



CENTRAL COAST WATER AUTHORITY



A California Joint Powers Authority

FY 2023/24 Budget

Central Coast Water Authority

A CALIFORNIA JOINT POWERS AUTHORITY

Fiscal Year
2023/24 Budget

Central Coast Water Authority

Mission:

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

Objectives:

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





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Central Coast Water Authority
California**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

Executive Director

Central Coast Water Authority

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Fiscal Year 2023/24 Budget

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Bradbury Dam Spillway March 2023

Budget Foreword

The Budget Foreword section of the FY 2023/24 Budget contains the Budget Transmittal Letter, narrative discussion on the financial policies, goals and objectives of the Authority, an overview of the Authority's organizational structure, and the budget process.

Authority Overview

General Information

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

Operational Information

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

Central Coast Water Authority

Reader's Guide

Fiscal Year 2023/24 Budget

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

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

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

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



April 27, 2023

Board of Directors
Central Coast Water Authority

Dear Members of the Board:

Submitted herewith is the Fiscal Year (FY) 2023/24 Budget for the Central Coast Water Authority. This letter of transmittal presents the budget highlights and addresses the main points and major decisions made in compiling this document. As CCWA's policy makers, you play a critical role in making decisions regarding the direction the organization will take in FY 2023/24.

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

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

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

For twenty-five consecutive years, CCWA has received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation" award." We will also submit the FY 2023/24 Budget for consideration of the GFOA budget award.

AN OVERVIEW OF LAST FISCAL YEAR

The following are some of the major highlights from FY 2022/23:

Water Deliveries

Total deliveries during FY 2022/23 by CCWA to the Santa Barbara and San Luis Obispo County project participants are estimated to be 10,937 acre-feet compared to the actual FY 2021/22 deliveries of 15,565 acre-feet. The graph on the following page shows water deliveries for the last ten fiscal years.

Eric Friedman
Chairman

Jeff Clay
Vice Chairman

Ray Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

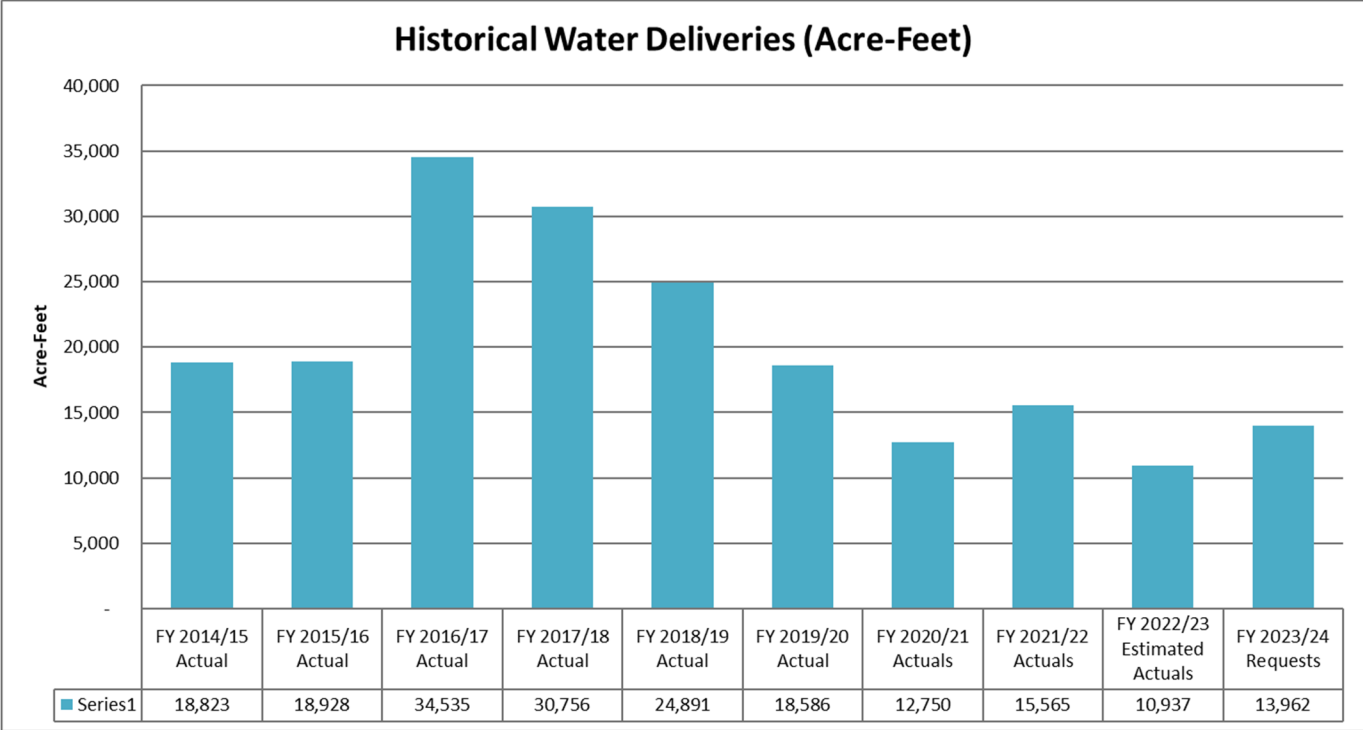
Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

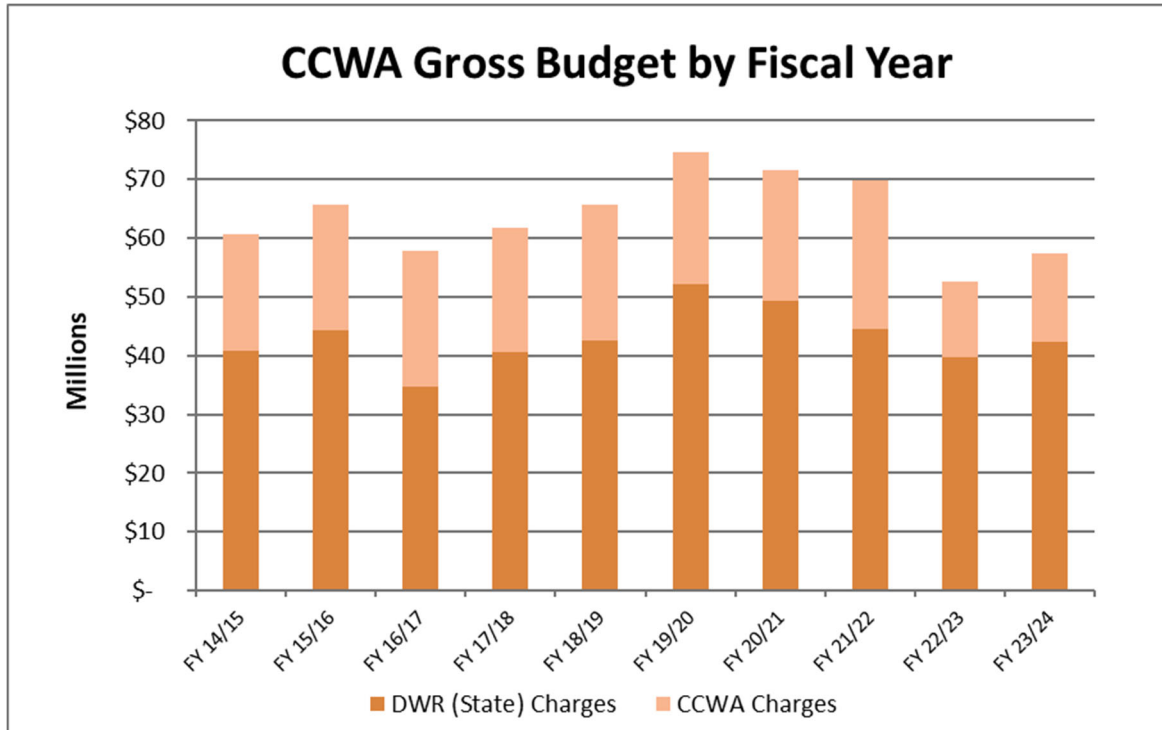


CCWA Credits

Actual CCWA operating expenses for FY 2022/23 are anticipated to be approximately \$0.86 million less than the budgeted amounts. These unexpended operating assessments will either be returned to the CCWA project participants as a credit in FY 2023/24, or transferred to the DWR Reserve Fund based on the election of each participant.

CCWA Budget History

The following graph shows the CCWA gross budget (total budget excluding CCWA credits and prepayments) broken down between CCWA costs and DWR costs from FY 2014/15 to FY 2023/24.



Awards and Competitions

Over the past year, CCWA received the GFOA “Distinguished Budget Presentation” award for the FY 2022/23 Budget and the GFOA “Excellence in Financial Reporting” award for the FY 2020/21 Comprehensive Annual Financial Report.

AN OVERVIEW OF THIS FISCAL YEAR

Water Delivery Projections

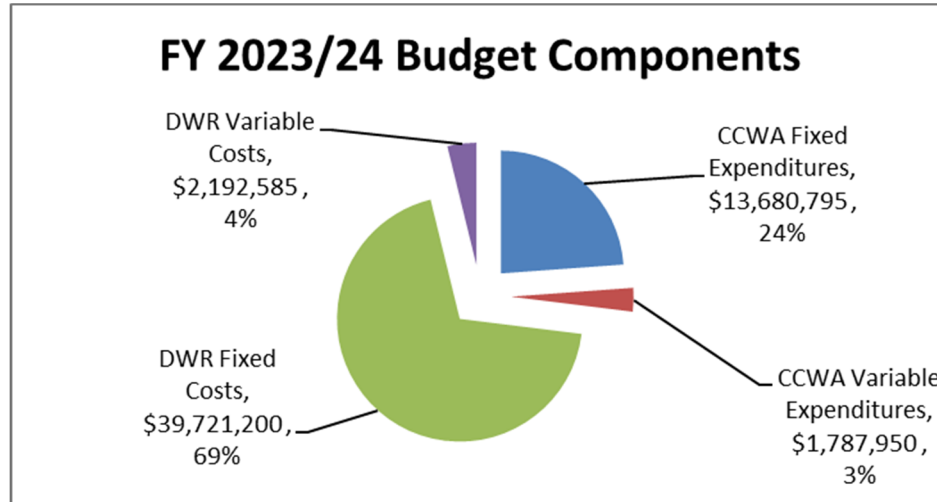
For calendar years 2023 and 2024, Santa Barbara and San Luis Obispo County project participants have requested State water deliveries of 12,474 and 14,536 acre-feet, respectively.

Department of Water Resources Activities and Related Costs

During FY 2023/24, CCWA staff will continue to work through the State Water Contractor (SWC) board and committees that interact with the Department of Water Resources (DWR) which impact CCWA and the California water agencies as a whole. There are many significant issues on which DWR and the SWC are working which have water supply, operational, and fiscal impacts on CCWA. Some of these activities could potentially have a significant fiscal impact to CCWA in the current and future years. Therefore, staff will place a high priority on working through the various available venues to minimize the fiscal impacts to CCWA and ensure that we continue to meet our goal of providing reliable, high quality supplemental water.

FY 2023/24 BUDGET SUMMARY

The FY 2023/24 budget calls for total project participant payments of \$56.4 million compared to the FY 2022/23 budget of \$51.13 million, a \$5.28 million increase. These amounts include \$0.97 million in CCWA credits for FY 2023/24. The following graph shows the breakout of the various cost components in the CCWA FY 2023/24 Budget:



The following table compares the total FY 2023/24 Budget and the FY 2022/23 Budget:

| Budget Item | Final FY 2022/23 Budget | Final FY 2023/24 Budget | Increase (Decrease) |
|------------------------------------|--|--|--------------------------------|
| <u>CCWA Expenses</u> | | | |
| CCWA Operating Expenses - Fixed | \$ 9,045,216 | \$ 10,542,388 | \$ 1,497,171 |
| CCWA Operating Expenses - Variable | 2,124,961 | 1,787,950 | (337,011) |
| Capital/Non-Capital Projects | 1,674,254 | 2,806,978 | 1,132,724 |
| Total CCWA Expenses: | 12,844,431 | 15,137,317 | 2,292,885 |
| <u>Pass-Through Expenses</u> | | | |
| DWR Fixed Costs | 35,978,683 | 39,721,200 | 3,742,517 |
| DWR Variable Costs | 3,023,505 | 2,192,585 | (830,920) |
| Warren Act and Trust Fund Payments | 764,882 | 331,429 | (433,453) |
| Total Pass-Through Expenses: | 39,767,070 | 42,245,214 | 2,478,144 |
| Subtotal Gross Budget: | 52,611,501 | 57,382,531 | 4,771,029 |
| CCWA (Credits) Due | (1,480,800) | (971,784) | 509,016 |
| TOTAL: | \$ 51,130,701 | \$ 56,410,746 | \$ 5,280,045 |

CCWA Operating Expense Budget

The FY 2023/24 CCWA operating expense budget total is \$15.1 million, or approximately 26% of the total CCWA budget. This is a \$2.3 million increase over the FY 2022/23 operating expense budget, a 18% increase.

The following table shows CCWA operating expenses by the expense type for FY 2023/24 and FY 2022/23 and the changes from the prior fiscal year budget along with the allocation between the fixed and variable expenses.

| Account Name | FY 2022/23 Budget | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|---|----------------------|----------------------|-------------------------------|----------------------------------|
| Personnel Expenses | \$ 5,604,065 | \$ 6,309,955 | \$ 705,890 | 12.60% |
| Office Expenses | 21,300 | 21,800 | 500 | 2.35% |
| Supplies and Equipment | 1,428,139 | 1,622,928 | 194,789 | 13.64% |
| Monitoring Expenses | 121,234 | 130,332 | 9,098 | 7.50% |
| Repairs and Maintenance | 303,290 | 326,140 | 22,850 | 7.53% |
| Professional Services | 1,495,162 | 2,126,169 | 631,007 | 42.20% |
| General and Administrative | 292,163 | 298,802 | 6,639 | 2.27% |
| Utilities | 1,145,930 | 640,818 | (505,112) | -44.08% |
| Other Expenses | 733,876 | 828,377 | 94,501 | 12.88% |
| Turnouts | 25,018 | 25,018 | - | 0.00% |
| Total Operating Expenses | \$ 11,170,177 | \$ 12,330,338 | \$ 1,160,161 | 10.39% |
| Fixed Operating Expenses ⁽¹⁾ | \$ 9,045,216 | \$ 10,542,388 | \$ 1,497,171 | 16.55% |
| Variable Operating Expenses | 2,124,961 | 1,787,950 | (337,011) | -15.86% |
| Total Operating Expenses | \$ 11,170,177 | \$ 12,330,338 | \$ 1,160,161 | 10.39% |

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

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

CCWA Capital Improvement Projects

The FY 2023/24 Budget includes \$2,806,978 for capital improvement and non-capital projects, a \$1,132,724 increase over the prior year amount. All capital improvement and non-capital projects are funded on a current basis from project participant assessments.

Please refer to the “*Project*” section of this FY 2023/24 Budget for additional information on the budgeted capital improvement and non-capital projects.

Warren Act and Trust Fund Payments

The FY 2023/24 Budget includes \$331,429 for Warren Act and Trust Fund MOU payments based on \$166.38 per acre foot for 1,992 acre feet of water to be delivered to Cachuma Lake.

