AGREEMENT

1. Purpose and Intent. The purpose of this Agreement is to provide for CCWA's acquisition and delivery of Supplemental Water on behalf of Contractor in exchange for Contractor's payment of its pro-rata share of CCWA's Total Expenses, as that term is defined in Paragraph 5.3, and assumption of all liability arising out of and associated with such activities, should CCWA's Board of Directors approve the Transfer/Exchange. It is the intention of the Parties that neither CCWA, nor any CCWA Participant that is not a Purchase Contractor shall incur any expense or liability related to or arising under this Agreement or the related Transfer/Exchange.

2. Compliance with all Laws. The Parties' respective obligations pursuant to this Agreement are contingent upon compliance with all applicable laws and legal requirements associated with the Transfer/Exchange, including but not limited to the California Environmental Quality Act (Pub. Res. Code, § 21000 et seq.) ("**CEQA**"), and securing any required consents, approvals, permits or orders necessary to effectuate the Transfer/Exchange. Contractor acknowledges that CCWA retains sole and absolute discretion with respect to whether to approve or not approve the Transfer/Exchange. CCWA is not restricted from considering any feasible mitigation measures and alternatives, including not approving the Transfer/Exchange.

3. Acquisition, Delivery, Acceptance and Assumption

3.1 CCWA agrees to acquire and deliver to Contractor, and Contractor agrees to purchase and accept delivery of, Supplemental Water to be provided to CCWA by Seller pursuant to, and subject to the terms and conditions of (a) the proposed agreement between CCWA and Seller ("**Transfer/Exchange Agreement**"), a copy of which is attached hereto as **Exhibit A**, and (b) the DWR Approval Agreement. The quantity of Supplemental Water being purchased by CCWA for Contractor ("**Purchase Amount**") shall be as stated in the table attached hereto as **Exhibit B** and incorporated herein.

4. Procedure and Conditions

4.1 CCWA's Board of Directors will hold a regular meeting to consider whether to approve or deny the Transfer/Exchange Agreement by adopting a resolution or other appropriate document in compliance with the State Water Contract and all applicable laws and authorizing the CCWA Executive Director to execute all agreements necessary to effectuate the Transfer/Exchange, as further provided in this Paragraph 4.

4.2 CCWA's Board of Directors' consideration of the Transfer/Exchange Agreement is expressly conditioned upon, and subject to, all of the following:

4.2.1 CCWA, acting in its sole and absolute discretion, shall comply with CEQA and all other applicable laws.

4.2.2 Contractor shall have delivered the deposit and all other payments due to CCWA pursuant to this Agreement and shall not be in default of this Agreement or Contractor's Participation Agreement.

4.2.3 Contractor shall have certified by resolution or other appropriate document all of the matters set forth in this Paragraph 4.2.3 and delivered said certification to CCWA.

a. Contractor has complied with all applicable laws, including as applicable, CEQA.

b. Contractor has provided any required notices to public agencies and the public.

c. Contractor is informed and believes that the Transfer/Exchange will not harm other CCWA Participants or State Water Contractors.

d. Contractor is informed and believes that the Transfer/Exchange will not adversely impact CCWA or State Water Project operations.

e. Contractor is informed and believes that the Transfer/Exchange will not affect its ability to make all payments, including payments when due under the Water Supply Agreement and this Agreement.

f. Contractor has considered the potential impacts of the Transfer/Exchange within its service area.

4.1 CCWA Execution of Transfer/Exchange Agreement. In the event CCWA's Board of Directors approves the Transfer/Exchange, CCWA's Executive Director will endeavor to timely execute the Transfer/Exchange Agreement.

4.2 Review of DWR Approval Agreement. Upon receipt of the proposed DWR Approval Agreement for the Transfer/Exchange, CCWA will endeavor to timely deliver the DWR Approval Agreement to Contractor for Contractor's review and approval of the terms and conditions of the Transfer/Exchange. In turn, Contractor will timely notify CCWA whether Contractor agrees to the terms and conditions of the Transfer/Exchange as set forth in the DWR Approval Agreement.

4.3 SBCFCWCD Agreement As may be required to obtain the SBCFCWCD's execution of any DWR Approval Agreement, Contractor requests that CCWA agree to indemnify SBCFCWCD by executing an Assignment, Assumption and Indemnification Agreement in the form attached hereto as **Exhibit C ("SBCFCWCD Agreement")**. Upon CCWA's execution of the SBCFCWCD Agreement, as provided in this Paragraph 4.3, the Parties agree and acknowledge that Contractor agrees to and shall be bound to CCWA under the terms of the SBCFCWCD Agreement, just as CCWA is bound to SBCFCWCD by the terms of the SBCFCWCD Agreement. Contractor also shall be bound to CCWA under the terms of any other commitments by CCWA in connection with the Transfer/Exchange, just as CCWA is bound under said commitments.

4.3.2 Upon receipt of Contractor's notice that it agrees to the terms and conditions of the Transfer/Exchange as set forth in the DWR Approval Agreement, and provided that Contractor has satisfied all obligations and conditions precedent set forth in this Agreement, and further provided that CCWA's Board of Directors has approved the Transfer/Exchange, CCWA's Executive Director will endeavor to timely execute and deliver the SBCFCWCD Agreement to SBCFCWCD and request SBCFCWCD's execution of the DWR Approval Agreement on behalf of CCWA.

4.4 Delivery. In the event DWR approves the Transfer/Exchange pursuant to the terms and conditions of the State Water Contract and all contracting parties to the DWR Approval Agreement execute the DWR Approval Agreement, CCWA shall coordinate with DWR and arrange for delivery of the Supplemental Water to Contractor pursuant to the terms and conditions of the DWR Approval Agreement and Contractor's Water Supply Agreement. In the event of a conflict between this Agreement and the Water Supply Agreement, the terms and conditions of this Agreement shall prevail.

4.5 Failure of Conditions. In the event DWR approval is not obtained, or all contracting parties to the DWR Approval Agreement fail to execute the DWR Approval Agreement, CCWA may terminate this Agreement as provided in Paragraph 11.2.

5. Allocation of Costs; Deposit; Contractor Payment

5.1 Contractor shall pay to CCWA Contractor's pro-rata share of CCWA's Total Expenses (as defined in Paragraph 5.3), which pro-rata share shall be equal to Contractor's Purchase Amount divided by the sum of such quantities for all Purchase Contractors, as stated in Exhibit B.

5.2 For Total Expenses arising from services that are of benefit to only one Purchase Contractor, that Purchase Contractor shall pay for the Total Expenses related to said services.

5.3 **“Total Expenses”** shall include (i) all payments made by CCWA to Seller pursuant to the Transfer/Exchange Agreement (**“Transfer/Exchange Agreement Expenses”**), and (ii) all out-of-pocket expenditures made by CCWA pursuant to this Agreement (**“CCWA Administrative Expenses”**). CCWA Administrative Expenses shall include, but not be limited to, consultant and legal expenses, any expenses associated with CCWA’s compliance with CEQA, any expenses associated with securing any required approvals, any expenses incurred by CCWA in defense of this Agreement, and any other costs related to or arising under this Agreement.

5.4 Deposit. Prior to execution of this Agreement, CCWA prepared and delivered to Contractor an estimate of the Contractor’s anticipated financial obligations hereunder with respect to the Transfer/Exchange. Concurrently with execution of this Agreement, Contractor shall place on deposit with CCWA the amount stated in the estimate.

5.5 Invoices and Payments. In the event CCWA reasonably determines that the deposit paid by Contractor to CCWA pursuant to Paragraph 5.4 will be insufficient to cover Contractor’s financial obligations hereunder, CCWA is authorized to deliver to the Contractor a revised estimate of those financial obligations and an invoice for an additional deposit. Contractor shall remit the amount stated in the invoice within thirty (30) days of receipt.

5.6 Reconciliation. Upon termination of this Agreement, CCWA shall provide to Contractor an accounting of the actual amounts Contractor is obligated to pay hereunder. Any overpayment by Contractor shall be promptly refunded by CCWA and any underpayment by Contractor shall be promptly paid to CCWA. For clarity, in the event that (i) the conditions precedent set forth in Paragraph 4.2 are not satisfied, and/or (ii) CCWA approval or any other approval required by the Transfer/Exchange is not received, CCWA shall only be obligated to refund Contractor’s deposit of its Transfer/Exchange Agreement Expenses. CCWA shall not be obligated to refund Contractor’s pro-rata share of incurred CCWA Administrative Expenses.

6. Cooperation; Purchase Contractor’s Representative; Coordination Among Purchase Contractors

6.1 Cooperation. Contractor acknowledges that CCWA’s ability to purchase and deliver Supplemental Water to Contractor, as provided in this Agreement, requires Contractor’s cooperation. Contractor shall reasonably cooperate with CCWA, at CCWA’s request, in all ways as may be necessary to carry out the terms and conditions of this Agreement.

6.2 Contractor’s Representative. Upon Contractor’s execution of this Agreement, Contractor shall provide to CCWA a written Designation of Representative, in a form approved by CCWA, identifying Contractor’s authorized representative with full authority to grant, provide and enter into, by and on behalf of Contractor, any and all consents, approvals, instructions, authorizations or agreements by Contractor in connection with this Agreement (collectively, **“Contractor Directions”**). CCWA shall be entitled to rely upon, without inquiry, the full authority of Contractor’s designated representative. Without limiting the foregoing, Contractor’s representative shall be solely responsible for requesting and obtaining in advance any special or further authorizations on behalf of Contractor that may be necessary in connection with any Contractor Direction given to CCWA hereunder and CCWA may assume, without further inquiry, that all such authorizations have been obtained. Contractor may designate a different individual as its representative in connection with this Agreement at any time by providing written notice to CCWA pursuant to this Paragraph.

6.3 Coordination Among Purchase Contractors. If there is more than one Purchase Contractor, a committee shall be created with each Purchase Contractor’s designated representative as stated in Paragraph 6.2 (the **“Committee”**). The Committee shall be authorized to advise CCWA with respect to CCWA’s duties under this Agreement, and to perform such other functions as the Purchase Contractors shall deem appropriate. Each member of the Committee shall have a weighted vote corresponding to the particular Purchase Contractor’s Purchase Amount. A quorum shall consist of those members of the Committee holding at least 50% of the voting percentages. Committee decisions shall be made by the following vote:

6.3.1 If the Committee has two members, a majority of the voting percentages shall be necessary to adopt a motion.

6.3.2 If the Committee has three or more members, sixty percent (60%) of the voting percentages, plus the affirmative vote of at least two members, shall be necessary to adopt a motion.

7. Obligation in the Event of Default

7.1 Written Demand Upon Failure to Make Payment or Perform Obligation. Upon Contractor's failure to make any payment in full when due under this Agreement or to perform any other obligation hereunder, CCWA shall make written demand upon Contractor, and if such failure is not remedied within thirty (30) days from the date of such demand, such failure shall constitute a default. CCWA shall also provide a copy of the notice of such demand to each Purchase Contractor. Upon failure of CCWA to perform any obligation of CCWA hereunder, Contractor shall make written demand upon CCWA, and if said failure is not remedied within thirty (30) days from the date of such demand, such failure shall constitute a default. Contractor shall also provide a copy of the notice of such demand to each Purchase Contractor.

7.2 Failure to Make Payment. Upon Contractor's failure to make any payment, which failure constitutes a default under this Agreement or any other agreement related to this Agreement to which CCWA is a party, CCWA may terminate this Agreement as provided in Paragraph 11.2.

7.3 Increase in Non-defaulting Contractor Costs. Upon the failure of any Purchase Contractor to make any payment under its respective Purchase Agreement, the pro-rata share of each non-defaulting Purchase Contractor shall be automatically increased (pro rata with the other non-defaulting Purchase Contractors) for the remaining term of the non-defaulting Contractor's Agreement to Purchase. Contractor acknowledges and agrees that Contractor's pro rata share of Total Expenses may increase as a result of a default by another Purchase Contractor.

7.4 Right of Recovery from Defaulting Purchase Contractor. If a Purchase Contractor shall fail or refuse to pay any amounts due to CCWA under its respective Purchase Agreement, the non-defaulting Purchase Contractors' increased obligations to make such payments shall not relieve the defaulting Purchase Contractor of its liability for such payments. Each non-defaulting Purchase Contractor shall have a right of recovery from the defaulting Purchase Contractor to the extent of such non-defaulting Purchase Contractor's respective increase in obligation caused by the defaulting Purchase Contractor. Any amounts received by CCWA from the defaulting Purchase Contractor for costs that were previously paid by a non-defaulting Purchase Contractor pursuant to Paragraph 7.3, shall be reimbursed by CCWA to the non-defaulting Purchase Contractor.

7.5 Transfer of Defaulting Contractor's Account. Upon the failure of any Purchase Contractor to make any payment which failure constitutes an uncured default under its respective Purchase Agreement, CCWA shall use its best efforts to transfer all or a portion of the Supplemental Water to which the defaulting Purchase Contractor is entitled for all or a portion of the remainder of the term of this Agreement to the non-defaulting Purchase Contractors on a pro rata basis. Notwithstanding that all or any portion of a defaulting Purchase Contractor's Supplemental Water is so transferred, any and all defaulting Purchase Contractors shall remain liable to CCWA and/or to any and all non-defaulting Purchase Contractors to pay the full amount of their costs in accordance with their respective Purchase Agreements as if such transfer has not been made.

8. Disclaimer of Liability

8.1 Contractor acknowledges and agrees that CCWA is in good faith facilitating the Transfer/Exchange on behalf of Contractor and the other Purchase Contractors, in exchange for the Purchase Contractors' full reimbursement of CCWA's Total Expenses and full assumption of CCWA's liabilities related to or arising out of this Agreement and any related agreements pertaining to the Transfer/Exchange. As a result, it is the intent and agreement of the Contractor and CCWA that CCWA shall not incur any liability for such assistance to Contractor for any cause, except for CCWA's sole negligence, willful misconduct, or breach of contract.

8.2 To the maximum extent permitted by law, neither CCWA, nor any of its elected officials, officers, agents, employees, consultants, or attorneys, nor any of the CCWA Participants who are not also Purchase Contractors, shall be liable to Contractor pursuant to this Agreement or otherwise for any claims, liabilities, damages, losses, actions, penalties, proceedings, or expenses in the event any condition precedent to this Agreement is not satisfied, any approval required to permit the Transfer/Exchange is not obtained or is conditioned in any manner that is not acceptable to Contractor, or Supplemental Water is not delivered to CCWA, or CCWA is unable to deliver the Supplemental Water to Contractor for any reason, except for CCWA's sole negligence, willful misconduct, or breach of contract.

9. Indemnification and Defense

9.1 Indemnification. Contractor ("**Indemnifying Party**") agrees to indemnify, defend, protect and hold harmless CCWA and its officers, directors, employees, agents, consultants and attorneys and CCWA Participants who are not also Purchase Contractors (each an "**Indemnified Party**" and collectively, the "**Indemnified Parties**") from and against any and all claims, actions, liabilities, damages, losses and expenses, including attorneys', paralegals', consultants', and experts' fees, costs and expenses, arising from or relating to this Agreement and any related agreements pertaining to the Transfer/Exchange, whether claims, actions, liabilities, damages, losses or expenses arise prior to or following termination or expiration of this Agreement, except to the extent any liability, loss, cost or expense is caused by the Indemnified Party's sole negligence, willful misconduct or breach of contract.

9.2 Defense of Action. If requested by the Indemnified Party, the Indemnifying Party shall assume on behalf of the Indemnified Party, and conduct with due diligence and in good faith, the defense of such Indemnified Party with counsel reasonably satisfactory to the Indemnified Party; provided, however, that if the Indemnifying Party is a defendant in any such action and the Indemnified Party reasonably believes that there may be legal defenses available to it that are inconsistent with those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to participate in its defense of such action at the Indemnifying Party's expense. If any claim, action, proceeding or investigation arises as to which the indemnity provided for in Paragraph 9.1 applies, and the Indemnifying Party fails to assume the defense of such claim, action, proceeding or investigation after having been requested to do so by the Indemnified Party, then the Indemnified Party may, at the Indemnifying Party's expense, contest or, with the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, settle such claim, action, proceeding or investigation. All costs and expenses incurred by the Indemnified Party in connection with any such contest or settlement shall be paid upon demand by the Indemnifying Party.

10. Remedies

10.1 If either Party does not timely perform its obligations pursuant to this Agreement, CCWA shall be entitled to proceed to protect and enforce its rights as provided in this Agreement by such appropriate judicial proceedings as said Party may shall deem most effectual, either by suit in equity or by action at law, whether for the specific performance of any covenant or agreement contained herein or to enforce any other legal or equitable right vested by this Agreement or by law. The provisions of this Agreement and the duties of each Party and of its elected officials, officers, agents, or employees shall be enforceable by CCWA by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

10.2 The Parties agree that in the event of a Default or breach of this Agreement, the other Party shall have all remedies in law or equity available to them, including specific performance and termination of this Agreement, and no remedy or election shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.

11. Term; Termination

11.1 Except as otherwise provided in this Agreement, the term of this Agreement shall commence on the last date this Agreement is executed by both Parties ("**Effective Date**"), and shall continue until the termination of the DWR Approval Agreement, or until Contractor's final payment to CCWA of all costs attributable to this Agreement, whichever is later.

11.2 In the event any of the conditions required by this Agreement are not satisfied, CCWA may terminate this Agreement with notice to Contractor.

11.3 In the event Contractor fails to make any payment required by this Agreement, CCWA may terminate this Agreement with notice to Contractor.

11.4 This Agreement may be terminated by CCWA at any time, provided all Purchase Contractors agree in writing thereto.

11.5 Notwithstanding any provision in this Agreement to the contrary, the payment obligations of Contractor to CCWA under this Agreement shall continue in full force and effect and the obligations set forth in Paragraphs 4.3, 7, 8, 9, and 10 shall survive in full force and effect until the expiration of the applicable statute of limitations, or any claim or litigation concerning this Agreement within the applicable statute of limitations is finally resolved, whichever occurs later.

12. General Provisions

12.1 Assignability. This Agreement shall not be assigned by Contractor without the prior written consent of CCWA, which consent shall not be unreasonably withheld. Any attempted assignment without the prior written approval of CCWA shall be void.

12.2 Attorneys' Fees. In any action to enforce or interpret this Agreement, the prevailing party shall recover from the non-prevailing party, in addition to any damages, injunctive or other relief, all costs (whether or not allowable as "cost" items by law) reasonably incurred by the prevailing party at, before and after trial or on appeal, or in any bankruptcy proceeding, including attorneys' and witness (expert and otherwise) fees, deposition costs, copying charges and other expenses.

12.3 Construction. The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of all parts of this Agreement shall be construed simply according to its plain meaning. Any rule of contract interpretation to the effect that ambiguities or uncertainties are to be interpreted against the drafting party or the party who caused it to exist shall not be employed in the interpretation of this Agreement or any document executed in connection herewith, as each party has participated in the drafting of this document and had the opportunity to have their legal counsel review it. The Recitals to this Agreement are incorporated herein and made a part hereof by this reference. The headings in this Agreement are for convenience of reference only and shall not be used in construing this Agreement. The defined terms in this Agreement shall apply equally to both the singular and the plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The terms "person" and "party" include individuals, corporations, partnerships, trust, and other entities and associations. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

12.4 Counterparts; Delivery by Email. The Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document. The signature of any Party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. Any Party may deliver its signed counterpart of the Agreement to the other Party by email, and such delivery shall be deemed made and completed upon receipt of such email transmission by the other Party. Any Party delivering a signed counterpart by email agrees to promptly send the counterpart bearing its original signature to the other Party; provided that a delay or failure to do so shall not negate the effectiveness of the delivery made by the email transmission.

12.5 Due Authority. Each Party hereby represents and warrants that the individual(s) executing this Agreement are expressly authorized to do so on behalf of such Party and to bind that party to perform all acts required by this Agreement, and that the consent, approval, or execution of or by any additional person or party is not required to legally bind that party to the terms and conditions of this Agreement.

12.6 Entire Agreement; Modification. The making, execution and delivery of this Agreement have not been induced by any representations, statements, warranties or agreements other than those herein expressed. This Agreement constitutes the entire agreement and

understanding of the Parties concerning the subject matter hereof. This Agreement supersedes all prior negotiations, agreements, representation and understandings of the Parties relating to the subject matter hereof, including Participation Agreements from prior years. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both Parties.

12.7 Good Faith. The Parties agree to exercise their best efforts and utmost good faith to effectuate all the terms and conditions of this Agreement and to execute such further instruments and documents as are necessary or appropriate to effectuate all of the terms and conditions of this Agreement.

12.8 Governing Law; Venue. This Agreement and all matters relating to this Agreement shall be governed by the laws of the State of California, without regard to principles of conflicts of laws. Venue for any disputes under this Agreement shall be in Santa Barbara County, California.

12.9 Legal Advice. Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions of this Agreement.

12.10 No Agency. This Agreement shall not create, nor shall it be construed to create, any agency, partnership or similar relationship among the Parties.

12.11 Notices. All notices, approvals, acceptances, requests, demands and other communications required or permitted under this Agreement, to be effective, shall be in writing and shall be delivered, either in person or by email or by Federal Express or other similar overnight delivery service, to the party to whom the notice is directed at the address of such party as follows:

If to Authority:

Central Coast Water CCWA
255 Industrial Way
Buellton, CA 93427
Attn: Ray Stokes, Executive Director
Telephone: (805) 688-2292
Email: RAS@ccwa.com

If to Contractor:

City of Santa Maria
2065 East Main Street
Santa Maria, CA 93454
Attn: Shad Springer, Director of Utilities
Telephone: (805) 925-0951, ext. 7211
Email: sspringer@cityofsantamaria.org

Any communication given by email shall be deemed delivered on such mailing date and any communication given by overnight service shall be deemed delivered one (1) business day after the dispatch date. Either party may change its email and overnight service addresses by giving the other party written notice of its new addresses.

12.12 Severability. If any provision of this Agreement or its application to any party or circumstance is held invalid or unenforceable, then the remainder of this Agreement and the affected provision to the extent it is not so held shall remain valid and enforceable and in full force and effect. The forgoing shall not apply, however, if the invalid or unenforceable provision in question or, as applicable, the portion or application thereof held invalid or unenforceable, is a fundamental and material provision of this Agreement.

12.13 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

12.14 Third Party Beneficiary; Enforcement. The Parties agree that this Agreement is for the benefit of (i) Contractor, (ii) CCWA, (iii) other Purchase Contractors, and (iv) all CCWA Participants, and all of the aforementioned entities and persons shall be entitled to enforce the provisions of this Agreement.

12.15 Time of the Essence. Except as otherwise provided in this Agreement, time is of the essence with respect to this Agreement and the performance of each and every obligation contained in this Agreement.

12.16 Time for Performance. Notwithstanding any provision of this Agreement to the contrary, in the event a Party fails to perform any obligation under this Agreement (other than an obligation to pay money) because of strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, government or judicial actions, inclement weather or other causes beyond its reasonable control, that failure will not constitute a default under this Agreement, and the performance in question will be excused during the period in which the cause for failure continues.

–signatures follow on next page–

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

CENTRAL COAST WATER AUTHORITY

DocuSigned by:
By: Ray A. Stokes
Name: Ray A. Stokes
Title: Executive Director

Approved as to form:

Brownstein Hyatt Farber Schreck

DocuSigned by:
By: Stephanie Osler Hastings
Name: Stephanie Osler Hastings

CITY OF SANTA MARIA

DocuSigned by:
By: Shad Springer
Name: Shad S. Springer
Title: Director of Utilities

Approved as to form:

Thomas T. Watson, City Attorney

DocuSigned by:
By: Thomas T. Watson

- Exhibit A:** Transfer/Exchange Agreement between CCWA and Seller
- Exhibit B:** All Purchase Contractors' Purchase Amounts and Share of Total Expenses
- Exhibit C:** Form of SBCFCWCD Agreement

Exhibit A

Transfer/Exchange Agreement between CCWA and Seller



March 15, 2022

Michael L. Flood, General Manager
Casitas Municipal Water District
1055 Ventura Ave.
Oak View, CA 93022

Subject: 2022 Water Transfer Agreement

Dear Mr. Flood,

This letter agreement ("Agreement") documents and confirms the agreement that has been reached between the Central Coast Water Authority, ("CCWA") and Casitas Municipal Water District ("CMWD") for a transfer of water from the State Water Project.

BACKGROUND AND PURPOSE

In Santa Barbara County, CCWA is responsible for the State Water Contract between the Santa Barbara County Flood Control and Water Conservation District (SBCFCWCD) and the Department of Water Resources (DWR). In Ventura County, a portion of the Table A Amount made available by the State Water Contract between the Ventura County Flood Control District (VCFCD) and DWR has been allocated to CMWD.

As of the date of this Agreement, the DWR has approved an allocation of water from the SWP to CCWA and CMWD of 5% of the Table A Amounts set forth in their respective State Water Project Contracts for calendar year 2022. For CCWA, that equals an allocation of 2,274 acre- feet (AF) that CCWA will receive from the SWP in 2022. CCWA's allocation for 2022 is not sufficient to satisfy CCWA's need for imported water in 2022. CMWD has surplus water available to it and has agreed to transfer up to 250 AF of CMWD's 2022 Annual Table A Amount, as that term is defined by the State Water Contract, to CCWA for delivery in 2022, subject to the terms and conditions hereinafter set forth ("Transfer").

TERMS AND CONDITIONS

Condition Precedent

DWR's written approval of the Transfer is a condition precedent to the effectiveness of this Agreement. CCWA and CMWD anticipate that DWR's approval will be provided in the form of a Change in Point of Delivery Agreement ("DWR Approval").

In the event of a conflict between the terms of this Agreement and the DWR Approval, the terms of the DWR Approval shall govern.

Water Transfer to CCWA

CMWD shall make available and CCWA shall take delivery of up to 250 AF of CMWD's Annual Table A Amount in 2022. By March 31, 2022, CMWD shall provide written notice to CCWA of the final quantity of Table A Amount to be made available to

Eric Friedman
Chairman

Ed Andrisek
Vice Chairman

Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

Michael L. Flood
Page 2 of 4
March 15, 2022

CCWA for delivery in 2022. Within 2 weeks of receiving written notice from CMWD of the total quantity of water made available to CCWA, CCWA shall provide notice to CMWD of the quantity of available water that CCWA would like to receive, up to the total amount made available. The Transfer will occur as provided in the DWR Approval. The point of delivery for the Transfer is Banks Pumping Plant.

Places of Use

The water delivered to CCWA in 2022 pursuant to this Agreement shall be used entirely within CCWA's service area.

Notice of Exemption

Because all of the water delivered to CCWA and to CMWD pursuant to this Agreement will be delivered through existing facilities, without the construction of additional facilities to effect such deliveries, CCWA and CMWD agree that the Transfer described herein constitutes a project that is exempt from CEQA pursuant to Sections 15061(b)(3) and 15301 of the State CEQA Guidelines. Furthermore, the Transfer, which is a temporary water transfer, qualifies for a Statutory Exemption under CEQA as follows: Section 15282 (u) Temporary changes in the point of diversion, place of use, of purpose of use due to a transfer or exchange of water or water rights as set forth in Section 1729 of the Water Code.

CCWA and CMWD each shall file, in their respective counties, a Notice of Exemption for the Transfer with the applicable County Clerk/Recorder.

Pricing and Transaction Costs

CCWA shall pay CMWD a rate of \$700 for every AF of water CCWA agrees to purchase from CMWD pursuant to the Transfer; payment shall be made within 30 days of the invoice date.

Additionally, CCWA shall be responsible for the DWR variable costs for the water delivered to CCWA.

Additionally CCWA shall be responsible for any administrative or other transactional costs charged by DWR for DWR's Approval and for the preparation and processing of such other approvals as may be necessary to affect the Transfer.

Notwithstanding the foregoing, CMWD and CCWA shall each be responsible for their own transaction costs, including but not limited to legal and consulting costs incurred in the preparation, review and implementation of this Agreement, the DWR Approval, and any other documents and approvals that may be required.

Cooperation

CCWA and CMWD each agrees to cooperate with each other to request and obtain the DWR Approval of the Transfer described in this Agreement and with the processing of such other documents and approvals as may be necessary to affect the Transfer described herein.

Michael L. Flood
Page 3 of 4
March 15, 2022

Costs of Defense

In the event of any legal action by a third party to challenge this Agreement and/or the water transfer described herein, CCWA and CMWD agree to cooperate in the defense thereof and to share equally in the costs of such defense, utilizing counsel mutually acceptable to the parties.

Force Majeure

In the event that an unavoidable event renders the performance of this Agreement impossible or infeasible, the parties hereto shall be excused from the performance thereof, with a corresponding refund or adjustment of the payments required herein as may be necessary to achieve financial equity as between the parties for that portion of the Agreement that cannot be performed; provided, however, that CCWA and CMWD shall first coordinate with DWR to determine whether alternate performance may be possible pursuant to an alternate schedule for completion of performance.

Authority

The undersigned representatives of CCWA and CMWD hereby represent that they are authorized to execute the Agreement for the party on whose behalf this Agreement is executed.

Notice


Written notice may be provided by either party to the other by first-class mail, postage prepaid, to the following addresses:

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

Casitas Municipal Water District
1055 Ventura Ave.
Oak View, CA 93022
Attn: Michael L. Flood, General Manager

If acceptable, sign below acknowledging your agreement to these terms and conditions.

Sincerely,


Ray A. Stokes
Executive Director

Michael L. Flood
Page 4 of 4
March 15, 2022

CASITAS MUNICIPAL WATER DISTRICT

By: 
Michael L. Flood, General Manager

Date: March 18, 2022

2022 Supplemental Water Purchase Program
 City of Santa Maria Purchase Agreement
 re. Casitas Municipal Water District

Exhibit B

All Purchase Contractors' Purchase Amounts and Share of Total Expenses

Casitas Municipal Water District								
	Delivery Goal (AF)	% Allocation	Estimated Water (AF)	\$	\$/AF	700	Estimated Administrative Fees	Required Deposit (Includes Admin Fees)
La Cumbre Mutual Water Co.	600	11%	28	\$	19,626	\$	561	\$ 20,187
Carpinteria Valley Water District	1,000	19%	47		32,710		935	\$ 33,645
Santa Ynez ID#1 (for City of Solvang)	450	8%	21		14,720		421	\$ 15,140
City of Santa Barbara	2,000	37%	93		65,421		1,869	\$ 67,290
City of Santa Maria	1,300	24%	61		42,523		1,215	\$ 43,738
	5,350	100%	250	\$	175,000	\$	5,000	\$ 180,000

2022 Supplemental Water Purchase Program
City of Santa Maria Purchase Agreement
re. Casitas Municipal Water District

Exhibit C

Form of SBCFCWCD Agreement

ASSIGNMENT, ASSUMPTION, INDEMNIFICATION AND RELEASE AGREEMENT
Casitas Municipal Water District Transfer

THIS RELEASE, ASSUMPTION AND INDEMNIFICATION AGREEMENT (the “**Agreement**”) made as of [DATE], 2022, by and between Santa Barbara County Flood Control and Water Conservation District (the “**District**”) and the Central Coast Water Authority (“**CCWA**”) (each, a “**Party**” and collectively, the “**Parties**”), with reference to the following facts and intentions.