CCWA Credits

The FY 2023/24 budget includes the following credits:

| | | |
|-------------------------------------|----|----------------|
| CCWA O&M Credits (Due) | \$ | 790,350 |
| O&M Reserve Fund Interest Income | | 19,779 |
| Rate Coverage Reserve Fund Interest | | 101,186 |
| Credit Payable Fund Interest | | 55,210 |
| Prepayments and Other Credits | | 5,260 |
| | \$ | 971,784 |

DWR Charges

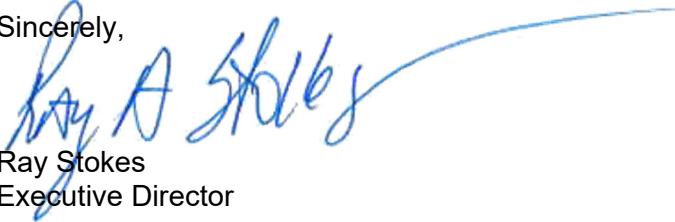
The FY 2023/24 DWR fixed charges total \$40 million, which is \$4 million more than the FY 2022/23 Budget. The DWR variable charges total \$2.2 million, which is \$0.8 million less than the prior year amount.

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

CONCLUSION

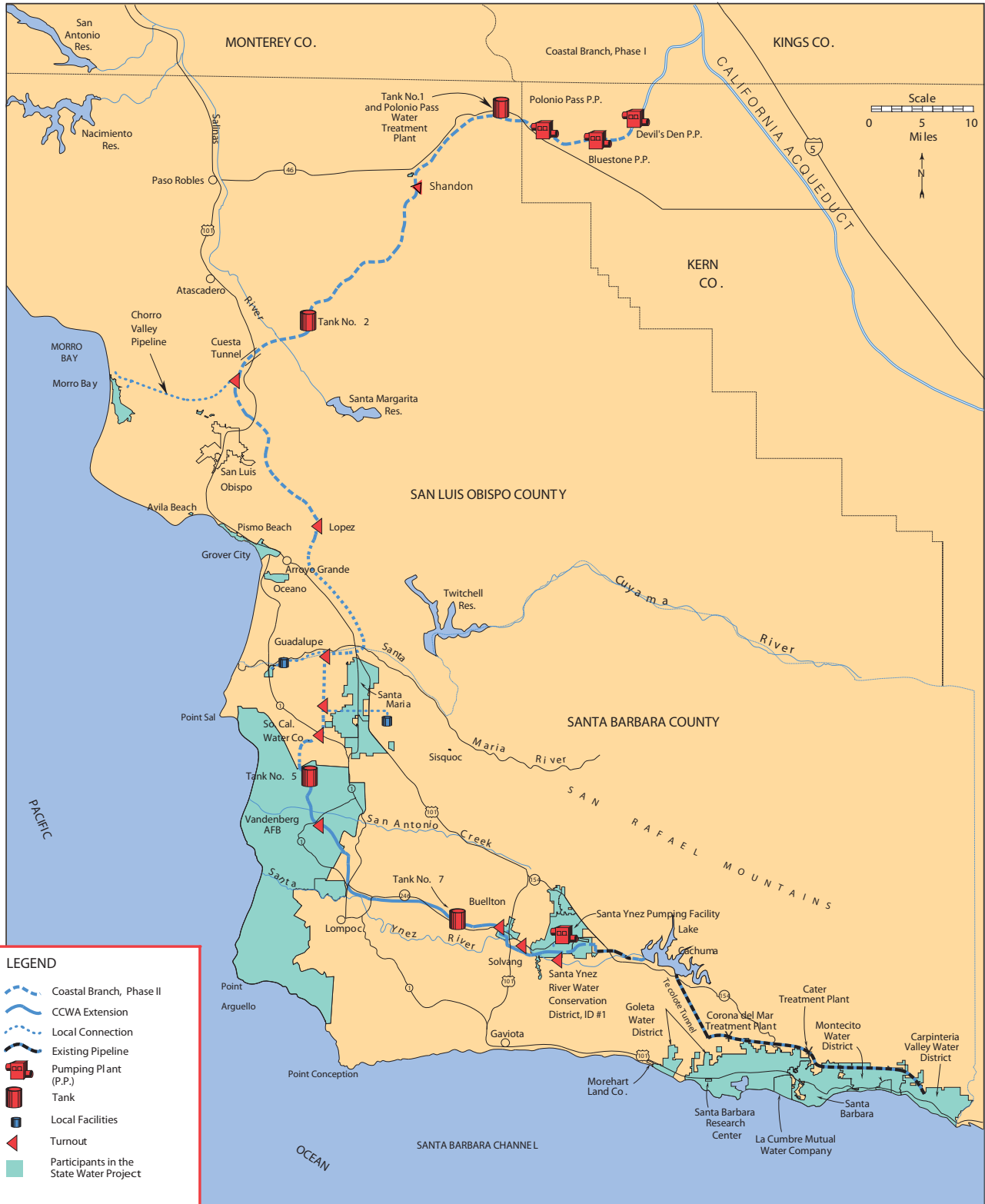
We are proud of the many accomplishments achieved during the past year through the combined efforts of CCWA staff and project participants. We look forward to successfully overcoming the challenges of the upcoming year.

Sincerely,



Ray Stokes
Executive Director

Project Map



Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2023/24 Budget

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

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

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

Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2023/24 Budget

Board of Directors Voting Percentages

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

CCWA Committees

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

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

Santa Barbara County Project Participants

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

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2023/24 Budget

Santa Barbara County Project Participant Table A Amounts

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

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

San Luis Obispo County Water Purchasers

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

Central Coast Water Authority
Organization Overview, Structure and Staffing
 Fiscal Year 2023/24 Budget

San Luis Obispo County Project Participant Table A Amounts

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

Water Supply Agreements

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

Local Water Treatment Agreements

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

Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2023/24 Budget

State Water Project

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

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

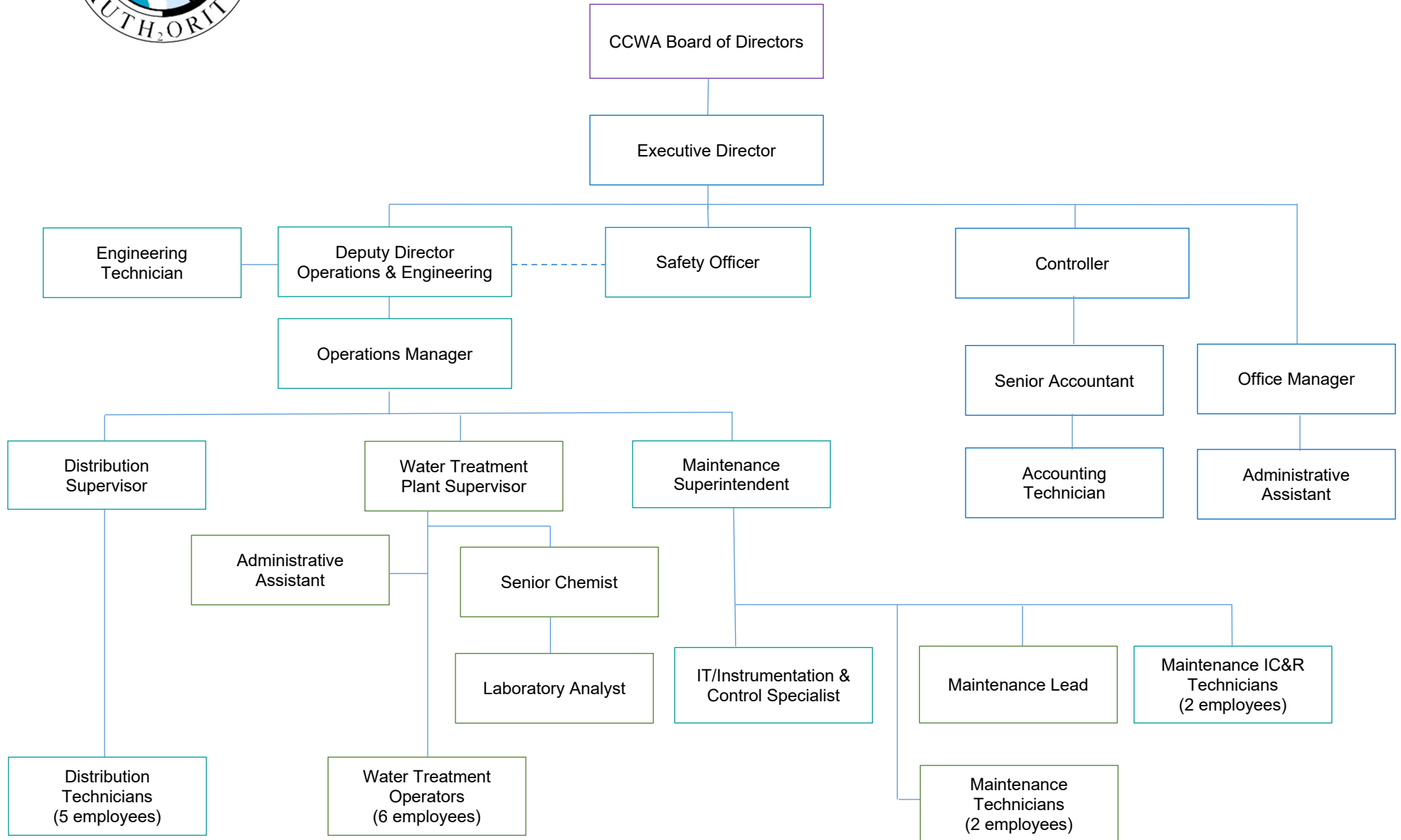
The Coastal Branch Phase II pipeline, which was constructed by DWR between 1995 and 1997 to supply State water to San Luis Obispo and Santa Barbara Counties, runs from the Coastal Branch Phase I terminus over the coastal mountains to and through the County of San Luis Obispo to a terminus in northern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

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

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



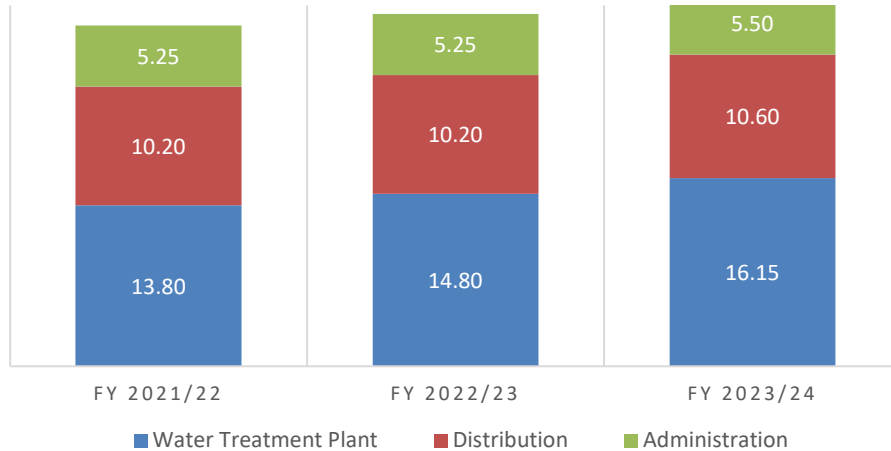
Central Coast Water Authority Organization Chart FY 2023/24



Central Coast Water Authority
Personnel Count Summary
All Departments
 Fiscal Year 2023/24 Budget

| PERSONNEL COUNT SUMMARY | | | | | |
|--|------------------------------------|------------------------------------|-----------------------------------|------------------------------|------------------------------|
| Position Title | Number Authorized FY 2021/22 | Number Authorized FY 2022/23 | Number Requested FY 2023/24 | Change Over FY 2021/22 | Change Over FY 2022/23 |
| Executive Director | 1.00 | 1.00 | 1.00 | - | - |
| Deputy Director of Operations | 1.00 | 1.00 | 1.00 | - | - |
| Operations Manager | - | - | 1.00 | 1.00 | 1.00 |
| Safety Officer (formerly Safety & Envir) | 1.00 | 1.00 | 1.00 | - | - |
| Controller | 1.00 | 1.00 | 1.00 | - | - |
| Deputy Controller | 1.00 | - | - | - | - |
| Office Manager | 1.00 | 1.00 | 1.00 | - | - |
| Administrative Assistant | 1.50 | 1.50 | 1.50 | - | - |
| Senior Accountant | - | 1.00 | 1.00 | - | - |
| Accounting Technician | 0.75 | 0.75 | 0.75 | - | - |
| WTP Supervisor | 1.00 | 1.00 | 1.00 | - | - |
| Distribution Supervisor | 1.00 | 1.00 | 1.00 | - | - |
| Maintenance Superintendent | 1.00 | 1.00 | 1.00 | - | - |
| Maintenance Foreman | 1.00 | 1.00 | 1.00 | - | - |
| Senior Chemist | 1.00 | 1.00 | 1.00 | - | - |
| Laboratory Analyst | 1.00 | 1.00 | 1.00 | - | - |
| IT/Instrumentation & Control Specialist | 1.00 | 1.00 | 1.00 | - | - |
| Engineering Technician | 1.00 | 1.00 | 1.00 | - | - |
| Maintenance Technician | 2.00 | 2.00 | 2.00 | - | - |
| Maintenance/IC&R Technician | 2.00 | 2.00 | 2.00 | - | - |
| WTP Operator | 5.00 | 5.00 | 5.00 | - | - |
| Distribution Technician | 5.00 | 5.00 | 5.00 | - | - |
| WTP Operator trainee | - | - | 1.00 | 1.00 | 1.00 |
| TOTAL: | 30.25 | 30.25 | 32.25 | 2.00 | 2.00 |

PERSONNEL COUNT BY DEPARTMENT



Central Coast Water Authority

Budget Process

Fiscal Year 2023/24 Budget

Fiscal Year Budget

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

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

Ten Year Financial Plan

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

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

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

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

Committee Review of the Budget

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

Central Coast Water Authority

Budget Process

Fiscal Year 2023/24 Budget

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

Board Adoption of the Fiscal Year Budget

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

Budget Amendment Process

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

CCWA Financial Schedule FY 2023/24

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

Central Coast Water Authority

Budget Process

Fiscal Year 2023/24 Budget

CCWA Budget Planning Schedule
FY 2023/24 Budget

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

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

- Receive DWR Statement of Charges (for following calendar year)
 - Prepare Draft Budget
 - Submit Preliminary Budget to Operating Committee
 - Submit Preliminary Budget to Board of Directors
 - Board Approval of Final Budget
 - Beginning of 2023/24 Budget Expenditure Cycle
- July 1, 2022
 - November 1, 2022- February 28, 2023
 - March 9, 2023
 - March 23, 2023
 - April 27, 2023
 - July 1, 2023

Central Coast Water Authority
Financial Reporting Basis
Fiscal Year 2023/24 Budget

Budget Reporting

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

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

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

Administration

Water Treatment Plant

Distribution

CCWA Reaches

Mission Hills II
Santa Ynez I
Santa Ynez II

DWR Reaches

Reach 33B
Reach 34
Reach 35
Reach 37
Reach 38

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

Financial Statement Reporting

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

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2023/24 Budget

The Fiscal Year 2023/24 Budget document has been prepared after analyzing, evaluating, and justifying both the financial and non-financial objectives and goals of the Authority for the current year and beyond. The Authority's budget is a comprehensive document which enables the Board of Directors and Authority staff to evaluate the Authority's past and future.

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

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

BUDGET POLICIES

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

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2023/24 Budget

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

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2023/24 Budget

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

The Authority will calculate the salary pool percentage which shall be either 4% of the actual regular salaries budget or the actual December to December percentage change in the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index for All Urban Consumers, whichever is greater.

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

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

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

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2023/24 Budget

Chairperson. Transfer of funds for projects and/or one-time expenditures cannot exceed \$25,000. Staff will prepare a summary of the Budget Fund Transfers which will include the source and destination of the funds, financial reaches impacted and justification for the transfer. A summary of the approved transfers will be included on the CCWA Board Consent Calendar as part of the next regularly scheduled Board meeting.

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

CAPITAL IMPROVEMENTS POLICY

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

DEBT POLICY

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

RESERVE POLICY

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

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2023/24 Budget

INVESTMENT POLICY

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

ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

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

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2023/24 Budget

consideration of the Certificate of Achievement for Excellence in Financial Reporting from GFOA.

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



Water Treatment Plant Snowstorm 2023

Budget Summary

The Budget Summary section of the FY 2023/24 Budget includes tables and graphs which summarize all revenues and expenditures included in the budget document as well as cost per acre-foot amounts based on the FY 2023/24 Budget.

Highlights

Budget Summary

| | |
|--|----------------------|
| • FY 2023/24 Gross Budget | \$ 57,382,531 |
| • FY 2022/23 Gross Budget | <u>\$ 52,611,501</u> |
| Increase: | \$ 4,771,029 |
| • FY 2023/24 CCWA Credits | \$ 971,784 |
| • FY 2022/23 CCWA Credits | <u>\$ 1,480,800</u> |
| Decrease: | \$ (509,016) |
| • FY 2023/24 Net Budget (After CCWA Credits) | \$ 56,410,746 |
| • FY 2022/23 Net Budget (After CCWA Credits) | <u>\$ 51,130,701</u> |
| Increase: | \$ 5,280,045 |

Significant Budget Changes

- DWR Fixed cost increase of \$3.74 million due to an increase of DWR Transportation Minimum OMP&R and Delta Water costs as compared to prior years, offset by a decrease in Coast Branch costs
- CCWA Fixed O&M Expense budget increase of \$1,497,171
- CCWA Variable O&M Expense budget decrease of \$337,011
- CCWA capital improvement projects and non-capital projects combined budget increase of \$1,132,724
- Warren Act and Trust Fund budget decrease of \$433,453

Central Coast Water Authority

Budget Summary

Fiscal Year 2023/24 Budget

| | FY 2022/23 | | | FY 2023/24 Budget | Change from FY 2022/23 Budget | Change from FY 2022/23 Est. Actual |
|---|----------------------|----------------------|---------------------|----------------------|-------------------------------------|--|
| | FY 2021/22 Actual | FY 2022/23 Budget | Estimated Actual | | | |
| Beginning Cash Balance | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | | |
| <u>SOURCES OF CASH</u> | | | | | | |
| CCWA Operating Expenses ⁽¹⁾ | 8,590,374 | 11,170,177 | 10,302,425 | 12,330,338 | 1,160,161 | 2,027,913 |
| Debt Service Payments | 10,378,495 | - | - | - | - | - |
| Capital/Non-Capital Projects | 1,306,455 | 1,674,254 | 1,674,254 | 2,806,978 | 1,132,724 | 1,132,724 |
| Non-Annual Recurring Expenses | - | - | - | - | - | - |
| Investment Income and Other | - | - | 228,490 | - | - | (228,490) |
| CCWA (Credits) | | (1,480,800) | | (971,784) | 509,016 | (971,784) |
| Subtotal Revenues | 20,275,323 | 11,363,631 | 12,205,169 | 14,165,532 | 2,801,901 | 1,960,363 |
| <u>Pass-Through Expenses</u> | | | | | | |
| DWR Fixed Costs | 39,993,713 | 35,978,683 | 35,751,687 | 39,721,200 | 3,742,517 | 3,969,513 |
| DWR & CCWA Variable Costs | 2,711,231 | 3,023,505 | 2,281,602 | 2,192,585 | (830,920) | (89,017) |
| Warren Act Charges | 183,137 | 764,882 | 407,396 | 331,429 | (433,453) | (75,967) |
| Subtotal Pass-Through Expenses | 42,888,081 | 39,767,070 | 38,440,685 | 42,245,214 | 2,478,144 | 3,804,529 |
| TOTAL SOURCES OF CASH | 63,163,405 | 51,130,701 | 50,645,855 | 56,410,746 | 5,280,045 | 5,764,892 |
| <u>USES OF CASH</u> | | | | | | |
| <u>CCWA Operating Expenses</u> | | | | | | |
| Personnel | 4,416,050 | 5,604,065 | 5,178,747 | 6,309,955 | 705,890 | 1,131,208 |
| Office Expenses | 18,066 | 21,300 | 16,083 | 21,800 | 500 | 5,717 |
| Supplies and Equipment | 969,199 | 1,428,139 | 1,474,309 | 1,622,928 | 194,789 | 148,619 |
| Monitoring Expenses | 97,097 | 121,234 | 92,000 | 130,332 | 9,098 | 38,332 |
| Repairs and Maintenance | 289,954 | 303,290 | 250,293 | 326,140 | 22,850 | 75,847 |
| Professional Services | 1,294,966 | 1,495,162 | 1,569,893 | 2,126,169 | 631,007 | 556,276 |
| General and Administrative | 174,265 | 292,163 | 216,001 | 298,802 | 6,639 | 82,801 |
| Utilities | 884,483 | 1,145,930 | 843,148 | 640,818 | (505,112) | (202,330) |
| Other Expenses | 446,293 | 758,894 | 661,953 | 853,395 | 94,501 | 191,442 |
| Total Operating Expenses | 8,590,374 | 11,170,177 | 10,302,425 | 12,330,338 | 1,160,161 | 2,027,913 |
| <u>Other Expenditures</u> | | | | | | |
| Warren Act Charges | 183,137 | 764,882 | 407,396 | 331,429 | (433,453) | (75,967) |
| Capital/Non-Capital Projects ⁽¹⁾ | 1,306,455 | 1,674,254 | 1,674,254 | 2,806,978 | 1,132,724 | 1,132,724 |
| CCWA Credits | | (1,480,800) | | (971,784) | 509,016 | (971,784) |
| 2016 Revenue Bond Debt Service | 10,378,495 | - | - | - | - | - |
| Unexpended O&M Assessments | | - | 228,490 | - | - | - |
| Total Other Expenditures | 11,868,087 | 958,336 | 2,310,140 | 2,166,623 | 1,208,287 | 84,973 |
| Total CCWA Expenditures | 20,458,460 | 12,128,513 | 12,612,565 | 14,496,961 | 2,368,448 | 2,112,886 |
| <u>DWR Charges</u> | | | | | | |
| Fixed DWR Charges | 39,993,713 | 35,978,683 | 35,751,687 | 39,721,200 | 3,742,517 | 3,969,513 |
| Variable DWR Charges | 2,711,231 | 3,023,505 | 2,281,602 | 2,192,585 | (830,920) | (89,017) |
| Total DWR Charges | 42,704,944 | 39,002,188 | 38,033,289 | 41,913,785 | 2,911,597 | 3,880,496 |
| TOTAL USES OF CASH | 63,163,405 | 51,130,701 | 50,645,855 | 56,410,746 | 5,280,045 | 5,993,382 |
| Ending Cash Balance | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | | |
| Non-Annual Recurring Balance | \$ - | \$ - | - | - | | |
| Operating Reserve Balance | \$ 2,000,000 | \$ 2,000,000 | 2,000,000 | 2,000,000 | | |
| General Fund Balance | \$ - | \$ - | \$ - | \$ - | | |

(1) Includes carryover revenues from the prior year.

Central Coast Water Authority
Total Expenditures Summary
 Fiscal Year 2023/24 Budget

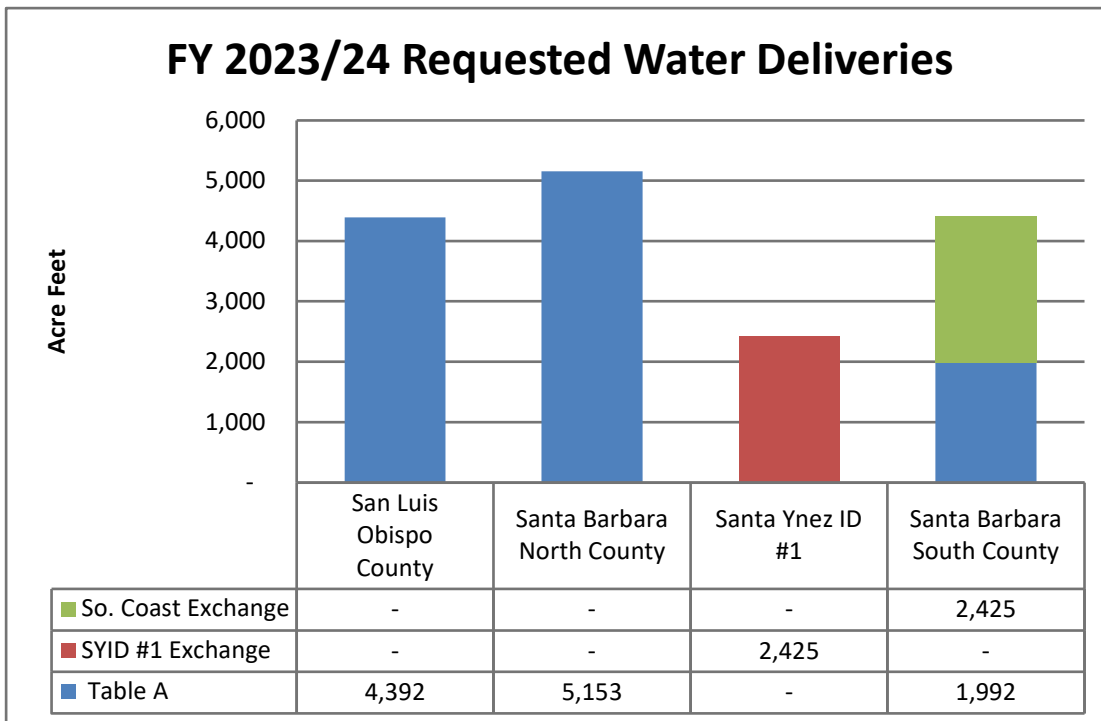
| Project Participant | Unadjusted Fixed CCWA Operating Expense ⁽¹⁾ | Unadjusted Variable CCWA Operating Expense | Exchange Agreement Adjustment Fixed | Exchange Agreement Adjustment Variable | Regional WTP Allocation | Regional WTP Allocation Credit | Adjusted Charge | Warren Act Charges | 2016A Revenue Bond Debt Service | Subtotal FY 2023/24 CCWA | Non-Annual Recurring Expenses | CCWA (Credits) Amount Due | Total FY 2023/24 CCWA |
|----------------------|--|--|-------------------------------------|--|-------------------------|--------------------------------|----------------------|--------------------|---------------------------------|--------------------------|-------------------------------|---------------------------|-----------------------|
| Guadalupe | \$ 133,189 | \$ 11,083 | \$ - | \$ - | \$ 22,006 | \$ - | \$ 166,279 | \$ - | \$ - | \$ 166,279 | \$ - | \$ (7,134) | \$ 159,144 |
| Santa Maria | 3,889,406 | 184,721 | - | - | \$618,683 | - | 4,692,810 | - | - | 4,692,810 | - | (394,618) | 4,298,193 |
| Golden State Water | 124,183 | 20,102 | - | - | \$22,093 | - | 166,378 | - | - | 166,378 | - | (0) | 166,378 |
| Vandenberg SFB | 1,471,739 | 302,740 | - | - | \$260,008 | - | 2,034,487 | - | - | 2,034,487 | - | (102,856) | 1,931,630 |
| Buellton | 194,361 | 6,846 | - | - | \$22,127 | - | 223,334 | - | - | 223,334 | - | (15,079) | 208,255 |
| Santa Ynez (Solvang) | 500,489 | 34,445 | - | - | \$60,895 | - | 595,829 | - | - | 595,829 | - | (23,132) | 572,696 |
| Santa Ynez | 167,709 | - | 299,705 | 263,499 | \$159,611 | - | 890,524 | - | - | 890,524 | - | (285,172) | 605,351 |
| Goleta | 2,023,982 | 449,313 | (107,894) | (94,860) | \$162,680 | (\$605,707) | 1,827,515 | 241,085 | - | 2,068,600 | - | (18,371) | 2,050,229 |
| Morehart Land | 89,955 | 20,548 | - | - | \$9,063 | (\$33,845) | 85,721 | 13,976 | - | 99,697 | - | (4,275) | 95,422 |
| La Cumbre | 449,774 | 87,818 | - | - | \$43,936 | (\$162,598) | 418,930 | 59,730 | - | 478,661 | - | (0) | 478,660 |
| Raytheon | 22,489 | - | - | - | \$1,791 | (\$6,179) | 18,100 | - | - | 18,100 | - | (985) | 17,115 |
| Santa Barbara | 1,349,322 | 63,240 | (71,929) | (63,240) | \$86,605 | (\$298,840) | 1,065,158 | - | - | 1,065,158 | - | 0 | 1,065,158 |
| Montecito | 1,349,322 | 63,240 | (71,929) | (63,240) | \$86,605 | (\$298,840) | 1,065,158 | - | - | 1,065,158 | - | (29,073) | 1,036,085 |
| Carpinteria | 899,548 | 66,622 | (47,953) | (42,160) | \$59,999 | (\$210,092) | 725,963 | 16,638 | - | 742,601 | - | (17,766) | 724,835 |
| Shandon | 16,690 | - | - | - | - | - | 16,690 | - | - | 16,690 | - | (911) | 15,779 |
| Chorro Valley | 320,143 | 240,789 | - | - | - | - | 560,932 | - | - | 560,932 | - | (42,786) | 518,146 |
| Lopez | 347,067 | 236,443 | - | - | - | - | 583,510 | - | - | 583,510 | - | (29,625) | 553,885 |
| TOTAL: | \$ 13,349,366 | \$ 1,787,950 | \$ - | \$ 0 | \$ 1,616,102 | \$ (1,616,102) | \$ 15,137,317 | \$ 331,429 | \$ - | \$ 15,468,746 | \$ - | \$ (971,784) | \$ 14,496,961 |

(1) Includes Capital and Non-Capital Projects.