RECITALS:

- A. The District is party to a long-term water supply contract with the Department of Water Resources of the State of California (“**DWR**”) (“**Water Supply Contract**”) that provides for the delivery of water from the State Water Project (“**SWP**”) to Santa Barbara County.
- B. CCWA was formed by individual water providers located in the County of Santa Barbara pursuant to a joint exercise of powers agreement. In 1991, the District and CCWA entered into the Transfer of Financial Responsibility Agreement, which, among other things, obligates CCWA to accept responsibility for all financial obligations of the District under the Water Supply Contract. CCWA contracts with its member agencies and other water users (collectively, “**CCWA Participants**”) for the delivery of SWP to the CCWA Participants.
- C. On March 18, 2022, in light of developing drought conditions throughout California, DWR notified the parties that contract with DWR for SWP water (“**State Water Contractors**”) that SWP deliveries would be reduced to five percent of each State Water Contractor’s annual allocation of the SWP water supply for the upcoming water year.
- D. CCWA, on behalf of several CCWA Participants, currently needs water to supplement its annual SWP water supplies. For that purpose, CCWA seeks to purchase from Casitas Municipal Water District (“**CMWD**”) up to 250 acre-feet (“**AF**”) of the 2022 Annual Table A Amount, as that term is defined in the State Water Contract, allocated to CMWD (“**Transfer**”). CMWD is headquartered in Ventura County and CMWD’s service area is in Ventura County.
- E. For Table A Water delivered to CCWA, CCWA shall pay CMWD a rate of \$700 per AF. Banks Pumping Plant shall be the point of transfer. The water is to be delivered and used entirely within CCWA’s service area by December 31, 2022.
- F. The terms and conditions of the proposed Transfer are described in the 2022 Water Transfer Letter Agreement between CCWA and CMWD (“**Agreement**”), a true and correct copy of which is attached hereto as **Exhibit A** and incorporated

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

herein by this reference. The terms and conditions of the Transfer are further described in the agreement, **SWPAO # [REDACTED]**, between the District, the Ventura County Flood Control and Water Conservation District on behalf of CMWD, and DWR that provides DWR's approval of the Transfer ("**DWR Agreement**"), a true and correct copy of which is attached hereto as **Exhibit B** and incorporated herein by this reference.

- G. On **[DATE], 2022**, CCWA's Board of Directors adopted Resolution No. **2022-[REDACTED]** approving the Transfer and agreeing to be bound by the DWR Agreement, a true and correct copy of which is attached hereto as **Exhibit C** and incorporated herein by this reference.
- H. On **[DATE], 2022**, in compliance with the California Environmental Quality Act, CCWA's Executive Director filed a Notice of Exemption for the Transfer with the Clerk of the Board in Santa Barbara and Ventura counties and with the State Clearinghouse in conformance with the procedures provided for the filing of such notices in the California Environmental Quality Act (CEQA) and the CEQA Guidelines.
- I. CCWA has requested that the District enter into the DWR Agreement "on behalf of CCWA."
- J. The Parties desire to enter into this Agreement to set forth the rights, responsibilities and obligations of the Parties as it relates to the DWR Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated into the operative provisions of this Agreement by this reference, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

- 1. **Assignment.** Effective as of the effective date of the DWR Agreement, the District does hereby assign, transfer, and set over to CCWA, without recourse and without representation or warranty of any kind, all of the District's right, title and interest in, to and under the DWR Agreement and all liabilities and obligations of the District arising from or under the DWR Agreement.
- 2. **Assumption.** Effective as of the effective date of the DWR Agreement, CCWA accepts such assignment without recourse and without representation or warranty of any kind, and assumes all of the liabilities and obligations of the District arising from or under the DWR Agreement, including any and all obligations to make payments, indemnifications or reimbursements thereunder, and agrees to be bound by and to keep, perform and observe the terms, covenants and conditions placed on the

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

District under the DWR Agreement. CCWA agrees to be bound by said DWR Agreement to the same extent as if it had been an original party to said instrument and accepts and agrees to perform all of the obligations of the District therein.

3. **Indemnification and Release.** CCWA hereby releases and forever acquits, discharges and holds harmless and shall indemnify the District from and against any and all liabilities (at law or in equity), obligations, liens, claims, orders, rulings, losses, damages, assessments, fines, penalties, injuries, demands, actions, judgments, suits, costs, expenses or disbursements of any kind (including reasonable attorneys' fees and costs) which may at any time be imposed on, incurred by or asserted against the District by CCWA, any of its affiliates or any third party, based on, resulting from, in any way relating to, in connection with or arising out of the DWR Agreement, excluding any such loss or damage to the extent caused by the District's active negligence, sole negligence, willful misconduct, or breach of contract.
4. **Governing Law and Jurisdiction.** The validity and interpretation of this Agreement shall be governed by the laws of the State of California.
5. **Waiver.** Any waiver or failure to declare a breach as a result of the violation of any term of this Agreement shall not constitute a waiver of that term or condition and shall not provide the basis for a claim of estoppel or waiver by any Party to that term or condition.
6. **Counterparts.** The Parties may execute this Agreement in counterpart. The Parties agree to accept electronic signatures as original signatures.
7. **Authorization.** Each signatory represents and warrants that he or she has the appropriate authorization to enter into this Agreement on behalf of the Party for whom he or she signs.
8. **Notices.** All communications or notices in connection with this Agreement shall be in writing and either hand-delivered or sent by U.S. first class mails, postage prepaid, or electronic mail followed by written notice sent by U.S. mails and addressed to the Parties as follows:

Santa Barbara County Flood Control
and Water Conservation District
Matthew Young, Water Agency
Manager
130 East Victoria Street, Suite 200
Santa Barbara, CA 93101-2019
Tel: (805) 568-3542
wateragency@cosbpw.net

Central Coast Water Authority
Ray Stokes, Executive Director
255 Industrial Way
Buellton, CA 93427-9565
Tel: (805) 697-5214
ras@ccwa.com

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

9. **Construction and Interpretation.** The Parties agree and acknowledge that the terms of this Agreement have been negotiated by the Parties and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent. The Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument to be drafted, or in favor of the party receiving a particular benefit under this Agreement.

10. **Entire Agreement and Amendment.** This Agreement is the entire understanding of the Parties in respect of the subject matter hereof. There are no other promises, representations, agreements or warranties by any of the Parties. This Agreement may only be amended by a writing signed by all of the Parties. Each Party waives its right to assert that this Agreement was affected by oral agreement, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

—Signatures follow on next page—

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

DISTRICT

SANTA BARBARA COUNTY FLOOD
CONTROL AND WATER CONSERVATION
DISTRICT

Water Agency Manager

APPROVED AS TO FORM:
County Counsel

By: _____
County Counsel

CCWA

CENTRAL COAST WATER AUTHORITY

By: _____
Ray Stokes, Executive Director

APPROVED AS TO FORM:
General Counsel

By: _____
Brownstein Hyatt Farber Schreck
Stephanie Osler Hastings

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

EXHIBIT A

Letter Agreement

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

EXHIBIT B

DWR Agreement

Assignment, Assumption, Indemnification and Release Agreement
Central Coast Water Authority 2022 Supplemental Water Purchase Program
Casitas Municipal Water District Transfer

Exhibit C

Resolution No. 2022-__

ASSIGNMENT, ASSUMPTION, INDEMNIFICATION AND RELEASE AGREEMENT
Casitas Municipal Water District Transfer

THIS RELEASE, ASSUMPTION AND INDEMNIFICATION AGREEMENT (the “**Agreement**”) made as of [DATE], 2022, by and between Santa Barbara County Flood Control and Water Conservation District (the “**District**”) and the Central Coast Water Authority (“**CCWA**”) (each, a “**Party**” and collectively, the “**Parties**”), with reference to the following facts and intentions.

RECITALS:

- A. The District is party to a long-term water supply contract with the Department of Water Resources of the State of California (“**DWR**”) (“**Water Supply Contract**”) that provides for the delivery of water from the State Water Project (“**SWP**”) to Santa Barbara County.
- B. CCWA was formed by individual water providers located in the County of Santa Barbara pursuant to a joint exercise of powers agreement. In 1991, the District and CCWA entered into the Transfer of Financial Responsibility Agreement, which, among other things, obligates CCWA to accept responsibility for all financial obligations of the District under the Water Supply Contract. CCWA contracts with its member agencies and other water users (collectively, “**CCWA Participants**”) for the delivery of SWP to the CCWA Participants.
- C. On March 18, 2022, in light of developing drought conditions throughout California, DWR notified the parties that contract with DWR for SWP water (“**State Water Contractors**”) that SWP deliveries would be reduced to five percent of each State Water Contractor’s annual allocation of the SWP water supply for the upcoming water year.
- D. CCWA, on behalf of several CCWA Participants, currently needs water to supplement its annual SWP water supplies. For that purpose, CCWA seeks to purchase from Casitas Municipal Water District (“**CMWD**”) up to 250 acre-feet (“**AF**”) of the 2022 Annual Table A Amount, as that term is defined in the State Water Contract, allocated to CMWD (“**Transfer**”). CMWD is headquartered in Ventura County and CMWD’s service area is in Ventura County.
- E. For Table A Water delivered to CCWA, CCWA shall pay CMWD a rate of \$700 per AF. Banks Pumping Plant shall be the point of transfer. The water is to be delivered and used entirely within CCWA’s service area by December 31, 2022.
- F. The terms and conditions of the proposed Transfer are described in the 2022 Water Transfer Letter Agreement between CCWA and CMWD (“**Agreement**”), a true and correct copy of which is attached hereto as **Exhibit A** and incorporated

herein by this reference. The terms and conditions of the Transfer are further described in the agreement, **SWPAO # [REDACTED]**, between the District, the Ventura County Flood Control and Water Conservation District on behalf of CMWD, and DWR that provides DWR's approval of the Transfer ("**DWR Agreement**"), a true and correct copy of which is attached hereto as **Exhibit B** and incorporated herein by this reference.

- G. On **[DATE], 2022**, CCWA's Board of Directors adopted Resolution No. **2022-[REDACTED]** approving the Transfer and agreeing to be bound by the DWR Agreement, a true and correct copy of which is attached hereto as **Exhibit C** and incorporated herein by this reference.
- H. On **[DATE], 2022**, in compliance with the California Environmental Quality Act, CCWA's Executive Director filed a Notice of Exemption for the Transfer with the Clerk of the Board in Santa Barbara and Ventura counties and with the State Clearinghouse in conformance with the procedures provided for the filing of such notices in the California Environmental Quality Act (CEQA) and the CEQA Guidelines.
- I. CCWA has requested that the District enter into the DWR Agreement "on behalf of CCWA."
- J. The Parties desire to enter into this Agreement to set forth the rights, responsibilities and obligations of the Parties as it relates to the DWR Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated into the operative provisions of this Agreement by this reference, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

- 1. **Assignment.** Effective as of the effective date of the DWR Agreement, the District does hereby assign, transfer, and set over to CCWA, without recourse and without representation or warranty of any kind, all of the District's right, title and interest in, to and under the DWR Agreement and all liabilities and obligations of the District arising from or under the DWR Agreement.
- 2. **Assumption.** Effective as of the effective date of the DWR Agreement, CCWA accepts such assignment without recourse and without representation or warranty of any kind, and assumes all of the liabilities and obligations of the District arising from or under the DWR Agreement, including any and all obligations to make payments, indemnifications or reimbursements thereunder, and agrees to be bound by and to keep, perform and observe the terms, covenants and conditions placed on the

District under the DWR Agreement. CCWA agrees to be bound by said DWR Agreement to the same extent as if it had been an original party to said instrument and accepts and agrees to perform all of the obligations of the District therein.

3. **Indemnification and Release.** CCWA hereby releases and forever acquits, discharges and holds harmless and shall indemnify the District from and against any and all liabilities (at law or in equity), obligations, liens, claims, orders, rulings, losses, damages, assessments, fines, penalties, injuries, demands, actions, judgments, suits, costs, expenses or disbursements of any kind (including reasonable attorneys' fees and costs) which may at any time be imposed on, incurred by or asserted against the District by CCWA, any of its affiliates or any third party, based on, resulting from, in any way relating to, in connection with or arising out of the DWR Agreement, excluding any such loss or damage to the extent caused by the District's active negligence, sole negligence, willful misconduct, or breach of contract.
4. **Governing Law and Jurisdiction.** The validity and interpretation of this Agreement shall be governed by the laws of the State of California.
5. **Waiver.** Any waiver or failure to declare a breach as a result of the violation of any term of this Agreement shall not constitute a waiver of that term or condition and shall not provide the basis for a claim of estoppel or waiver by any Party to that term or condition.
6. **Counterparts.** The Parties may execute this Agreement in counterpart. The Parties agree to accept electronic signatures as original signatures.
7. **Authorization.** Each signatory represents and warrants that he or she has the appropriate authorization to enter into this Agreement on behalf of the Party for whom he or she signs.
8. **Notices.** All communications or notices in connection with this Agreement shall be in writing and either hand-delivered or sent by U.S. first class mails, postage prepaid, or electronic mail followed by written notice sent by U.S. mails and addressed to the Parties as follows:

Santa Barbara County Flood Control
and Water Conservation District
Matthew Young, Water Agency
Manager
130 East Victoria Street, Suite 200
Santa Barbara, CA 93101-2019
Tel: (805) 568-3542
wateragency@cosbpw.net

Central Coast Water Authority
Ray Stokes, Executive Director
255 Industrial Way
Buellton, CA 93427-9565
Tel: (805) 697-5214
ras@ccwa.com

9. **Construction and Interpretation.** The Parties agree and acknowledge that the terms of this Agreement have been negotiated by the Parties and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent. The Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument to be drafted, or in favor of the party receiving a particular benefit under this Agreement.

10. **Entire Agreement and Amendment.** This Agreement is the entire understanding of the Parties in respect of the subject matter hereof. There are no other promises, representations, agreements or warranties by any of the Parties. This Agreement may only be amended by a writing signed by all of the Parties. Each Party waives its right to assert that this Agreement was affected by oral agreement, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

—Signatures follow on next page—

DISTRICT

SANTA BARBARA COUNTY FLOOD
CONTROL AND WATER CONSERVATION
DISTRICT

Water Agency Manager

APPROVED AS TO FORM:
County Counsel

By: _____
County Counsel

CCWA

CENTRAL COAST WATER AUTHORITY

By: _____
Ray Stokes, Executive Director

APPROVED AS TO FORM:
General Counsel

By: _____
Brownstein Hyatt Farber Schreck
Stephanie Osler Hastings

EXHIBIT A

Letter Agreement

EXHIBIT B

DWR Agreement

Exhibit C

Resolution No. 2022-__

Notice of Exemption

To: Office of Planning and Research
Post Office Box 3044, Room 113
Sacramento, California 95812-3044

From: Central Coast Water Authority
255 Industrial Way
Buellton, CA 93427

Clerk of the Board
County of Santa Barbara
105 E. Anapamu Street, Room 407
Santa Barbara, CA 93101

Clerk of the Board
Ventura County
800 S. Victoria Avenue
Ventura, CA 92415

Project Title: Central Coast Water Authority and Casitas Municipal Water District 2022 Transfer of Table A Water

Location – Specific: Existing State Water Project (SWP) facilities to existing turnouts in Santa Barbara and Ventura Counties. The SWP includes facilities located throughout the State of California. The SWP is owned and operated by the California Department of Water Resources (DWR), headquartered in Sacramento, California. Santa Barbara County Flood Control and Water Conservation District contracts with DWR for the delivery of SWP water to Santa Barbara County (SWP Contract). The Central Coast Water Authority (CCWA) has assumed responsibility for the SWP Contract. CCWA is headquartered in Santa Barbara County and CCWA's service area is located in Santa Barbara County. The Ventura County Flood Control District contracts with DWR for the delivery of SWP water to Ventura County. The Casitas Municipal Water District (CMWD) contracts with Ventura County Flood Control District for delivery of SWP water to its service area. CMWD is headquartered in Ventura County and CMWD's service area is in Ventura County.

Location – County: Santa Barbara and Ventura Counties

Description of Activity: Due to prolonged drought conditions and low SWP "Table A Amount" for 2022, CCWA currently needs additional water supplies to supplement its 2022 supplies. CMWD will make available up to 250 acre-feet (AF) of CMWD's 2022 Annual Table A Amount, as that term is defined by the State Water Contract, for transfer to CCWA. CCWA will pay CMWD a rate of \$700 for every AF of water purchased, which will occur on execution of an agreement with DWR which incorporates the terms and conditions of the transfer. The point of delivery for the transfer is Banks Pumping Plant, a DWR facility, and all water delivered to CCWA shall be used entirely within CCWA's service area.

Name of Public Agency Approving or Carrying Out Activity: Central Coast Water Authority. Other approving agencies include: California Department of Water Resources, Santa Barbara County Flood Control and Water Conservation District, Ventura County Flood Control District, and Casitas Municipal Water District.

Exempt Status:

- Ministerial
- Declared Emergency
- Emergency Project
- Categorical Exemption
- Statutory Exemption (Not a Project Under CEQA)

Reasons why activity is exempt:

- a. The transfer will facilitate the delivery of SWP water from one SWP contractor to another, using only existing DWR facilities and existing facilities in Santa Barbara and Ventura Counties and is intended to

meet existing uses of water and would not support new development or a change in land use. (14 Cal. Code Regs. §§ 15061(b)(2), 15061(b)(3), 15301.)

- b. The transfer is entirely within the authorized SWP place of use.
- c. None of the exceptions to use of an exemption set forth in CEQA Guidelines section 15300.2 apply and the Transfer will not have a significant impact on the environment.

Agency Contact Person: Ray Stokes

Telephone: (805) 688-2292

Signature: _____

Date: _____

Ray Stokes

Title: Executive Director, Central Coast Water Authority

Date received for filing OPR: _____



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 20, 2022

TO: CCWA Board of Directors

FROM: Ray A. Stokes
Executive Director

SUBJECT: Temporary Warren Act Contract for CCWA's Use of the Cachuma Project

SUMMARY

This report provides an update on renewal of CCWA's Warren Act Contract with the United States Bureau of Reclamation (USBR) for CCWA's introduction, storage and/or conveyance of CCWA's imported water into the Cachuma Project for delivery to CCWA's South Coast Participants (Carpinteria Valley Water District, City of Santa Barbara, Goleta Water District, Montecito Water District, La Cumbre Mutual Water Company, Morehart Land Co., and Raytheon Systems Co.).

RECOMMENDATION

N/A. This item is for information and discussion only.

DISCUSSION

CCWA's 1995 Warren Act Contract for the introduction, storage and/or conveyance of CCWA's imported water supply will expire in June, 2022. Staff has been negotiating renewal of that contract for more than a year. Renewal is proposed in the form of a new, but temporary agreement that will take effect upon the expiration of the current contract and extend to September 30, 2024 (Temporary Warren Act Contract). During the term of the Temporary Warren Act Contract, Staff will begin negotiating a new long-term contract and conducting the associated environmental compliance.

To expedite the negotiation of the Temporary Warren Act Contract and the associated environmental compliance, Staff requested no changes to CCWA's current operations and use of the Cachuma Project.

On March 25, 2022, the USBR posted its Environmental Assessment (EA) of the Temporary Warren Act Contract pursuant to the National Environmental Policy Act. The EA is attached to this report and also can be found on the USBR website at: https://www.usbr.gov/mp/nepa/nepa_project_details.php?Project_ID=51379. The public comment period on the EA expires April 22, 2022.

USBR also prepared a Biological Evaluation (BE) for purposes of evaluating the project's compliance with the federal Endangered Species Act. USBR transmitted the BE to the National Marine Fisheries Service on March 30, 2022 and requested the NMFS' concurrence with the BE by April 19, 2022. The BE and USBR's letter are attached to this report.

Staff proposes bringing the Temporary Warren Act Contract and associated environmental review to the Board for its consideration at CCWA's May meeting.

ENVIRONMENTAL REVIEW

N/A. This item is for information and discussion only.

Attachments:

1. United States Bureau of Reclamation, DRAFT Environmental Assessment for Temporary Warren Act Contract
2. United States Bureau of Reclamation, Biological Evaluation for Temporary Warren Act Contract
3. March 30, 2022 Letter from United States Bureau of Reclamation to National Marine Fisheries Service re. Temporary Warren Act Contract



— BUREAU OF —
RECLAMATION

Central Coast Water Authority Temporary Warren Act Contract

CGB-EA-2022-023

Draft Environmental Assessment

Mission Statements

The U.S. Department of the Interior protects and manages the Nation's natural resources and cultural heritage; provides scientific and other information about those resources; and honors its trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated Island Communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

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1 Introduction

1.1 Background

Central Coast Water Authority (CCWA) is a California Joint Powers Agency that was formed in 1991 to construct necessary facilities to deliver supplemental water supplies from the State Water Project (SWP) to the communities in San Luis Obispo and Santa Barbara Counties. The SWP Coastal Branch facilities were completed in 1997.

In 1994, the Bureau of Reclamation (Reclamation) released an Environmental Assessment (EA) that analyzed the construction of an extension of the SWP Coastal Branch that would allow the annual introduction through issuance of a long-term Warren Act Contract¹ of SWP water into the Cachuma Project facilities for delivery to CCWA's South Coast Participants². A Finding of No significant Impact was issued on January 3, 1995.

In 1995, Reclamation issued a 25-year Warren Act contract to CCWA that allowed the annual introduction, storage, and conveyance of up to 13,750 acre-feet (AF) of water acquired by or available to CCWA from or through the SWP into Cachuma Project facilities for delivery to the South Coast Participants for municipal and industrial uses. Introductions of SWP water under the 1995 Warren Act contract began in 1997.

Prior to entering Lake Cachuma, the treated water is dechlorinated at the Santa Ynez Pumping Facility located near the town of Santa Ynez. After being delivered to Lake Cachuma, CCWA water supplies are delivered to the South Coast via the Tecolote Tunnel and the South Coast Conduit. CCWA water is delivered to the Santa Ynez River Water Conservation District Improvement District No.1 (ID No.1) directly from a connection to the SWP pipeline before it reaches the Santa Ynez Pumping Facility.

CCWA's water is treated at the Polonio Pass Water Treatment Plant in San Luis Obispo County and then dechlorinated at CCWA's Santa Ynez Pumping Facility near the town of Santa Ynez using sodium bisulfite prior to its introduction into Lake Cachuma. Built-in safety systems automatically shut off the pumps of the Santa Ynez Pumping Facility if sodium bisulfite residual levels fall below 0.1 mg/L or above 1 mg/L protecting water quality in Lake Cachuma and the Lower Santa Ynez River³.

¹ A contract that allows non-Reclamation Project water to be introduced into Reclamation facilities.

² CCWA's South Coast Participants include: Carpinteria Valley Water District, the City of Santa Barbara, Goleta Water District, Montecito Water District, La Cumbre Mutual Water, Raytheon Systems Co. and Morehart Land Co.

³ A detectable concentration of Sodium Bisulfite is needed to confirm the water has been fully dechlorinated. CCWA also monitors for chlorine concentrations and its pumping plant will shut down if chlorine concentrations are detected, a further mechanism for protecting water quality in Lake Cachuma.

1.2 Purpose and Need for the Proposed Action

CCWA water has been and continues to be a much-needed supplemental water supply for the water deficient South Coast especially during drought conditions. As the existing Warren Act Contract expires in June 2022, CCWA has requested a new short-term Warren Act Contract to continue the introductions, conveyance, and storage of non-Reclamation Project water into Cachuma Project facilities for delivery to the CCWA's South Coast Participants. Reclamation and CCWA are in the process of negotiating a new long-term Warren Act Contract. In addition, Reclamation is currently in re-consultation with the National Marine Fisheries Service (NMFS) under the Endangered Species Act (ESA) regarding operation and maintenance of the Cachuma Project. As negotiations for the long-term Warren Act contract and re-consultation on the Cachuma Project are not anticipated to be complete by June 2022, CCWA and Reclamation need to enter into a short-term contract to allow the continued delivery of a much-needed water supply to the South Coast Participants.

2 Alternatives Including Proposed Action

2.1 No Action Alternative

Under the No Action Alternative Reclamation would not issue short-term Warren Act Contract(s) to CCWA for the annual introduction, conveyance, and storage of up to 13,750 AF of CCWA water within Cachuma Project facilities.

2.2 Proposed Action

Reclamation proposes to issue short-term (up to five-years) Warren Act Contract(s) to CCWA that would allow the annual introduction, conveyance, and storage of up to 13,750 AF of CCWA's water within Cachuma Project facilities.

CCWA water includes SWP water from the Sacramento River watershed, previously banked SWP water, and other non-SWP water supplies acquired from the Sacramento River watershed, the San Joaquin River watershed, and the San Joaquin-Sacramento Delta. CCWA's acquired non-SWP water supplies can include groundwater pumping, groundwater substitution, land fallowing, or other transfers and exchanges that are common in Reclamation's Central Valley Project and the SWP. The conveyance of non-SWP water supplies through the SWP are reviewed and approved independently by the California Department of Water Resources (DWR) prior to this water being conveyed in State facilities to CCWA's facilities. Prior to introduction into Cachuma Project facilities, CCWA's water will continue to be treated as done under baseline conditions.

Under the short-term Warren Act Contract(s), CCWA water would continue to be introduced and conveyed through Cachuma Project facilities (i.e., Bradbury Dam outlet works, Stilling Basin, Lake Cachuma, North Intake of the Tecolote Tunnel, and the South Coast Conduit) to the CCWA

contractors located along the South Coast Conduit. No modifications to existing infrastructure or operations or construction would be needed for the Proposed Action.

2.2.1 Introduction of CCWA Water into Cachuma Project Facilities

There are two existing mechanisms for the introduction of CCWA water into Lake Cachuma: (1) a direct connection of the CCWA pipeline to the Bradbury Dam outlet works penstock; and (2) a high-density polyethylene penstock bypass pipeline (bypass pipeline) that introduces CCWA water directly into Lake Cachuma⁴. These mechanisms would remain unchanged under the proposed action.

When releases from the outlet works occur at the same time as CCWA water is being introduced through the outlet works, CCWA water mixes with water from Lake Cachuma and is released into the Stilling Basin where it flows into the Lower Santa Ynez River. This mixing of CCWA water has certain advantages to downstream entities for enhancing water quality (i.e., reduced total dissolved solids) and the Cachuma Project Member Units⁵, Santa Ynez River Water Conservation District (SYRWCD), and the City of Lompoc entered into a Settlement Agreement in September 2002 to maximize introduction of CCWA water during their Water Rights Releases⁶ from the outlet works.

When CCWA water is released into the Stilling Basin, CCWA water is exchanged for Cachuma Project water in Lake Cachuma on a one-to-one basis.

2.2.2 CCWA Water Treatment

Prior to its introduction into Lake Cachuma, CCWA water is treated in CCWA's Polonio Pass Water Treatment Plant in San Luis Obispo County to applicable drinking water standards. This treatment process includes adding chloramine (a mix of chlorine and ammonia) to the water. From the Polonio Pass Water Treatment Plant, CCWA's water is conveyed to the Santa Ynez Pumping Facility where it is treated with sodium bisulfite to remove the chloramine before the water is conveyed to Bradbury Dam for introduction into Cachuma Project facilities.

Built-in safety systems at the Santa Ynez Pumping Facility automatically shut off the pumps if a chlorine concentration ≥ 0.05 mg/L is detected, or if residual sodium bisulfite concentrations drop to 0.1 mg/L or rise above 1 mg/L. Slightly more sodium bisulfite is added to the water than needed to completely neutralize the chlorine, which results in a small amount of unreacted sodium bisulfite left in the water (i.e. >0.1 mg/L and ≤ 1 mg/L). Based on the chemistry of the chemical reaction between sodium bisulfite and chloramine, as long as there is a detectable sodium bisulfite concentration in the water there is no free chlorine left in the water (i.e., chlorine residual is 0 mg/L).

⁴ The bypass pipeline has been routed previously in three configurations: bypass pipeline through the spillway onto the bedrock shelf (used when lake levels are low and bedrock shelf is exposed), bypass pipeline to the spillway gate threshold (used when the bedrock shelf is submerged and lake level is below the spillway gate threshold) and bypass pipeline over the top of the dam (used when lake level is above the threshold of the spillway gate).

⁵ Cachuma Project Member Units include Carpinteria Water District, City of Santa Barbara, Goleta Water District, Montecito Water District, and Santa Ynez River Water Conservation District Improvement District No. 1.

⁶ Non-discretionary Water Rights Releases have occurred since the completion of Bradbury Dam. These releases are made in accordance with State Water Resources Control Board permits 11308 and 11310 issued to Reclamation for the Cachuma Project, as conditioned by WR Order 73-37, as amended by WR Order 89-18, and WR Order 2019-0148.

Free ammonia is a byproduct of the sodium bisulfite water treatment process. A study conducted by CCWA that tracked the fate of free ammonia through the eight-mile pipeline that runs from the Santa Ynez Pumping Facility to Lake Cachuma found that only small concentrations of free ammonia reach Lake Cachuma. Samples collected at the Lake Cachuma delivery point over the 12-month study period (2016 to 2017) had free ammonia concentrations ranging from 0 mg/L to 0.14 mg/L with an average concentration of 0.04 mg/L (CCWA 2021). This represents an average removal efficiency of over 90% from the average free ammonia concentrations measured at the outlet vault of the Santa Ynez Pumping Facility.

2.2.3 Conservation Measures

Measures to avoid and minimize effects to the endangered Southern California Steelhead (*Oncorhynchus mykiss*) Distinct Population Segment (DPS) have been and will continue to be implemented during CCWA operations. Measures are primarily related to preventing steelhead from imprinting on CCWA water and preventing CCWA water from being released to Hilton Creek. When CCWA deliveries to Lake Cachuma via the outlet works coincide with releases from Lake Cachuma via the outlet works, Reclamation proposes to implement the following restrictions to minimize potential effects to steelhead:

- General restrictions on all CCWA water deliveries:
 - There is no delivery of CCWA water to Lake Cachuma during spill events;
 - CCWA water is not introduced into the penstock if the Hilton Creek Emergency Backup System (EBS) is on standby, to eliminate any possibility of CCWA water being delivered to Hilton Creek.
- Restrictions on CCWA water deliveries through the Bradbury Dam outlet works:
 - When releases from the outlet works and deliveries of CCWA water through the outlet works are simultaneously scheduled to achieve mixing, Reclamation will notify NMFS that CCWA water will be entering the Santa Ynez River;
 - There is no delivery of CCWA water to Lake Cachuma via the outlet works when the EBS is delivering water;
 - CCWA water will not be mixed into the waters of the Santa Ynez River during the months of December to June, unless flow is discontinuous in the mainstem;
 - Delivery of CCWA water to Lake Cachuma is not made during spill events;
 - Releases of CCWA water to the mainstem only occurs during water right releases from May to October, with the bulk of releases occurring July through September;
 - CCWA water will not exceed 50 percent of the total rate of releases to the Lower Santa Ynez River; and
 - When releases of CCWA water to the Lower Santa Ynez River occur, Reclamation will ensure that water is released from Lake Cachuma in such a proportion that the blended CCWA and Lake Cachuma water entering the Stilling Basin has a temperature of $\leq 18^{\circ}\text{C}$, as estimated pursuant to the Penstock Temperature Monitoring Plan (letter to Reclamation from CCWA, dated October 6, 2011).

CCWA water may be introduced to Lake Cachuma or the Lower Santa Ynez River at rates ranging up to 22 cubic feet per second (cfs), as limited by the capacity of the four pumps at CCWA's Santa Ynez Pumping Facility. Operation of the Santa Ynez Pumping Facility can be highly variable, but in general the Pumping Facility operates minimally when Lake Cachuma is full and may operate at maximum capacity for extended periods of time during drought conditions.

When Reclamation is releasing water from the outlet works at Bradbury Dam, and CCWA is delivering CCWA water to Lake Cachuma, commingled water will be released to the Lower Santa Ynez River pursuant to the restrictions noted above. When Reclamation is releasing water from the EBS, no CCWA water can be delivered via the outlet works as the EBS is plumbed into the outlet works. When the only water Reclamation is releasing to the Lower Santa Ynez River is from Hilton Creek via the lake-based Hilton Creek Watering System (HCWS), no CCWA water will be released to the Lower Santa Ynez River.

Temperature monitoring sensors and related equipment in the penstock at the Bradbury Dam outlet works and in the CCWA pipeline collect and transmit data to both CCWA and Reclamation's Supervisory Control and Data Acquisition (SCADA) System. From 2004 through present, the average temperature of CCWA's water from May through November (before entering the penstock) was 22.4°C with a low of 13.6°C and a high of 27.7°C (CCWA 2021).

The system uses a flow weighted average of lake water temperature and CCWA water temperature to calculate an estimate of the blended temperature of water releases to the Stilling Basin. Reclamation monitors the temperature of CCWA water and water in the penstock. When the temperature of blended water is approaching the 18°C-temperature limit for steelhead Reclamation will immediately reduce or suspend delivery of CCWA water or increase delivery of Cachuma Lake water until CCWA deliveries can be reduced or suspended, to avoid exceeding the 18°C-temperature limit.

3 Affected Environment and Environmental Consequences

3.1 Resources Eliminated from Further Analysis

Reclamation analyzed the affected environment and determined that the Proposed Action does not have the potential to cause adverse effects to the following resources:

3.1.1 Air Quality

There will be no impacts to air quality as there would be no change in baseline conditions.

3.1.2 Climate Change

The Proposed Action does not include construction of new facilities or modification to existing facilities that would impact greenhouse gas emissions. Pumping to deliver CCWA water to Lake Cachuma would be similar to what has been done in the past and is part of baseline conditions and would not result in emissions that would impact climate change. Cachuma Project operations and allocations are flexible, any changes in hydrologic conditions due to global climate change would be addressed within Reclamation's operational flexibility.

3.1.3 Cultural Resources

There would be no impacts to cultural resources as a result of implementing the Proposed Action as the Proposed Action would facilitate the flow of water through existing facilities to existing users. No new construction or ground disturbing activities would occur as part of the Proposed Action. Reclamation has determined that these activities have no potential to cause effects to historic properties pursuant to 36 CFR Part 800.3(a)(1).

3.1.4 Environmental Justice

Executive Order 12898 requires each federal agency to identify and address disproportionately high and adverse human health or environmental effects, including social and economic effects of its program, policies, and activities on minority populations and low-income populations. The Proposed Action would not cause dislocation, changes in employment, or increase flood, drought, or disease nor would it disproportionately impact economically disadvantaged or minority populations.

3.1.5 Indian Sacred Sites

Executive Order 13007 (May 24, 1996) requires that federal agencies accommodate access to and ceremonial use of Indian sacred sites by Indian religious practitioners and avoids adversely affecting the physical integrity of such sacred sites. The Proposed Action would not limit access to and ceremonial use of Indian sacred sites on Federal lands by Indian religious practitioners or affect the physical integrity of such sacred sites. There would be no impacts to Indian sacred sites as a result of the Proposed Action.

3.1.6 Indian Trust Assets

Indian Trust Assets are legal interests in assets that are held in trust by the United States for federally recognized Indian tribes or individuals. There are no Indian reservations, rancherias or allotments in the Proposed Action area. The nearest Indian Trust Asset is a public domain allotment which is about 5 miles to the south of the Proposed Action area. The Proposed Action does not have a potential to affect Indian Trust Assets.

3.2 Biological Resources

3.2.1 Affected Environment

The Proposed Action Area includes Lake Cachuma, the Lower Santa Ynez River below Bradbury Dam, conveyance facilities used to deliver CCWA water (i.e., Tecolote Tunnel, South Coast Conduit), and the South Coast Participant service areas where CCWA water would ultimately be delivered.

On March 18, 2022, Reclamation obtained an official species list from the United States Fish and Wildlife Service (Service) via the Service's website, <http://ecos.fws.gov/ipac>, (Project Code: 2022-0021550). On March 18, 2022, Reclamation also obtained a species list from NMFS using the species list tool from the now unavailable National Oceanic and Atmospheric Administration's West Coast Region website, https://archive.fisheries.noaa.gov/wcr/maps_data/california_species_list_tools.html. The species lists cover the Proposed Action Area described above. The California Department of Fish and Wildlife's California Natural Diversity Database (CNDDDB) was also queried for records of protected

species within the vicinity of the Proposed Action area (CNDDDB 2022). The species lists and the best available data were combined to determine the likelihood of protected species occurrence within the Proposed Action Area (Table 1).

Table 1. Federally Listed Threatened and Endangered Species

Species	Status ¹	Effects ²	Potential to occur and summary basis for ESA determination ³
Amphibians			
Arroyo Toad <i>Anaxyrus californicus</i>	E, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
California red-legged frog <i>Rana draytonii</i>	T, X	NE	Present. There are CNDDDB records of this species in the Lower Santa Ynez River, and within portions of the CCWA South Coast Participants' service area. Designated critical habitat for this species is not present within the Proposed Action Area. The Proposed Action does not involve any construction, land use changes, or conversion of suitable habitat. The Proposed Project would not alter the amount of water released to the Lower Santa Ynez River, and releases of CCWA's Warren Act water would be subject to temperature and water quality requirements. There would be <i>No Effect</i> to this species from the Proposed Action.
California tiger salamander <i>Ambystoma californiense</i>	T, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Birds			
California condor <i>Gymnogyps californianus</i>	E, X	NE	Possible. This species may forage in portions of the Proposed Action Area. Designated critical habitat for this species does not occur within the Proposed Action Area. The Proposed Action would not involve any construction, land use changes, or conversion of suitable habitat. There would be <i>No Effect</i> to this species from the Proposed Action.
California least tern <i>Sterna antillarum browni</i>	E	NE	Present. There are CNDDDB records of this species near the Lower Santa Ynez River estuary. The Proposed Action would not alter the amount of water released to the Lower Santa Ynez River, and would therefore have no effect on estuarine habitat. There would be <i>No Effect</i> to this species from the Proposed Action.
Least Bell's vireo <i>Vireo bellii pusillus</i>	E, X	NE	Present. There is a CNDDDB record of this species in riparian habitat along the Lower Santa Ynez River. Designated critical habitat for this species does not occur within the Proposed Action Area. The Proposed Action would not alter the amount of water released to the Lower Santa Ynez River, and would therefore have no effect on this species habitat. There would be <i>No Effect</i> to this species from the Proposed Action.
Light-footed clapper rail	E	NE	Present. There are CNDDDB records of this species in portions of the CCWA South Coast Participants' service area. The

Species	Status ¹	Effects ²	Potential to occur and summary basis for ESA determination ³
<i>Rallus longirostris</i>			Proposed Action would not involve any construction, land use changes, or conversion of suitable habitat. There would be <i>No Effect</i> to this species from the Proposed Action.
Marbled murrelet <i>Brachyramphus marmoratus</i>	T, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Short-tailed Albatross <i>Phoebastria (=Diomedea) albatrus</i>	E	NE	Absent. This species does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Southwestern willow flycatcher <i>Empidonax traillii extimus</i>	E, X	NE	Present. There are CNDDDB records of this species along the Lower Santa Ynez River and designated critical habitat for this species is present along the Lower Santa Ynez River. The Proposed Action would not alter the amount of water released to the Lower Santa Ynez River. There would be <i>No Effect</i> to this species or its critical habitat from the Proposed Action.
Western snowy plover <i>Charadrius nivosus nivosus</i>	T, X	NE	Present. There are CNDDDB records of this species near the Lower Santa Ynez River estuary and within portions of the CCWA South Coast Participants' service area. Designated critical habitat for this species is present within one CCWA South Coast Participants' service areas. The Proposed Action would not alter the amount of water released to the Lower Santa Ynez River and would not involve any construction, land use changes, or conversion of suitable habitat. There would be <i>No Effect</i> to this species from the Proposed Action.
Crustaceans			
Riverside fairy shrimp <i>Streptocephalus woott</i>	E, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Vernal pool fairy shrimp <i>Branchinecta lynchi</i>	T, X	NE	Possible. There are no records of this species within the Proposed Action Area; however, designated critical habitat for this species occurs within one of the CCWA South Coast Participants' service areas. The Proposed Action would not involve any construction, land use changes, or conversion of suitable habitat. The Proposed Action would have <i>No Effect</i> to this species or its designated critical habitat.
Fish			
Tidewater goby <i>Eucyclogobius newberryi</i>	E, X	NE	Present. This species is present in the Lower Santa Ynez River estuary, and in estuaries of streams within the CCWA South Coast Participants' service areas on the South Coast. Designated critical habitat for this species is present in the estuaries of some streams on the South Coast. The Proposed Action would not alter the amount of water released to the

Species	Status ¹	Effects ²	Potential to occur and summary basis for ESA determination ³
			Lower Santa Ynez River. Furthermore, any SWP Water released to the Lower Santa Ynez River would be subject to water quality and temperature requirements. The Proposed Action does not involve any release of water to streams on the South Coast. The Proposed Action would have <i>No Effect</i> to this species or its designated critical habitat.
Southern California steelhead Distinct Population Segment (DPS) <i>Oncorhynchus mykiss</i>	E, X	NLAA	Present. This species, and designated critical habitat for this species, are present within the Lower Santa Ynez River and in streams within the CCWA South Coast Participants' service areas on the South Coast. The Proposed Action would not alter the amount of water released to the Lower Santa Ynez River. The requirements described in Section 2.2 for introduction of this water would be implemented to avoid potential negative effects to water quality or the imprinting of juvenile <i>Oncorhynchus mykiss</i> . The Proposed Action does not involve any release of water to streams on the South Coast. With the implementation of these requirements, the Proposed Action is <i>Not Likely to Adversely Affect</i> the Southern California steelhead DPS or designated critical habitat for this species.
Insects			
Monarch Butterfly <i>Danaus plexippus</i>	C	NE	Possible. There are records of this species adjacent to the Santa Ynez River near the estuary. The Proposed Action would not involve any construction, land use changes, or conversion of suitable habitat. The Proposed Action would have <i>No Effect</i> to this species.
Mammals			
Southern sea otter <i>Enhydra lutris nereis</i>	T, MMPA	NE	Absent. This species does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Plants			
Beach Layia <i>Layia carnosa</i>	E	NE	Absent. This species does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
California Orcutt grass <i>Orcuttia californica</i>	E	NE	Absent. This species does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Contra Costa goldfields <i>Lasthenia conjugens</i>	E, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Gambel's watercress <i>Rorippa gambellii</i>	E	NE	Absent. This species does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.

Species	Status ¹	Effects ²	Potential to occur and summary basis for ESA determination ³
Gaviota tarplant <i>Deinandra increscens</i> ssp. <i>villosa</i>	E, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
La Graciosa thistle <i>Cirsium loncholepis</i>	E, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Lompoc yerba santa <i>Eriodictyon capitatum</i>	E, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Marsh sandwort <i>Arenaria paludicola</i>	E	NE	Absent. This species does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Salt marsh bird's- beak <i>Cordylanthus maritimus</i> ssp. <i>maritimus</i>	E	NE	Present. There are records of this species within one of the CCWA South Coast Participants' service areas on the South Coast. The Proposed Action would not involve any construction, land use changes, or conversion of suitable habitat. There would be <i>No Effect</i> to this species from the Proposed Action.
Spreading Navarretia <i>Navarretia fossalis</i>	T, X	NE	Absent. This species and designated critical habitat for this species do not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species from the Proposed Action.
Vandenberg monkeyflower <i>Diplacus vandenbergensis</i>	E, X	NE	Absent. This species may be present adjacent to the Lower Santa Ynez River, but does not occur within the Proposed Action Area. There would be <i>No Effect</i> to this species or its designated Critical Habitat from the Proposed Action.
Ventura marsh milk-vetch <i>Astragalus pycnostachyus</i> var. <i>lanosissimus</i>	E, X	NE	Possible. There are no records of this species within the Proposed Action Area; however, designated critical habitat for this species occurs within one of the CCWA South Coast Participants' service areas. The Proposed Action would not involve any construction, land use changes, or conversion of suitable habitat. The Proposed Action would have <i>No Effect</i> to this species or its designated critical habitat.

¹ Status = Status of federally protected species protected under the ESA

E: Listed as Endangered

T: Listed as Threatened

C: Candidate for listing

X: Critical Habitat designated for this species

MMPA: Species protected under the Marine Mammal Protection Act

² Effects = ESA Effect determination

NE: No Effect anticipated from the Proposed Action to federally listed species or designated critical habitat

NLAA: The Proposed Action is Not Likely to Adversely Affect federally listed species or designated critical habitat

³ Definition of Occurrence Indicators

Present: Species recorded in area and suitable habitat present
Possible: Species recorded in area and habitat suboptimal
Absent: Species not recorded in study area and suitable habitat absent

3.2.2 Environmental Consequences

3.2.2.1 No Action

Under the No Action Alternative, Reclamation would not allow CCWA to introduce, store and convey up to 13,750 acre-feet of CCWA water in Cachuma Project facilities. The amount of water released to the Lower Santa Ynez River would not change from current baseline conditions (when CCWA's 1995 Warren Act Contract was implemented); however, upon expiration of the existing Warren Act Contract, only Santa Ynez River water from Lake Cachuma would be released from the dam. There would be *No Effect* to proposed or listed species or Critical Habitat, and no take of migratory birds.

3.2.2.2 Proposed Action

Under the Proposed Action, CCWA would continue to introduce, store and convey CCWA water in Cachuma Project facilities. The amount of water released to the Lower Santa Ynez River below Bradbury Dam would not change as releases of this water to the river are subject to the requirements described in Section 2.2. The Proposed Action would not result in any changes in the operation of the Cachuma Project. The Proposed Action would not involve any construction, land use changes, or conversion of habitat that may be suitable for listed species. The Proposed Action does not involve the release of any water to streams on the South Coast.

As noted in Section 1, CCWA's water is treated at the Polonio Pass Water Treatment Plant in San Luis Obispo County and then dechlorinated at CCWA's Santa Ynez Pumping Facility using sodium bisulfite prior to its introduction into Lake Cachuma. Built-in safety systems automatically shut off the pumps of the Santa Ynez Pumping Facility if chlorine is detected (≥ 0.05 mg/L) or if the sodium bisulfite concentration falls below 0.1 mg/L or rises above 1 mg/L, which prevents treated water from reaching Cachuma Project facilities or the Lower Santa Ynez River. Based on the chemistry of the chemical reaction between sodium bisulfite and chloramine, as long as there is a detectable sodium bisulfite concentration in the water there is no free chlorine left in the water (i.e., chlorine residual is 0 mg/L).

Although sodium bisulfite in higher concentrations (i.e. ≥ 39 mg/L) can deplete dissolved oxygen levels in water resulting in fish mortality, it is non-toxic to aquatic life at lower concentrations (Basu & Dorner, 2010). CCWA water enters Cachuma Project facilities with a residual sodium bisulfite concentration of ≥ 0.1 mg/L and < 1 mg/L, which is considered non-toxic; this residual concentration of sodium bisulfite is further reduced as CCWA water is diluted at least 50 percent with Cachuma Project water.

Ammonia is also a byproduct of the sodium bisulfite treatment process. In higher concentrations, ammonia can be toxic to fish and other aquatic life; however, the small amount of ammonia remaining in CCWA's water (0.00 mg/L to 0.14 mg/L) falls well below the Environmental

Protection Agency's (EPA) current ammonia water quality criteria for the protection of aquatic life⁷ (EPA, 2013). Furthermore, CCWA's water is diluted by at least 50% with Cachuma Project water which would further reduce ammonia concentrations before this water reaches the Lower Santa Ynez River.

In accordance with the 2000 biological opinion for the operation and maintenance of the Cachuma Project (NMFS, 2000), CCWA water has been and would continue to be blended with Cachuma Project water in the proportion needed to meet the temperature requirement of 18°C or less prior to introduction into the Stilling Basin/Lower Santa Ynez River. This is confirmed through SCADA monitoring within the SWP facilities that convey CCWA's water as well as by Reclamation and COMB at Bradbury Dam. Therefore, the introduction of CCWA water into the Lower Santa Ynez River is not expected to have any negative effects on water quality in the river that could affect biological resources.

Under the Proposed Action, CCWA water would occasionally be released into the Lower Santa Ynez River where Southern California steelhead and its designated critical habitat are present. Before downstream migration to the ocean, juvenile *O. mykiss* imprint on chemical odors in their natal streams during smoltification, which later guide their upstream homing migration as adults (Dittman et al., 1995; Nevitt & Dittman, 1999). In the Lower Santa Ynez River, smolts may migrate downstream from November through June, with peak outmigration occurring from March through May. To minimize potential negative effects from the introduction of CCWA water on olfactory imprinting of juvenile *O. mykiss*, Reclamation would continue to implement mixing criteria so that no more than 50 percent of the total water being released below the dam is CCWA water. Further, releases of CCWA water to the river would only occur during 89-18 Water Rights Releases from May through October, with a majority of releases occurring July through September, when juvenile *O. mykiss* are unlikely to be undergoing olfactory imprinting.

A majority of releases would be conducted during the summer months when juvenile outmigration and olfactory imprinting are not occurring. Juvenile *O. mykiss* may undergo olfactory imprinting in May and June; however, because CCWA water is only released to the Lower Santa Ynez River during 89-18 Water Rights Releases, which typically are made in dry years when the river is not connected to the ocean, and because there is a requirement that the river must be discontinuous in the mainstem to release CCWA water to the river in May and June, *O. mykiss* are not expected to be outmigrating and/or undergoing olfactory imprinting when CCWA water is released to the Lower Santa Ynez River.

The 2000 biological opinion for the operation and maintenance of the Cachuma Project concluded that potential effects from CCWA's water deliveries and releases on Southern California steelhead were expected to be minimal and that the risk of incorrect imprinting from the release of CCWA water into the Lower Santa Ynez River was remote (NMFS, 2000). The Proposed Action would have no new or additional effects beyond those analyzed in the 2000 biological opinion.

With the Conservation Measures listed in 2.2.3, Reclamation has determined that the Proposed Action is *Not Likely to Adversely Affect* the endangered Southern California steelhead DPS or

⁷ The EPA's *Freshwater Ammonia Aquatic Life Ambient Water Quality Criteria* are: Acute 1-hour average of 17 mg/L total ammonia and a chronic 30-day rolling average⁷ of 1.9 mg/L total ammonia at a pH of 7.0 and a temperature of 20°C (EPA, 2013).

designated critical habitat for this species. As described in Table 1, Reclamation has determined that the Proposed Action would have *No Effect* to any other proposed or listed species or critical habitat under the Endangered Species Act of 1973, as amended (16 U.S.C. §1531 et seq.), and would not result in take of birds protected under the Migratory Bird Treaty Act (16 U.S.C. §703 et seq.).

3.3 Water Resources

3.3.1 Affected Environment

The affected environment is located in Santa Barbara County, California and includes Cachuma Project facilities (i.e., Bradbury Dam and Lake Cachuma, Tecolote Tunnel, and the South Coast Conduit), the Lower Santa Ynez River below Bradbury Dam, and the service areas on the South Coast where CCWA water would ultimately be delivered.

3.3.1.1 Cachuma Project

The Cachuma Project consists of Bradbury Dam, Lake Cachuma, the Tecolote Tunnel, the South Coast Conduit, four regulating reservoirs (Glen Anne Reservoir, Lauro Reservoir, Ortega Reservoir, and Carpinteria Reservoir) and appurtenant facilities in Santa Barbara County. Reclamation diverts, stores, and delivers Santa Ynez River water pursuant to permits issued by the State Water Resources Control Board.

Reclamation provides up to 25,714 acre-feet/per year of Cachuma Project water to the Cachuma Project Member Units. Cachuma Project water is delivered to the South Coast Cachuma Member Units via the Tecolote Tunnel and South Coast Conduit system and is made available to ID No.1 pursuant to an exchange agreement between ID No. 1 and the South Coast Member Units.

3.3.1.2 Lower Santa Ynez River

The Lower Santa Ynez River runs for approximately 48.7 river miles between Bradbury Dam and the Pacific Ocean. Below Bradbury Dam, the river passes south of the town of Santa Ynez and then flows through the broad section of the Santa Ynez Valley, near Buellton. West of Buellton, near the City of Lompoc, the river flows through a narrow section referred to as “the Narrows” and emerges onto the broad, flat Lompoc Plain. From there the river travels approximately 13 miles, transitioning to the Santa Ynez River estuary on Vandenberg Air Force Base and then directly into the Pacific Ocean at Surf Beach.

3.3.1.3 Lake Cachuma Water Quality

Raw lake water quality is measured monthly at Lake Cachuma for key constituents related to water treatment processes. The annual average concentrations measured for specific conductivity, total dissolved solids, total organic carbon, turbidity, and sulfate concentrations for Lake Cachuma and CCWA water between 2015 and 2020 are provided in Table 2.

Table 2. CCWA Water Quality and Lake Cachuma Water Quality Annual Results

Year	Specific Conductivity (mmhos/cm)		Total Dissolved Solids (mg/L)		Total Organic Carbon (mg/L)		Turbidity (NTU)		Sulfate (mg/L)	
	CCWA	Cachuma	CCWA	Cachuma*	CCWA	Cachuma	CCWA	Cachuma	CCWA	Cachuma
2015	781	963	437	626	2.5	4.7	0.17	12.11	97	263
2016	609	1027	346	668	2.3	4.2	0.11	12.98	100	272
2017	306	825	165	536	2.0	5.7	0.18	3.74	30	110
2018	481	876	220	569	2.1	5.5	0.13	8.33	55	236
2019	403	836	260	543	1.9	4.6	0.10	3.83	46	217
2020	503	918	280	597	2.0	4.9	0.12	2.75	63	90
Average	514	908	285	590	2.1	4.9	0.14	7.29	65	198

*Specific Conductance multiplied by 0.65 conversion factor

Sources: CCWA Polonio Pass Treatment Plant Water Quality Tables 2016 to 2020 <http://www.ccwa.com/archives.html>; City of Santa Barbara Public Works Department Water Resources Laboratory - Lake Cachuma Monthly Monitoring 2015 to 2020

3.3.1.4 SWP Water Quality

CCWA monitors water quality within CCWA’s facilities. Average annual water quality data is included in Table 2 for the past five years. Water in the CCWA system prior to delivery to Lake Cachuma had consistently lower concentrations of total dissolved solids, total organic carbon, turbidity, and sulfates than the water in Lake Cachuma.

3.3.1.5 Central Coast Water Authority

As noted previously, CCWA is a public entity that was organized to construct, operate, and maintain South Coast facilities in order to bring supplemental water supply to its member agencies. CCWA has a SWP water contract for 45,486 acre-feet per year. Between 2016 and 2020, CCWA has delivered a total of 43,187 AF to the CCWA South Coast Participants (Table 3). Since 1997, an average of approximately 2,040 AF per year has been exchanged for Cachuma Project water through the Santa Ynez Exchange Agreement, with a low of 0 AF in 2016 and a high of 3,155 AF in 2003 (CCWA 2021). The water delivered to Lake Cahuma by CCWA has been used for supplemental water supplies especially during drought years. In the most recent drought, CCWA water was the primary source of water being introduced into Lake Cachuma.

Table 3. South Coast Cachuma Member Units Total Water Supplies over the Last Five Years in Acre-Feet

Water Supply	2016	2017	2018	2019	2020
Cachuma Project	8,216	3,584	5,070	10,704	17,895
CCWA Water	14,427	12,547	13,751	1,460	1,002

3.3.2 Environmental Consequences

3.3.2.1 No Action

Under the No Action, supplemental water supplies would no longer be available to the CCWA South Coast Participants. This could cause shortages in water supplies for their customers especially

during drought years. As shown in Table 3 above, during the recent critical drought, CCWA water was crucial for the South Coast being as high as 3.5 times the amount of Cachuma Project water supplies, which occurred in 2017. Not having this water supply available would substantially negatively affect the South Coast water supply.

3.3.2.2 Proposed Action

The Proposed Action would continue to allow up to 13,750 acre-feet/year of CCWA water to continue to be introduced, stored, and conveyed through Cachuma Project facilities when excess capacity is available. The introduction, storage and conveyance of CCWA water would not increase or change operations in the Sacramento-San Joaquin River Delta. The additional water would be used by CCWA South Coast Participants to meet existing municipal and industrial demands. In general, CCWA water delivered to Lake Cachuma is used first by the CCWA South Coast Participants in order to carry over (store) their Cachuma Project water allocations for later use to better manage all available water supplies to meet existing demands. There would be no change in district boundaries or growth associated with use of this water. As shown in Table 3, this water is critical for the CCWA South Coast Participants to meet their existing demands, especially during drought years. As noted previously, there would be no modification of facilities in order to convey or deliver this water. The Proposed Action would be beneficial to water supplies within the Action area and would not adversely impact Cachuma Project operations.

As noted in Section 2.2, CCWA water would not be introduced into Lake Cachuma during spill events, i.e. when water is released from the dam to prevent overtopping. If any CCWA water is stored in Cachuma during these periods of time, this amount would be miniscule compared to water in the Lake. Any release of CCWA water from Lake Cachuma to the Lower Santa Ynez River is required to be mixed with Cachuma Project water up to 50 percent and subject to temperature and seasonal requirements as set forth in the 2000 biological opinion for Cachuma Project operations. As this water is mixed and flows over natural substrates in the river, its water chemistry is modified until it becomes indistinguishable from natural river water, and would, therefore, have no adverse impacts to water quality or beneficial uses in the Lower Santa Ynez River.

3.4 Cumulative Impacts

In the Council on Environmental Quality's (CEQ's) July 16, 2020 "Update to Regulations Implementing the Procedural Provisions of the National Environmental Policy Act" (85 FR 43304) the definition of cumulative impacts provided in 40 CFR 1508.7 was repealed. The CEQ conveyed the position that the analysis of cumulative effects, as defined in the 1978 regulations, is not required under NEPA. This regulation update does not preclude the analysis of cumulative effects, but identifies that all analyses of environmental effects, including cumulative effects, should focus on those effects that are reasonably foreseeable and have a reasonably close causal relationship to the proposed action.

Reclamation has made the determination that the effects of the Proposed Action evaluated in this EA, combined with other reasonably foreseeable projects, would not result in cumulative impacts to any of the resources described above. Cachuma Project operations would not be impacted as there would be no change from baseline conditions and the Proposed Action would be subject to all applicable environmental, operational, and regulatory requirements associated with operation of the Cachuma Project.

4 Consultation and Coordination

4.1 Agencies and Persons Consulted

Reclamation is consulting and coordinating with CCWA, Cachuma Operation and Maintenance Board, and NMFS in the preparation of this EA.

4.2 Public Involvement

Reclamation intends to provide the public with an opportunity to comment on the Draft Environmental Assessment during a 30-day public review period.

4.3 Endangered Species Act (16 U.S.C. § 1531 et seq.)

Section 7 of the Endangered Species Act requires Federal agencies, in consultation with the Secretary of the Interior and/or Commerce, to ensure that their actions do not jeopardize the continued existence of endangered or threatened species, or result in the destruction or adverse modification of the critical habitat of these species.

Reclamation is consulting with NMFS regarding potential impacts from the Proposed Action on the federally endangered Southern California steelhead Distinct Population Segment (DPS) and its critical habitat.

5 References

- CNDDDB (California Natural Diversity Database). 2020. California Department of Fish and Wildlife's Natural Diversity Database, May 2020.
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- Nevitt, G., and A. Dittman. 1999. A new model for olfactory imprinting in salmon. *Integrative Biology* No. 1: 215–223.
- NMFS. 2000. *Bureau of Reclamation Operation and Maintenance of the Cachuma Project on the Santa Ynez River in Santa Barbara County, California*. National Marine Fisheries Service, Southwest Region.



— BUREAU OF —
RECLAMATION

Central Coast Water Authority Temporary Warren Act Contract

22-006

Biological Evaluation

Mission Statements

The U.S. Department of the Interior protects and manages the Nation's natural resources and cultural heritage; provides scientific and other information about those resources; and honors its trust responsibilities or special commitments to American Indians, Alaska Natives, and affiliated Island Communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

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1 Introduction

1.1 Background

Central Coast Water Authority (CCWA) is a California Joint Powers Agency that was formed in 1991 to construct necessary facilities to deliver supplemental water supplies from the State Water Project (SWP) to the communities in San Luis Obispo and Santa Barbara Counties. The SWP Coastal Branch facilities were completed in 1997.

In 1994, the Bureau of Reclamation (Reclamation) released an Environmental Assessment (EA) that analyzed the construction of an extension of the SWP Coastal Branch that would allow the annual introduction through issuance of a long-term Warren Act Contract¹ of SWP water into the Cachuma Project facilities for delivery to CCWA's South Coast Participants². A Finding of No significant Impact was issued on January 3, 1995.

In 1995, Reclamation issued a 25-year Warren Act contract to CCWA that allowed the annual introduction, storage, and conveyance of up to 13,750 acre-feet (AF) of water acquired by or available to CCWA from or through the SWP into Cachuma Project facilities for delivery to the CCWA South Coast Participants for municipal and industrial uses. Introductions of SWP water under the 1995 Warren Act Contract began in 1997.

1.2 Purpose and Need for the Proposed Action

CCWA water has been and continues to be a much-needed supplemental water supply for the water deficient South Coast especially during drought conditions. As the existing Warren Act Contract expires in June 2022, CCWA has requested a new short-term Warren Act Contract to continue the introductions, conveyance, and storage of non-Reclamation Project water into Cachuma Project facilities for delivery to CCWA's South Coast Participants. Reclamation and CCWA are in the process of negotiating a new long-term Warren Act Contract. In addition, Reclamation is currently in re-consultation with the National Marine Fisheries Service (NMFS) under the Endangered Species Act (ESA) regarding operation and maintenance of the Cachuma Project. As negotiations for the long-term Warren Act contract and re-consultation on the Cachuma Project are not anticipated to be complete by June 2022, CCWA and Reclamation need to enter into a short-term contract to allow the continued delivery of a much-needed water supply to CCWA's South Coast Participants.

¹ A contract that allows non-Reclamation Project water to be introduced into Reclamation facilities.

² CCWA's South Coast Participants include: Carpinteria Valley Water District, the City of Santa Barbara, Goleta Water District, and Montecito Water District, La Cumbre Mutual Water Company, Raytheon Systems Co., and Morehart Land Co.

2 Threatened and Endangered Species

On March 18, 2022, Reclamation obtained a species list using the NMFS species list tool obtained from the (now unavailable) National Oceanic and Atmospheric Administration's West Coast Region website, https://archive.fisheries.noaa.gov/wcr/maps_data/california_species_list_tools.html. The California Department of Fish and Wildlife's California Natural Diversity Database (CNDDDB) was also queried for records of protected species within the Proposed Action Area (CNDDDB, 2022). The information collected above, in addition to information within Reclamation's files was combined to determine the likelihood of protected species occurrence within the Proposed Action Area.

The federally endangered Southern California steelhead (*Oncorhynchus mykiss*) Distinct Population Segment (DPS) occurs within the Proposed Action Area and is addressed in this Biological Evaluation. Reclamation has determined that the Proposed Action would have no effect on any other federally listed species or critical habitat, therefore, these species are not considered further in this document.

3 Critical Habitat

The Proposed Action Area overlaps designated critical habitat for the Southern California steelhead DPS. Designated Critical habitat for Southern California steelhead is present in the Lower Santa Ynez River from Bradbury Dam downstream to the property limit of the Vandenberg Air Force Base near the estuary (70 FR 52487, 2005).

4 Description of the Proposed Action

Reclamation proposes to issue short-term (up to five-years) Warren Act Contract(s) to CCWA that would allow the annual introduction, conveyance, and storage of up to 13,750 AF of CCWA's water within Cachuma Project facilities.