| Project Participant | DWR FIXED CHARGES | | | | | | | DWR VARIABLE CHARGES | | | | | TOTAL DWR and CCWA |
|----------------------|---|---------------------------------|---------------------------------|------------------------------|---------------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| | Transportation Capital Through Reach 35 | Transportation Capital Reach 37 | Transportation Capital Reach 38 | Transportation Minimum OMP&R | Water System Revenue Bond | Delta Water Charges | Total Fixed | Off-Aqueduct Charges | Variable OMP&R | Total Variable | DWR Interest Income | Total DWR Charges | |
| Guadalupe | \$ 270,967 | \$ - | \$ - | \$ 197,871 | \$ 9,883 | \$ 60,018 | \$ 538,739 | \$ 315 | \$ 22,950 | \$ 23,265 | \$ (4,519) | \$ 557,485 | \$ 716,630 |
| Santa Maria | 7,981,457 | 351,089 | - | 5,643,713 | 291,100 | 1,767,814 | 16,035,173 | 6,342 | 382,500 | 388,842 | (130,188) | 16,293,828 | 20,592,021 |
| Golden State Water | 246,378 | 10,836 | - | 186,368 | 8,985 | 54,562 | 507,130 | 652 | 41,625 | 42,277 | (3,962) | 545,444 | 711,822 |
| Vandenberg SFB | 2,709,758 | 119,197 | 195,456 | 1,947,194 | 98,830 | 600,184 | 5,670,619 | 11,105 | 626,882 | 637,987 | - | 6,308,605 | 8,240,236 |
| Buellton | 284,765 | 12,527 | 20,541 | 200,363 | 10,385 | 63,094 | 591,674 | 221 | 14,175 | 14,396 | (4,881) | 601,190 | 809,445 |
| Santa Ynez (Solvang) | 731,670 | 32,508 | 53,306 | 521,320 | 24,122 | 148,806 | 1,511,733 | 1,399 | 71,325 | 72,724 | (11,922) | 1,572,536 | 2,145,232 |
| Santa Ynez | 253,797 | 10,836 | 17,769 | 0 | 11,815 | (0) | 294,217 | - | - | - | (6,058) | 288,158 | 893,509 |
| Goleta | 2,217,385 | 97,525 | 159,918 | 1,658,943 | 80,536 | 491,059 | 4,705,366 | 11,024 | 522,450 | 533,474 | (37,665) | 5,201,175 | 7,251,404 |
| Morehart Land | 98,551 | 4,334 | 7,107 | 70,273 | 3,594 | 21,825 | 205,684 | 333 | 18,900 | 19,233 | (1,658) | 223,259 | 318,681 |
| La Cumbre | 492,756 | 21,672 | 35,537 | 372,736 | 17,969 | 109,124 | 1,049,795 | 1,445 | 80,775 | 82,220 | (8,193) | 1,123,823 | 1,602,483 |
| Raytheon | 24,630 | 1,084 | 1,777 | 17,651 | 899 | 5,456 | 51,497 | - | - | - | (2,303) | 49,194 | 66,309 |
| Santa Barbara | 1,478,269 | 65,016 | 106,612 | 1,118,209 | 53,908 | 327,373 | 3,149,387 | 2,226 | 130,950 | 133,176 | (25,370) | 3,257,193 | 4,322,351 |
| Montecito | 1,478,269 | 65,016 | 106,612 | 1,089,136 | 53,908 | 327,373 | 3,120,314 | 2,226 | 130,950 | 133,176 | (27,103) | 3,226,388 | 4,262,472 |
| Carpinteria | 985,512 | 43,344 | 71,075 | 727,707 | 35,938 | 218,249 | 2,081,825 | 2,014 | 109,800 | 111,814 | (17,229) | 2,176,411 | 2,901,246 |
| Goleta 2500 AF | 33,445 | - | - | 176,215 | 31,955 | 247,480 | 489,095 | - | - | - | - | 489,095 | 489,095 |
| Shandon | - | - | - | - | - | - | - | - | - | - | - | - | 15,779 |
| Chorro Valley | - | - | - | - | - | - | - | - | - | - | - | - | 518,146 |
| Lopez | - | - | - | - | - | - | - | - | - | - | - | - | 553,885 |
| TOTAL: | \$ 19,287,609 | \$ 834,985 | \$ 775,711 | \$ 13,927,702 | \$ 733,827 | \$ 4,442,417 | \$ 40,002,250 | \$ 39,304 | \$ 2,153,282 | \$ 2,192,585 | \$ (281,050) | \$ 41,913,785 | \$ 56,410,746 |

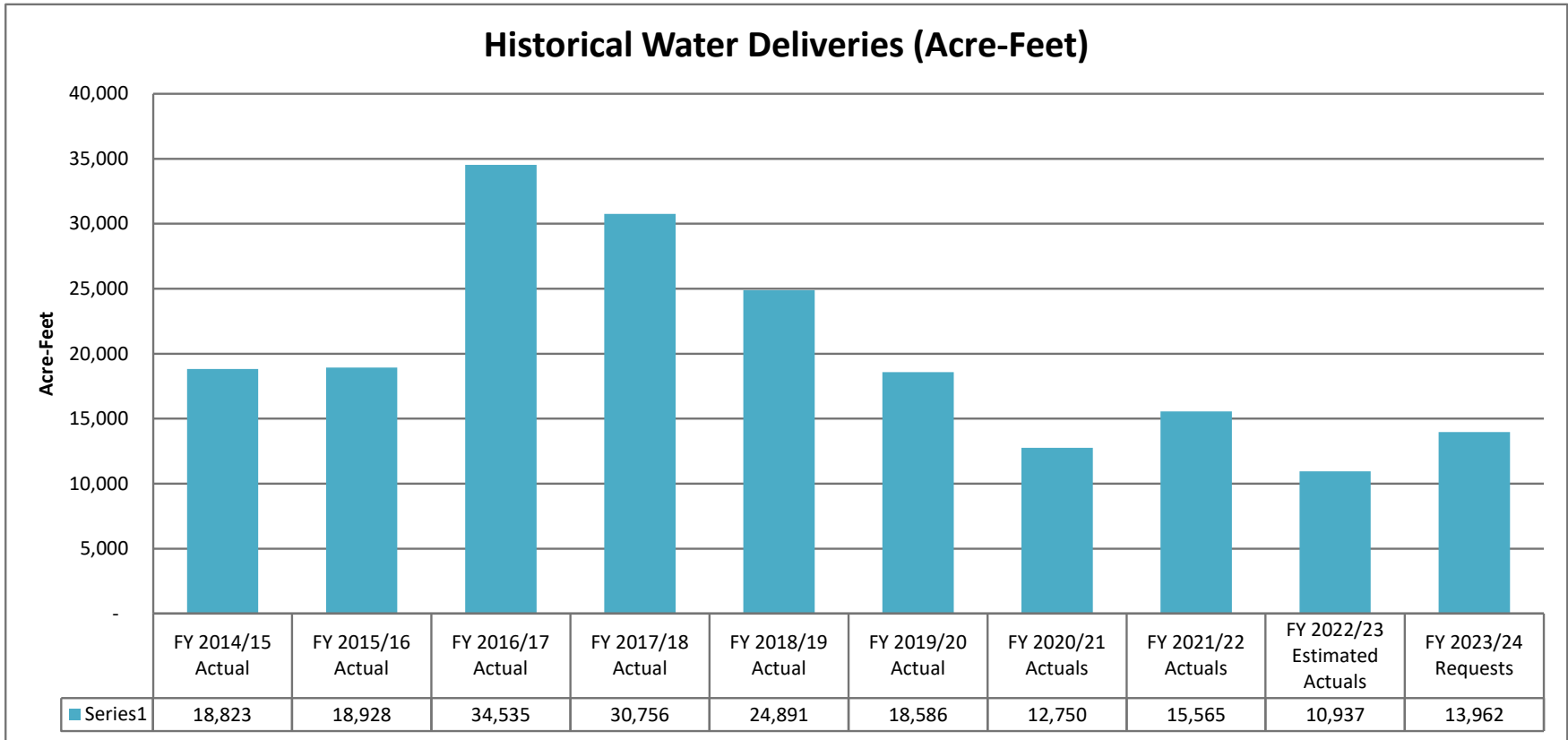
Central Coast Water Authority
FY 2023/24 Delivery Requests (Acre Feet)

| Project Participant | Requested Deliveries | Exchange Deliveries | Net Deliveries |
|---------------------|----------------------|---------------------|----------------|
| Shandon | - | - | - |
| Lopez | 2,176 | - | 2,176 |
| Chorro Valley | 2,216 | - | 2,216 |
| Guadalupe | 102 | - | 102 |
| Santa Maria | 1,700 | - | 1,700 |
| Golden State Water | 185 | - | 185 |
| VSFB | 2,786 | - | 2,786 |
| Buellton | 63 | - | 63 |
| Solvang | 317 | - | 317 |
| Santa Ynez | - | 2,425 | 2,425 |
| Goleta | 2,322 | (873) | 1,449 |
| Morehart | 84 | - | 84 |
| La Cumbre | 359 | - | 359 |
| Raytheon | - | - | - |
| Santa Barbara | 582 | (582) | - |
| Montecito | 582 | (582) | - |
| Carpinteria | 488 | (388) | 100 |
| TOTAL: | 13,962 | - | 13,962 |



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

Central Coast Water Authority
Ten-Year Water Delivery History
(Fiscal Year)



Central Coast Water Authority
Cost Per Acre-Foot Analysis
 Fiscal Year 2023/24 Budget

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

Cost-Types

The two cost-types are fixed and variable costs.

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

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

Water-Types

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

FY 2023/24 Table A Fixed Cost Per Acre-Foot

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

| Project Participant | Table A Amount | Fixed Cost Per Acre-Foot | |
|---------------------------|----------------|------------------------------------|--------------------------|
| | | Fixed Costs Excluding CCWA Credits | Fixed Cost Per Acre-Foot |
| Guadalupe | 550 | \$ 688,567 | \$ 1,251.94 |
| Santa Maria | 16,200 | 20,394,053 | 1,258.89 |
| Golden State Water Co. | 500 | 647,622 | 1,295.24 |
| VSFB | 5,500 | 7,339,666 | 1,334.48 |
| Buellton | 578 | 802,713 | 1,388.78 |
| Santa Ynez (Solvang) | 1,500 | 2,055,979 | 1,370.65 |
| Santa Ynez ⁽¹⁾ | 500 | 582,666 | 991.62 |
| Goleta | 4,500 | 6,457,927 | 1,435.09 |
| Morehart | 200 | 290,637 | 1,453.18 |
| La Cumbre | 1,000 | 1,463,330 | 1,463.33 |
| Raytheon | 50 | 67,294 | 1,345.89 |
| Santa Barbara | 3,000 | 4,189,175 | 1,396.39 |
| Montecito | 3,000 | 4,158,370 | 1,386.12 |
| Carpinteria | 2,000 | 2,791,297 | 1,395.65 |
| TOTAL: | 39,078 | \$ 51,929,295 | |

(1) Santa Ynez fixed cost amounts exclude the fixed and exchange agreement modifications, which are shown under the Exchange Agreement.

Central Coast Water Authority
Cost Per Acre-Foot Analysis
 Fiscal Year 2023/24 Budget

FY 2023/24 Table A Variable Cost Per Acre-Foot

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

| Project Participant | Table A Amount | FY 2023/24 Requested Deliveries | | | Variable Cost Per Acre-Foot TABLE A DELIVERIES | | | | | | | Table A Variable Cost/AF |
|------------------------|----------------|---------------------------------|---------------------|----------------|--|--------------------|-----------------------------|-----------------------------|---------------------|--------------------|---------------------|--------------------------|
| | | Requested Deliveries | Exchange Deliveries | Net Deliveries | CCWA WTP Variable | CCWA SYPF Variable | Retreatment Variable Charge | Retreatment Variable Credit | DWR Variable | Warren Act Charges | Total Variable | |
| Guadalupe | 550 | 102 | - | 102 | \$ 11,083 | | \$ 2,307 | | \$ 23,369 | | \$ 36,759 | \$ 360.38 |
| Santa Maria | 16,200 | 1,700 | - | 1,700 | 184,721 | | 38,449 | | 389,482 | | 612,652 | 360.38 |
| Golden State Water Co. | 500 | 185 | - | 185 | 20,102 | | 4,184 | | 42,385 | | 66,671 | 360.38 |
| VSFB | 5,500 | 2,786 | - | 2,786 | 302,740 | | 63,015 | | 638,324 | | 1,004,079 | 360.38 |
| Buellton | 578 | 63 | - | 63 | 6,846 | | 1,425 | | 14,434 | | 22,704 | 360.38 |
| Santa Ynez (Solvang) | 1,500 | 317 | - | 317 | 34,445 | | 7,170 | | 72,627 | | 114,242 | 360.38 |
| Santa Ynez (1) | 500 | - | 2,425 | 2,425 | - | | 54,847 | | - | | 54,847 | - |
| Goleta | 4,500 | 2,322 | (873) | 1,449 | 252,307 | 197,006 | 32,772 | (157,448) | 531,986 | 241,085 | 1,097,709 | 554.06 |
| Morehart | 200 | 84 | - | 84 | 9,127 | 11,421 | 1,900 | (9,127) | 19,245 | 13,976 | 46,541 | 554.06 |
| La Cumbre | 1,000 | 359 | - | 359 | 39,009 | 48,810 | 8,120 | (39,009) | 82,249 | 59,730 | 198,909 | 554.06 |
| Raytheon | 50 | - | - | - | - | - | - | - | - | - | - | - |
| Santa Barbara | 3,000 | 582 | (582) | - | 63,240 | - | - | - | 133,340 | - | 196,580 | - |
| Montecito | 3,000 | 582 | (582) | - | 63,240 | - | - | - | 133,340 | - | 196,580 | - |
| Carpinteria | 2,000 | 488 | (388) | 100 | 53,026 | 13,596 | 2,262 | (10,866) | 111,804 | 16,638 | 186,460 | 554.06 |
| TOTAL: | 39,078 | 9,570 | - | 9,570 | \$ 1,039,886 | \$ 270,832 | \$ 216,450 | \$ (216,450) | \$ 2,192,585 | \$ 331,429 | \$ 3,834,732 | |

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

Central Coast Water Authority
Cost Per Acre-Foot Analysis
 Fiscal Year 2023/24 Budget

FY 2023/24 Exchange Variable Cost Per Acre-Foot

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

| Variable Cost Per Acre-Foot - EXCHANGE DELIVERIES | | | | | | |
|--|---------------------|------------------------|-----------------------|--------------|----------------------|---------------------------|
| Project Participant | Exchange Deliveries | CCWA Exchange Variable | CCWA Fixed & Exchange | DWR Variable | Total Exchange Costs | Exchange Variable Cost/AF |
| Guadalupe | | | | | | |
| Santa Maria | | | | | | |
| Golden State Water Co. | | | | | | |
| VSFB | | | | | | |
| Buellton | | | | | | |
| Santa Ynez (Solvang) | | | | | | |
| Santa Ynez | 2,425 | \$ 263,499 | \$ 299,705 | \$ - | \$ 563,204 | \$ 232.25 |
| Goleta | (873) | | | 200,010 | 200,010 | 229.11 |
| Morehart | - | | | - | - | |
| La Cumbre | - | | | - | - | |
| Raytheon (SBRC) | - | | | - | - | |
| Santa Barbara | (582) | | | 133,340 | 133,340 | 229.11 |
| Montecito | (582) | | | 133,340 | 133,340 | 229.11 |
| Carpinteria | (388) | | | 88,893 | 88,893 | 229.11 |
| TOTAL: | - | \$ 263,499 | \$ 299,705 | \$ 555,584 | \$ 1,118,788 | |

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

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



Super Bloom March 2023

Revenues and Sources of Cash

The Revenues and Sources of Cash section of the FY 2023/24 Budget includes information on the Authority's revenues, pass-through receipts and a narrative explanation on the Authority's billing procedures and cash management.