CCWA water includes SWP water from the Sacramento River watershed, previously banked SWP water, and other non-SWP water supplies acquired from the Sacramento River watershed, the San Joaquin River watershed, and the San Joaquin-Sacramento Delta. CCWA's acquired non-SWP water supplies can include groundwater pumping, groundwater substitution, land fallowing, or other transfers and exchanges that are common in Reclamation's Central Valley Project and the SWP. The conveyance of non-SWP water supplies through the SWP are reviewed and approved independently by the California Department of Water Resources (DWR) prior to this water being conveyed in State facilities to CCWA's facilities. Prior to introduction into Cachuma Project facilities, CCWA's water will continue to be treated as done under baseline conditions.

Under the short-term Warren Act Contract(s), CCWA water would continue to be introduced and conveyed through Cachuma Project facilities (i.e., Bradbury Dam outlet works, Stilling Basin, Lake Cachuma, North Intake of the Tecolote Tunnel, and the South Coast Conduit) to CCWA's South

Coast Participants located along the South Coast Conduit. No modifications to existing infrastructure or operations or construction would be needed for the Proposed Action.

4.1.1 Introduction of CCWA Water into Cachuma Project Facilities

There are two existing mechanisms for the introduction of CCWA water into Lake Cachuma: (1) a direct connection of the CCWA pipeline to the Bradbury Dam outlet works penstock; and (2) a high-density polyethylene penstock bypass pipeline (bypass pipeline) that introduces CCWA water directly into Lake Cachuma³. These mechanisms would remain unchanged under the Proposed Action.

When releases from the outlet works occur at the same time as CCWA water is being introduced through the outlet works, CCWA water mixes with water from Lake Cachuma and is released into the Stilling Basin where it flows into the Lower Santa Ynez River. This mixing of CCWA water has certain advantages to downstream entities for enhancing water quality (i.e., reduced total dissolved solids) and the Cachuma Project Member Units⁴, Santa Ynez River Water Conservation District (SYRWCD), and the City of Lompoc entered into a Settlement Agreement in September 2002 to maximize introduction of CCWA water during their Water Rights Releases⁵ from the outlet works.

When CCWA water is released into the Stilling Basin, CCWA water is exchanged for Cachuma Project water in Lake Cachuma on a one-to-one basis.

CCWA water may be introduced to Lake Cachuma or the Lower Santa Ynez River at rates ranging from 3 cubic feet per second (cfs) up to 22 cfs, as limited by the capacity of the four pumps at CCWA's Santa Ynez Pumping Facility. Three of the four pumps operate only at 100 percent, while the remaining pump has a variable frequency drive which allows for any flow rate from 3 to 22 cfs. Operation of the Santa Ynez Pumping Facility can be highly variable, but in general the Pumping Facility operates minimally when Lake Cachuma is full and may operate at maximum capacity for extended periods of time during drought conditions.

When Reclamation is releasing water from the outlet works at Bradbury Dam, and CCWA is delivering CCWA water to Lake Cachuma, commingled water will be released to the Lower Santa Ynez River pursuant to the restrictions noted in Section 6. When Reclamation is releasing water from the Hilton Creek Emergency Backup System (EBS), no CCWA water can be delivered via the outlet works as the EBS is plumbed into the outlet works. When the only water Reclamation is releasing to the Lower Santa Ynez River is from Hilton Creek via the lake-based Hilton Creek Watering System (HCWS), no CCWA water will be released to the Lower Santa Ynez River.

³ The bypass pipeline has been routed previously in three configurations: bypass pipeline through the spillway onto the bedrock shelf (used when lake levels are low and bedrock shelf is exposed), bypass pipeline to the spillway gate threshold (used when the bedrock shelf is submerged and lake level is below the spillway gate threshold) and bypass pipeline over the top of the dam (used when lake level is above the threshold of the spillway gate).

⁴ Cachuma Project Member Units include Carpinteria Water District, City of Santa Barbara, Goleta Water District, Montecito Water District, and Santa Ynez River Water Conservation District Improvement District No. 1.

⁵ Non-discretionary Water Rights Releases have occurred since the completion of Bradbury Dam. These releases are made in accordance with State Water Resources Control Board permits 11308 and 11310 issued to Reclamation for the Cachuma Project, as conditioned by WR Order 73-37, as amended by WR Order 89-18 and WR Order 2019-0148.

Temperature monitoring sensors and related equipment in the penstock at the Bradbury Dam outlet works and in the CCWA pipeline collect and transmit data to both CCWA and Reclamation's Supervisory Control and Data Acquisition (SCADA) System.

The system uses a flow weighted average of lake water temperature and CCWA water temperature to calculate an estimate of the blended temperature of water releases to the Stilling Basin (Appendix A). These calculations are done continuously using a programmable logic controller at a set frequency of once every 1-15 minutes. The Cachuma Operation and Maintenance Board (COMB) and Reclamation monitor the temperature of CCWA water and water in the penstock, and there is a SCADA alarm set to alert CCWA and Reclamation when the temperature of blended water is approaching a certain threshold below 18°C (J. Brady, CCWA, personal communication, 3/21/2022). When the temperature of blended water is approaching the 18°C-temperature limit for steelhead, Reclamation will immediately reduce or suspend delivery of CCWA water or increase delivery of Cachuma Lake water until CCWA deliveries can be reduced or suspended, to avoid exceeding the 18°C-temperature limit.

4.1.2 CCWA Water Treatment

Prior to its introduction into Lake Cachuma, CCWA water is treated in CCWA's Polonio Pass Water Treatment Plant in San Luis Obispo County to applicable drinking water standards. This treatment process includes adding chloramine (a mix of chlorine and ammonia) to the water. From the Polonio Pass Water Treatment Plant, CCWA's water is conveyed to the Santa Ynez Pumping Facility where it is treated with sodium bisulfite to remove the chloramine before the water is conveyed to Bradbury Dam for introduction into Cachuma Project facilities.

Built-in safety systems at the Santa Ynez Pumping Facility automatically shut off the pumps if a chlorine concentration ≥ 0.05 mg/L is detected, or if residual sodium bisulfite concentrations drop to 0.1 mg/L or rise above 1 mg/L. Slightly more sodium bisulfite is added to the water than needed to completely neutralize the chlorine, which results in a small amount of unreacted sodium bisulfite left in the water (i.e. >0.1 mg/L and ≤ 1 mg/L). Based on the chemistry of the chemical reaction between sodium bisulfite and chloramine, as long as there is a detectable sodium bisulfite concentration in the water there is no free chlorine left in the water (i.e., chlorine residual is 0 mg/L).

Free ammonia is a byproduct of the sodium bisulfite water treatment process. A study conducted by CCWA that tracked the fate of free ammonia through the eight-mile pipeline that runs from the Santa Ynez Pumping Facility to Lake Cachuma found that only small concentrations of free ammonia reach Lake Cachuma. Samples collected at the Lake Cachuma delivery point over the 12-month study period (2016 to 2017) had free ammonia concentrations ranging from 0 mg/L to 0.14 mg/L with an average concentration of 0.04 mg/L (CCWA, 2021). This represents an average removal efficiency of over 90 percent from the average free ammonia concentrations measured at the outlet vault of the Santa Ynez Pumping Facility.

5 Proposed Action Area

The Proposed Action Area is located in Santa Barbara County, California and includes: Lake Cachuma, the Lower Santa Ynez River below Bradbury Dam, conveyance facilities used to deliver CCWA water (i.e., Tecolote Tunnel, South Coast Conduit), and the service areas on the South Coast where CCWA water would ultimately be delivered.

6 Conservation Measures for Southern California Steelhead

Measures to avoid and minimize effects to the endangered Southern California steelhead DPS have been and will continue to be implemented during CCWA operations. Measures are primarily related to preventing steelhead from imprinting on CCWA water and preventing CCWA water from being released to Hilton Creek. When CCWA deliveries to Lake Cachuma via the outlet works coincide with releases from Lake Cachuma via the outlet works, Reclamation proposes to implement the following restrictions to minimize potential effects to steelhead:

- General restrictions on all CCWA water deliveries:
 - There is no delivery of CCWA water to Lake Cachuma during spill events;
 - CCWA water is not introduced into the penstock if the Hilton Creek EBS is on standby⁶, to eliminate any possibility of CCWA water being delivered to Hilton Creek.
- Restrictions on CCWA water deliveries through the Bradbury Dam outlet works:
 - When releases from the outlet works and deliveries of CCWA water through the outlet works are simultaneously scheduled to achieve mixing, Reclamation will notify NMFS that CCWA water will be entering the Santa Ynez River;
 - There is no delivery of CCWA water to Lake Cachuma via the outlet works when the EBS is delivering water;
 - CCWA water will not be mixed into the waters of the Santa Ynez River during the months of May and June, unless flow is discontinuous in the mainstem;
 - Delivery of CCWA water to Lake Cachuma is not made during spill events;
 - Releases of CCWA water to the mainstem only occurs during water right releases from May to October, with the bulk of releases occurring July through September;
 - CCWA water will not exceed 50 percent of the total rate of releases to the Lower Santa Ynez River; and
 - When releases of CCWA water to the Lower Santa Ynez River occur, Reclamation will ensure that water is released from Lake Cachuma in such a proportion that the

⁶ EBS standby is defined as the condition of being aligned and configured to automatically initiate flow upon loss of power during pumped flow from the lake-based Hilton Creek Watering System (HCWS). The system may be available for use at other times (e.g. during gravity flow from the lake-based HCWS); however, standby *only* occurs when the lake-based HCWS is delivering pumped flow and the EBS is only triggered to start automatically when there is a loss of power.

blended CCWA and Lake Cachuma water entering the Stilling Basin has a temperature of $\leq 18^{\circ}\text{C}$, as estimated pursuant to the Penstock Temperature Monitoring Plan (Appendix A).

7 Status of Southern California Steelhead in the Proposed Action Area

Historically, *O. mykiss* in the Santa Ynez River probably supported the largest steelhead run in Southern California (Busby, et al., 1996). The Santa Ynez River is reported to have had an annual run size from 13,000 to 25,000 adults in the 1940s (Shapovalov, 1945; ENTRIX, 1994; Moyle, et al., 2008). Although this was a cursory estimate, it does attest to the large size of this run, which was already reduced from former times because of forest fires and construction of dams in the upper watershed. The large size of this run is also indicated by a California Department of Fish and Game rescue of 1,036,980 juvenile steelhead from the partially dry bed of the Santa Ynez River in 1944 (Shapovalov, 1945). Gibraltar Dam, completed in 1920, blocked access to much of the spawning habitat of the river system, including the upper mainstem and the Mono Creek system (Shapovalov, 1945); however, Shapovalov (1946) reported that excellent spawning habitat was present in the mainstem from Gibraltar Dam to the vicinity of Solvang, which is approximately 10 miles downstream of Bradbury Dam (CDFG, 1996). The construction of Bradbury Dam in the early 1950s further eliminated access to historic spawning and rearing habitat (i.e. the area between Bradbury Dam and Gibraltar Dam).

Population abundance and effective population size is low in the Lower Santa Ynez River (NMFS, 2012). The small effective population size of the Lower Santa Ynez River *O. mykiss* population puts it at risk of genetic drift, inbreeding, and potential extirpation from catastrophic events, such as the 2012–2016 drought, 2017–2018 Thomas Fire and subsequent debris flow, and sediment loading in streams used by *O. mykiss*.

Fish trapping data on the mainstem Lower Santa Ynez River from 1996 to 2021 provides a multiyear set of quantitative data on steelhead numbers in the river. Since 1996, ten seasons of migrant trapping efforts in the mainstem Lower Santa Ynez River have resulted in the capture of just two individual anadromous adult steelhead (both captured in 2008)⁷. Migrant trapping efforts in Hilton Creek and Salspuedes Creek (tributaries to the Lower Santa Ynez River) during this same time period resulted in the capture of 32 anadromous adult steelhead. These numbers represent a minimum count of actual returns because traps must be removed at high flows when anadromous fish are likely traveling upstream. During the previous drought (2012–2016), the Santa Ynez River lagoon bar did not breach during years 2013–2016, nor in 2018; no adult steelhead were able to enter the river to spawn in those years. Likewise, smolts were not able to outmigrate to the ocean during those years. In such instances, steelhead may stray to another stream that is open for upstream migration (Shapovalov & Taft, 1954). Recent studies have determined there is substantial

⁷ Traps were operated in the Mainstem Santa Ynez River in 1996, 1997, 2006, 2008-2012, 2019 and 2020

migration between the Santa Ynez River and other regional steelhead populations (Girman & Garza, 2006; Garza & Clemento, 2008).

Fish conservation measures implemented as part of the 2000 BiOp and the 2000 Lower Santa Ynez River Fish Management Plan (NMFS, 2000; SYRTAC, 2000) resulted in an initial increased juvenile *O. mykiss* abundance. In 2005 and 2006, a dramatic increase in *O. mykiss* abundance occurred in the Refugio and Alisal reaches of the mainstem Lower Santa Ynez River. 2005 was the third wettest year on record, followed by 2006 which was an Above Normal water year, and the high numbers of fish present in those years may have been a response to favorable, very wet year habitat conditions in conjunction with long-term target flows. However, abundance in the Refugio and Alisal reaches then declined after 2006, despite three out of four years (2007 through 2011) being Wet or Above Normal precipitation years (SYRAMC, 2009; COMB 2011-2012; Reclamation, 2013a; Reclamation, 2011). The observed lack of overall increase in *O. mykiss* abundance in the Refugio and Alisal reaches may be due to additional factors. These factors include potentially unsuitable water quality conditions, observed increases in predatory warm-water invasive species, and increases in beaver activity and dams.

In the Lower Santa Ynez River, steelhead have access to the mainstem and its tributaries. Results of snorkel surveys and migrant trapping indicate that *O. mykiss* successfully reproduce and rear primarily in the tributaries: Hilton Creek, the Salsipuedes/El Jaro drainage, Quiota Creek, and San Miguelito Creek (SYRAMC, 2009; COMB, 2012; Reclamation, 2013a; Reclamation, 2013b; Reclamation, 2011).

Snorkel survey data suggest that the tributary *O. mykiss* overall abundance has increased over time whereas mainstem abundance is relatively flat (Figure 1). Completion of tributary passage projects increased access to rearing and spawning habitat which has in part contributed to this increasing trend. As shown in Figure 1, *O. mykiss* observations during the recent extended drought (2012–2016) indicate a sharp decrease in abundance in both tributaries and the mainstem, although since 2019, spring snorkel surveys have observed an increase in *O. mykiss* individuals, many of which were young of the year.

Given the expected impacts from climate change, as well as impacts from natural climate patterns such as El Niño and water year type, impacts from catastrophic events will likely become more common and influence both the abundance and the distribution of adult and juvenile *O. mykiss*.

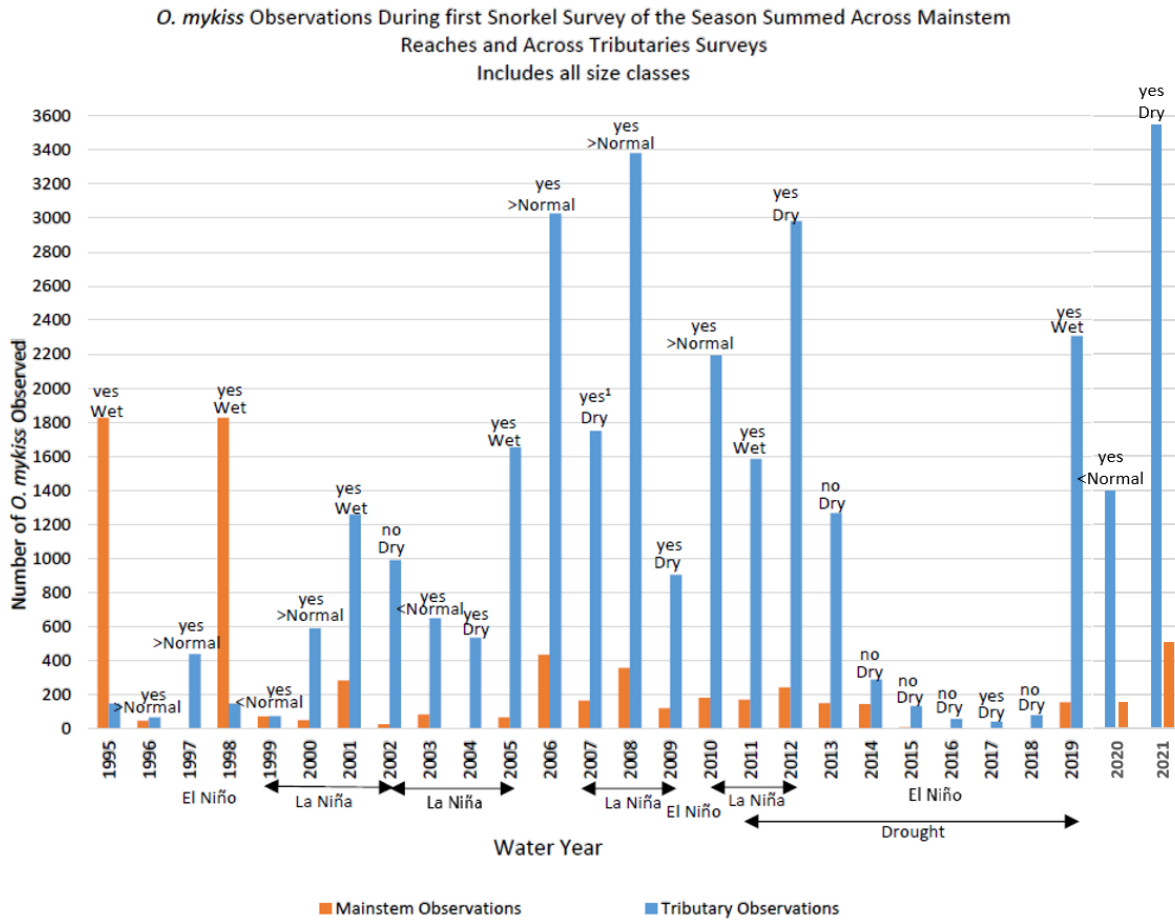


Figure 1: *O. mykiss* Observations During First Snorkel Survey of the Season Summed Across Mainstem Reaches and Across Tributaries Surveys (Includes all Size Classes)⁸

⁸ Environmental variables (water year type, lagoon connectivity, larger natural environmental occurrence, and drought) are provided here as occurrence information. Water year type is: Dry, Normal, or Wet; lagoon bar breached for ocean connectivity: yes or no (in 2007 the bar breached but not during adult return migration); El Niño and La Niña events are noted by year range with an arrow where appropriate; and drought conditions are noted by year range with an arrow. All *O. mykiss* observed were counted; however, due to poor visibility during some of the surveys (from turbidity, vegetation, etc.) these observations likely underestimate the number of *O. mykiss* actually present in survey reaches where visibility was poor. These data are observational counts only, not a population estimate.

8 Environmental Baseline and Special-Status Species Effects

For a complete description of the environmental baseline in the Proposed Action Area, please refer to Reclamation's 2021 Biological Assessment for the Operation and Maintenance of the Cachuma Project (Reclamation, 2021).

O. mykiss are known to occur in the Lower Santa Ynez River below Bradbury Dam and designated critical habitat for Southern California steelhead is present in the river below the dam. Under the Proposed Action, out-of-basin water (CCWA water) would occasionally be released into the Lower Santa Ynez River where Southern California steelhead and designated critical habitat for Southern California steelhead are present. The primary concerns for potential effects to Southern California steelhead from the Proposed Action are related to water quality and olfactory imprinting and each are discussed in greater detail below.

8.1 Water Quality

As described above, the maximum amount of chlorine hypothetically remaining in CCWA water after treatment would be < 0.05 mg/L (i.e. detection limit at which the pumps automatically shut off); however, in actuality the residual chlorine concentration in CCWA's water is expected to be 0.0 mg/L due to the residual amount of unreacted sodium bisulfite left in the water.

Although sodium bisulfite in higher concentrations (i.e. ≥ 39 mg/L) can deplete dissolved oxygen levels in water resulting in fish mortality, it is non-toxic to aquatic life at lower concentrations (Basu & Dorner, 2010). CCWA water enters Cachuma Project facilities with a residual sodium bisulfite concentration of ≥ 0.1 mg/L and < 1 mg/L, which is considered non-toxic; this residual concentration of sodium bisulfite is further reduced as CCWA water is diluted with Cachuma Project water.

As described above, chloramine (a mix of chlorine and ammonia) is added to CCWA's water to disinfect it, and the chloramine is subsequently removed using sodium bisulfite. A byproduct of the sodium bisulfite treatment process is ammonia⁹. Ammonia exists in two forms within the environment: the ionized form (NH_4^+) and the un-ionized form (NH_3). The ratio of the ionized and un-ionized forms that exist in the environment at a given moment are dependent on temperature and pH, with the ionized form typically dominant in most biological systems. As pH and/or temperature increase, the portion of un-ionized ammonia increases and the portion of ionized ammonia decreases (EPA, 2013).

Of the two forms of ammonia, the un-ionized form (NH_3) is of greatest concern for toxicity to fish. At certain concentrations, un-ionized ammonia can be toxic to fish by: accumulating in gill tissue

⁹ Please note, that the ammonia added to treat CCWA's water (in the form of chloramine) and the ammonia byproduct that results from treatment with sodium bisulfite are not additive (i.e. it is the same ammonia originally added in the form of chloramine that forms the ammonia byproduct at the end of the reaction).

and causing accelerated ventilation rate and gill damage, reducing blood-oxygen carrying capacity, inhibiting the production of adenosine triphosphate (ATP) in the brain, and/or disrupting metabolic function of the liver and kidneys (EPA, 2013). Ammonia can also harm aquatic invertebrates (specifically bivalves) that may provide food sources for fish, through physiological changes that can result in reduced feeding, reproductive success, and survival (EPA, 2013).

In 2017, the Central Coast Regional Water Quality Control Board (CCRWQCB) established a water quality objective for un-ionized ammonia (0.025 mg/L) for the protection of aquatic life which applies to the Lower Santa Ynez River (CCWQP, 2019). All of the samples collected from the Lower Santa Ynez River for water quality monitoring conducted by the Central Coast Water Quality Preservation, Inc. (CCWQP) in 2019 were in compliance with this water quality objective for un-ionized ammonia (i.e. < 0.025 mg/L). The concentration of un-ionized ammonia in samples collected from the Lower Santa Ynez River in 2019 ranged from 0.0001 mg/L to 0.0038 mg/L. At all three sampling locations on the Lower Santa Ynez River¹⁰, un-ionized ammonia concentrations showed a decreasing trend (though this trend was only statistically significant at the Floradale Avenue location) (CCWQP, 2019).

The amount of total ammonia measured in CCWA water ranges from 0.00 to 0.14 mg/L, with an average of 0.04 mg/L. As described above, the ratio of the un-ionized form to the ionized form of ammonia in water is determined by temperature and pH. A summary of un-ionized ammonia concentrations in CCWA water, based on measurements of total ammonia in CCWA water and different pH and temperatures, is provided in Table 1 below.

Table 1: Total Ammonia and Un-ionized Ammonia Concentrations in CCWA Water

Temperature (°C)	pH*	Total Ammonia (NH ₃ and NH ₄ ⁺) in CCWA water (mg/L)	Concentration of un-ionized ammonia (NH ₃) in CCWA water
18°C	7.0	0.04 mg/L	0.000 mg/L
18°C	7.0	0.14 mg/L	0.000 mg/L
18°C	8.0	0.04 mg/L	0.001 mg/L
18°C	8.0	0.14 mg/L	0.005 mg/L
18°C	8.3	0.04 mg/L	0.003 mg/L
18°C	8.3	0.14 mg/L	0.009 mg/L
18°C	8.5**	0.04 mg/L	0.004 mg/L
18°C	8.5**	0.14 mg/L	0.014 mg/L
20°C	8.5**	0.14 mg/L	0.016 mg/L

*pH water quality standard for the Lower Santa Ynez River is 7.0-8.3.

** A pH of 8.5 was chosen, as the highest recorded pH from the Lower Santa Ynez River in 2019 was 8.49 (CCWQP, 2019).

As shown in Table 1, the expected range of un-ionized ammonia concentrations in CCWA water is 0.000 to 0.009 mg/L, when the 18°C-temperature requirement and CCRWQCB pH standards are

¹⁰ Water samples were collected from the Lower Santa Ynez River at the following locations: 1) just upstream of Lompoc at River Park at a site influenced by agricultural use, 2) just downstream of Lompoc at Floradale Avenue below the Lompoc Wastewater Treatment Plan discharge point, and 3) downstream and west of Lompoc at 13th Street below an area dominated by intensive agriculture (CCWQP, 2019).

met. Even if pH exceeds standards and temperature increases above the 18°C-temperature requirement (which is neither proposed nor expected to occur), at the highest measured total ammonia concentration in CCWA water, un-ionized ammonia concentrations would still remain well below the 0.025 mg/L standard. Furthermore, the un-ionized ammonia concentrations shown in Table 1 would be reduced by at least half as CCWA water is diluted at least 50 percent with Cachuma Project water. Based on the recorded concentrations of ammonia remaining in CCWA's water, the dilution of this water by mixing, and the most recent available baseline un-ionized ammonia concentration measurements from the Lower Santa Ynez River, the small amount of residual ammonia in CCWA's water is expected to have no adverse effect on fish or other freshwater aquatic species.

The Environmental Protection Agency (EPA) updated the *Freshwater Ammonia Aquatic Life Ambient Water Quality Criteria* in 2013 taking into account new data and sensitive freshwater unionid mussels that were not considered in the previous criteria to more fully protect the aquatic community (EPA, 2013). The EPA's updated criteria for total ammonia are: an acute 1- hour average of 17 mg/L total ammonia and a chronic 30-day rolling average¹¹ of 1.9 mg/L total ammonia at a pH of 7.0 and a temperature of 20°C. The current available data for ammonia indicate that these standards are protective of *O. mykiss* and other aquatic freshwater species that *O. mykiss* may depend on as food sources (EPA, 2013).

When the criteria for total ammonia are adjusted based on the temperature (18°C) and pH (target range of 7.0-8.3) expected to occur in the Proposed Action Area, the acute criteria range from 20 mg/L to 2.6 mg/L for total ammonia and the chronic criteria range from 2.2 mg/L to 0.55 mg/L for total ammonia (both criteria decrease as pH increases due to the higher ratio of un-ionized ammonia at higher pH levels). The total residual concentration of ammonia in CCWA's water ranges from 0.0 to 0.14 mg/L and would be further diluted with Lake Cachuma water. CCWA's water may be diluted by more than 50 percent in order to meet the 18°C- temperature requirement.

Based on the concentrations of total ammonia in CCWA water, and the dilution of this water by at least 50 percent, the introduction of CCWA's water into the Lower Santa Ynez River is not expected to result in the exceedance of the acute or chronic 2013 EPA criteria for ammonia and is therefore not expected to have any adverse effect on *O. mykiss* or other aquatic freshwater species that *O. mykiss* may depend on as food sources.

CCWA water has been and would continue to be blended with Cachuma Project water in the proportion needed to meet the temperature requirement of 18°C or less prior to introduction into the Stilling Basin/Lower Santa Ynez River. This is confirmed through SCADA monitoring within the facilities that convey CCWA water as well as by Reclamation and COMB at Bradbury Dam. Alarms on the SCADA system are set to alert Reclamation and CCWA when the temperature of blended water approaches a threshold below 18°C, so the 18°C is not exceeded.

With implementation of the conservation measures listed in section 6, the introduction of CCWA water into the Lower Santa Ynez River is not expected to have any negative effects on water quality in the river.

¹¹ The highest 4-day average out of this period may not exceed 2.5 x the Chronic 30-day rolling average.

8.2 Olfactory Imprinting

Before downstream migration to the ocean, juvenile *O. mykiss* imprint on chemical odors in their natal streams during smoltification, which later guides their upstream homing migration as adults (Dittman, et al., 1995; Nevitt & Dittman, 1999). In the Lower Santa Ynez River smolts may migrate downstream from November through June, with peak outmigration occurring March through May. To minimize potential negative effects from the introduction of out-of-basin CCWA water on olfactory imprinting of juvenile *O. mykiss*, Reclamation would continue to implement mixing criteria so that no more than 50 percent of the total water being released below the dam is out-of-basin water. Further, releases of CCWA water to the river would only occur during 89-18 Water Rights Releases from May through October, with a majority of releases occurring July through September, when juvenile *O. mykiss* are unlikely to be undergoing olfactory imprinting.

A majority of releases would be conducted during the summer months when juvenile outmigration and olfactory imprinting are not occurring. Juvenile *O. mykiss* may undergo olfactory imprinting in May and June; however, because CCWA water is only released to the Lower Santa Ynez River during 89-18 Water Rights Releases, which are made in dry years when the river is not connected to the ocean, and because there is a requirement that the river must be discontinuous in the mainstem to release CCWA water to the river in May and June, it is unlikely that *O. mykiss* would be outmigrating and/or undergoing olfactory imprinting when CCWA water is released to the Lower Santa Ynez River.

9 Conclusion

With the implementation of the conservation measures restricting the timing and rate of release of CCWA's water to the river, the Proposed Action is highly unlikely to disrupt the olfactory imprinting of juvenile *O. mykiss*. Furthermore, with the use of automatic safety shut-off systems at the Santa Ynez Pumping Facility and the continued implementation of water temperature requirements, the Proposed Action is not expected to have any negative effects on water quality.

The 2000 BiOp concluded that potential effects from CCWA's water deliveries and releases were expected to be minimal and that the risk of incorrect imprinting from the release of CCWA water into the Lower Santa Ynez River was remote. The Proposed Action would have no new or additional effects beyond those analyzed in the 2000 BiOp. In addition, NMFS concluded in their 2016 draft biological opinion (NMFS, 2016) for the Operation and Maintenance of the Cachuma Project that, "*the effects of ... Central Coast Water Authority state water project deliveries and releases are expected to be avoided by measures that are currently in place and are expected to continue.*"

With the implementation of the provided conservation measures, any potential effects from the Proposed Action on the Southern California steelhead DPS or designated critical habitat for this species would be reduced to an insignificant and discountable level. Reclamation has determined that the Proposed Action is *Not Likely to Adversely Affect* the Southern California steelhead DPS or designated critical habitat for this species.

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Appendix A: Penstock Temperature Monitoring Plan



October 6, 2011

Mr. Robert Campbell
U.S. Bureau of Reclamation
Mid-Pacific Region
South-Central California Area Office
1243 N Street
Fresno, California 93721-1813

Subject: Temperature Monitoring Proposal
Bradbury Dam Outlet Works

L. J. Lavagnino
Chairman

Richard Shaikewitz
Vice Chairman

William J. Brennan
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

Dear Mr. Campbell:

Over the past year, the Central Coast Water Authority (CCWA) staff has been in discussions with Mr. Darin Williams of your office and Mr. Tim Robinson of the Cachuma Operations and Maintenance Board (COMB) regarding the temperature monitoring program for the Bradbury Dam outlet works. As a result of these discussions, CCWA staff has developed a proposal for a temperature monitoring program to assist with documenting compliance with the current temperature limit on water releases.

The proposed Temperature Monitoring Program is attached for your consideration. CCWA staff will purchase and install the required equipment, as described in the proposal. The cost for the required equipment is in the \$2,500 to \$3,000 range.

On a related matter, CCWA would like to request that a signal from the Bureau's nozzle meter, located in the center of the Bradbury Dam penstock, be provided to CCWA. This signal will be used by CCWA's SCADA System to track and record the flow data. We hope to connect the nozzle meter signal to our SCADA system as part of the same project to install the temperature monitoring equipment.

I hope this proposal is acceptable. If you have any questions, please call me at 805-688-2292 ext 228.

Sincerely,



John Brady

Operations Manager/Engineer

cc: Tim Robinson
Cachuma Operations and Maintenance Board

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

37405



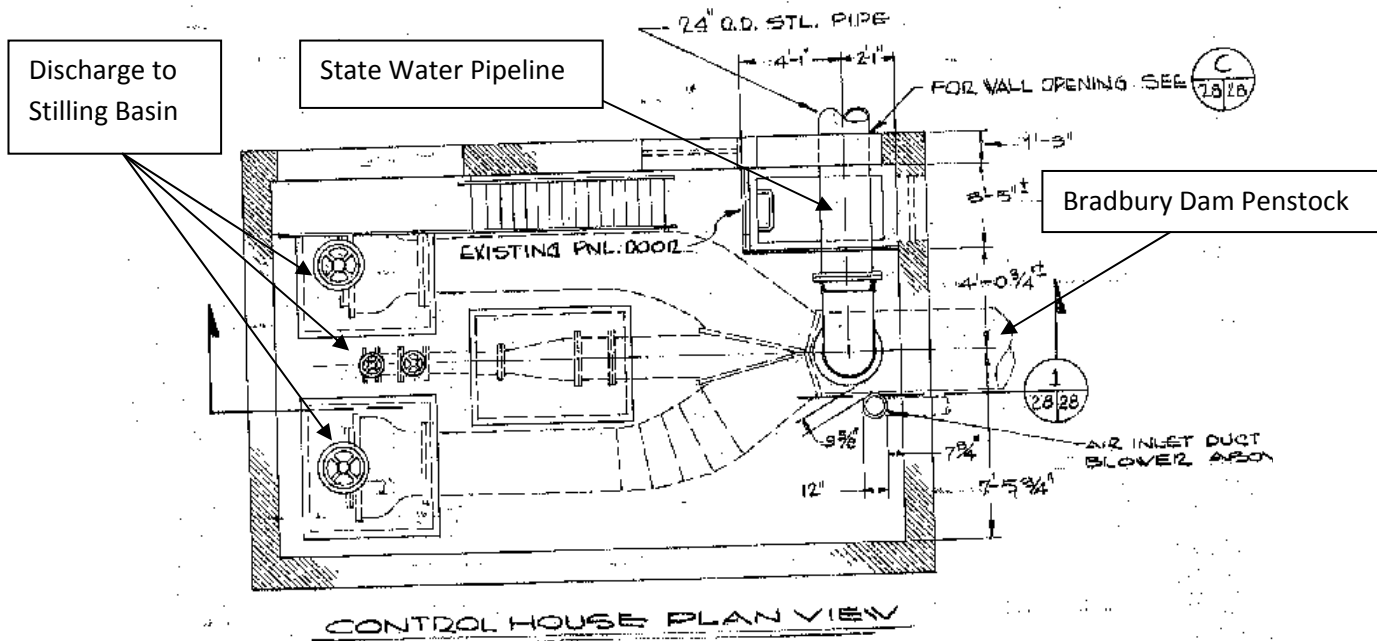
TEMPERATURE MONITORING PROGRAM FOR BRADBURY DAM OUTLET WORKS

Background

The National Marine Fisheries Service, Southwest Region, issued a Biological Opinion regarding the operation and maintenance of the Cachuma Project on the Santa Ynez River in September 2000. In this Biological Opinion (BO), an agreement between U.S. Bureau of Reclamation and the Central Coast Water Authority (CCWA) was cited regarding the water temperature limit for discharging water into the Stilling Basin below Bradbury Dam. It was agreed that when State Water is being delivered to the lake at the same time the Dam is releasing for water rights or fish resources, water will not enter the Stilling Basin if it is over 18 degree Celsius.

Outlet Works Discharge Piping

Selecting an appropriate temperature monitoring location for water being discharged into the Stilling Basin is problematic due to the piping configuration of the outlet works. State Water is delivered to Lake Cachuma through a dedicated pipeline that is plumbed to the Bradbury Dam Penstock, just upstream of the three existing discharge ports, as shown below:



Due to the three different potential paths to discharge and the short length between the State Water pipe connection and the discharge ports, a sample location that would represent a completely mixed water stream is not possible. Consequently, an indirect monitoring method for blended water temperature is needed.

Temperature Monitoring Strategy

Considering the difficulty in measuring temperature of completely mixed water prior to it entering the Stilling Basin, an indirect monitoring method is proposed. Since representative water temperature monitoring locations can easily be identified on the State Water Pipeline and the Bradbury Dam Penstock, CCWA staff proposes to directly monitor water temperatures at those locations. The data obtained from these locations can then be utilized in calculating a blended water temperature.

The blended water temperature calculation will be based on basic heat transfer equations, coupled with reasonable simplifying assumptions. The heat transfer required to change the temperature of water can be quantified by the following equation:

$$Q = mc\Delta T$$

Where:

Q	=	Heat
m	=	mass
c	=	specific heat
ΔT	=	change in temperature

When two streams of water with different temperatures are mixed, one stream will increase in temperature while the other will decrease in temperature via heat transfer between the two streams. In other words, heat lost from one stream is gained by the other. Assuming that there is no heat loss to the environment, a calculation of the final temperature for the blended streams can be derived as follows:

Heat loss and gain can be expressed as follows:

$$Q_{loss} = mc(T - T_f)$$

and

$$Q_{gain} = mc(T_f - T)$$

Where:

T	=	Temperature of the given water stream
T_f	=	Temperature of blended water

Since heat loss from one stream is assumed to be the heat gain by the other stream until both streams reach the same temperature,

$$Q_{loss} = Q_{gain}$$

From this, we obtain:

$$m_1c(T_1 - T_f) = m_2c(T_f - T_2)$$

$$m_1T_1 - m_1T_f = m_2T_f - m_2T_2$$

$$T_f = \frac{m_1T_1 + m_2T_2}{m_1 + m_2}$$

For the purposes of this calculation, volumetric flow can be utilized as an estimate for mass flow since the density of water does not change by more than 0.3% from 5 C to 30C, which is the anticipated range of temperature under consideration. Therefore, the following equation is proposed for use:

$$T_f = \frac{V_1T_1 + V_2T_2}{V_1 + V_2}$$

In terms of the simplifying assumptions, we offer the following justification:

- Assumption: Discharged water consisting of completely mixed State Water and Lake Cachuma Water. This assumption is considered reasonable since the combined water streams passes through a common nozzle, is discharged to atmosphere and allowed to free fall into the Stilling Basin.
- Assumption: No heat loss from the water to the environment. This is a conservative assumption since heat loss is likely as the combined water streams passes through a common nozzle, is discharged to atmosphere and allowed to free fall into the Stilling Basin.

Water Temperature Monitoring Instrumentation

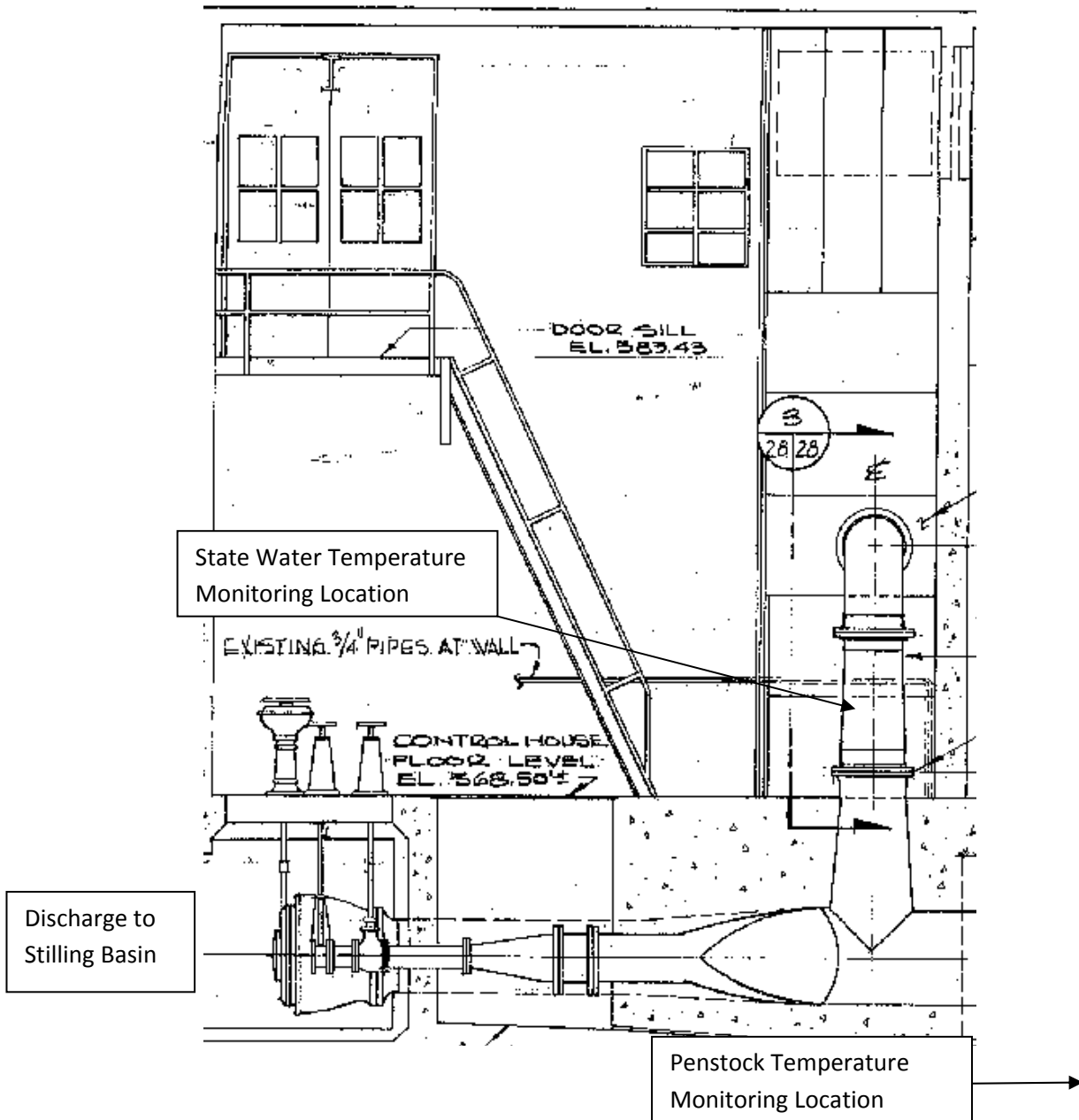
The proposed instrumentation for monitoring water temperatures in the State Water Pipeline and the Bradbury Dam Penstock will include the following:

1. Two thermocouples with thermowells
2. Three panel mounted indicators for local display
3. Three signal isolators
4. Three pair signal cable to deliver the re-transmitted signals

One thermocouple/thermowell will be installed in the State Water Pipeline. A weld-a-let installed on the vertical portion of the pipe, between the 90 degree elbow above the second floor and the penstock tee located above first floor of the outlet works control building (see diagram below). The thermowell and thermocouple will be installed within the new weld-a-let fitting. This location will provide temperature signals for State Water. The second thermocouple/thermowell will be installed in one of the four existing pitot tube ports in the Bradbury Dam Penstock just upstream of the Accusonic flow meter located on the first floor. This location will provide a temperature signal for Lake Cachuma water within the penstock.

The signals from the temperature transmitters will be connected to CCWA's local Programmable Logic Controller (PLC). The PLC will use the temperature signals from the Bradbury Dam Penstock and State Water Pipeline to compute the weighted average temperature, as described previously. The flow measurement signals from the Accusonic flow meter on the Bradbury Penstock and the electromagnetic flow meter on the State Water Pipeline at the Santa Ynez Pumping Plant will also be used in the weighted average temperature calculation.

Three conditioned signals will be re-transmitted through signal isolators to provide (1) a local panel display on the CCWA PLC panel, (2) input of the signals to the CCWA SCADA interface panel and (3) input of the signals to the Bureau of Reclamation's SCADA interface panel. A three conductor cable will be installed between CCWA's PLC panel and the Bureau of Reclamation SCADA interface panel to allow for connection of the re-transmitted signals to the Bureau's interface equipment. The Bureau will be responsible for connection of the cable to their interface equipment.



Compliance Responsibility

There are several organizations involved with the discharge operation at Bradbury Dam. CCWA is required to obtain specific permission from Reclamation prior to initiating Lake Deliveries. The Cachuma Project Operating Guidelines requires CCWA to submit a pumping request two business days prior to pumping, with each request covering up to 31 days. In addition, the Guidelines also state that the Cachuma Operations and Maintenance Board will be responsible for monitoring temperature of water discharged to the Stilling Basin. Consequently, the responsibility for temperature limit compliance will rest with both COMB and Reclamation.



United States Department of the Interior



BUREAU OF RECLAMATION
California Great-Basin
South-Central California Area Office
1243 N Street
Fresno, CA 93721
March 30 2022

IN REPLY REFER TO:

SCC-425
2.2.1.06
Cachuma Project

VIA ELECTRONIC MAIL

Ms. Alecia Van Atta
Assistant Regional Administrator
Attn: Mr. Darren Brumback
National Marine Fisheries Service
501 West Ocean Boulevard, Suite 4200
Long Beach, CA 90802-4213
darren.brumbach@noaa.gov

Subject: Concurrence Request Pursuant to Section 7 of the Endangered Species Act (16 U.S.C. §1531 *et. seq.*) for the Proposed Issuance of a Temporary Warren Act Contract to the Central Coast Water Authority

Dear Mr. Brumback:

The Bureau of Reclamation (Reclamation) requests concurrence from the National Marine Fisheries Service under the Endangered Species Act (16 U.S.C. §1531 *et. seq.*) for Reclamation's determination that the Proposed Action is not likely to adversely affect the endangered Southern California steelhead Distinct Population Segment (*Oncorhynchus mykiss*) nor adversely modify designated critical habitat for this species. The Proposed Action is the issuance of temporary Warren Act Contract(s) to the Central Coast Water Authority (CCWA) for a period of up to five years that would allow CCWA to introduce, store and convey up to 13,750 acre-feet of their non-Cachuma Project water within Cachuma Project facilities.

Please note that this is an urgent matter as CCWA's current Warren Act Contract will expire in June and CCWA's water is a much-needed supplemental water supply for the water deficient communities on the South Coast; therefore, Reclamation requests that NMFS provide their determination no later than April 19, 2022.

If you have any questions regarding the Proposed Action, please contact me at (559) 262-0335, or Lisa Buck of my staff at (559) 262-0345 or by electronic mail at lbuck@usbr.gov, or for the hearing impaired at TTY (800) 877-8339.

Sincerely,

RAIN
EMERSON

Digitally signed by RAIN
EMERSON
Date: 2022.03.30
11:26:10 -07'00'

Rain Emerson
Chief, Environmental Compliance Branch

INTERIOR REGION 10 • CALIFORNIA-GREAT BASIN

CALIFORNIA*, NEVADA*, OREGON*

* PARTIAL

Enclosure

cc: Mr. Anthony Spina
National Marine Fisheries Service
501 West Ocean Boulevard, Suite 4200
Long Beach, CA 90802-4213
anthony.spina@noaa.gov
(each w/enclosure)




CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 15, 2022

TO: CCWA Board of Directors

FROM: Ray Stokes, Executive Director 

SUBJECT: CCWA 2022 Employee Salary and Benefits Survey Results

SUMMARY

Beginning in 2016, the CCWA Board directed staff to prepare a compensation and benefits analysis every five years through a third party consultant. The compensation and benefits analysis is used to ensure that the salaries and benefits provided by CCWA are comparable to other similar agencies, so that CCWA remains competitive in retaining and attracting highly qualified employees.

DISCUSSION

In 2021 CCWA retained the firm of Koff & Associates, who had prepared the benefit survey in 2016, using the peer agencies approved by the Board in 2016 as comparators. The study was conducted on the same framework as the 2016 study, using the same benchmark positions, and the same +5% to -5% of comparator median as the action level for recommendation for changes to classifications. For this type of study, being within 5% generally means that the salaries are at or close to the median of the range and do not require adjustment.

The data and results from the Central Coast 2022 Total Compensation Study Draft Report have been included with the meeting materials, and posted to the CCWA website with the Executive Summary and associated pages from the report included as an attachment to this report. Koff & Associates staff will also be present at the April 13, 2022 Personnel Committee meeting to answer questions related to the study.

The results of the study indicate that CCWA is remaining reasonably competitive in salaries, within the +5% to -5% of comparator median for the majority of positions. The exceptions to this were the Controller, Distribution Supervisor, Laboratory Analyst, IT/Instrumentation and Control Specialist, Maintenance Superintendent, Office Manager and Water Treatment Plant Operator classifications. Recommendations in the study include new salary range placement for those positions to bring them in to market ranges. The budget effect of these changes is minor, as with the exception of the Controller, the current incumbents of these classifications are all within the proposed salary ranges.

The study also indicates that CCWA has fallen behind its peers in its benefit offerings. This is in large part due to the comparator agencies that participate in Social Security, which CCWA does not. However, the study reports that a large percentage of the comparator agencies provide a more robust health benefit, as well as several that contribute to deferred compensation plans.

(A noted exception is Antelope Valley/East Kern Water Agency provides a deferred compensation retirement benefit in lieu of CalPERS.) Discrepancy in the amount of leave was also noted, with CCWA providing a lower value leave packet than the majority of comparators.

RECOMMENDATIONS

Following review of the 2022 Total Compensation Study Report, staff recommends the following changes to the CCWA compensation and benefit structure to bring CCWA's compensation structure and benefits into alignment with its peers:

- Make the following adjustments to the salary ranges as proposed in the study:
 - Controller position from salary range 43 to 49 (*discussed below*)
 - Maintenance Superintendent from salary range 35 to 38
 - Office Manager from salary range 31 to 35
 - Distribution Supervisor from salary range 30 to 34
 - IT/Instrumentation and Control Specialist from salary range 27 to 28
 - Water Treatment Plant Operator from salary range 21 to 23
 - Laboratory Analyst from salary range 14 to 19

Note: All proposed pay range adjustments listed above do not require an adjustment to achieve the minimum monthly amount of the new range with the exception of the Controller position discussed below.

Controller Position and Range Placement

The CCWA Controller position is currently placed in pay range 43, while the market placement indicates a pay range of 49, a 14% increase. In order to bring the Controller position up to the pay range 49, it is recommended that the pay range be adjusted over the course of three years, so that in year one the pay range would be based on pay range 45, year two, range 47 and finally in year three, pay range 49.

- Provide a second floating holiday to all staff.
 - *Estimated Annual Cost: No anticipated cost.*
- Increase the employer paid life insurance amount from \$100,000 to \$250,000
 - *Estimated annual cost of \$6,500*
- Provide up to 5% of salary matching contribution to 457b plan contributions up to the maximum annual contribution limit excluding the over age 50 catch-up provision:
 - *Estimated annual cost based on CCWA employees currently contributing: \$38,000/year*
 - *If current employees participate that are not currently contributing to the 457b plan, the estimated cost will be higher.*
- Discontinue current policy of requiring staff contributions to health plan costs and instead base CCWA health insurance contribution amounts on the lowest cost plan available to CCWA through its health care provider, CalPERS.
 - *Estimated annual savings due to a decrease in the current cafeteria plan contribution amounts: \$95,000/year*
- Include paid travel time for Operations Staff when they are called back to a work location with less than 12 hours' notice, whether they are on standby or not.
 - *Estimated Annual Cost: Unknown, but expected to be minor*

- Provide a longevity stipend of a lump sum payment on employee anniversary date after five years of \$100, increasing to \$200 in year ten, \$300 in year fifteen and \$500 in year twenty and \$500 every five year anniversary thereafter.
 - *Estimated annual costs: 1st year approximately \$7,300 to recognize recent anniversaries and less than \$2,000 annually in the following year.*

Total estimated annual costs of proposed budget changes:

Estimate Costs of Adjustments	Fiscal Impact
Controller Position Adjustment (1st year only)	\$ 5,112
Deferred Compensation (current contributors only)	38,658
Life insurance Policy Coverage Amt Increase	6,633
Health Insurance Premium	(95,462)
Longevity Pay (1st year only-less in following years)	7,300
Total Savings:	\$ (37,759)

RECOMMENDED ACTION

That the CCWA Board accept the “2022 Total Compensation Study Report,” approve the changes to the employee compensation and benefits as outlined in this report, and approve the necessary changes to the CCWA Personnel Policy Manual to reflect these changes.

RAS

Attachment

2. Work on an Observed or Actual Holiday

Non-exempt employees who work on an actual or observed holiday shall be entitled to compensation for that work at the premium rate of 1 ½ times their regular rate of pay without regard to the actual number of hours worked during that workweek.

Employees who work on both the observed and actual holiday shall only be entitled to holiday premium pay for hours worked on the actual holiday.

3. Unscheduled Work (Call Back Time)

Non-exempt employees shall be entitled to a minimum of one hour compensation at the premium rate of 1½ times their regular hourly rate if they are called back to work outside their normal scheduled hours for the current workweek. The premium rate of pay shall apply to all hours outside of their normal schedule for the duration of the event. This section shall not apply if after completing the employee's normal scheduled hours the employee continues to work beyond the employee's normal scheduled hours.

Non-exempt employees will receive regular pay for time spent traveling to work locations when required to report to any site with less than twelve hours' prior notice. This additional pay is intended to address the travel time for mobilizing and demobilizing and therefore, no mileage reimbursement will be provided for mobilizing and demobilizing to and from work locations.

4. SCADA System Monitoring

Employees on standby duty who are required to monitor the SCADA system remotely using a CCWA laptop computer shall receive a minimum of one hour of pay at the premium rate of 1 ½ times their regular rate of pay for each day of monitoring regardless of the number of hours actually worked during the workweek in connection with the monitoring duties.

1.13 COMPENSATORY TIME

Non-exempt employees may accrue compensatory time in lieu of overtime payment only at the discretion of their supervisor and if approved in advance. Compensatory time off shall be accrued at the rate of 1½ hours of compensatory time for each hour of overtime worked. During any fiscal year (July 1 - June 30), employees may accrue up to a total of 120 hours of compensatory time. At the end of each Fiscal Year, employees shall be paid for their accrued compensatory time balance in excess of 40 hours at their then current hourly rate unless the employee elects to carry over all or a portion of his or her accrued compensatory time balance in excess of 40 hours ("Carry Over Comp Time"). The payment of such accrued compensatory time shall be made on or before July 15 of each year. Carry Over Comp Time will remain part of the employee's accrued compensatory time balance, which may not exceed 120 hours, but Carry Over Comp Time is not subject to later payout except at the time of separation from employment. In taking time off from work, employees must utilize any Carry Over Comp Time before using any other portion of employee's accrued compensatory time balance.

1.14.2.1 Standby Pay

Employees who are assigned to be on standby shall be paid five percent of the employee's regular hourly straight time rate for each hour the employee is assigned to standby duty. Standby pay is in addition to any pay for actual work time during the standby period and shall remain in effect throughout the scheduled standby period, regardless if called for duty or not.

The Standby Pay period begins and ends at a scheduled period as established by the Executive Director or his/her designee.

Employees assigned to be on standby shall not receive standby pay for any periods of time they are on paid or unpaid leave unless otherwise agreed to in writing by the employee's supervisor. If an employee scheduled for standby duty calls in sick or otherwise indicates that they cannot respond to a request to work, no Standby Pay will be earned for the remainder of the scheduled day.

1.14.2.2 Treatment Plant Operator Portal to Portal Pay

Treatment Plant Operators who are assigned to Standby duty shall receive ~~an additional two hours of pay at~~ their regular hourly rate for travel time when required to report to the treatment plant with less than twelve hours' prior notice. This additional pay is ~~intended~~ to address the travel time for mobilizing and demobilizing to and from the Water Treatment Plant and therefore, no mileage reimbursement will be provided for mobilizing and demobilizing to and from the Water Treatment Plant

Section 3 EMPLOYEE BENEFITS

3.1 HOLIDAYS

3.1.1 General

CCWA observes eleven paid holidays annually, namely:

New Years Day	Labor Day
Martin Luther King Jr. Day	Veterans Day
Presidents' Day	Thanksgiving Day
Memorial Day	Friday following Thanksgiving
Independence Day	Christmas Day

In addition, ~~eight sixteen~~ hours per year floating holiday for full-time employees (to be taken in eight hour increments.) Part-time employees receive an annual floating holiday equal to ~~eight sixteen~~ hours reduced to a prorated amount, based on the number of hours within a normally scheduled workweek in comparison to a full time 40 hour workweek. Employees may take their floating ~~holiday~~ floating holidays upon reasonable advance notice to and upon advance approval by the Executive Director. Floating holidays must be used during the year in which they are received, and may not be carried over into subsequent years.

Temporary and casual employees are ineligible for holiday benefits. All employees are ineligible for holiday benefits that accrue while on unpaid leave of absence. If an employee is on leave when a holiday occurs, the holiday will accrue on a prorata basis only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

When a holiday falls on a Saturday, it will be observed on the preceding Friday. When a holiday falls on a Sunday, it will be observed on the following Monday. The day a holiday is observed is termed the “observed holiday;” the actual day on which the holiday occurs is termed the “actual holiday” (e.g., Independence Day (July 4th), Christmas Day (December 25th), and New Year’s Day (January 1st).

For the purpose of this section, the holiday is the 24-hour period beginning at 12:01 a.m. on the observed or actual holiday. Employees who work on both the observed and actual holiday shall only be entitled to holiday overtime pay for hours worked on the actual holiday.

3.1.2 Non-shift Employees

Non-exempt full-time employees who work on an observed or actual holiday shall be paid at the overtime rate of pay for all hours worked on the observed or actual holiday, plus eight hours straight-time pay for the holiday; Non-exempt part-time employees shall be paid at the overtime rate of pay for all hours worked on an observed or actual holiday, plus straight-time pay for eight hours reduced to a prorated amount, based on the number of hours within a normally scheduled workweek in comparison to a full time 40 hour workweek for the holiday benefit. Exempt employees who work on an

Note: An employee may retire before the age of 62, but will not be eligible for the enhanced retiree medical benefits until age 62.

Once an employee becomes eligible for Medicare benefits, CCWA's contribution to the employee's retiree medical premiums after deducting the CCWA PEMCHA minimum contribution will be the average employee only premium, but no more than the actual cost of the plan, for Medicare supplement policies for CCWA retirees for which CCWA employees are eligible and is available from CalPERS in the area from which the employee resided at the time of his or her retirement, either San Luis Obispo or Santa Barbara counties, until the death of the former employee.

Neither employees nor retired annuitants have a vested right to the health insurance benefits provided under this Section 3.16.1. CCWA reserves the right to discontinue, change or modify the provisions of this Section 3.16.1, at any time, upon reasonable advance notice, including but not limited to the health insurance plan or plans it offers and the amount of its contribution to retired annuitants' health insurance premiums. Employees who would like further information about the nature of the health insurance benefits offered to retired annuitants should contact the Office Manager.

3.17 DEFERRED COMPENSATION PLAN

CCWA offers a Deferred Compensation Plan which permits employees to defer a portion of their income until retirement. CCWA provides up to 5% of salary matching contribution to 457b plan contributions up to the maximum annual contribution limit, excluding the over age 50 catch-up provision. All plan funds plus accrued interest are refundable according to the plan's provisions should an employee leave CCWA, or otherwise seek to withdraw his/her contributions prior to retirement.

3.18 MEDICAL, DENTAL, VISION INSURANCE AND FLEXIBLE BENEFIT (CAFETERIA) PLANS

A medical insurance plan is available to all regular and probationary full-time employees and their qualified dependents, and eligible part-time employees regularly scheduled to work twenty or more hours per week and their qualified dependents, subject to any applicable qualifying period.

Dental and vision insurance is available to all regular and probationary full-time employees and their qualified dependents, and part-time employees regularly scheduled to work thirty or more hours per week and their qualified dependents, subject to any applicable qualifying period.

The CCWA Section 125 Cafeteria Plan allows employees to defer a portion of their salary on a pre-tax basis to pay for qualifying unreimbursed medical expenses, dependent care expenses and employee share of premiums paid on CCWA medical insurance.

Specific information on medical, dental and vision insurance, and the Section 125 Cafeteria Plan can be found in the enrollment and plan documents, available from the designated Human Resources Personnel in the Buellton Administrative Office of CCWA. Additionally, CCWA contributes toward the cost of medical, dental and vision insurance coverage, and the amount of this contribution can be obtained from the designated Human Resources Personnel in the Buellton Administrative Office.

CCWA reserves the right to change or modify, at any time, the medical, dental and vision insurance coverage or the plan or plans it provides, the terms of the Section 125 Cafeteria Plan, and the amount of its contribution to insurance coverage upon reasonable advance notice to employees.

3.19 LONG TERM DISABILITY

Long term disability insurance is provided for all regular and probationary full-time employees and part-time employees regularly scheduled to work thirty or more hours per week, effective two full calendar months after the date of hire, and is fully paid by CCWA.

3.20 LIFE INSURANCE

A life insurance policy in an amount equal to 1½ times the employee's annual salary up to a maximum of ~~\$100,000~~\$250,000 will be furnished for each full-time employee and part-time employee regularly scheduled to work thirty or more hours per week effective two full calendar months after the date of hire, for the duration of his/her employment, with CCWA paying the insurance premiums. The terms and benefits of the life insurance provided under this section are determined by the terms and conditions of the insurance policy.

3.21 STATE DISABILITY INSURANCE

Employees are covered under the State Disability insurance program, with the cost of such coverage paid by each Employee as a deduction from his/her paycheck.

CCWA will include in its annual budget, funds for employee exceptional achievement awards as determined in the annual budget deliberations. For Internal Revenue Service (IRS) tax purposes, the Employee Achievement Awards program will be considered a qualified plan under the Internal Revenue Code and will not discriminate in favor of highly compensated employees. It is intended that the awards presented under this program will not be included in the employees' taxable income for income tax reporting purposes. In no case will this employee achievement awards program include cash payments.

3.2X EMPLOYEE LONGEVITY RECOGNITION

As part of its commitment to acknowledge qualified staff, CCWA provides a longevity stipend of a lump sum payment on the employee anniversary date after five years of service of \$100, increasing to \$200 in year ten, \$300 in year fifteen, and \$500 in year twenty and \$500 every five year anniversary thereafter. These payments will be made through the regular payroll process, will be taxable and included in PERS compensation.

3.23 MILITARY SPOUSES/DOMESTIC PARTNER LEAVE

CCWA wishes to assist employees who have a spouse or registered domestic partner in military service during a period of military conflict by providing unpaid leaves to eligible employees. Eligible employees may take up to 10 days of unpaid leave to spend time with their spouse or registered domestic partner during periods of leave from active military duty. In order to qualify for a leave, an employee must: (1) be a spouse or registered domestic partner of a qualified member of the Armed Forces of the United States, the National Guard, or a member of the Reserves, who has been deployed during a period of military conflict; (2) performs service for CCWA for an average of 20 or more hours per week; (3) provide CCWA with notice, within 2 business days of receiving official notice that the qualified member of the military will be on leave from deployment, of his or her intention to take the leave; and (4) submit written documentation to CCWA certifying that the qualified member of the military will be on leave from deployment during the time the leave is requested.



Koff & Associates
A Gallagher Company

March 31, 2022

Total Compensation Study Draft Report

Central Coast Water Authority

KOFF & ASSOCIATES

GEORG KRAMMER

Managing Director

2835 Seventh Street
Berkeley, CA 94710
www.KoffAssociates.com

gkrammer@koffassociates.com

Tel: 510.658.5633



Koff & Associates
A Gallagher Company

March 31, 2022

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

Dear Mr. Stokes:

Koff & Associates is pleased to present the Total Compensation Study Draft Report to the Central Coast Water Authority. This report documents the market compensation survey methodology, findings, and recommendations for implementation.

We would like to thank you for your assistance and cooperation without which this study could not have been brought to its successful completion.