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

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

Assumptions for Revenue Projections

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

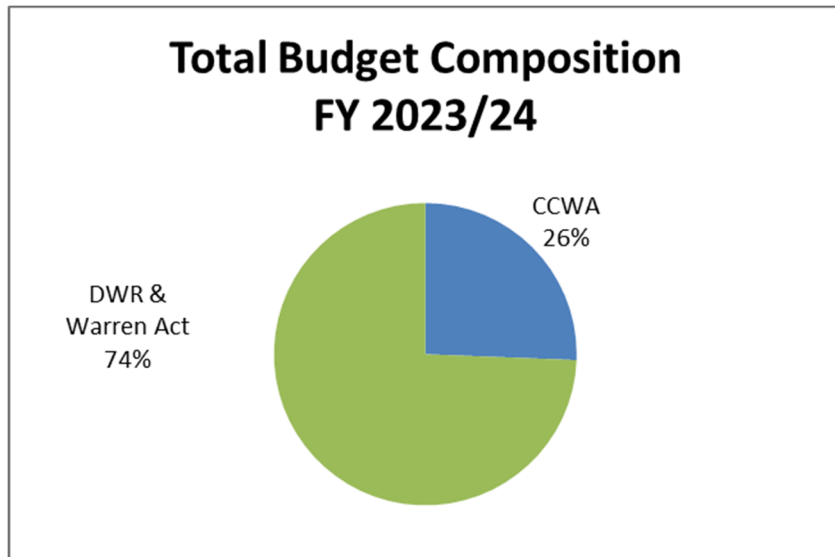
Revenues and Other Sources of Cash

| Revenues | FY 2021/22 Actual | FY 2022/23 Estimated Actual | FY 2023/24 Budget |
|--|----------------------|-----------------------------------|----------------------|
| CCWA Operating Expenses ⁽¹⁾ | \$ 8,590,374 | \$ 10,302,425 | \$ 12,330,338 |
| Debt Service Payments | 10,378,495 | - | |
| Capital Improvement Projects (CIP) | 1,306,455 | 1,674,254 | 2,806,978 |
| Investment Income | - | 228,490 | - |
| Subtotal Revenues | 20,275,323 | 12,205,169 | 15,137,317 |
| <u>Pass-Through Expenses</u> | | | |
| DWR Fixed Costs | 40,111,242 | 35,830,697 | 40,002,250 |
| DWR Variable Costs | 2,711,231 | 2,281,602 | 2,192,585 |
| DWR Account Interest | (117,529) | (79,010) | (281,050) |
| Warren Act Charges ⁽¹⁾ | 183,137 | 407,396 | 331,429 |
| Subtotal Pass Through Expenses | 42,888,081 | 38,440,685 | 42,245,214 |
| Gross Budget Before Credits | 63,163,405 | 50,645,855 | 57,382,531 |
| (Credits) Due and Prepayments | - | - | (971,784) |
| TOTAL SOURCES OF CASH | \$ 63,163,405 | \$ 50,645,855 | \$ 56,410,746 |

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2023/24 Budget

Revenues and Other Sources of Cash



FY 2023/24 Actual Cash Receipts

The actual cash receipts for FY 2023/24 are anticipated to be less than the actual expenditures for the year because of credits given to the project participants for (1) unexpended operating expense assessments for FY 2022/23, (2) interest income for FY 2022/23, and (3) differences between the DWR actual fixed payments and the budgeted fixed payments.

CCWA Operating Expense Revenues

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

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

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

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

**TOTAL CCWA FY 2023/24 OPERATING EXPENSES
 AND CAPITAL IMPROVEMENT PROJECTS**

| Project Participant | CCWA Fixed Operating Expenses | CCWA Variable Operating Expenses | Regional WTP Allocation | Regional WTP Allocation Credit | Exchange Agreement Adjustment Fixed | Exchange Agreement Adjustment Variable | Adjusted CCWA Operating Expenses |
|------------------------|--|---|-------------------------------|---|--|---|---|
| Guadalupe | \$ 133,189 | \$ 11,083 | \$ 22,006 | \$ - | \$ - | \$ - | \$ 166,279 |
| Santa Maria | 3,889,406 | 184,721 | 618,683 | - | - | - | 4,692,810 |
| Golden State Water Co. | 124,183 | 20,102 | 22,093 | - | - | - | 166,378 |
| Vandenberg SFB | 1,471,739 | 302,740 | 260,008 | - | - | - | 2,034,487 |
| Buellton | 194,361 | 6,846 | 22,127 | - | - | - | 223,334 |
| Santa Ynez (Solvang) | 500,489 | 34,445 | 60,895 | - | - | - | 595,829 |
| Santa Ynez | 167,709 | - | 159,611 | - | 299,705 | 263,499 | 890,524 |
| Goleta | 2,023,982 | 449,313 | 162,680 | (605,707) | (107,894) | (94,860) | 1,827,515 |
| Morehart Land | 89,955 | 20,548 | 9,063 | (33,845) | - | - | 85,721 |
| La Cumbre | 449,774 | 87,818 | 43,936 | (162,598) | - | - | 418,930 |
| Raytheon | 22,489 | - | 1,791 | (6,179) | - | - | 18,100 |
| Santa Barbara | 1,349,322 | 63,240 | 86,605 | (298,840) | (71,929) | (63,240) | 1,065,158 |
| Montecito | 1,349,322 | 63,240 | 86,605 | (298,840) | (71,929) | (63,240) | 1,065,158 |
| Carpinteria | 899,548 | 66,622 | 59,999 | (210,092) | (47,953) | (42,160) | 725,963 |
| Shandon | 16,690 | - | - | - | - | - | 16,690 |
| Chorro Valley | 320,143 | 240,789 | - | - | - | - | 560,932 |
| Lopez | 347,067 | 236,443 | - | - | - | - | 583,510 |
| TOTAL: | \$ 13,349,366 | \$ 1,787,950 | \$ 1,616,102 | \$(1,616,102) | \$ - | \$ - | \$ 15,137,317 |

The adjusted total CCWA Operating Expense revenues, including capital improvement projects funded with CCWA O&M assessments for Fiscal Year 2023/24, are \$15,137,317.

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

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

FY 2023/24 CCWA Credits

The following table shows a summary of the FY 2022/23 amount (due) for each project participant. Certain project participants have elected to apply their credits against Authority assessments over a number of years or to apply credits to their DWR Reserve.

| Project Participant | CCWA O&M Credits (Due) | O&M Reserve Fund Interest Credits | Rate Coverage Reserve Fund Interest Credit | Credit Payable Fund Interest Credits | Prepayments Interest Credits | Total CCWA Credits (Due) |
|-------------------------------|------------------------------|---|--|--|---------------------------------|--------------------------------|
| Guadalupe | \$ 2,980 | \$ 313 | \$ 2,126 | \$ 1,716 | \$ - | \$ 7,134 |
| Santa Maria | 326,044 | 9,226 | 57,493 | 1,854 | - | 394,618 |
| Golden State Water Co. | 0 | (0) | - | 0 | - | 0 |
| Vandenberg SFB ⁽²⁾ | 97,821 | 3,364 | - | 1,671 | - | 102,856 |
| Buellton | 8,552 | 329 | 3,059 | 3,139 | - | 15,079 |
| Santa Ynez (Solvang) | 6,146 | 854 | 7,034 | 9,099 | - | 23,132 |
| Santa Ynez ⁽¹⁾ | 275,356 | 285 | 5,126 | 4,405 | - | 285,172 |
| Goleta ⁽²⁾ | 7,913 | 2,561 | - | 7,897 | - | 18,371 |
| Morehart Land | (0) | (0) | - | (0) | 4,275 | 4,275 |
| La Cumbre | (0) | 0 | (0) | 0 | - | 0 |
| Raytheon | - | 0 | - | 0 | 985 | 985 |
| Santa Barbara | (0) | (0) | - | 0 | - | (0) |
| Montecito ⁽²⁾ | 5,381 | 1,707 | 16,614 | 5,371 | - | 29,073 |
| Carpinteria ⁽²⁾ | 3,524 | 1,138 | 9,560 | 3,545 | - | 17,766 |
| Shandon | 663 | - | 175 | 73 | - | 911 |
| Chorro Valley | 30,762 | - | - | 12,024 | - | 42,786 |
| Lopez | 25,209 | - | - | 4,417 | - | 29,625 |
| TOTAL: | \$ 790,350 | \$ 19,779 | \$ 101,186 | \$ 55,210 | \$ 5,260 | \$ 971,784 |

(1) Santa Ynez's DWR Reserve Fund is fully funded, however they have elected to continue having any applied to their DWR reserve.

(2) Participants opting out of DWR Reserve Fund.

Investment Income and Cash Management

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

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

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2023/24 Budget

Bank Account Cash Balances

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

Investment Income

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

DWR Payment Investments

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

CCWA Operating Expense Revenue

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

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

Pass-Through Expenses

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

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

Warren Act Charges

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

There are two components to the Warren Act charges: (1) Trust Fund payments of \$43 an acre-foot and (2) Warren Act charges of \$123.38 per acre foot.

The following table shows the calculation of the Warren Act and Trust Fund payments for FY 2023/24.

Warren Act and Trust Fund Charges

| Project Participant | Total FY 2023/24 Deliveries to Lake Cachuma (AF) | Total Warren Act and Trust Fund Payments (\$166.38/AF) |
|---------------------|---|---|
| Goleta | 1,449 | \$ 241,085 |
| Morehart Land Co. | 84 | 13,976 |
| LaCumbre | 359 | 59,730 |
| Raytheon | - | - |
| Santa Barbara | - | - |
| Montecito | - | - |
| Carpinteria | 100 | 16,638 |
| TOTAL: | 1,992 | \$ 331,429 |

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

The following table represents the Fiscal Year 2023/24 DWR and Warren Act charges to be collected and paid by the Authority (see the *Department of Water Resources* section of this document for further information on the DWR charges).

| Project Participant | FY 2023/24 DWR Fixed Charges | FY 2023/24 DWR Variable Charges | FY 2023/24 Interest Income | FY 2023/24 Warren Act Charges ⁽¹⁾ | Total Pass-Through Expenses |
|---|------------------------------------|---------------------------------------|----------------------------------|--|-----------------------------------|
| Guadalupe | \$ 538,739 | \$ 23,265 | \$ (4,519) | \$ - | \$ 557,485 |
| Santa Maria | 16,035,173 | 388,842 | (130,188) | - | 16,293,828 |
| Golden State Water Co. | 507,130 | 42,277 | (3,962) | - | 545,444 |
| Vandenberg SFB | 5,670,619 | 637,987 | - | - | 6,308,605 |
| Buellton | 591,674 | 14,396 | (4,881) | - | 601,190 |
| Santa Ynez (Solvang) | 1,511,733 | 72,724 | (11,922) | - | 1,572,536 |
| Santa Ynez | 294,217 | - | (6,058) | - | 288,158 |
| Goleta | 5,194,461 | 533,474 | (37,665) | 241,085 | 5,931,355 |
| Morehart Land | 205,684 | 19,233 | (1,658) | 13,976 | 237,235 |
| LaCumbre | 1,049,795 | 82,220 | (8,193) | 59,730 | 1,183,554 |
| Raytheon | 51,497 | - | (2,303) | - | 49,194 |
| Santa Barbara | 3,149,387 | 133,176 | (25,370) | - | 3,257,193 |
| Montecito | 3,120,314 | 133,176 | (27,103) | - | 3,226,388 |
| Carpinteria | 2,081,825 | 111,814 | (17,229) | 16,638 | 2,193,049 |
| Shandon | N/A | N/A | - | - | - |
| Chorro Valley | N/A | N/A | - | - | - |
| Lopez | N/A | N/A | - | - | - |
| TOTAL: | \$ 40,002,250 | \$ 2,192,585 | \$ (281,050) | \$ 331,429 | \$ 42,245,214 |
| (1) Adjusted for Santa Ynez Exchange Agreement modifications. | | | | | |

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2023/24 Budget

Authority Billing Procedures

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

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

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

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

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

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

Water Delivery Requests and Variable O&M Cost Invoices

Water Delivery Requests from Project Participants

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

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2023/24 Budget

Variable O&M Cost Billings to Project Participants

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

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

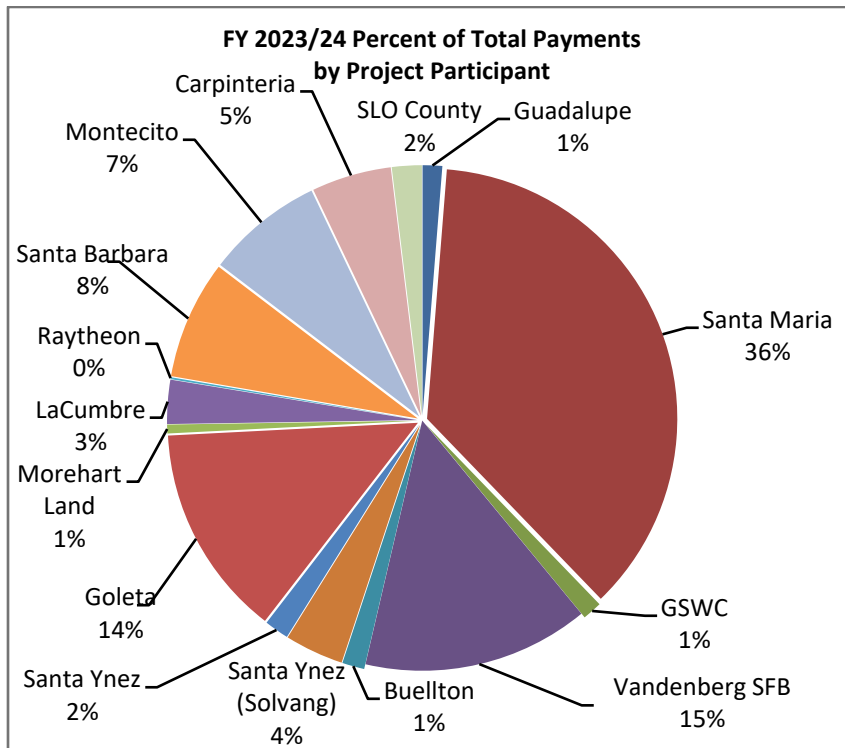
In calendar year 2022, CCWA implemented a revised billing methodology for CCWA and DWR variable costs. Under the revised billing procedures, CCWA established a Variable Cost Deposit for each CCWA participant equal to the greater of either 25% of their respective Table A amounts times the estimated cost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

Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

The following table provides a breakdown of the various revenues and pass-through expenses for Fiscal Year 2023/24 for each project participant.