We will be glad to answer any questions or clarify any points as you are implementing the findings and recommendations. It was a pleasure working with Central Coast Water Authority and we look forward to future opportunities to provide you with professional assistance.

Very truly yours,

Georg Krammer
Managing Director



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EXECUTIVE SUMMARY

Background

Koff & Associates (“K&A”) conducted a comprehensive Total Compensation Study for Central Coast Water Authority (“CCWA”). All compensation findings and recommendations are presented in this report.

This compensation review process was precipitated by:

- The concern of the Board of Directors and management that employees should be recognized for the level and scope of work performed and that they are paid on a fair and competitive basis that allows CCWA to recruit and retain a high-quality staff;
- The desire to have a compensation plan that can meet the needs of CCWA; and
- The desire to ensure that internal relationships of salaries are based upon objective, non-quantitative evaluation factors, resulting in equity across CCWA.

The goals of the compensation study are to assist CCWA in developing a competitive pay and benefit plan, which is based upon market data, and to ensure that the plan is fiscally responsible and meets the needs of CCWA with regards to recruitment and retention of qualified staff.

Summary of Findings

This report summarizes the study methodology, analytical tools, and the total compensation (salary and benefits) survey findings. The results of the total compensation study showed:

- CCWA’s **base salaries, overall, in comparison to the market median are 5.6% below the market.**
- CCWA’s **total compensation, overall, in comparison to the market median is 15.1% below the market.**
- CCWA’s **benefits package** puts CCWA in a less competitive position compared to the market and, therefore, salary decisions should be based on base salary versus total compensation market results.
- K&A considers a classification falling within 5% of the median to be competitive.

STUDY PROCESS

Benchmark Classifications

The study included 20 classifications all of which were selected as benchmarks in order to collect salary and benefits data within the defined labor market. Benchmark classifications are those classifications that are compared to the market, and these classifications are used as a means of anchoring CCWA’s overall compensation plan to the market.

The benchmark classifications are listed in Table 1.



Table 1. Benchmark Classification

Classification Title
1. Accounting Technician
2. Administrative Assistant
3. Controller
4. Deputy Director of Operations and Engineering
5. Distribution Supervisor
6. Distribution Technician
7. Engineering Technician
8. Executive Director
9. IT/Instrumentation and Control Specialist
10. Laboratory Analyst
11. Maintenance Foreman
12. Maintenance Superintendent
13. Maintenance/Instrumentation Calibration and Repair Technician
14. Office Manager
15. Plant Maintenance Technician
16. Safety & Environmental Specialist
17. Senior Accountant
18. Senior Chemist
19. Water Treatment Plant Operator
20. Water Treatment Plant Supervisor

Comparator Agencies

Another important step in conducting a market salary study is the determination of appropriate agencies for comparison. For this study, agencies that CCWA has historically used for compensation comparison were used. Table 2 below provides a list of the comparator agencies.



Table 2. Comparator Agencies

Agency
1. Antelope Valley East Kern Water Agency
2. Calleguas Municipal Water Agency
3. Casitas Municipal Water District
4. City of Santa Maria
5. Goleta Water District
6. Kern County Water Agency
7. San Diego County Water Authority
8. San Juan Water District
9. Santa Clarita Valley Water Agency (formerly Castaic Lake Water Agency)
10. Three Valleys Municipal Water District
11. United Water Conservation District
12. Zone 7 Water Agency

Salary and Benefits Data

The last element requiring discussion prior to beginning a market survey is the specific benefit data that will be collected and analyzed. The following salary and benefits data was collected for each benchmark classification (the cost of these benefits to each agency was converted into dollar amounts and can be found in Appendix II [Benefit Detail] of this report; these amounts were added to base salaries for total compensation purposes).

1. Monthly Base Salary

The top of the salary range and/or control point. All figures are presented on a monthly basis.

2. Employee Retirement

The retirement reflects the benefits offered to the majority of the employees:

- **PERS Formula:** The service retirement formula for each agency’s Classic plan. For agencies with retirement systems established under the County Employees Retirement Law of 1937 (“37 Act”), retirement formulas were converted to the equivalent PERS formula for purposes of comparison.



- **Enhanced Formula Cost:** The baseline PERS formula is 2%@62 for miscellaneous employees. There is typically a cost to the employer for offering a formula with a higher benefit than the baseline formula. For each enhanced formula, the cost to the employer is based on a state-wide actuarial percentage calculated by PERS.
- **Single Highest Year:** The period for determining the average monthly pay rate when calculating retirement benefits. The base period is 36 highest paid consecutive months. When final compensation is based on a shorter period of time, such as 12 months' highest paid consecutive months, there is a cost to the employer. Similar to the enhanced formula, the cost to the employer is based on a state-wide actuarial percentage calculated by PERS.

The cost to the employer for each enhanced formula and final compensation are presented below.

Miscellaneous Employees		
Formula	Enhanced Formula % Cost	Final Compensation % Cost
2%@60	1.3%	0.5%
2%@55	3.0%	0.5%
2.5%@55	5.3%	0.6%
2.7%@55	7.1%	0.7%
3%@60	8.1%	0.7%

- **Employer Paid Member Contribution:** The amount of the employee's contribution to PERS that is paid by the employer (Employer Paid Member Contribution).
- **Social Security:** If an employer participates in Social Security, then the employer contribution of 6.2% of the base salary up to the federally-determined maximum contribution of \$759.50 per month was reported.
- **Other:** Any other retirement contributions made by the employer.

3. Deferred Compensation

Deferred compensation contributions provided to all employees of a classification with or without requiring the employee to make a contribution is reported.

4. Insurances

The employer paid premiums for an employee with family coverage was reported. The employer paid insurances included:

- Cafeteria/Flexible Benefit Plan
- Medical
- Dental



- Vision
- Other

5. Leaves

Other than sick leave, which is usage-based, the number of hours off for which the employer is obligated. All hours have been translated into direct salary costs.

- **Vacation:** The number of paid time off (or vacation) hours available to all employees who have completed five years of employment.
- **Holidays:** The number of holiday hours (including floating hours) available to employees.
- **Administrative:** Administrative (or management) leave is normally the number of paid leave hours available to Fair Labor Standards Act (“FLSA”) Exempt and/or management to reward for extraordinary effort (in lieu of overtime). This leave category may also include personal leave which may be available to augment vacation or other time off.

6. Other

This category includes any additional other benefits not captured above available to all in the class.

All of the benefit elements are negotiated benefits provided to all employees in the classification. As such, they represent an ongoing cost for which an agency must budget. Other benefit costs, such as sick leave, tuition reimbursement, and reimbursable mileage are usage-based and cannot be quantified on an individual employee basis.

Data Collection

Data was collected during the months of September 2021 through January 2022, through comparator agency websites, conversations with human resources, accounting, and/or finance personnel, and careful review of agency documentation such as classification descriptions, memoranda of understanding, organization charts, and other documents.

Matching Methodology

K&A believes that the data collection step is the most critical for maintaining the overall credibility of any study and relied on CCWA’s classification descriptions as the foundation for comparison.

When K&A researches and collects data from the comparator agencies to identify possible matches for each of the benchmark classifications, there is an assumption that comparable matches may not be made that are 100% equivalent to the classifications at CCWA. Therefore, K&A does not match based upon job titles, which can often be misleading, but rather analyzes class descriptions before a comparable match is determined.



K&A’s methodology is to analyze each class description and the whole position by evaluating factors such as:

- Definition and typical job functions;
- Distinguishing characteristics;
- Level within a class series (i.e., entry, experienced, journey, specialist, lead, etc.);
- Reporting relationship structure (for example, manages through lower-level staff);
- Education and experience requirements;
- Knowledge, abilities, and skills required to perform the work;
- The scope and complexity of the work;
- Independence of action/responsibility;
- The authority delegated to make decisions and take action;
- The responsibility for the work of others, program administration, and for budget dollars;
- Problem solving/ingenuity;
- Contacts with others (both inside and outside of the organization);
- Consequences of action and decisions; and
- Working conditions.

In order for a match to be included, K&A requires that a classification’s “likeness” be at approximately 70% of the matched classification.

When an appropriate match is not identified for one classification, K&A often uses “hybrids” which can be functional or represent a span in scope of responsibility. A functional hybrid means that the job of one classification at CCWA is performed by two or more classifications at a comparator agency. A “hybrid” representing a span in scope means that the comparator agency has one class that is “bigger” in scope and responsibility and one class that is “smaller,” where CCWA’s class falls in the middle.

If an appropriate match could not be found, then no match was reported as a non-comparable (N/C).

Data Spreadsheets

For each benchmark classification, there are three information pages:

- Top Monthly Base Salary and Total Compensation Data (2 sheets per benchmark)
 - One sheet is sorted by top monthly
 - One sheet is sorted by total monthly
- Benefit Detail (Monthly Equivalent Values)

The average (mean) and median (midpoint) of the comparator agencies are reported on the top monthly salary and total compensation data spreadsheets. The percent above or below that CCWA is compared to the average and median is also reported.



The mean is the sum of the comparator agencies’ salaries/total compensation divided by the number of matches. The median is the midpoint of all data with 50% of data points below and 50% of data points above.

In order to calculate the mean and median, K&A requires that there be a minimum of four (4) comparator agencies with matching classifications to the benchmark classification. The reason for requiring a minimum of four matches is so that no one classification has undue influence on the calculations. Sufficient data was collected from the comparator agencies for all benchmark classifications.

When using survey data to make salary range recommendations and adjustments, K&A recommends using the median, rather than the mean, because the median is not skewed by extremely high or low salary values.

MARKET COMPENSATION FINDINGS

The following table represents a summary of the market top monthly (base) salary and total compensation (base salary plus benefits [retirement, insurance, leaves, and allowances]) findings. For each benchmark classification, the number of matches (agencies with a comparable position) and percent above or below the top monthly salary market median and total compensation market median is listed. The table is sorted by top monthly salary in descending order from the most positive percentile (above market) to the most negative (below market).

Table 3. Market Compensation Results Summary

Classification	Percent +/- Base Salary	Percent +/- Total Comp	# of Matches
Senior Accountant	2.8%	-7.7%	8
Maintenance/Instrumentation Calibration and Repair Technician	1.0%	-5.3%	7
Senior Chemist	0.6%	-6.9%	6
Engineering Technician	-0.3%	-5.5%	7
Administrative Assistant	-0.4%	-11.3%	10
Distribution Technician	-0.4%	-12.3%	10
Water Treatment Plant Supervisor	-1.2%	-12.0%	10
Maintenance Foreman	-1.5%	-9.1%	8
Safety & Environmental Specialist	-1.7%	-19.7%	5
Plant Maintenance Technician	-2.2%	-12.0%	7
Accounting Technician	-2.4%	-13.4%	11
Executive Director	-5.8%	-19.0%	12
IT/Instrumentation and Control Specialist	-6.6%	-16.2%	9
Deputy Director of Operations and Engineering	-6.9%	-17.8%	11
Water Treatment Plant Operator	-10.3%	-14.5%	10
Maintenance Superintendent	-11.2%	-23.1%	5



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Classification	Percent +/- Base Salary	Percent +/- Total Comp	# of Matches
Office Manager	-14.1%	-24.2%	4
Distribution Supervisor	-14.1%	-23.8%	10
Laboratory Analyst	-17.7%	-20.1%	6
Controller	-18.7%	-28.0%	7

Base Salary

Base salary market results show that 17 classifications are paid below the market median and three classifications are paid above the market median.

# of Classifications	<5%	5-10%	10-20%	Total
Below the Market Median	8	3	6	17
Above the Market Median	3	0	0	3

Total Compensation

Total compensation market results show that 20 classifications are paid below the market median.

# of Classifications	<5%	5-10%	10-20%	20-30%	Total
Below the Market Median	0	5	10	5	20
Above the Market Median	0	0	0	0	0

Generally, a classification falling within 5% of the median is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy, actual scope of work, and position requirements. However, CCWA can adopt a different standard.

Overall, the differences between market base salaries and total compensation indicate that CCWA’s benefits package puts the CCWA at a less competitive advantage. Further analysis indicates that, on average, classifications are 5.5% below the market median for base salaries, while that figure changes 9.4% difference (i.e., CCWA “loses” a 9.4% competitive advantage when taking benefits into consideration).

Benefits

The market benefits data reveals the major contributing factors that give CCWA a less competitive advantage are retirement benefits (including Social Security and deferred compensation), employer-paid health insurance premiums, and paid time off.

➤ Retirement:

- *PERS*: Overall, CCWA’s Classic PERS formula is competitive in the market, although three agencies have a richer Classic formula than CCWA, and nearly one-third of the



- comparators provide an employer paid member contribution (EPMC) without requiring any employee pick up any of the employer contribution.
- *Deferred Compensation*: Approximately one-third of the comparators provide an employer-paid contribution to a deferred compensation program for individual contributor classifications. This increases to over half of the agencies at the deputy director and executive director levels.
 - *Social Security*: Nine of the twelve comparators contribute to Social Security.
- Health Insurance: On average, CCWA’s employer-paid health insurance premiums are 24% to 31% below the market average. It is noteworthy to consider that the employer-paid premium benefit does not represent qualitative factors including the amount employees have to pay for monthly premiums, the quality of plan offerings, and employee out-of-pocket costs for copays, deductibles, prescriptions, etc. Since premiums can be affected by plan and/or employer demographics, a higher employer-paid contribution does not necessarily equate to a higher value benefit for employees and vice versa.
- Paid Time Off: The paid holiday benefit in most comparators includes at least one additional paid holiday than CCWA, and many comparators offer a somewhat richer vacation benefit for the 5-year employee than does CCWA.

If CCWA wishes to enhance the overall value of the benefits package and lessen the margin from market median, options include:

- Offering employer contributions to a deferred compensation plan, either with or without requiring an employee match.
- Reducing or eliminating current and/or planned employee-paid health insurance premiums.
- Increasing paid holidays and/or vacation benefits. To further enhance this benefit, CCWA may wish to consider offering additional benefits in the form of floating holidays versus fixed holidays. Many of the comparators offer 2 floating holidays with one comparator offering 3 and another offering 5.

INTERNAL SALARY RELATIONSHIPS

In the future, CCWA may need to utilize internal alignment practices if the number of staff grows and additional classifications are added or classifications change. While analyzing internal relationships, the same factors analyzed when comparing CCWA’s classifications to the labor market are used when making internal salary alignment recommendations.

In addition, the following are standard human resources practices that are commonly applied when making salary recommendations based upon internal relationships:



- A salary within 5% of the market average or median is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy and actual scope of the position and its requirements. However, CCWA can adopt a closer standard.
- Certain internal percentages are often applied. Those that are the most common are:
 - The differential between a trainee and experienced (or journey) class in a series (I/II or Trainee/Experienced) is generally 10% to 15%;
 - A lead or advanced journey-level (III or Senior-level) class is generally placed 10% to 15% above the journey-level.
 - A full supervisory class is normally placed at least 10% to 25% above the highest level supervised, depending upon the breadth and scope of supervision.
- When a market or internal equity adjustment is granted to one class in a series, the other classes in the series are also adjusted accordingly to maintain internal equity.

Internal equity between certain levels of classifications is a fundamental factor to be considered when making salary decisions. When conducting a market compensation survey, results can often show that certain classifications that are aligned with each other are not the same in the outside labor market. However, as an organization, careful consideration should be given to these alignments because they represent internal value of classifications within job families, as well as across the organization.

Where it is difficult to ascertain internal relationships due to unique qualifications and responsibilities, reliance can be placed on past internal relationships. It is important for CCWA management to carefully review past internal relationships and determine if they are still appropriate given the current market data.

It is also important to analyze market data and internal relationships within class series as well as across the organization, and make adjustments to salary range placements, as necessary, based on the needs of the organization.

CCWA may want to make internal equity adjustments or alignments, as it implements the compensation strategy. This market survey is only a tool to be used by CCWA to determine market indexing and salary determination.

RECOMMENDATIONS

Pay Philosophy

CCWA has many options regarding what type of compensation plan it wants to implement. This decision will be based on what CCWA's pay philosophy is, at which level it desires to pay its employees compared to the market, whether it is going to consider additional alternative compensation programs, and how great the competition is with other agencies over recruitment of a highly-qualified workforce.



Proposed Salary Structure

Currently, CCWA has a salary structure with ranges that are approximately 2.17% apart from one another. Each salary range has a minimum and maximum step with a spread of approximately 22%. It is recommended that CCWA maintain a similar salary structure. Appendix III contains the recommended salary range structure.

It is important to note that the salary range structure connects all salary ranges, and their steps, by formula, thereby allowing for COLAs to be applied to only one-dollar figure in the table/matrix, which then automatically updates the entire table. Due to the formula that connects each range to the next (with 2.17% differentials between each range), there is a compounding effect when drawing relationships that span several ranges. For example, with 2.17% differentials between ranges, four ranges should represent an 8.68% differential. However, because the compounding effect of 2.17%, on top of 2.17%, on top of 2.17%, and so on, the differential between Range 1 and Range 5 is not exactly 8.68%, but it is slightly greater.

Proposed Salary Range Placements

Appendix IV illustrates the proposed salary range placement for each classification based on the market data. The recommendations are based on base salary market results less 5% from market median. As previously stated, Koff considers a salary within 5% of the market median to be competitive. Accordingly, CCWA has elected to make salary adjustments to within 5% of the market median so that classifications with a current salary that is less than 5% from the median will not be adjusted, and classifications with a market median of greater than 5% will be adjusted by the percentage from the median minus 5%. Classifications are placed within the proposed salary range with maximum step closest to the market placement minus 5%.

For all classifications, this primary implementation procedure must be completed only at the initial time of implementation. In the future, if CCWA decides to implement annual across-the-board cost of living adjustment increases, only the salary schedule that was developed and included herein needs to be increased by the appropriate percentage, and each individual salary range will move up with this adjustment. This will ensure that the internal salary relationships are preserved and the salary schedule remains structured and easily administered.

Options for Implementation

While CCWA may be interested in bringing all salaries to the market median, in most cases this goal may not be reached with a single adjustment. In this case, one option is to move employees into the salary range that is recommended for each class based on this market study and to the step within the new range that is closest to their current compensation. If employees' current salaries are significantly below market so that their current compensation falls below the bottom of the newly recommended range, then larger adjustments would be needed to move those employees at least to the bottom of the new salary range.

Another option is to use a phased implementation approach. Normally, if the compensation implementation program must be carried over months or years, the classes that are farthest from the market median should receive the greatest equity increase (separate from any cost of living



increase). If a class falls within 5% of the market median, it would be logical to make no equity adjustment in the first round of changes. However, if a class is more than 5% (or in this case, more than 15%) below the market median, a higher percentage change may be initially warranted to reduce the disparity.

For example, if CCWA decided to implement the recommendations over a three-year period, then the following guidelines could be applied for the initial increase of the three-year implementation plan:

Table 4. Three-Year Implementation Proposal

Market Disparity	% Increase
0 to 4.99%	0 to 2.49%
5.0% to 9.99%	2.5% to 4.99%
10.0% to 14.99%	5.0% to 7.49%
15.0% to 19.99%	7.5% to 9.99%
20.0% and above	10.0%

The initial first year adjustment would provide a portion of the equity increase and place the class into the closest step (but not below) where they are now. Subsequent increases would be spaced on a similar schedule (at annual intervals) based upon the remaining disparity after each adjustment.

Please note that typically, for those classes that had a market disparity of 0 to 4.99%, we recommend a 0% increase in the first year and an adjustment in the second year. Depending upon CCWA’s financial situation, which will have to be reviewed before each further adjustment is made, all market disparity adjustments are intended to be completed by the third year. CCWA may also consider a similar implementation plan over a longer period of time, like a five-year implementation plan.

CCWA may spend additional time to go through a process of deliberation and decision-making as to what compensation philosophy it should implement to attract, motivate, and retain a high-quality workforce. However, CCWA may want to consider adjusting those classifications’ salaries that are currently below the market median as soon as possible, assuming that incumbents’ performance meets CCWA’s level of expectation.

When classifications are over market, K&A typically recommends Y-rating employees whose current pay exceeds the maximum of the recommended range until the market numbers “catch up” with their current salary. To Y-rate an employee means to keep the employee’s salary frozen and to provide no salary increases (including no cost of living adjustments) until the employee’s current salary is within the recommended salary range. This will result in no immediate loss of income, but will delay any future increases until the incumbent’s salary is within the salary range.

Other options to “freezing” a classification’s salary in place until the market catches up are:



- **“Grandfathering” of salary ranges:** This means that the salary range for the classification is adjusted down to what the market numbers are. However, current incumbents would continue being paid at the current rate of pay (which would put them outside of the new and adjusted salary range for the class) until they separate from employment with CCWA. Any new-hires would be paid within the newly established salary range.
- **Single-incumbent classes:** If a class only has one incumbent, an option would be to wait until the person separates from employment with CCWA and then adjust the salary range for the class according to the market.
- **Recent hires:** Some employees who have recently been hired may still be at one of the lower steps within their current salary range. So, even if the top of their current salary range is above market, the incumbents are currently still paid below the market maximum because they are not at the top of their current salary range. In this case, an immediate salary range adjustment could be made to bring the salary range within the market. This would bring the affected incumbents either to the top of the market range or very close to it, but they would not technically be Y-rated or lose any pay.

Another option, of course, is to actually reduce salaries down to the market. However, from an employee relations perspective this may not be a viable option.

USING THE MARKET DATA AS A TOOL

K&A would like to reiterate that this report and the findings are meant to be a tool for CCWA to create and implement an equitable compensation plan. Compensation strategies are designed to attract and retain excellent staff; however, financial realities and CCWA’s expectations may also come into play when determining appropriate compensation philosophies and strategies. The collected data presented herein represents a market survey that will give CCWA an instrument to make future compensation decisions.

It has been a pleasure working with CCWA on this critical project. Please do not hesitate to contact us if we can provide any additional information or clarification regarding this report.

Respectfully submitted by,
Koff & Associates

Georg Krammer
Managing Director




CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 14, 2022

TO: CCWA Board of Directors

FROM: Ray A. Stokes 
Executive Director

SUBJECT: 2022 Review of Personnel Policy Manual

DISCUSSION

Each year, the CCWA personnel attorney and CCWA staff review the personnel policy manual to identify needed changes based on personnel law changes and operational changes requiring changes or modifications to the manual.

Attached is a memo from the CCWA personnel attorney describing the proposed changes to the CCWA Personnel Policies and Procedures Manual.

Staff will provide an overview of the proposed changes at the Board meeting.

RECOMMENDATION

That the CCWA Board approve the proposed changes to the Personnel Policy Manual as outlined in the attached memo.

RAS

Attachment

STRADLING YOCCA CARLSON & RAUTH, P.C.

MEMORANDUM

TO: Ray Stokes, Executive Director **FILE NUMBER:** 102869-0001
FROM: Jeffrey Dinkin
DATE: April 5, 2022
SUBJECT: 2022 Review of Personnel Policy Manual

I have reviewed the CCWA Personnel Policy Manual (“Manual”), consulted with Lisa Watkins, and suggest revisions to the section of the Manual addressing leaves under the federal Family and Medical Leave Act (“FMLA”) and the California Family Rights Act (“CFRA”). The revisions are necessitated by recent legislation that eliminated the CFRA requirement that the requisite number of employees work within 75 miles of the worksite. Accordingly, the provisions related to the New Parents Leave Act have been eliminated and provisions related to CFRA leave inserted. The revised provisions of the Manual, redlined to show the changes, follow.

Family Care And Medical Leave (FMLA/~~NPLA~~CFRA)

Eligibility

CCWA provides unpaid leaves of absence for family care and medical leave, and bonding with a new child in accordance with the federal Family and Medical Leave Act (the FMLA) and ~~California’s New Parent Leave Act~~the California Family Rights Act (the ~~NPLA~~CFRA). To be eligible for FMLA and/or ~~NPLA~~CFRA Leave, an employee must (1) have worked for CCWA for at least twelve months prior to the date on which the leave is to commence, and (2) have worked at least 1,250 hours in the twelve months preceding the leave.

FMLA/CFRA Leave

Permissible Uses

“Family care leave” may be requested under the FMLA and CFRA for (1) To care for or bond with your newborn child; (2) Placement of an adopted or foster care child with you; (3) To care for your child, grandchild, parent, parent in law, grandparent, sibling, spouse or registered domestic partner who has a serious health condition; or (4) To deal with a “Qualifying Exigency” arising out of the fact that your spouse, son, daughter, parent, or for CFRA only, your domestic partner is on active duty, or has been notified of an impending call to active duty status, in support of a “Contingency Operation.” Qualifying Exigencies include, but are not limited to, such needs relating to the call to active duty as (a) issues arising from a short notice deployment with seven or less days of notice, (b) having to attend to childcare and school concerns, (c) attending military events, and (d) appointments to deal with financial or legal affairs, (e) counseling, (f) parental care activities, (g) rest and recuperation, (h) post-deployment activities. To additional qualifying exigencies, please contact the Human Resources Department. Additionally, FMLA and CFRA leave can be requested for a serious health condition that prevents you from performing one or more of the essential functions of your position.

SUBJECT TO ATTORNEY-CLIENT PRIVILEGE

~~the birth or adoption of an employee's child, (2) the placement of a foster child with the employee; or (3) the serious health condition of an employee's child, spouse, or parent. "Medical leave" may be requested under the FMLA for an employee's own serious health condition. A "serious health condition" is one that requires either in-patient care in a medical facility or continuing treatment or supervision by a health care provider.~~

~~"Qualifying exigency leave" may be requested under the FMLA for qualifying exigencies arising out of the fact that an employee's spouse, son, daughter, or parent is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation. "Qualifying exigencies" include certain absences related to short-notice deployment, military events and related activities, childcare and school activities, financial and legal arrangements, counseling, rest and recuperation, post-deployment activities, and additional activities. Employees may contact the Executive Director or his or her designee for more information about what qualifies as a "qualifying exigency."~~

"Military caregiver leave" may be requested under the FMLA only to care for a "covered service member" if the employee is a spouse, child, parent, or next of kin of the "covered service member." A "covered service member" is:

- a member of the Armed Forces, including the National Guard and Reserves, who, because of a serious injury or illness incurred in the line of duty while on active duty may render the member medically unfit to perform the duties of the member's office, grade, rank, or rating, is: (1) undergoing medical treatment, recuperation, or therapy; (2) in outpatient status; or (3) on the temporary disability retired list; or
- a veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of 5 years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

Amount of CFRA/FMLA Leave Available

Provided all the conditions of this policy are met, an employee may take a maximum of twelve weeks total of family care leave, medical leave, and qualifying exigency leave under the FMLA/CFRA in a rolling 12-month period. This rolling 12-month period is measured backward from the date your leave is to commence to determine the amount of leave you have available. This 12-~~week~~month period commences on the first day on which the first family care leave, medical leave, or qualifying exigency leave is taken under the FMLA/CFRA. Spouses who are both employed by CCWA may each take ~~take a maximum combined a~~ total of twelve weeks of family care leave under the FMLA/CFRA in a 12-month period for the birth, adoption, or foster care of their child.

Provided all of the conditions of this policy are met, an employee may take up to 26 weeks total of a combination of all leaves under the FMLA during a 12-month period (up to 12 weeks of which may be for FMLA leave other than military caregiver leave). The 12-month period used to measure this entitlement will

commence upon the first use of military caregiver leave under the FMLA for a covered service member's particular injury.

Generally, FMLA and CFRA leaves run concurrently, and the combined total leave you may take in a rolling 12-month period is 12 weeks. However, there are some exceptions. For example, FMLA medical leave an employee takes for disabilities associated with pregnancy or childbirth will not count towards the employee's 12 weeks of available CFRA leave and the employee will have up to 12 weeks of CFRA leave to bond with their new baby, after their disability has ended. This leave must be used within 1 year of the child's birth. If the employee adopts or fosters a child, they can take this bonding leave within a year of the child's adoption or placement. –Please check with the Human Resources for further clarification on when FMLA and CFRA leaves do not run concurrently.

NPLA Leave

~~Upon request, an eligible employee may take up to twelve weeks of parental leave to bond with a new child within one year of the child's birth, adoption, or foster care placement.~~

~~If both parents work for CCWA and are eligible for parental leave under this provision, CCWA will grant a maximum combined total of twelve weeks of leave to the employee. CCWA may, but is not required to, grant simultaneous leave to both employees.~~

Intermittent Leave

FMLA/~~NPLA~~-CFRA Leave taken for the birth, adoption, or foster care placement of a child must be commenced within the first year of the birth, adoption, or placement. Further, leave taken for the birth, adoption, or foster care placement of a child may not be taken intermittently or on a reduced schedule without CCWA's permission, except that if the leave is taken pursuant to the ~~NPLA~~-FMLA/CFRA the employee may take leave in minimum durations of two weeks, and CCWA shall also grant at least two requests for leave of less than two week' duration by the employee. Qualifying exigency leave under the FMLA/CFRA may be taken on an intermittent or reduced schedule as required by the qualifying exigency. FMLA/CFRA Leave for any other reason may be taken intermittently or on a reduced schedule where medically necessary. If leave is authorized to be taken intermittently or on a reduced schedule, CCWA retains the discretion to transfer the employee temporarily to an alternative position with equivalent pay and benefits which better accommodates the employee's leave schedule.

Substitution of Paid Leave

Employees are required to substitute accrued vacation time and other paid personal leave (except sick leave) for all FMLA/CFRA Leaves, ~~and are entitled, but not required, to substitute accrued vacation time and other paid personal leave time, including sick leave, for all NPLA Leaves.~~ Employees are required to substitute accrued sick leave only for FMLA/CFRA Leaves taken for an employee's own serious health condition. Employees

may elect to substitute sick leave for other types of FMLA Leave. If the employee is receiving payments from State Disability Insurance (SDI) or Paid Family Leave (PFL) while on FMLA/~~NPLA~~-CFRA leave, the accrued paid leave time will only be used in an amount which supplements the SDI payment such that the employee receives the full amount of his or her regular compensation as an active employee.

The substitution of paid leave for FMLA/~~NPLA~~-CFRA Leave does not extend the total duration of FMLA/~~NPLA~~-CFRA Leave to which an employee is entitled. For example, if an employee has accrued four weeks of unused paid vacation time at the time of a request for FMLA/~~NPLA~~-CFRA Leave, that paid vacation time will be substituted for the first four weeks of FMLA/~~NPLA~~-CFRA Leave, leaving up to eight additional weeks of unpaid FMLA/~~NPLA~~-CFRA Leave.

Leave's Effect on Pay

Except to the extent that other paid leave is substituted for FMLA/~~NPLA~~-CFRA Leave,

FMLA/~~NPLA~~-CFRA Leave is unpaid.

Leave's Effect on Benefits

During an employee's FMLA/~~NPLA~~-CFRA Leave, CCWA shall continue to pay for the employee's participation in CCWA's group health plans to the same extent and under the same terms and conditions as would apply had the employee not taken leave. Employees are required to continue to make any payments they normally make towards healthcare coverage premiums while on leave. In the event an employee on leave fails to make timely payment for their portion of healthcare coverage premiums, the Authority will notify the employee of such failure and, if payment is not made, terminate the coverage.

If the employee fails to return from the leave at its expiration for a reason other than the recurrence, onset or continuation of a serious health condition or other circumstances beyond the employee's control, CCWA is entitled to recover any health premiums paid by CCWA on the employee's behalf during any unpaid period of the leave.

Employees on FMLA/~~NPLA~~-CFRA Leave accrue employment benefits, such as holidays, sick leave, vacation benefits, or seniority, only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued paid leave to supplement SDI payments as discussed in Section 3.5.56 above, he or she will accrue employment benefits on a pro rata basis.

Procedure for Requesting Family Care and Medical Leave

Notice Requirements

Employees should notify the Deputy Director of their request for FMLA/~~NPLA~~-CFRA Leave as soon as they are aware of the need for such leave. For foreseeable events if possible, the employee shall provide thirty calendar days advance written notice to the Deputy Director of the need for FMLA/~~NPLA~~-CFRA Leave. For events that are unforeseeable thirty days in advance, but are not emergencies, the

employee must notify the Deputy Director, in writing, as soon as he or she learns of the need for the leave, ordinarily no later than two to three working days after the employee learns of the need for the leave. If the FMLA/~~NPLA~~/CFRA leave is requested in connection with a planned, non-emergency medical treatment, the employee may be requested to reschedule the treatment so as to minimize disruption of CCWA's business.

If an employee fails to provide the requisite 30-day advance notice for foreseeable events without any reasonable excuse for the delay, CCWA reserves the right to deny the taking of the leave.

All requests for FMLA/~~NPLA~~/CFRA Leave should include anticipated date(s) and duration of the leave. Any requests for extensions of such a leave must be received at least ten working days before the date on which the employee was originally scheduled to return to work and must include the revised anticipated date(s) and duration of the leave.

Certification

Any request for FMLA/~~NPLA~~/CFRA Leave must be supported by proper certification of the need for leave. Employees must provide the required certification within fifteen calendar days after CCWA's request for certification. Failure to provide the required certification may result in the denial of foreseeable leaves until such certification is provided. In the case of unforeseeable leaves, failure to provide the required certification within fifteen days of being requested to do so may result in a denial of the employee's continued leave. Any request for an extension of the leave also must be supported by an updated certification.

Certification of FMLA/~~NPLA~~/CFRA Leave to care for a child, spouse, domestic partner as defined in [California](#) Family Code Section 297, [parent-in-law](#), or parent with a serious health condition shall include (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) the health care provider's estimate of the amount of time needed for family care; and (4) the health care provider's assurance that the health care condition requires family care leave.

Certification of FMLA/~~NPLA~~/CFRA Leave for the employee's own serious health condition shall include (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) a statement that, due to the serious health condition, the employee is unable to perform the functions of his or her position. In addition, CCWA may require the employee to obtain a second opinion from a doctor of CCWA's choosing at CCWA's expense. If the employee's health care provider and the doctor providing the second opinion do not agree, CCWA may require a third opinion, also at CCWA's expense, performed by a mutually agreeable doctor who will make a final determination. Before permitting the employee to return to work, CCWA may also require the employee to provide a written verification from the employee's health care provider that indicates that he or she is fit to return to work. When determining whether an employee who is disabled within the meaning of the federal disability law is able to return to work, the health care provider should make an individualized assessment of whether the employee

can, with or without reasonable accommodation, perform the essential functions of the employee's position.

Certification of a military caregiver leave under the FMLA shall be either (1) an appropriate medical certification from an authorized health care provider or (2) a copy of an Invitation Travel Order or Authorization issued by the Department of Defense.

The nature and format of the certification of a qualifying exigency leave under the FMLA/[CFRA](#) will vary depending on the nature of the qualifying exigency, and will typically include a copy of the active duty orders for the employee's spouse, son, daughter, or parent.

Leave's Effect on Reinstatement

An employee returning from FMLA/~~NPLA~~-[CFRA](#) Leave is entitled to reinstatement to the same or comparable position consistent with applicable law, provided that the total period of the FMLA/~~NPLA~~-[CFRA](#) Leave does not exceed the employee's maximum leave entitlements as described above. CCWA retains the right to deny reinstatement to employees taking FMLA leave who are among the highest paid ten percent (10%) of CCWA's employees or whose reinstatement would cause substantial and grievous economic injury to the CCWA's operations ("key employees").

Employees who take Family Care and Medical Leave for their own serious health condition must provide medical certifications [prior to their return to work](#) verifying that they are able to return to work ~~in the same manner as employees who return to work from other types of medical leave~~[with or without accommodation](#).

Extended Medical Leave of Absence

An employee who is unable to return to work from FMLA/[CFRA](#) Leave because of the continuation of the employee's own serious health condition, or because of the continuation of the serious health condition of the employee's child, spouse, domestic partner as defined in California Family Code Section 297, [parent-in-law](#), or parent, that brought about the FMLA/[CFRA](#) Leave, and an employee who is unable to return to work from pregnancy-related disability leave under Section 3.6, may take an Extended Medical Leave of Absence after his or her FMLA/[CFRA](#) Leave is exhausted as provided for in this Section, or after her pregnancy-related disability leave is exhausted as provided for in Section 3.6. Employees unable to return to work from FMLA/[CFRA](#) Leave or pregnancy-disability leave for any other reason are not entitled to take an Extended Medical Leave of Absence under this policy. An Extended Medical Leave of Absence may run concurrently with other leaves of absence, such as a leave of absence under Section 3.7. An employee may not be granted another Extended Medical Leave of Absence within twenty-four months of the conclusion of a previous Extended Medical Leave of Absence.

CCWA reserves the right to request supporting medical and/or other appropriate documentation of the employee's need for Extended Medical Leave of Absence, and the date the employee is anticipated to be able to return to work and perform the essential functions of his or her job, with or without reasonable accommodation.

Time spent on an Extended Medical Leave of Absence is unpaid, except to the extent that other paid leave is substituted for Extended Medical Leave of Absence. Employees are required to substitute accrued vacation time and other paid personal leave (including sick leave) for time spent on an Extended Medical Leave of Absence. If the employee is receiving payments from State Disability Insurance ("~~SDI~~"), Paid Family Leave benefits ("PFL"), or worker's compensation benefits, the accrued paid leave time will only be used in an amount which supplements the SDI, PFL or worker's compensation payment such that the employee receives the full amount of his or her regular compensation as an active employee.

Provided that the other requirements of this policy are met, the maximum amount of time that an employee may remain on Extended Medical Leave of Absence is the longer of the following two time periods: (1) ninety days from the start of the Extended Medical Leave of Absence (the duration of the ninety day period is not extended if the employee takes Extended Medical Leave on an intermittent basis); or (2) the time period required to exhaust the employee's total accrued vacation time and other paid personal leave time (including compensatory time, sick leave and Donated Sick Leave Time) during the Extended Medical Leave of Absence.

CCWA reserves the right to deny an employee's request for an Extended Medical Leave of Absence, to limit the maximum amount of time that an employee may remain on an Extended Medical Leave of Absence to less than ninety days, or to limit how long an Extended Medical Leave of Absence may continue beyond ninety days regardless of an employee's accrued vacation or other paid personal leave time balances, when granting the Extended Medical Leave of Absence or the continuation of the Extended Medical Leave of Absence would be contrary to the operational or business needs of CCWA, as determined in the discretion of CCWA.

Employees on an Extended Medical Leave of Absence accrue employment benefits, such as holidays, sick leave and vacation benefits, only when paid leave, except Donated Sick Leave Time, is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued paid leave to supplement SDI payments as discussed above, he or she will accrue employment benefits on a pro rata basis.

During an Extended Medical Leave of Absence, up to a maximum of ninety days, CCWA shall continue to pay for the employee's participation in CCWA's group health plans for medical, dental and vision insurance to the same extent and under the same terms and conditions as would apply had the employee not taken leave. During an employee's Extended Medical Leave of Absence, Employees are required to continue to make any payments they normally make towards healthcare coverage. However, employees are not eligible for coverage for long term disability insurance or for life insurance during the period the employee is on an Extended Medical Leave of Absence, and coverage under long term disability insurance and life insurance will not continue during the Extended Medical Leave of Absence. In the event an employee on an Extended Medical Leave of Absence fails to make timely payment for their portion of healthcare coverage premiums, CCWA will notify the employee of such failure and, if payment is not made, terminate the coverage. If the Extended Medical Leave of Absence exceeds ninety days, CCWA will stop making any further employer contributions toward any employee benefit plan while off work on Extended Leave of Absence unless the employee is utilizing accrued vacation, sick or compensatory time, but excluding Donated Sick Leave Time. Upon CCWA ceasing to making employer contributions as discussed above, the employee may elect to continue participating in enrolled employee benefit plans (medical, dental and vision insurance only), at the employee's own expense, to the extent permitted by such plans.

An employee returning from Extended Medical Leave of Absence is entitled to reinstatement to the same or comparable position. Employees who take Extended Medical Leave of Absence must provide medical certifications verifying that they are able to return to work in the same manner as employees who return to work from other types of medical leave.

An employee who is unable to return to work upon the conclusion of an Extended Medical Leave of Absence may be terminated from employment with CCWA unless otherwise required by law. CCWA reserves the right to request supporting medical and/or other appropriate documentation of the employee's need to remain off work after the conclusion of his or her Extended Medical Leave of Absence, and the date the employee is anticipated to be able to return to work and perform the essential functions of his or her job, with or without reasonable accommodation. Sick leave time accruing to the employee's sick leave balance as a result of donations under the Donated Leave Program (Section 3.3.2) cannot be used to extend the time an employee may remain off work after the conclusion of an Extended Medical Leave of Absence.

Pregnancy-Related Disability

CCWA provides unpaid leaves of absence for pregnancy leave for up to four months in accordance with the California Fair Employment and Housing Act. Any employee who is disabled on account of pregnancy, childbirth, or a related condition may take a pregnancy-related disability leave of up to four months, in addition to FMLA/~~NPLA-CFRA~~ Leave to which the employee may be entitled under Section 3.5 above. [Pregnancy-related disability leave may be taken intermittently or on a reduced schedule basis when deemed to be medically advisable by the employee's healthcare provider.](#)

Pregnancy-related disability leave [is unpaid](#) will run concurrently with leave under the ~~Family and Medical Leave Act~~ FMLA described in Section 3.5. An employee taking pregnancy-related disability leave may substitute accrued sick leave, vacation or compensatory time for all or a portion of the pregnancy related disability leave. If the employee is receiving payments from State Disability Insurance (SDI) while on pregnancy-related disability leave, the accrued paid leave time will only be used in an amount which supplements the SDI payment such that the employee receives the full amount of her regular compensation as an active employee. If the employee is using accrued paid leave to supplement SDI payments, she will accrue employment benefits, including holidays, on a pro rata basis. The concurrent running of leave under the Family and Medical Leave Act and the substitution of paid leave for pregnancy-related disability leave does not extend the total duration of the leave to which an employee is entitled.

During an employee's pregnancy-related disability leave, CCWA shall continue to pay for the employee's participation in CCWA's group health plans to the same extent and under the same terms and conditions as would apply had the employee not taken leave. Employees are required to continue to make any payments they normally make towards healthcare coverage premiums while on leave. In the event an employee on leave fails to make timely payment for their portion of healthcare coverage premiums, the Authority will notify the employee of such failure and, if payment is not made, terminate the coverage.

CCWA is entitled to recover any health premiums paid by CCWA on the employee's behalf during any unpaid period of the pregnancy-related disability leave if the employee fails to return from the leave for a reason other than one of the following: (1) the employee takes FMLA/CFRA Leave; (2) the continuation, recurrence or onset of a serious health condition or serious injury or illness that

Memorandum

April 5, 2022

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would entitle the employee to take FMLA/CFRA Leave; or (3) other circumstances beyond an employee's control as provided by law.

Employees on pregnancy-related disability leave accrue employment benefits, such as holidays, sick leave, vacation benefits, or seniority, only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued paid leave to supplement SDI payments as discussed in Section 3.5.45 above, he or she will accrue employment benefits on a pro rata basis.

The provisions of the CCWA's Family Care and Medical Leave policy regarding the leave's effect on pay (Section 3.5.65), notice requirements (Section 3.5.78.1), medical certification requirements (Section 3.5.78.2), and reinstatement (Section 3.5.89) also apply to all pregnancy-related disability leaves. However, for pregnancy-related disabilities, there is no process for obtaining more than one medical opinion, and there is no reinstatement exception for key employees. For the purpose of applying those provisions, an employee's pregnancy-related disability is considered to be a serious health condition.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 19, 2022

TO: CCWA Board of Directors

FROM: John Brady
Deputy Director, Operations and Engineering

SUBJECT: Request for Approval for the Use of Appropriated Contingency in the Amount of \$21,281 for Chloramination Dosing Trailer

BACKGROUND

FY 2021/2022 has been part of one of the most operationally challenging timeframes in the history of CCWA. Pipeline flow rates have dipped to as low as 4 MGD, which is well below the minimum design flow of 10 MGD. A major issue with historically low pipeline flows is the real risk of nitrification. If nitrification is not controlled in a timely manner, the chloramine residual in the water could be reduced to non-detectable levels and render the water non-potable. A loss of chloramine residual would also result in a violation of drinking water standards, as all treated surface water used for drinking water is required to have a disinfectant residual at all times.

Through operational experience and completing a series of special studies, CCWA staff developed a nitrification response plan. This plan outlines a number of response measures that are triggered by the results of CCWA's ongoing nitrification monitoring program. One response measure to climbing nitrite concentrations and falling chloramine residuals in the water is to boost the chloramine residual in the pipeline reservoirs. This measure was originally completed by manually dosing the reservoir through introducing chlorine and ammonia in the correct quantities through the roof hatch of each reservoir. This dosing method proved to be inefficient and not as effective as it could be.

To resolve the issues associated with manual dosing, a dosing system was designed to introduce chlorine and ammonia into the reservoir inlet piping. This chloramination dosing system was constructed and mounted on a trailer so that it could be utilized at any of the CCWA pipeline reservoirs. This system significantly improved the dosing efficiency and effectiveness of this measure.

DISCUSSION

The construction of the Chloramination Dosing Trailer was completed in early September 2021. However, funding for this project was not included in the FY 2021/2022 Budget. The purpose of this Memorandum is to seek Board authorization to utilize the FY 2021/2022 appropriated contingency budget as the source of funding for the project at a cost of \$21,281.

The project was initiated in response to severe nitrification events within the pipeline and was successfully used to control and reverse the effects of nitrification. The CCWA Budget includes an appropriated contingency fund, which is established at 2% of the total budget, excluding variable electrical and chemical budget amounts. The purpose of this budget is to fund projects similar to the Chloramination Dosing Trailer Project. However, in order to utilize this fund, Board

approval is required. Staff seeks Board authorization to use these funds to cover the cost of the project.

FINANCIAL

The CCWA Fiscal Year 2021/2022 Budget includes an appropriated contingency fund for the Distribution Department. The available amount of these funds and the proposed charge to the accounts are presented below:

Distribution	
Item	Amount
FY 21/22 Appropriated Contingencies 5900.70 – Distribution	\$49,229
Bypass Pipeline Budget Exceedance	(\$21,281)
Remaining	\$27,948

RECOMMENDATION

That the Board:

- Authorize the Executive Director to utilize funds from the appropriated contingency budget in the amount of \$21,281 to fund the Chloramination Dosing Trailer as described in this Board Report.

JLB



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 28, 2022

TO: CCWA Board of Directors

FROM: Dessi Mladenova
Controller

SUBJECT: Adoption of Final FY 2022/23 Budget

SUMMARY

The Preliminary FY 2022/23 Budget was provided to the CCWA Board of Directors at its regular meeting on March 24, 2021. This report will highlight the proposed changes to the FY 2022/23 Preliminary Budget and request that the Board approve the proposed final budget.

DISCUSSION

The following change is presented for the Board's consideration and inclusion in the final FY 2022/23 Budget. The proposed final FY 2022/23 Budget is \$48,996,865 or \$1,640,235 more than the Preliminary FY 2022/23 Budget as described below and \$20,602,088 less than the final FY 2021/22 Budget.

- Increase of \$ 30,000 in Non Capital Projects for professional consulting services with Provost & Pritchard. Scope of work is locating and investigating SWP water supplies for 2022 and projects to maximize SWP supplies.
- Increase of \$ 82,000 in project costs for a Seismic Joint Pipe Spools and Parts Project.
- Increase of \$ 1,025,822 in DWR Variable OMP&R costs due to an increase in the variable cost per AF from \$ 181 to \$ 275 due to an updated DWR operational study and SWP mil. rate.
- Increase in Warren Act charges of \$444,316 due to a rate increase per AF from \$ 58 to \$ 138.39 as negotiated in USBR contract renewal.
- Anticipated increase in the CCWA O&M expense for chemicals and fuel and lubricants due to significant vendor price changes and rising oil prices. Amount of increase will be known once vendor negotiations have been completed prior to the April 28, 2022 CCWA board meeting.

Proposed Final FY 2022/23 Budget

The following table shows a summary of the proposed final 2022/23 Budget and a comparison to the prior year budget.

Budget Item	Final FY 2021/22 Budget	Proposed Final FY 2022/23 Budget	Increase (Decrease)
<u>CCWA Expenses</u>			
CCWA Operating Expenses - Fixed	\$ 9,431,320	\$ 8,111,329	\$ (1,319,991)
CCWA Operating Expenses - Variable	4,153,649	1,779,084	\$ (2,374,565)
Revenue Bond Debt Service Payments	10,292,502	-	\$ (10,292,502)
Capital/Non-Capital Projects	1,322,060	1,601,954	\$ 279,894
Total CCWA Expenses:	25,199,531	11,492,367	(13,707,164)
<u>Pass-Through Expenses</u>			
DWR Fixed Costs	38,930,846	35,191,546	(3,739,300)
DWR Variable Costs	5,175,906	3,023,505	(2,152,402)
Warren Act and Trust Fund Payments	434,884	764,882	329,997
Total Pass-Through Expenses:	44,541,637	38,979,932	(5,561,704)
Subtotal Gross Budget:	69,741,168	50,472,300	(19,268,868)
CCWA (Credits) Due	(142,214)	(1,475,435)	(1,333,221)
TOTAL:	\$ 69,598,954	\$ 48,996,865	\$ (20,602,089)

As the table above shows, the proposed final FY 2022/23 gross budget (before CCWA credits) is about \$ 19.3 million less than the prior year budget. The decrease is primarily attributed to \$ 10.2 million decrease in revenue bond debt service payments, \$ 5.9 million decrease in Fixed and Variable DWR pass thru costs, and \$ 3.7 million decrease in CCWA O&M expenses offset by an increase of \$ 0.3 million in Warren Act charges. There is also an increase of \$ 0.3 million for Capital/Non-Capital projects most of which are for maintaining CCWA's aging facilities.

The attached FY 2022/23 Proposed Final Budget in Brief document will provide a full overview of the proposed final budget and changes when compared to the FY 2021/22 Budget. Additionally, the attached FY 2022/23 Total Expenditures Summary provides each project participant a summary of the total expenditures by component for their agency.

Ten-Year Financial Plan Projections

The Ten-Year Financial Plan Projections for each project participant will be updated based on the Board approved Final FY 2022/23 Budget and posted on the CCWA web server in each participant's folder. These projections are estimates only, and are intended to provide a basis for anticipated future costs associated with the large DWR capital expenditures.

Approval to Obtain Bids for Projects Included in the Budget

In conjunction with the requested approval of the FY 2022/23 Budget, staff is also requesting approval to obtain bids for those projects included in the budget which require a formal bidding process. As always, CCWA staff will present the results of the bids for each project to the Board for final acceptance and approval.

RECOMMENDATION

That the Board approve the Final FY 2022/23 Budget as outlined in this report and that CCWA staff be authorized to obtain bids for those projects included in the FY 2022/23 Budget which require formal bids.

Attachments

DHM



Central Coast Water Authority FY 2022/23 Proposed Final Budget in Brief

FY 2022/23 BUDGET SUMMARY

	FY 2021/22	FY 2022/23	Increase
	Budget	Budget	(Decrease)
CCWA Operating Expenses	\$ 13,584,969	\$ 9,890,413	\$ (3,694,556)
DWR Fixed and Variable Costs	44,106,752	38,215,051	(5,891,702)
Capital Improvement & Non Capital Projects	1,322,060	1,601,954	279,894
Warren Act Charges	434,884	764,882	329,998
Debt Service Payments	10,292,502	-	(10,292,502)
Subtotal	69,741,168	50,472,300	(19,268,868)
CCWA Credits	(142,214)	(1,475,435)	(1,333,220)
TOTAL :	\$ 69,598,954	\$ 48,996,865	\$ (20,602,088)

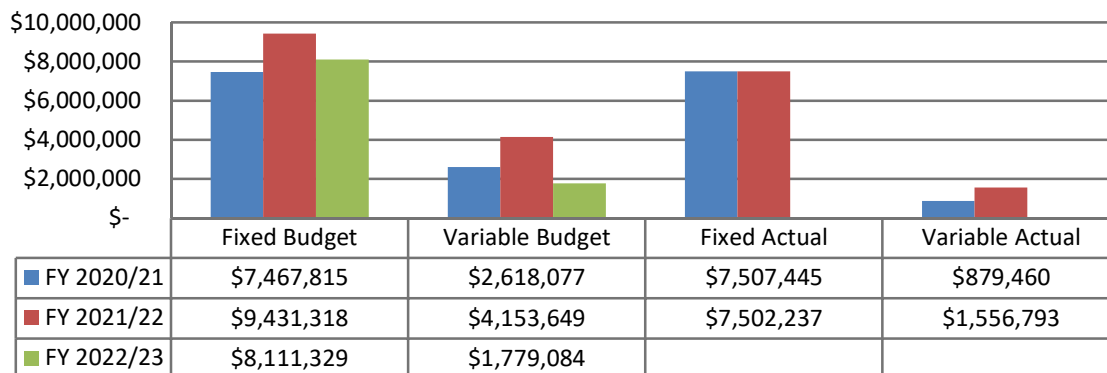
\$19.3 million decrease in the gross budget, excluding CCWA credits

CCWA OPERATING EXPENSES

	FY 2021/22	FY 2022/23	Increase
	Budget	Budget	(Decrease)
Personnel	\$ 5,320,385	\$ 5,604,067	\$ 283,682
Office Expenses	21,300	21,300	-
Supplies & Equipment	1,375,311	1,033,127	(342,184)
Monitoring Expenses	117,408	121,234	3,826
Repairs & Maintenance	292,810	303,290	10,480
Professional Services	2,234,785	611,390	(1,623,395)
General & Administrative	307,162	292,163	(14,999)
Utilities	3,177,673	1,145,930	(2,031,742)
Other Expenses	738,135	757,912	19,777
Total Operating Expense	\$ 13,584,969	\$ 9,890,413	\$ (3,694,556)

Total operating expense decrease of \$3.7 million inclusive of the following factors: \$283k increase in Personnel costs; \$342k decrease in supplies and equipment; \$1.6 million decrease in professional services related to legal services, G&A is lower by \$15k for decreased memberships and dues; \$20k increase in other expenses due to anticipated increase in insurance costs and increased computer expenses; \$10k increase in repairs and maintenance related to increased vehicle repair costs, and \$2.0 million in decreased utilities due to the development of a new operational matrix for estimating electric costs for SYPP and decreased water delivery requests.

Operating Expenses Fixed and Variable Expenses



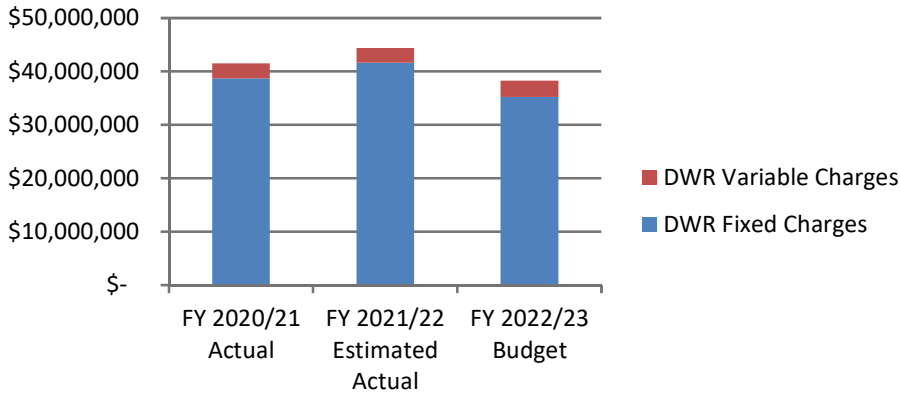
DWR FIXED AND VARIABLE CHARGES

DWR Fixed cost decrease of \$3.8 million due to reduced Transportation Minimum costs of \$3.3 million, reduced Water System Revenue Bond costs of \$ 938k, and reduced costs in Transportation Capital of \$ 307k combined with an increase of \$295k in Coastal Branch costs and increase of \$440k in Delta Water charges .

DWR Variable cost decrease of \$2.2 million over FY 2021/22 is largely due to a decrease in the estimated water delivery.

	FY 2021/22 Budget	FY 2022/23 Budget	Increase (Decrease)
Transportation Capital	\$ 20,490,347	\$ 20,183,154	\$ (307,193)
Coastal Branch Phase II	2,619,508	2,913,512	294,004
Transportation Minimum OMP&R	10,684,247	7,373,371	(3,310,876)
Water System Revenue Bond	1,040,410	102,253	(938,157)
Delta Water Charge	4,207,361	4,647,574	440,213
Subtotal Fixed DWR Charges	39,041,872	35,219,863	(3,822,009)
Off-Aqueduct Charges	18,454	22,430	3,976
Variable OMP&R	5,157,453	3,001,075	(2,156,378)
Subtotal Variable DWR Charges	5,175,907	3,023,505	(2,152,403)
DWR Account Investment Income	(111,027)	(28,317)	82,710
Total DWR Charges	\$ 44,106,752	\$ 38,215,051	\$ (5,891,702)

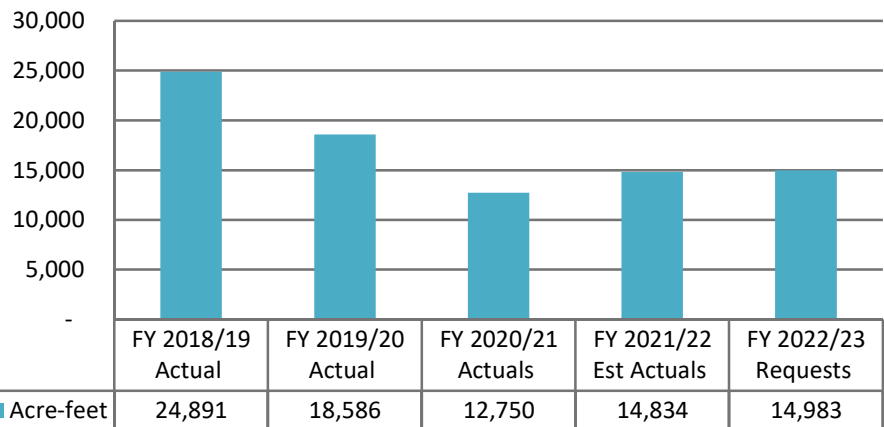
DWR Fixed and Variable Charges



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

DWR Delivery Allocation Percentage	
Calendar Year	Percentage
2011	80%
2012	65%
2013	60%
2014	5%
2015	20%
2016	60%
2017	85%
2018	35%
2019	75%
2020	20%
2021	5%
2022 (current)	15%

Water Deliveries and Requests

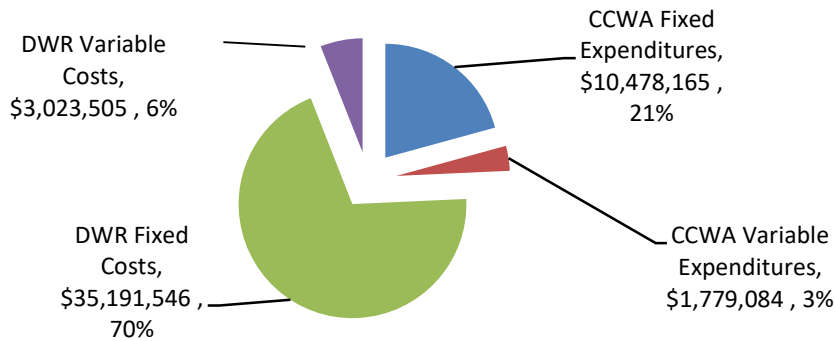


OTHER EXPENDITURES

	FY 2021/22 Budget	FY 2022/23 Budget	Increase (Decrease)
Debt Service Payments	\$ 10,292,502	\$ -	\$ (10,292,502)
Capital Improvement & Non-Capital Projects	1,322,060	1,601,954	279,894
Warren Act Charges	434,884	764,882	329,998
Total Other Expenditures	\$ 12,049,446	\$ 2,366,836	\$ (9,682,611)

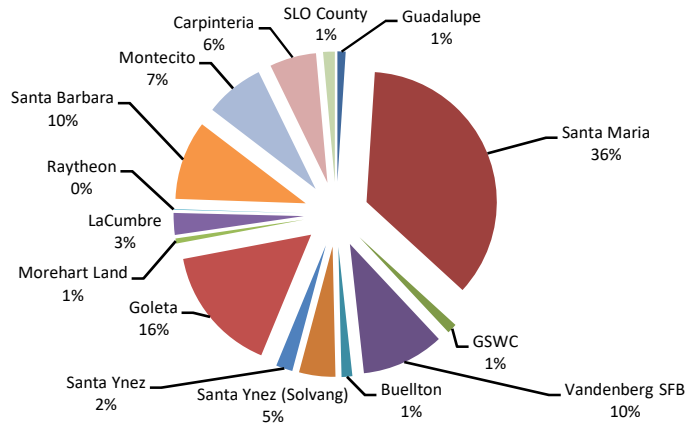
\$280k increase in Capital & Non-Capital Projects; \$10.2 million decrease in debt service payments; \$330k increase in Warren Act Charges.

FY 2022/23 Budget Components



76% of the CCWA Budget is outside of the direct control of CCWA. DWR costs comprise 76% of the total CCWA Budget .

FY 2022/23 Percent of Total Payments by Project Participant



FY 2022/23 Variable Cost Per Acre-Foot

Table A Water

North Santa Barbara County	\$ 370.65
South Santa Barbara County	\$ 519.98

Santa Ynez Exchange Water

Santa Ynez ID#1	\$ 160.59
South Coast Exchange Participants	\$ 277.06

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

Tier 1

AB 1001 (Garcia, Cristina D) Environment: mitigation measures for air quality impacts: environmental justice.

Current Text: Amended: 3/22/2022 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amend: 3/22/2022

Status: 3/22/2022-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

Location: 2/1/2022-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would require mitigation measures, identified in an environmental impact report or mitigated negative declaration to mitigate the adverse effects of a project on air quality of a disadvantaged community, to include measures for avoiding, minimizing, or otherwise mitigating for the adverse effects on that community. The bill would require mitigation measures to include measures conducted at the project site that avoid or minimize to less than significant the adverse effects on the air quality of a disadvantaged community or measures conducted in the affected disadvantaged community that directly mitigate those effects.

Organization	Position	Priority
SWC	Watch	Tier 1

AB 1811 (Fong, Mike D) Delta Plan: multispecies conservation plan.

Current Text: Amended: 4/7/2022 [html](#) [pdf](#)

Introduced: 2/7/2022

Last Amend: 4/7/2022

Status: 4/7/2022-From committee chair, with author's amendments: Amend, and re-refer to Com. on W.,P., & W. Read second time and amended.

Location: 3/17/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council, which is required to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan, by January 1, 2012. Current law requires the council to consider for inclusion in the Delta Plan the Bay Delta Conservation Plan (BDCP), a multispecies conservation plan, and requires the BDCP to meet certain requirements in order to be incorporated into the Delta Plan. This bill would replace references to the "Bay Delta Conservation Plan" with a "multispecies conservation plan" in various provisions and make conforming changes.

Organization	Position	Priority
SWC	Pending Discussion	Tier 1

AB 2108 (Rivas, Robert D) Water policy: environmental justice: disadvantaged and tribal community representation.

Current Text: Amended: 3/15/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Last Amend: 3/15/2022

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 6. Noes 1.) (March 22). Re-referred to Com. on W.,P., & W.