| Project Participant | FY 2023/24 Operating Expenses ⁽¹⁾ | FY 2023/24 DWR Costs | FY 2023/24 Warren Act Charges ⁽²⁾ | FY 2023/24 CCWA (Credits) Due | FY 2023/24 Total Payments |
|------------------------|--|----------------------------|--|-------------------------------------|---------------------------------|
| Guadalupe | \$ 166,279 | \$ 557,485 | \$ - | \$ (7,134) | \$ 716,630 |
| Santa Maria | 4,692,810 | 16,293,828 | - | (394,618) | 20,592,021 |
| Golden State Water Co. | 166,378 | 545,444 | - | (0) | 711,822 |
| Vandenberg SFB | 2,034,487 | 6,308,605 | - | (102,856) | 8,240,236 |
| Buellton | 223,334 | 601,190 | - | (15,079) | 809,445 |
| Santa Ynez (Solvang) | 595,829 | 1,572,536 | - | (23,132) | 2,145,232 |
| Santa Ynez | 890,524 | 288,158 | - | (285,172) | 893,509 |
| Goleta | 1,827,515 | 5,690,270 | 241,085 | (18,371) | 7,740,499 |
| Morehart Land | 85,721 | 223,259 | 13,976 | (4,275) | 318,681 |
| La Cumbre | 418,930 | 1,123,823 | 59,730 | (0) | 1,602,483 |
| Raytheon | 18,100 | 49,194 | - | (985) | 66,309 |
| Santa Barbara | 1,065,158 | 3,257,193 | - | 0 | 4,322,351 |
| Montecito | 1,065,158 | 3,226,388 | - | (29,073) | 4,262,472 |
| Carpinteria | 725,963 | 2,176,411 | 16,638 | (17,766) | 2,901,246 |
| Shandon | 16,690 | N/A | - | (911) | 15,779 |
| Chorro Valley | 560,932 | N/A | - | (42,786) | 518,146 |
| Lopez | 583,510 | N/A | - | (29,625) | 553,885 |
| TOTAL: | \$ 15,137,317 | \$ 41,913,785 | \$ 331,429 | \$ (971,784) | \$ 56,410,746 |

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



Central Coast Water Authority
Revenues and Sources of Cash
 Fiscal Year 2023/24 Budget

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

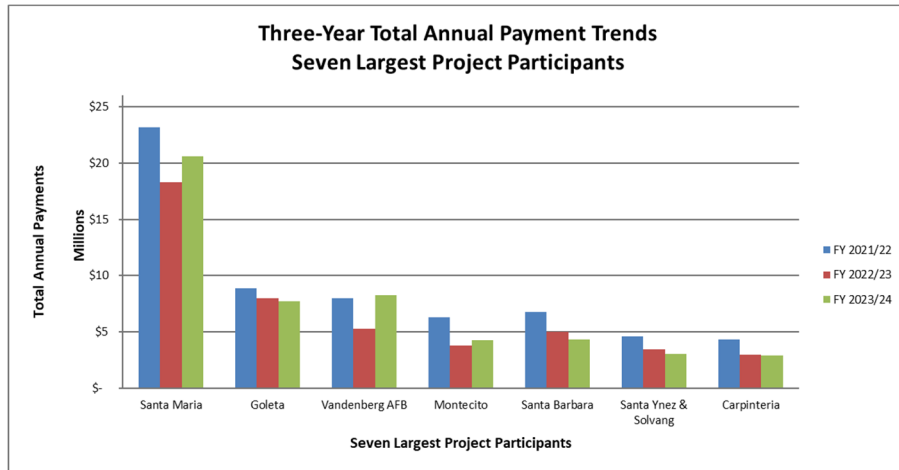
***Two-Year Total Combined Fixed and Variable Payments History
 by Project Participant***

| Project Participant | Total Payments FY 2022/23 | Total Payments FY 2023/24 | Change FY 2022/23 to FY 2023/24 |
|------------------------|---------------------------------|---------------------------------|---------------------------------------|
| Guadalupe | \$ 527,811 | \$ 716,630 | \$ 188,819 |
| Santa Maria | 18,274,518 | 20,592,021 | 2,317,503 |
| Golden State Water Co. | 624,594 | 711,822 | 87,228 |
| Vandenberg SFB | 5,251,985 | 8,240,236 | 2,988,251 |
| Buellton | 696,847 | 809,445 | 112,598 |
| Santa Ynez (Solvang) | 2,320,692 | 2,145,232 | (175,460) |
| Santa Ynez | 1,103,715 | 893,509 | (210,206) |
| Goleta | 8,020,978 | 7,740,499 | (280,479) |
| Morehart Land | 324,514 | 318,681 | (5,833) |
| La Cumbre | 1,400,269 | 1,602,483 | 202,214 |
| Raytheon | 58,571 | 66,309 | 7,738 |
| Santa Barbara | 5,010,916 | 4,322,351 | (688,564) |
| Montecito | 3,772,031 | 4,262,472 | 490,441 |
| Carpinteria | 2,948,805 | 2,901,246 | (47,560) |
| Shandon | 11,631 | 15,779 | 4,148 |
| Chorro Valley | 395,114 | 518,146 | 123,032 |
| Lopez | 388,026 | 553,885 | 165,859 |
| TOTAL: | \$51,131,018 | \$ 56,410,746 | \$ 5,279,729 |

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

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

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2023/24 Budget





*State Capitol After Rain 2023
(Photo Courtesy of DWR)*

Department of Water Resources Charges

The Department of Water Resources (DWR) section of the FY 2023/24 Budget provides information on the Authority's payments to DWR. This section includes information on the allocation of the fixed and variable DWR costs and other information regarding the FY 2023/24 DWR charges.

Highlights

Total FY 2023/24 DWR Charges **\$ 41,913,785**

- DWR Fixed Charges \$ 40,002,250
- DWR Variable Charges \$ 2,192,585
- Interest credits \$ (281,050)

Fixed Charge Highlights

- Total fixed charges increase over FY 2022/23 of \$3,995,249
- DWR Fixed cost increase of \$4 million due to an increase of \$4.1 million in the Transportation Minimum OMP&R costs for prior years, an increase of \$0.44 million in Water System Revenue Bond, a decrease of \$1.29 million in Coastal Branch Charges, an increase of \$0.13 million in Transportation Capital costs over prior year, an increase of \$0.59 million in Delta Water Charges.

Variable Charge Highlights

- DWR Variable cost decrease of \$.83 million over FY 2022/23.
- Estimated Variable OMP&R unit rate for 2023: \$225.00; 2024: \$225.00

Central Coast Water Authority
Department of Water Resources Charges
Fiscal Year 2023/24 Budget

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

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

DWR Billing Procedures

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

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

Summary of FY 2023/24 DWR Charges

The DWR charges for the first half of FY 2023/24 are based on the 2023 Statement of Charges. The DWR charges for the second half of FY 2023/24 are based on forecasts prepared by the DWR State Water Project Analysis Office. DWR transportation capital charges starting in 1998 are based on a Coastal Branch Phase II project cost of approximately \$481 million. Coastal Branch Extension capital charges are based on the allocation share of debt service principal and interest payments from the various DWR revenue bond debt issues allocated to repay the capital costs of the Coastal Branch Phase II.

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

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

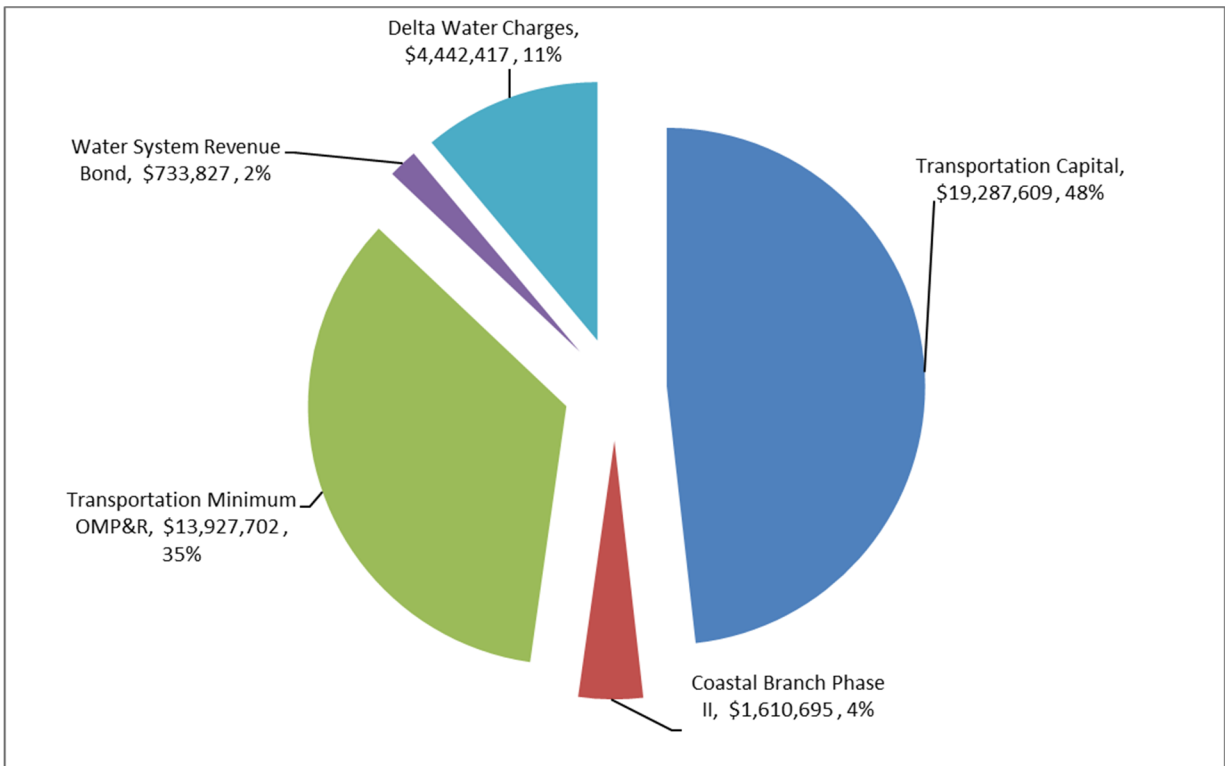
The following table provides a comparison of the FY 2021/22 through the FY 2023/24 DWR charges.

| DWR Fixed and Variable Cost Comparison | | | | | |
|---|----------------------|----------------------|--|----------------------|--|
| Cost Component | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Est. Actual ⁽¹⁾ | FY 2023/24 Budget | FY 2022/23 Budget to FY 2023/24 Budget Increase (Decrease) |
| Transportation Capital | \$ 20,299,861 | \$ 19,161,435 | \$ 19,163,519 | \$ 19,287,609 | \$ 126,174 |
| Coastal Branch Phase II | 3,098,524 | 2,896,328 | 2,650,526 | 1,610,695 | (1,285,633) |
| Transportation Minimum OMP&R | 11,056,910 | 9,807,761 | 9,807,761 | 13,927,702 | 4,119,941 |
| Water System Revenue Bond | 605,552 | 291,787 | 280,192 | 733,827 | 442,040 |
| Delta Water Charges | 4,932,865 | 3,849,690 | 3,849,690 | 4,442,417 | 592,727 |
| Subtotal Fixed DWR Charges | <u>39,993,713</u> | <u>36,007,000</u> | <u>35,751,687</u> | <u>40,002,250</u> | <u>3,995,249</u> |
| Off-Aqueduct Charges | 18,845 | 22,430 | 22,432 | 39,304 | 16,874 |
| Variable OMP&R | 2,692,386 | 3,001,075 | 2,259,170 | 2,153,282 | (847,794) |
| Subtotal Variable DWR Charges | <u>2,711,231</u> | <u>3,023,505</u> | <u>2,281,602</u> | <u>2,192,585</u> | <u>(830,920)</u> |
| DWR Account Investment Income | (77,357) | (28,317) | (281,050) | (281,050) | (252,733) |
| Total DWR Charges | <u>\$ 42,627,587</u> | <u>\$ 39,002,188</u> | <u>\$ 37,752,239</u> | <u>\$ 41,913,785</u> | <u>\$ 2,911,597</u> |

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

DWR FIXED COSTS

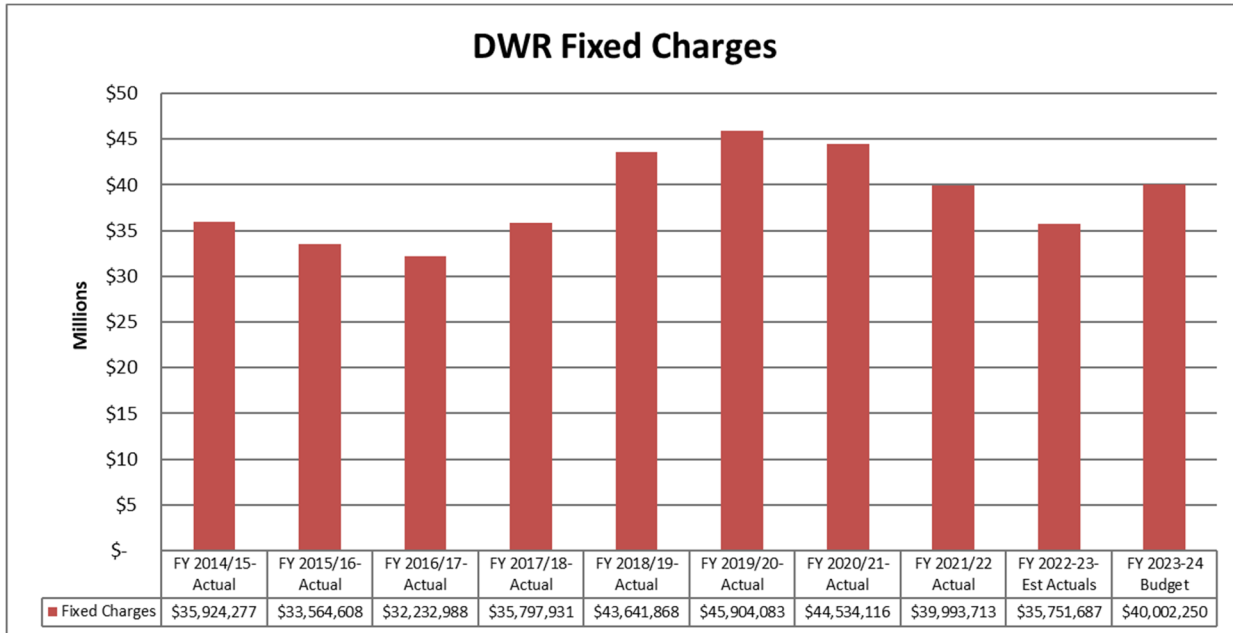
The DWR fixed costs are comprised of the following cost components:



Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

The FY 2023/24 DWR fixed charges total \$40,002,250 which is \$3,995,249 higher than the FY 2022/23 Budget. The reasons for the cost component variances are described later in this section.