Location: 3/23/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND

WILDLIFE, BAUER-KAHAN, Chair

Summary: Current law establishes the State Water Resources Control Board (state board) in the California Environmental Protection Agency. The state board consists of 5 members appointed by the Governor, including one member who is not required to have specialized experience. Current law requires one of those members, excluding the member who is not required to have specialized experience, to additionally be qualified in the field of water supply and water quality relating to irrigated agriculture. This bill would require that one of the persons appointed by the Governor to the state board be qualified in the field of water supply and water quality relating to disadvantaged or tribal communities. The bill would also require that at least one person appointed to each regional board have specialized experience to represent disadvantaged or tribal communities.

Organization	Position	Priority
SWC	Actively	Tier 1
	Watch/Revisit	

AB 2313 (Bloom D) Water: judges and adjudications.

Current Text: Amended: 3/30/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Last Amend: 3/30/2022

Status: 3/31/2022-Re-referred to Com. on W.,P., & W.

Location: 3/29/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would require the Judicial Council, on or before January 1, 2025, to establish a program that provides training and education to judges in specified actions relating to water, as defined. The bill would provide that the program may be funded by an appropriation from the General Fund in the annual Budget Act or another statute, or by using existing funds for judicial training. The bill would authorize the Chairperson of the Judicial Council to assign to certain actions relating to water a judge with that training or education.

Organization	Position	Priority
SWC	Support	Tier 1

Notes: Letter sent

AB 2362 (Mullin D) Ecosystem restoration and climate adaptation projects: permitting.

Current Text: Introduced: 2/16/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Status: 4/7/2022-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (April 4).

Location: 4/4/2022-A. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Natural Resources Agency, by July 1, 2017, and every 3 years thereafter, to update the state's climate adaptation strategy to identify vulnerabilities to climate change by sectors and priority actions needed to reduce the risks in those sectors. Current law requires the agency to explore, and authorizes the agency to implement, options within the agency's jurisdiction to establish a more coordinated and efficient regulatory review and permitting process for coastal adaptation projects that use natural infrastructure. This bill would require the agency, on or before July 1, 2023, and in consultation with the State Water Resources Control Board, the Department of Food and Agriculture, and the California Environmental Protection Agency, to establish an interagency working group to accelerate and streamline permitting for ecosystem restoration and climate adaptation projects. The bill would require the interagency working group to develop resources for permit applicants and permittees that include, but are not limited to, a unified, online permit application process for existing and proposed projects that includes all appropriate state agencies with regulatory authority over ecosystem restoration and climate adaptation projects.

Organization	Position	Priority
SWC	Support If Amended	Tier 1

Notes: Letter sent

AB 2451 (Wood D) State Water Resources Control Board: drought planning.

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 3/3/2022-Referred to Com. on W.,P., & W.

Location: 3/3/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would require the State Water Resources Control Board to establish a Drought Section within the Division of Water Rights, as specified. The bill would require the state board, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines for diversion and use of water in coastal watersheds during times of water shortage for drought preparedness and climate resiliency and for the development of watershed-level contingency plans to support public trust uses, public health and safety, and the human right to water in times of water shortage. The bill would require the state board to adopt those principles and guidelines no later than March 31, 2023, as specified.

Organization	Position	Priority
SWC	Watch/Seek Clarification no SWC impact	Tier 1

AB 2587 (Garcia, Eduardo D) Energy: firm renewable energy resources and firm zero-carbon resources: procurement.

Current Text: Amended: 3/28/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 3/28/2022

Status: 4/7/2022-From committee: Amend, and do pass as amended and re-refer to Com. on NAT. RES. (Ayes 13. Noes 0.) (April 6).

Location: 4/6/2022-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/25/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Current law requires the State Energy Resources Conservation and Development Commission (Energy Commission), in consultation with the Public Utilities Commission, the Independent System Operator, and the State Air Resources Board, on or before December 31, 2023, to submit to the Legislature an assessment of the firm zero-carbon resources that support a clean, reliable, and resilient electrical grid in California and will achieve the policy of the state that eligible renewable energy resources and zero-carbon resources supply 100% of all retail sales of electricity to California end-use customers and 100% of electricity procured to serve all state agencies by December 31, 2045, as specified. Current law requires the Energy Commission to prepare an integrated energy policy report every 2 years and to timely incorporate firm zero-carbon resources into the integrated energy policy report. This bill would require the Energy Commission to additionally include firm renewable energy resources in the above-described assessment and to incorporate firm renewable energy resources into the integrated energy policy report.

Organization	Position	Priority
SWC	Pending Discussion	Tier 1

AB 2605 (Villapudua D) Water quality: state certification.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 4/6/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/10/2022-A. E.S. & T.M.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: The State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements in accordance with the Federal Water Pollution Control Act and the Porter-Cologne Water Quality Control Act. Under federal law, any applicant seeking a federal license or permit for an activity that may result in any discharge into the navigable waters of the United States is required to first seek a state water quality certification, as specified. The Porter-Cologne Water Quality Control Act authorizes the state board to certify or provide a statement to a federal agency, as required pursuant to federal law, that there is reasonable assurance that an activity of any person subject to the jurisdiction of the state board will not reduce water quality below applicable standards. The federal act provides that if a state fails or refuses to act on a request for this certification within a reasonable period of time, which shall not exceed one year after receipt of the request, then the state certification requirements are waived with respect to the federal application. This bill would authorize the state board to delegate its authority regarding the above-described

issuance of a certificate or statement to the regional boards.

Organization	Position	Priority
SWC	Watch	Tier 1

[AB 2639](#) (Quirk D) Water quality control plans and water rights permits.

Current Text: Amended: 3/22/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 3/22/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on E.S. & T.M. (Ayes 9. Noes 4.) (April 5). Re-referred to Com. on E.S. & T.M.

Location: 4/5/2022-A. E.S. & T.M.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Current law establishes the State Water Resources Control Board and the 9 California regional water quality control boards as the principal state agencies with authority over matters relating to water quality. Current law requires the state board to formulate and adopt state policy for water quality control. Current law authorizes the state board to adopt water quality control plans for waters that require water quality standards pursuant to the Federal Water Pollution Control Act, and provides that those plans supersede any regional water quality control plans for the same waters to the extent of any conflict. This bill would require the state board, on or before December 31, 2023, to adopt a final update of the 1995 Water Quality Control Plan for the Bay-Delta, as specified, and to implement the amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary adopted by the state board pursuant to Resolution No. 2018-0059 on December 12, 2018.

Organization	Position	Priority
SWC	Actively Monitoring	Tier 1

[AB 2696](#) (Garcia, Eduardo D) Electricity: renewable energy and zero-carbon resources: state policy: transmission planning.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 4/7/2022-From committee: Amend, and do pass as amended and re-refer to Com. on NAT. RES. (Ayes 12. Noes 0.) (April 6).

Location: 4/6/2022-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/25/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Would require the Energy Commission, in consultation with the California Infrastructure and Economic Development Bank, the Governor's Office of Business and Economic Development, the Independent System Operator, and the Public Utilities Commission (PUC), to conduct a study to review potential lower cost ownership and alternative financing mechanisms for new transmission facilities needed to meet the state's clean energy and climate targets, as specified, and to submit a report to the Governor and the Legislature, on or before September 30, 2023, with findings and recommendations related to the study. This bill contains other related provisions and other existing laws.

Organization	Position	Priority
SWC	Proposed Support	Tier 1

[AB 2805](#) (Bauer-Kahan D) Department of Fish and Game: advance mitigation and regional conservation investment strategies.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 3/17/2022-Referred to Com. on W.,P., & W.

Location: 3/17/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Current law authorizes the Department of Fish and Wildlife, or any other public agency, to

propose a regional conservation investment strategy, to be developed in consultation with applicable local agencies that have land use authority, for the purpose of informing science-based nonbinding and voluntary conservation actions and habitat enhancement actions that would advance the conservation of focal species and provide voluntary nonbinding guidance for various activities. Current law authorizes the department to approve a regional conservation investment strategy only if one or more state agencies request approval of the strategy through a letter sent to the Director of Fish and Wildlife, as prescribed. Current law requires the strategy to contain specified information and authorizes inclusion of a regional conservation assessment proposed by the department or any other public agency, and approved by the department, in the strategy. Current law authorizes the department to approve a regional conservation investment strategy or amended strategy for an initial period of up to 10 years after a public meeting and a public comment period regarding the proposed strategy or amended strategy have been held and after it finds that the strategy meets certain requirements. This bill would authorize the department, any other public agency, or federally recognized tribe to propose a regional conservation investment strategy, as provided.

Organization **Position** **Priority**
 SWC Watch Tier 1

SB 559 (Hurtado D) Department of Water Resources: water conveyance systems: Water Conveyance Restoration Fund.

Current Text: Amended: 8/30/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amend: 8/30/2021

Status: 9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 9/8/2021)(May be acted upon Jan 2022)

Location: 9/10/2021-A. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the Water Conveyance Restoration Fund in the State Treasury to be administered by the Department of Water Resources in consultation with the State Water Resources Control Board and the Department of Fish and Wildlife. The bill would require all moneys deposited in the fund to be expended, upon appropriation by the Legislature, in support of subsidence repair costs, including environmental planning, permitting, design, and construction and necessary road and bridge upgrades required to accommodate capacity improvements. The bill would require the Director of Water Resources to apportion money appropriated from the fund, subject to specified requirements, for the Friant-Kern Canal, Delta-Mendota Canal, San Luis Field Division of the California Aqueduct, and San Joaquin Division of the California Aqueduct.

Organization **Position** **Priority**
 SWC Co-Sponsor Tier 1

SB 832 (Dodd D) Water rights: measurement of diversion.

Current Text: Amended: 4/6/2022 [html](#) [pdf](#)

Introduced: 1/3/2022

Last Amend: 4/6/2022

Status: 4/6/2022-Read second time and amended. Re-referred to Com. on APPR.

Location: 4/5/2022-S. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law defines various terms applicable to the Water Code. This bill would define "water year," unless otherwise specified, to mean the 12-month period beginning October 1 and ending September 30.

Organization **Position** **Priority**
 SWC Support Tier 1

Notes: Letter sent

SB 887 (Becker D) Electricity: transmission facility planning.

Current Text: Amended: 4/4/2022 [html](#) [pdf](#)

Introduced: 1/27/2022

Last Amend: 4/4/2022

Status: 4/6/2022-Set for hearing April 18.

Location: 3/28/2022-S. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room 1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Would require the Public Utilities Commission, on or before January 15, 2023, to request the ISO to identify the highest priority transmission facilities that are needed to allow for reduced reliance on carbon-emitting electrical generation resources in transmission-constrained urban areas by delivering renewable energy resources or zero-carbon resources that are expected to be developed by 2035 into those areas and to consider whether to approve the identified transmission projects as part of the ISO's 2022-23 transmission planning process. The bill would require the PUC, in consultation with the Energy Commission, to provide transmission-focused guidance to the ISO about resource portfolios of expected future renewable energy resources and zero-carbon resources, as specified, to allow the ISO to identify and approve transmission facilities needed to allow for full deliverability of those resources to load centers. The bill would express the policy of the state that new transmission facilities incorporate into their planning wildfire risk reduction and increased systemwide reliability and cost efficiency, among other goals.

Organization **Position** **Priority**
 SWC Watch Tier 1

SB 890 (Nielsen R) Department of Water Resources: Water Storage and Conveyance Fund: water storage and conveyance.

Current Text: Amended: 2/23/2022 [html](#) [pdf](#)

Introduced: 1/31/2022

Last Amend: 2/23/2022

Status: 3/8/2022-March 8 set for first hearing. Failed passage in committee. (Ayes 3. Noes 6.)

Location: 2/9/2022-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the Water Storage and Conveyance Fund in the State Treasury to be administered by the Department of Water Resources. The bill would require all moneys deposited in the fund to be expended, upon appropriation by the Legislature, in support of subsidence repair and reservoir storage costs, including environmental planning, permitting, design, and construction and all necessary road and bridge upgrades required to accommodate capacity improvements. The bill would require the department to expend from the fund, upon appropriation by the Legislature, specified monetary amounts to complete funding for the construction of the Sites Reservoir, and to restore the capacity of 4 specified water conveyance systems, as prescribed, with 2 of those 4 expenditures being in the form of a grant to the Friant Water Authority and to the San Luis and Delta-Mendota Water Authority. This bill would make these provisions inoperative on July 1, 2030, and would repeal it as of January 1, 2031.

Organization **Position** **Priority**
 SWC Watch Tier 1

SB 1032 (Becker D) Clean Energy Infrastructure Authority Act.

Current Text: Amended: 4/7/2022 [html](#) [pdf](#)

Introduced: 2/15/2022

Last Amend: 4/7/2022

Status: 4/8/2022-Set for hearing April 21 in GOV. & F. pending receipt.

Location: 3/24/2022-S. E. U., & C.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

4/18/2022 3 p.m. or upon adjournment of Session - Senate Chamber SENATE ENERGY, UTILITIES AND COMMUNICATIONS, HUESO, Chair

4/21/2022 Upon adjournment of Session - 1021 O Street, Room 2200 SENATE GOVERNANCE AND FINANCE, CABALLERO, Chair

Summary: Would create the Clean Energy Infrastructure Authority as a public instrumentality of the state for the purpose of leading the state's efforts to build critical clean energy infrastructure necessary to enable the state to transition to 100% clean energy, as specified. The bill would require the authority to do any and all things necessary or proper to accomplish that purpose. The bill would authorize the authority, among other things, to identify and establish corridors for the transmission of electricity within the state, to coordinate, investigate, plan, prioritize, and negotiate with entities within and outside the state to establish interstate transmission corridors, to finance, plan, develop, acquire, own, maintain, sell, or operate electrical transmission infrastructure and transmission-related energy storage systems, to exercise the power of eminent domain to acquire property or rights-of-way for public use, to issue bonds as necessary to undertake electrical transmission infrastructure or transmission-related energy storage system projects, and to act as the lead agency for purposes of the California Environmental Quality Act and other environmental reviews, as specified.

Organization **Position** **Priority**
 SWC Watch Tier 1

[SB 1065](#) (Eggman D) California Abandoned and Derelict Commercial Vessel Program.

Current Text: Amended: 3/14/2022 [html](#) [pdf](#)

Introduced: 2/15/2022

Last Amend: 3/14/2022

Status: 4/5/2022-Set for hearing April 26 in JUD. pending receipt. From committee: Do pass and re-refer to Com. on JUD. (Ayes 9. Noes 0.) (April 5). Re-referred to Com. on JUD.

Location: 4/5/2022-S. JUD.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Calendar: 4/26/2022 1:30 p.m. - 1021 O Street, Room 1200 SENATE JUDICIARY, UMBERG, Chair

Summary: Would establish the California Abandoned and Derelict Commercial Vessel Program within the Natural Resources Agency, to be administered by the State Lands Commission, to bring federal, state, and local agencies together to identify, prioritize, and, upon appropriation by the Legislature or a determination of the availability of existing funds, as provided, fund the removal of abandoned and derelict commercial vessels, as defined, from waters of the state, as defined. The bill would require the commission, as part of the program, to create an inventory of abandoned and derelict commercial vessels on the waters of the state and develop a plan to prevent or reduce these abandoned and derelict commercial vessels, as provided.

Organization	Position	Priority
SWC	Pending	Tier 1
	Discussion	

[SB 1109](#) (Caballero D) California Renewables Portfolio Standard Program: bioenergy projects.

Current Text: Amended: 3/14/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Last Amend: 3/14/2022

Status: 4/8/2022-Set for hearing April 25.

Location: 3/23/2022-S. E. U., & C.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Calendar: 4/25/2022 3 p.m. or upon adjournment of Session - Senate Chamber SENATE ENERGY, UTILITIES AND COMMUNICATIONS, HUESO, Chair

Summary: The Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, while local publicly owned electric utilities are under the direction of their governing boards. Current law requires electrical corporations, by December 1, 2016, to collectively procure, through financial commitments of 5 years, their proportionate share of 125 megawatts of cumulative rated generating capacity from bioenergy projects commencing operation before June 1, 2013. Current law requires at least 80% of the feedstock of a bioenergy project, on an annual basis, to be a byproduct of sustainable forestry management, which includes removal of dead and dying trees from Tier 1 and Tier 2 high hazard zones, and requires at least 60% of that feedstock to be from Tier 1 and Tier 2 high hazard zones. If, on a monthly basis, a bioenergy facility opts out of, or misses, the mandated fuel or feedstock usage levels or targets, existing law specifies the price to be paid for the output from the facility for that month. Current law additionally requires a local publicly owned electric utility serving more than 100,000 customers to procure their proportionate shares of 125 megawatts of cumulative rated generating capacity from those kinds of bioenergy projects subject to terms of at least 5 years. This bill would increase the cumulative rated generating capacity from bioenergy projects to 225 megawatts and would require electrical corporations collectively to procure that amount by December 31, 2023.

Organization	Position	Priority
SWC	Watch	Tier 1

[SB 1174](#) (Hertzberg D) Electricity: eligible renewable energy or energy storage resources: transmission and interconnection.

Current Text: Amended: 4/6/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Last Amend: 4/6/2022

Status: 4/6/2022-Read second time and amended. Re-referred to Com. on APPR.

Location: 3/28/2022-S. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Current law vests the Public Utilities Commission (PUC) with regulatory authority over public utilities, including electrical corporations. The California Renewables Portfolio Standard Program requires the PUC to establish a renewables portfolio standard requiring all retail sellers, including electrical corporations, electric service providers, and community choice aggregators, to procure a minimum quantity of electricity products from eligible renewable energy resources so that the total

kilowatthours of those products sold to their retail end-use customers achieves 25% of retail sales by December 31, 2016, 33% by December 31, 2020, 44% by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. Current law requires an electrical corporation that owns electrical transmission facilities to annually prepare, as part of a specified FERC process, a report identifying any electrical transmission facility, upgrade, or enhancement that is reasonably necessary to achieve the procurement requirements of the California Renewables Portfolio Standard Program and to submit that report to the PUC. This bill would require each electrical corporation that owns electrical transmission facilities to annually prepare, and submit to the PUC, a consolidated report on any delays to in-service dates of eligible renewable energy resources or energy storage resources and identify all prudent remedial actions to address and minimize those delays.

Organization **Position** **Priority**
 SWC Watch Tier 1

SB 1205 **(Allen D) Water rights: appropriation.**

Current Text: Amended: 3/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Last Amend: 3/17/2022

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Would require the State Water Resources Control Board to develop and adopt regulations to provide greater specificity as to the methods and practices for determining water availability in the issuance and administration of water right permits and licenses, including consideration of the effects of climate change, as specified, upon watershed hydrology as part of the preparation of water availability analyses. The bill would require the board to consult with the Department of Water Resources, the Department of Fish and Wildlife, and qualified hydrologists and climate change scientists in preparing the regulations.

Organization **Position** **Priority**
 SWC Pending Tier 1
 Discussion

SB 1218 **(Hurtado D) Delta Stewardship Council: annual water supply reliability estimation.**

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Current law, the Sacramento-San Joaquin Delta Reform Act of 2009, establishes the Delta Stewardship Council, which is required to develop, adopt, and commence implementation of a comprehensive management plan, known as the Delta Plan, for the Sacramento-San Joaquin Delta. This bill would require the council, at least once annually, to publish on its internet website, in consultation with relevant state and federal agencies and the public, a water supply reliability estimation for the water flows into the Delta and out of the Straits of Carquinez and into the San Francisco Bay.

Organization **Position** **Priority**
 SWC Actively Tier 1
 Watch/Revisit

SB 1219 **(Hurtado D) 21st century water laws and agencies: committee.**

Current Text: Amended: 4/6/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Last Amend: 4/6/2022

Status: 4/6/2022-Read second time and amended. Re-referred to Com. on E.Q.

Location: 4/5/2022-S. E.Q.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/25/2022 9 a.m. - 1021 O Street, Room 2100 SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

Summary: Would require the Secretary of the Natural Resources Agency and the Secretary for Environmental Protection to convene a committee to develop and submit, on or before December 31, 2024, to the Governor and to the Legislature a strategic vision, proposed statutes, and recommendations for a modern 21st century set of water laws and regulations and state and local water agencies for the state, as provided. The committee would consist of 5 specified heads of state agencies, 2 members appointed by the Senate Committee on Rules, and 2 members appointed by the Speaker of the Assembly. The bill would require the Governor or the committee to appoint a “blue ribbon” citizen commission or taskforce, a stakeholder advisory committee, and any other group that the Governor or the committee deems necessary or desirable to assist in carrying out these provisions. The bill would require all relevant state agencies, at the request of the committee, to make available staff and resources to assist in the preparation of the strategic vision and proposed statutes.

Organization **Position** **Priority**
 SWC Watch Tier 1

Tier 2

[AB 1774](#) (Seyarto R) California Environmental Quality Act: water conveyance or storage projects: judicial review.

Current Text: Introduced: 2/3/2022 [html](#) [pdf](#)

Introduced: 2/3/2022

Status: 2/10/2022-Referred to Coms. on NAT. RES. and JUD.

Location: 2/10/2022-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that the lead agency proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA establishes a procedure by which a person may seek judicial review of the decision of the lead agency made pursuant to CEQA. This bill would require the Judicial Council to adopt rules of court applicable to actions or proceedings brought to attack, review, set aside, void, or annul the certification or adoption of an environmental impact report for water conveyance or storage projects, as defined, or the granting of project approvals, including any appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the court to an action or proceeding seeking judicial review of the lead agency’s action related to those projects.

Organization **Position** **Priority**
 SWC Tier 2

[AB 1784](#) (Smith R) Water Quality, Supply, and Infrastructure Improvement Act of 2014: groundwater sustainability projects: grants and loans.

Current Text: Introduced: 2/3/2022 [html](#) [pdf](#)

Introduced: 2/3/2022

Status: 2/4/2022-From printer. May be heard in committee March 6.

Location: 2/3/2022-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law provides for the sum of \$900,000,000 to be available, upon appropriation by the Legislature from the Water Quality, Supply, and Infrastructure Improvement Fund of 2014, for expenditures on, and competitive grants, and loans for, projects to prevent or clean up the contamination of groundwater that serves or has served as a source of drinking water, as provided. Current law requires a project that receives funding to be selected by a competitive grant or loan process with added consideration for those projects that leverage private, federal, or local funding, and outlines the additional requirements and processes applicable to projects that receive funding. This bill would make nonsubstantive changes to these latter provisions.

Organization **Position** **Priority**
 SWC Tier 2

[AB 2201](#) (Bennett D) Groundwater sustainability agency: groundwater extraction permit.

Current Text: Amended: 3/17/2022 [html](#) [pdf](#)

Introduced: 2/15/2022

Last Amend: 3/17/2022

Status: 3/21/2022-Re-referred to Com. on W.,P., & W.

Location: 3/17/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would, on and after July 1, 2023, prohibit, except as specified, a groundwater extraction facility in a basin that is designated by the Department of Water Resources as a basin that is subject to critical conditions of overdraft from extracting water without a valid groundwater extraction permit issued by the groundwater sustainability agency pursuant to the requirements of the bill. The bill would also require a groundwater sustainability agency responsible for managing a basin designated by the department as being subject to critical conditions of overdraft to develop, on or before June 30, 2023, a process for the issuance of a groundwater extraction permit, as specified. The bill would also prohibit the issuance of a groundwater extraction permit for a new or expanded groundwater facility in a probationary basin, unless the State Water Resources Control Board determines that all or part of a probationary basin is being adequately managed, as specified.

Organization **Position** **Priority**
SWC Tier 2

AB 2368 **(Bloom D) Water: Department of Water Resources.**

Current Text: Introduced: 2/16/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Status: 2/17/2022-From printer. May be heard in committee March 19.

Location: 2/16/2022-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law establishes in the Natural Resources Agency the Department of Water Resources, which is under the control of the Director of Water Resources. Current law provides for the appointment of the director by the Governor, subject to confirmation by the Senate. This bill would make nonsubstantive changes to that provision.

Organization **Position** **Priority**
SWC Tier 2

AB 2387 **(Garcia, Eduardo D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.**

Current Text: Amended: 3/21/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Last Amend: 3/21/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on NAT. RES. (Ayes 11. Noes 2.) (April 5). Re-referred to Com. on NAT. RES.

Location: 4/5/2022-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/25/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,430,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

Organization **Position** **Priority**
SWC Tier 2

AB 2412 **(Villapudua D) Agriculture: State Water Efficiency and Enhancement Program.**

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 4/6/2022-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 9. Noes 0.) (April 6). Re-referred to Com. on W.,P., & W.

Location: 4/6/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would require the Department of Food and Agriculture, upon appropriation by the Legislature of additional funds, to administer the State Water Efficiency and Enhancement Program to provide grants to agricultural operations to implement irrigation, water reclamation, water storage, or groundwater recharge systems that reduce greenhouse gases and energy use and increase water use efficiency. The bill would require the secretary, on or before one year after receiving an appropriation by the Legislature for these purposes, in consultation with the Secretary of the Natural Resources Agency, the Natural Resources Conservation Service of the United States Department of Agriculture, and the Scientific Advisory Panel on Environmental Farming, to develop guidelines for awarding grants under the program, as specified. The bill would require the secretary, on or before January 1, 2027, and biennially thereafter, to submit a report to the relevant legislative policy committees, as prescribed.

Organization **Position** **Priority**
SWC Tier 2

[AB 2700](#) (McCarty D) Transportation electrification: electrical distribution grid upgrades.

Current Text: Amended: 4/7/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 4/7/2022

Status: 4/7/2022-From committee chair, with author's amendments: Amend, and re-refer to Com. on U. & E. Read second time and amended.

Location: 3/28/2022-A. U. & E.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/20/2022 1:30 p.m. - State Capitol, Room 437 ASSEMBLY UTILITIES AND ENERGY, GARCIA, EDUARDO, Chair

Summary: Would require electrical corporations and local publicly owned electric utilities to use all available data to project future electric vehicle charging requirements to ensure that their distribution systems are upgraded at the times and locations necessary to support the state's anticipated level of electric vehicle charging. The bill would require the Public Utilities Commission (PUC), by July 1, 2024, to the extent that there are any permitting or licensing requirements for transmission or distribution grid upgrades necessary to support the anticipated level of electric vehicle charging, to expedite existing permitting and licensing processes to ensure that electrical corporations can meet the requirements to upgrade their distribution systems, and to direct electrical corporations to develop an expedited process for grid interconnection for transportation electrification. The bill would require the State Air Resources Board to annually gather and share fleet data from entities subject to its regulations with electrical corporations and local publicly owned electric utilities to help inform electrical grid planning efforts, as specified.

Organization **Position** **Priority**
SWC Tier 2

[AB 2876](#) (Bigelow R) Sustainable Groundwater Management Act.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 2/19/2022-From printer. May be heard in committee March 21.

Location: 2/18/2022-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act requires all relevant state agencies to consider the policies of the act, and any adopted groundwater sustainability plans, when revising or adopting policies, regulations, or criteria, or when issuing orders or determinations, where pertinent. This bill would make nonsubstantive changes to the latter provision.

Organization **Position** **Priority**
SWC Tier 2

[AB 2895](#) (Arambula D) Water: permits and licenses: temporary changes: water or water rights transfers.

Current Text: Amended: 3/17/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 3/17/2022

Status: 3/21/2022-Re-referred to Com. on W.,P., & W.

Location: 3/17/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law prescribes the process for a permittee or licensee to petition the board for a temporary change due to a transfer or exchange of water rights and subsequent notice, decision, and hearing requirements by the board. Under that process, a petitioner is required to publish notice of a petition in a newspaper, as specified. Current law requires a petition to contain specified information and requires a petitioner to provide a copy of the petition to the Department of Fish and Wildlife, the board of supervisors of the county or counties in which the petitioner currently stores or uses the water subject to the petition, and the board of supervisors of the county or counties to which the water is proposed to be transferred. This bill would revise and recast the provisions regulating temporary changes due to a transfer or exchange of water rights, including, among other revisions, specifying that those provisions apply to a person who proposes a temporary change for purposes of preserving or enhancing wetlands habitat, fish and wildlife resources, or recreation.

Organization	Position	Priority
SWC	Pending	Tier 2
	Discussion	

AB 2919 (Fong R) Dams: release of water: fish populations.

Current Text: Amended: 3/24/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amend: 3/24/2022

Status: 3/28/2022-Re-referred to Com. on W.,P., & W.

Location: 3/24/2022-A. W.,P. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the owner of a dam to allow sufficient water at all times to pass through a fishway, or in the absence of a fishway, allow sufficient water to pass over, around or through the dam, to keep in good condition any fish that may be planted or exist below the dam. This bill would provide that, notwithstanding any other law, the release of water from a dam shall only be regulated based on actual fish populations and not based on approximate fish populations.

Organization	Position	Priority
SWC		Tier 2

SB 852 (Dodd D) Climate resilience districts: formation: funding mechanisms.

Current Text: Amended: 3/9/2022 [html](#) [pdf](#)

Introduced: 1/18/2022

Last Amend: 3/9/2022

Status: 4/7/2022-VOTE: Do pass as amended, but first amend, and re-refer to the Committee on [Natural Resources and Water] (PASS)

Location: 4/7/2022-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. Current law provides for the financing of these activities by, among other things, the issuance of bonds serviced by property tax increment revenues, and requires the authority to adopt a community revitalization and investment plan for the community revitalization and investment area that includes elements describing and governing revitalization activities. This bill would authorize a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill would define "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified.

Organization	Position	Priority
SWC		Tier 2

SB 880 (Laird D) Water diversion: monitoring and reporting: University of California Cooperative Extension.

Current Text: Introduced: 1/26/2022 [html](#) [pdf](#)

Introduced: 1/26/2022

Status: 4/4/2022-April 4 hearing: Placed on APPR suspense file.

Location: 4/4/2022-S. APPR. SUSPENSE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law, until January 1, 2023, requires any diverter, who has completed an instructional course regarding the devices or measurement method administered by the University of California Cooperative Extension, including passage of a proficiency test before the completion of the course, to be considered a qualified individual when installing and maintaining devices or implementing methods of measurement that were taught in the course for the diverter's diversion. Current law also requires the University of California Cooperative Extension and the board to develop the curriculum of the course and the proficiency test. This bill would indefinitely extend the above-described provisions.

Organization	Position	Priority
SWC		Tier 2

[SB 1146](#)

(Grove R) Water rights: reasonable and beneficial use of water.

Current Text: Introduced: 2/16/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Status: 2/23/2022-Referred to Com. on RLS.

Location: 2/16/2022-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law declares that the right to water is limited to that water that is reasonably required for the beneficial use to be served, and does not extend to the waste or unreasonable use, unreasonable method of use, or unreasonable method of diversion of water. This bill would make nonsubstantive changes to that provision.

Organization	Position	Priority
SWC		Tier 2

[SB 1166](#)

(Grove R) Department of Water Resources: appropriations of water.

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 3/2/2022-Referred to Com. on RLS.

Location: 2/17/2022-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Under current law, the Department of Water Resources is required to make and file with the State Water Resources Control Board applications for the appropriation of any water that, in the department's judgment, is or may be required in the development and completion of all or part of a general or coordinated plan for the development, utilization, or conservation of the water resources of the state. Existing law gives those applications priority, as of the date of filing the application, over any subsequent application and generally exempts the applications from certain water rights diligence provisions. This bill would make nonsubstantive changes to these provisions.

Organization	Position	Priority
SWC		Tier 2

[SB 1220](#)

(Hurtado D) Sustainable Groundwater Management Act: groundwater sustainability plans.

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Current law, the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would provide that nothing in those provisions relating to making submissions to the department shall be construed to prohibit groundwater sustainability agencies that have developed multiple groundwater sustainability plans for a basin from amending the coordination

agreement following department issuance of an assessment of the plans. This bill contains other existing laws.

Organization	Position	Priority
SWC		Tier 2

Total Measures: 37

Total Tracking Forms: 37