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



Transportation Capital

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

The following table shows the allocation of the FY 2023/24 Transportation Capital charges to each of the CCWA project participants:

Central Coast Water Authority
Department of Water Resources Charges
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| Project Participant | Table A | Percentage | Reaches 1 to 35 ⁽¹⁾ | One-Shot Adjustment | Management Funds Credit | FY 2022/23 DSRF (Credit) | Prior Year DWR Credits for Overpayments ⁽²⁾ | FY 2022/23 Amount Due (Credit) | FY 2023/24 Transportation Capital Charges |
|-------------------------------------|---------|------------|--------------------------------|---------------------|-------------------------|--------------------------|--|--------------------------------|---|
| Guadalupe | 500 | 1.41% | \$ 332,945 | \$ 291 | \$ (38,124) | \$ (5,509) | \$ (18,642) | \$ 5 | \$ 270,967 |
| Santa Maria | 16,200 | 41.46% | 9,806,752 | 8,584 | (1,122,921) | (162,257) | (549,102) | 401 | 7,981,457 |
| Golden State Water Co. | 500 | 1.28% | 302,678 | 265 | (34,658) | (5,008) | (16,948) | 49 | 246,378 |
| VSFB | 5,500 | 14.07% | 3,329,453 | 2,914 | (381,239) | (55,087) | (186,423) | 140 | 2,709,758 |
| Buellton | 578 | 1.48% | 349,895 | 306 | (40,065) | (5,789) | (19,591) | 9 | 284,765 |
| Santa Ynez (Solvang) ⁽³⁾ | 1,500 | 3.84% | 899,181 | 795 | (103,178) | (15,024) | (50,347) | 243 | 731,670 |
| Santa Ynez ⁽³⁾ | 500 | 1.28% | 311,529 | 265 | (35,455) | (5,008) | (17,443) | (92) | 253,797 |
| Goleta | 4,500 | 11.52% | 2,724,098 | 2,384 | (311,923) | (45,071) | (152,528) | 425 | 2,217,385 |
| Morehart | 200 | 0.51% | 121,071 | 106 | (13,863) | (2,003) | (6,779) | 20 | 98,551 |
| La Cumbre | 1,000 | 2.56% | 605,355 | 530 | (69,316) | (10,016) | (33,895) | 99 | 492,756 |
| Raytheon | 50 | 0.13% | 30,268 | 26 | (3,466) | (501) | (1,695) | (3) | 24,630 |
| Santa Barbara | 3,000 | 7.68% | 1,816,065 | 1,590 | (207,948) | (30,048) | (101,686) | 295 | 1,478,269 |
| Montecito | 3,000 | 7.68% | 1,816,065 | 1,590 | (207,948) | (30,048) | (101,686) | 295 | 1,478,269 |
| Carpinteria | 2,000 | 5.12% | 1,210,710 | 1,060 | (138,632) | (20,032) | (67,790) | 197 | 985,512 |
| Subtotal: | 39,078 | 100.00% | \$ 23,656,065 | \$ 20,707 | \$ (2,708,736) | \$ (391,399) | \$ (1,324,556) | \$ 2,084 | \$ 19,254,164 |
| Goleta Additional Table A | 2,500 | 5.50% | 40,527 | - | (3,646) | (671) | (2,765) | - | 33,445 |
| CCWA Drought Buffer | 3,908 | - | - | - | - | - | - | - | - |
| TOTAL: | 45,486 | | \$ 23,696,592 | \$ 20,707 | \$ (2,712,382) | \$ (392,070) | \$ (1,327,321) | \$ 2,084 | \$ 19,287,609 |

(1) Reach 36 was deleted during project design. DWR Reaches to the end of Coastal Branch Phase II consist of Reaches 1 to 35. The Coastal Branch extension consists of Reaches 37 and 38.
 (2) Credits for prior year(s) overpayments amortized by DWR through the year 2035.
 (3) Adjusted for transfer of the Solvang 150 acre foot drought buffer Table A to Santa Ynez.
 (4) Golden State Water, La Cumbre and Santa Barbara-100% of credit transferred into DWR reserve fund.

The FY 2023/24 Transportation capital charges are increasing by \$126,174 due to the following:

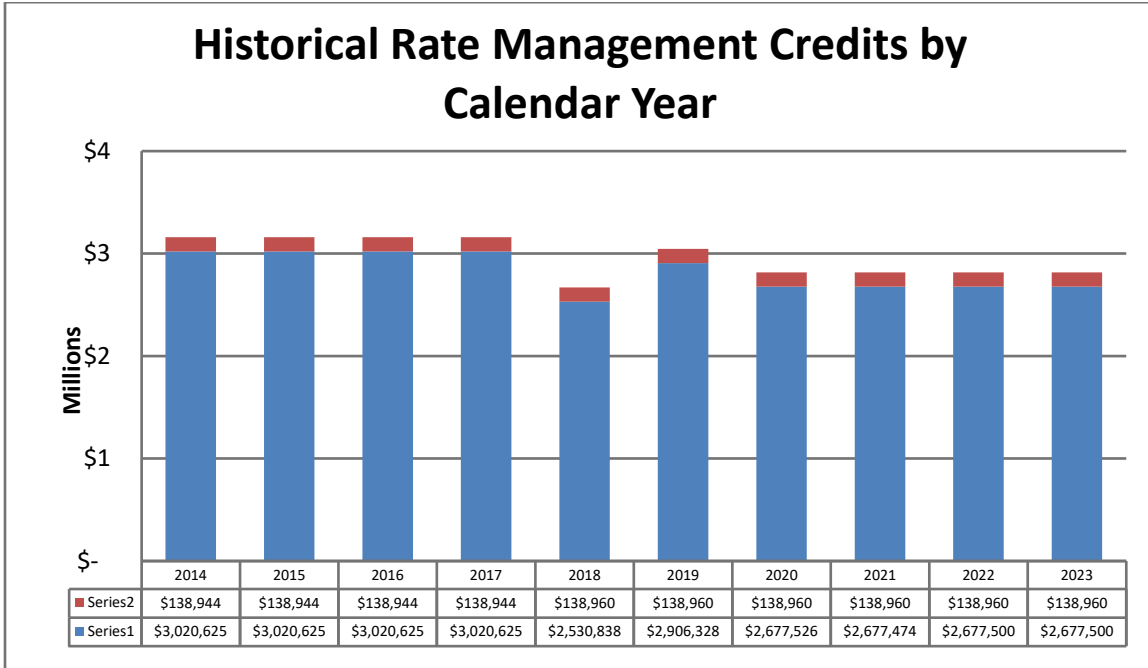
| Transportation Capital Budget-to-Budget Changes | | | |
|---|----------------------|----------------------|-------------------|
| | FY 2022/23 | FY 2023/24 | Change |
| Calculated Component | \$ 23,590,644 | \$ 23,696,592 | \$ 105,948 |
| Rate Management Credits | (2,486,264) | (2,712,382) | (226,118) |
| Prior Year amount due | (119,927) | 2,084 | 122,011 |
| Prior Year Overcollection Credit | (806,191) | (1,327,321) | (521,130) |
| Other Adjustments | 4,892 | 20,707 | 15,815 |
| Prior Year Credit | (1,021,719) | - | 1,021,719 |
| Debt Service Reserve Fund Credit | - | (392,070) | (392,070) |
| Total: | <u>\$ 19,161,435</u> | <u>\$ 19,287,609</u> | <u>\$ 126,174</u> |

Rate Management Credits

One provision of the contract between CCWA and the Department of Water Resources provides for the reduction of capital charges based on excess revenues collected by DWR due to differences between collections from the State Water Project Contractors and the actual amounts paid for capital related charges. These credits are referred to as “rate management credits” and are allocated to each Contractor in proportion to their total repayment of capital charges to DWR. As such, CCWA receives a large portion of the annual rate management credits (currently about 9.00%) because our facilities were constructed in the 1990’s while most other Contractor’s facilities were constructed in the 1960’s so that CCWA’s capital repayments to DWR are quite high when compared to other Contractors.

Central Coast Water Authority
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Each year, DWR prepares a financial analysis to determine the revenues that are available to pay rate management credits. Pursuant to the Contract, the maximum amount of rate management credits in any one year does not exceed \$40.5 million to all Contractors.



Coastal Branch Extension-Transportation Capital Reach 37 and 38

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

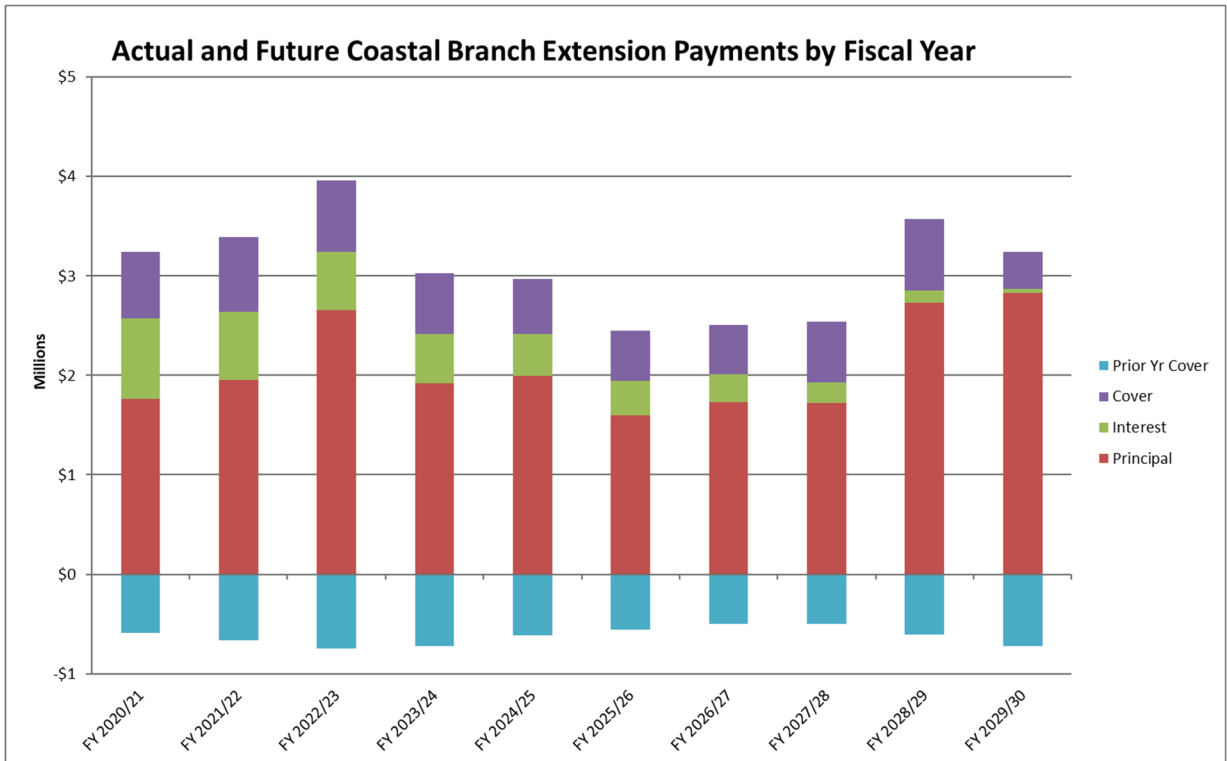
Coastal Branch Extension debt service payments for FY 2023/24 total \$1,610,695, which is \$1,285,949 lower than the prior year amount due to the following:

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

| Coastal Branch Extension Debt Service | | | |
|--|---------------------|---------------------|-----------------------|
| | FY 2022/23 | FY 2023/24 | Change |
| Principal Payments | \$ 2,709,997 | \$ 1,920,927 | \$ (789,070) |
| Interest Payments | 603,758 | 495,546 | (108,212) |
| Bond Cover | 737,598 | 613,294 | (124,304) |
| Rate Management Credits | (184,614) | (206,939) | (22,325) |
| Return of Prior Year Cover | (770,102) | (728,336) | 41,767 |
| Prior year amount due (credit) | (183,125) | (245,802) | (62,677) |
| Excess Reserve Fund Credits | | (237,995) | (237,995) |
| One-Time Extraordinary Credits | (17,184) | - | 17,184 |
| Total: | \$ 2,896,328 | \$ 1,610,695 | \$ (1,285,633) |

Principal, Interest and Bond Cover Changes

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



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

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

Coastal Branch Extension Bond Allocation

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

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

The following tables show the allocation of the DWR Coastal Branch Extension debt service amounts for FY 2023/24.

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION

| Project Participant | <i>Reach 37</i> | | | | |
|------------------------|-----------------|------------|------------------------|---------------------------------|----------------------------|
| | Table A | Percentage | Transportation Capital | Reach 37 Credits ⁽¹⁾ | Net Reach 37 Transp. Costs |
| Guadalupe | - | 0.00% | \$ - | \$ - | \$ - |
| Santa Maria | 16,200 | 42.05% | 660,409 | (255,742) | 404,667 |
| Golden State Water Co. | 500 | 1.30% | 20,383 | (7,893) | 12,490 |
| VSBFB | 5,500 | 14.28% | 224,213 | (86,826) | 137,387 |
| Buellton | 578 | 1.50% | 23,563 | (9,125) | 14,438 |
| Santa Ynez (Solvang) | 1,500 | 3.89% | 61,149 | (23,680) | 37,469 |
| Santa Ynez | 500 | 1.30% | 20,383 | (7,893) | 12,490 |
| Goleta | 4,500 | 11.68% | 183,447 | (71,039) | 112,408 |
| Morehart | 200 | 0.52% | 8,153 | (3,157) | 4,996 |
| La Cumbre | 1,000 | 2.60% | 40,766 | (15,787) | 24,979 |
| Raytheon | 50 | 0.13% | 2,038 | (789) | 1,249 |
| Santa Barbara | 3,000 | 7.79% | 122,298 | (47,360) | 74,938 |
| Montecito | 3,000 | 7.79% | 122,298 | (47,360) | 74,938 |
| Carpinteria | 2,000 | 5.19% | 81,532 | (31,573) | 49,959 |
| Total: | 38,528 | 100.00% | \$ 1,570,631 | \$ (608,223) | \$ 962,408 |

(1) Includes credits for the return of bond cover of \$728,336, Rate Management Funds Credits of \$206,939 and DSFR Credit of \$ 237,995

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

Central Coast Water Authority
Department of Water Resources Charges
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TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION

| Project Participant | Reach 38 | | | | | FY 2022/23 | FY 2023/24 |
|------------------------|---------------|----------------|------------------------|---------------------------------|----------------------------|---------------------|--------------------------------|
| | Table A | Percentage | Transportation Capital | Reach 38 Credits ⁽¹⁾ | Net Reach 38 Transp. Costs | (Credits) Due | Transportation Capital Charges |
| Guadalupe | - | 0.00% | \$ - | \$ - | \$ - | - | \$ - |
| Santa Maria | - | 0.00% | - | - | - | (53,578) | 351,089 |
| Golden State Water Co. | - | 0.00% | - | - | - | (1,654) | 10,836 |
| VSFB | 5,500 | 25.20% | 367,658 | (142,375) | 225,284 | (48,018) | 314,653 |
| Buellton | 578 | 2.65% | 38,638 | (14,962) | 23,675 | (5,046) | 33,067 |
| Santa Ynez (Solvang) | 1,500 | 6.87% | 100,270 | (38,829) | 61,441 | (13,096) | 85,814 |
| Santa Ynez | 500 | 2.29% | 33,423 | (12,943) | 20,480 | (4,365) | 28,605 |
| Goleta | 4,500 | 20.62% | 300,811 | (116,488) | 184,323 | (39,287) | 257,443 |
| Morehart | 200 | 0.92% | 13,369 | (5,177) | 8,192 | (1,746) | 11,442 |
| La Cumbre | 1,000 | 4.58% | 66,847 | (25,886) | 40,961 | (8,731) | 57,210 |
| Raytheon | 50 | 0.23% | 3,342 | (1,294) | 2,048 | (437) | 2,860 |
| Santa Barbara | 3,000 | 13.74% | 200,541 | (77,659) | 122,882 | (26,192) | 171,629 |
| Montecito | 3,000 | 13.74% | 200,541 | (77,659) | 122,882 | (26,192) | 171,629 |
| Carpinteria | 2,000 | 9.16% | 133,694 | (51,773) | 81,921 | (17,461) | 114,419 |
| Total: | 21,828 | 100.00% | \$ 1,459,136 | \$ (565,047) | \$ 894,089 | \$ (245,802) | \$ 1,610,695 |

(1) Includes credits for the return of bond cover of \$728,336, Rate Management Funds Credits of \$206,939 and DSFR Credit of \$ 237,995

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

Transportation Minimum OMP&R

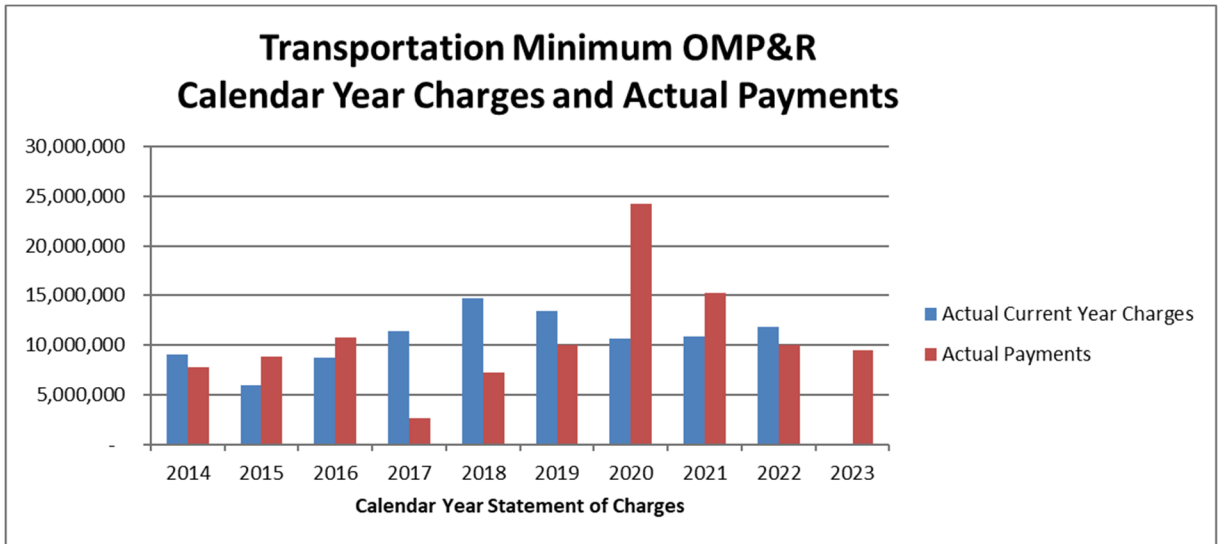
Transportation Minimum OMP&R charges are the operations and maintenance costs incurred by DWR to operate the State Water Project that generally do not depend on or vary with the quantities of water delivered to CCWA.

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

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

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

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget



The following table shows the allocation of the FY 2023/24 Transportation Minimum OMP&R charges to each of the CCWA project participants.

| Project Participant | Table A | Percentage | Calculated Component | | FY 2022/23 | FY 2023/24 |
|-------------------------------------|---------------|----------------|----------------------|--------------------------------|---------------------|------------------------------|
| | | | FY 2023/24 | Prior Year(s) Undercollections | Amount Due (Credit) | Transportation Minimum OMP&R |
| Guadalupe | 550 | 1.41% | \$ 168,623 | 36,382 | \$ (7,134) | \$ 197,871 |
| Santa Maria | 16,200 | 41.46% | 4,966,723 | 1,071,608 | (394,618) | 5,643,713 |
| Golden State Water Co. | 500 | 1.28% | 153,294 | 33,074 | - | 186,368 |
| VSFB | 5,500 | 14.07% | 1,686,233 | 363,817 | (102,856) | 1,947,194 |
| Buellton | 578 | 1.48% | 177,208 | 38,234 | (15,079) | 200,363 |
| Santa Ynez (Solvang) ⁽¹⁾ | 1,500 | 3.84% | 447,830 | 96,623 | (23,132) | 521,320 |
| Santa Ynez ⁽¹⁾ | 500 | 1.28% | 165,346 | 35,675 | (201,020) | 0 |
| Goleta | 4,500 | 11.52% | 1,379,645 | 297,669 | (18,371) | 1,658,943 |
| Morehart | 200 | 0.51% | 61,318 | 13,230 | (4,275) | 70,273 |
| La Cumbre | 1,000 | 2.56% | 306,588 | 66,149 | - | 372,736 |
| Raytheon | 50 | 0.13% | 15,329 | 3,307 | (985) | 17,651 |
| Santa Barbara | 3,000 | 7.68% | 919,764 | 198,446 | - | 1,118,209 |
| Montecito | 3,000 | 7.68% | 919,764 | 198,446 | (29,073) | 1,089,136 |
| Carpinteria | 2,000 | 5.12% | 613,176 | 132,297 | (17,766) | 727,707 |
| Subtotal: | 39,078 | 100.00% | \$ 11,980,841 | \$ 2,584,956 | \$ (814,310) | \$ 13,751,487 |
| Goleta Additional Table A | 2,500 | - | 144,942 | 31,272 | - | \$ 176,215 |
| CCWA Drought Buffer | 3,908 | - | - | - | - | - |
| TOTAL: | 45,486 | | \$ 12,125,783 | \$ 2,616,229 | \$ (814,310) | \$ 13,927,702 |

(1) Adjusted for the transfer of 150 acre feet drought buffer Table A from Solvang to Santa Ynez.
 (2) Golden State Water, La Cumbre and Santa Barbara-100% of credit transferred into DWR reserve fund.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

Water System Revenue Bond Surcharge

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

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

WATER SYSTEM REVENUE BOND SURCHARGE

| Project Participant | Table A | Percentage | Gross WSRB Charges | Return of Bond Cover ⁽²⁾ | Refund of Power Debt Service ⁽³⁾ | FY 2022/23 WSRB (Credits) Due | FY 2023/24 WSRB Charges |
|-------------------------------------|---------------|----------------|---------------------|-------------------------------------|---|-------------------------------|-------------------------|
| Guadalupe | 550 | 1.41% | \$ 53,783 | \$ (30,920) | \$ (12,821) | \$ (159) | \$ 9,883 |
| Santa Maria | 16,200 | 41.46% | 1,584,152 | (910,745) | (377,635) | (4,671) | 291,100 |
| Golden State Water Co. | 500 | 1.28% | 48,894 | (28,109) | (11,655) | (144) | 8,985 |
| VSFB | 5,500 | 14.07% | 537,829 | (309,204) | (128,210) | (1,586) | 98,830 |
| Buellton | 578 | 1.48% | 56,521 | (32,494) | (13,474) | (167) | 10,385 |
| Santa Ynez (Solvang) ⁽¹⁾ | 1,500 | 3.84% | 139,966 | (80,466) | (34,966) | (412) | 24,122 |
| Santa Ynez ⁽¹⁾ | 500 | 1.28% | 55,608 | (31,971) | (11,655) | (166) | 11,815 |
| Goleta | 4,500 | 11.52% | 440,042 | (252,985) | (104,899) | (1,623) | 80,536 |
| Morehart | 200 | 0.51% | 19,557 | (11,244) | (4,662) | (58) | 3,594 |
| La Cumbre | 1,000 | 2.56% | 97,787 | (56,219) | (23,311) | (289) | 17,969 |
| Raytheon | 50 | 0.13% | 4,889 | (2,811) | (1,166) | (14) | 899 |
| Santa Barbara | 3,000 | 7.68% | 293,361 | (168,657) | (69,932) | (865) | 53,908 |
| Montecito | 3,000 | 7.68% | 293,361 | (168,657) | (69,932) | (865) | 53,908 |
| Carpinteria | 2,000 | 5.12% | 195,574 | (112,438) | (46,622) | (577) | 35,938 |
| Subtotal | 39,078 | 100.00% | \$ 3,821,327 | \$ (2,196,920) | \$ (910,940) | \$ (11,595) | \$ 701,871 |
| Goleta Additional Table A | 2,500 | - | \$ 102,292 | (58,843) | (11,494) | - | \$ 31,955 |
| CCWA Drought Buffer | 3,908 | - | - | - | - | - | - |
| TOTAL: | 45,486 | | \$ 3,923,619 | \$ (2,255,763) | \$ (922,434) | \$ (11,595) | \$ 733,827 |

(1) Adjusted for the transfer of Solvang 150 acre foot drought buffer Table A to Santa Ynez.
 (2) WSRB return of bond cover for July 2022 and January 2023 payments.
 (3) WSRB Refund of power debt surcharge in April 2024 for Jan 2023 and July 2023 payments.
 (4) Golden State Water, La Cumbre and Santa Barbara-100% of credit transferred into DWR reserve fund.

Delta Water Charge

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

No Table A reductions are assumed for FY 2023/24.

The FY 2023/24 Delta Water Charge totals \$4,442,417, which is \$592,727 higher than the prior year amount for the following reasons.

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

| Delta Water Charge | | | |
|--------------------------------|---------------------|---------------------|-------------------|
| | FY 2022/23 | FY 2023/24 | Change |
| Rate per acre-foot | \$ 111.50 | \$ 102.53 | \$ (8.97) |
| Delta Water Charge | 5,071,827 | 4,663,686 | (408,141) |
| Rate Management Credits | (138,960) | (151,827) | (12,867) |
| Prior year adjustment | (797,884) | - | 797,884 |
| Prior year amount due (credit) | (285,293) | (69,443) | 215,850 |
| Total: | \$ 3,849,690 | \$ 4,442,417 | \$ 592,727 |

As shown in the previous table, the FY 2023/24 rate per acre-foot totals \$102.53, which is \$8.97/AF lower than the prior year amount.

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

Beginning with the calendar year 2011 Statement of Charges, DWR began billing for deposits associated with replacing certain equipment at DWR conservation facilities. Under the Contract, this is called the “Replacement Accounting System” deposits (RAS). DWR and the State Water Project Contractors agreed to include a charge on the Delta Water Charge cost per acre-foot beginning with the 2011 SOC to fund these conservation facility replacements.

The following table shows the allocation of the FY 2023/24 Delta Water Charge to each of the CCWA project participants.

| DELTA WATER CHARGE | | | | | | |
|---------------------------|--------------------------|------------|---------------------------|------------------------------|---------------------------------|--------------------------------|
| Project Participant | Table A | | Gross Delta Water Charges | Rate Management Funds Credit | FY 2022/23 (Credits) Amount Due | FY 2023/24 Delta Water Charges |
| | Including Drought Buffer | Percentage | | | | |
| Guadalupe | 605 | 1.41% | \$ 62,031 | \$ (2,012) | | \$ 60,018 |
| Santa Maria | 17,820 | 41.46% | 1,827,087 | (59,273) | | 1,767,814 |
| Golden State Water Co. | 550 | 1.28% | 56,392 | (1,829) | | 54,562 |
| VSF | 6,050 | 14.07% | 620,307 | (20,124) | | 600,184 |
| Buellton | 636 | 1.48% | 65,209 | (2,115) | | 63,094 |
| Santa Ynez (Solvang) | 1,500 | 3.49% | 153,795 | (4,989) | | 148,806 |
| Santa Ynez | 700 | 1.63% | 71,771 | (2,328) | (69,443) | (0) |
| Goleta | 4,950 | 11.52% | 507,524 | (16,465) | | 491,059 |
| Morehart | 220 | 0.51% | 22,557 | (732) | | 21,825 |
| La Cumbre | 1,100 | 2.56% | 112,783 | (3,659) | | 109,124 |
| Raytheon | 55 | 0.13% | 5,639 | (183) | | 5,456 |
| Santa Barbara | 3,300 | 7.68% | 338,349 | (10,977) | | 327,373 |
| Montecito | 3,300 | 7.68% | 338,349 | (10,977) | | 327,373 |
| Carpinteria | 2,200 | 5.12% | 225,566 | (7,318) | | 218,249 |
| Subtotal | 42,986 | 100.00% | \$ 4,407,361 | \$ (142,981) | \$ (69,443) | \$ 4,194,937 |
| Goleta Additional Table A | 2,500 | 5.50% | \$ 256,325 | (8,845) | - | \$ 247,480 |
| TOTAL: | 45,486 | - | \$ 4,663,686 | \$ (151,827) | \$ (69,443) | \$ 4,442,417 |

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

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

| | |
|--|--------------------|
| 2023 COST PER AF: | \$ 92.5301 |
| Increase for 2024 SOC per AF /2 | \$ 10.0000 |
| Estimated rate for FY 2023/24 | \$ 102.5301 |

DWR VARIABLE COSTS

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

- Off-Aqueduct Charge
- Variable OMP&R

The DWR variable charges for FY 2023/24 total \$2,192,585 which is \$830,920 less than the budgeted FY 2022/23 variable payments.

Off-Aqueduct Charges

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

For FY 2023/23, the off-aqueduct charges total \$39,304 which is \$16,874 more than the prior year budget.

The following table shows the allocation of off-aqueduct charges for FY 2023/24.

| Project Participant | July 2023 to December 2023 | | | | January 2024 to June 2024 | | | | TOTAL FY 2023/24 |
|-------------------------------------|--------------------------------------|---------------------|--|------------------------|--------------------------------------|---------------------|----------------------------------|------------------------|------------------|
| | Requested Delivery AF ⁽¹⁾ | Delivery Percentage | 2023 Off-Aqueduct ^(1 & 2) | Half-Year 2023 Charges | Requested Delivery AF ⁽¹⁾ | Delivery Percentage | 2024 Off-Aqueduct ⁽³⁾ | Half-Year 2024 Charges | |
| Guadalupe | 96 | 1.97% | \$ 567 | \$ 283 | 6 | 0.13% | \$ 64 | \$ 32 | \$ 315 |
| Santa Maria | 1,137 | 23.35% | 6,713 | 3,357 | 563 | 11.98% | 5,972 | 2,986 | 6,342 |
| Golden State Water Co. | 140 | 2.87% | 827 | 413 | 45 | 0.96% | 477 | 239 | 652 |
| VSFb | 1,561 | 32.06% | 9,218 | 4,609 | 1,225 | 26.06% | 12,993 | 6,496 | 11,105 |
| Buellton | 48 | 0.99% | 283 | 142 | 15 | 0.32% | 159 | 80 | 221 |
| Santa Ynez (Solvang) ⁽⁵⁾ | 120 | 2.46% | 709 | 354 | 197 | 4.19% | 2,090 | 1,045 | 1,399 |
| Santa Ynez ⁽⁶⁾ | - | 0.00% | - | - | - | 0.00% | - | - | - |
| Goleta | 549 | 11.27% | 3,241 | 1,621 | 1,773 | 37.72% | 18,807 | 9,403 | 11,024 |
| Morehart | 48 | 0.99% | 283 | 142 | 36 | 0.77% | 382 | 191 | 333 |
| La Cumbre | 195 | 4.00% | 1,151 | 576 | 164 | 3.49% | 1,740 | 870 | 1,445 |
| Raytheon | - | 0.00% | - | - | - | 0.00% | - | - | - |
| Santa Barbara | 366 | 7.52% | 2,161 | 1,080 | 216 | 4.60% | 2,291 | 1,146 | 2,226 |
| Montecito | 366 | 7.52% | 2,161 | 1,080 | 216 | 4.60% | 2,291 | 1,146 | 2,226 |
| Carpinteria | 244 | 5.01% | 1,441 | 720 | 244 | 5.19% | 2,588 | 1,294 | 2,014 |
| | 4,870 | 100.00% | \$ 28,755 | \$ 14,378 | 4,700 | 100.00% | \$ 49,853 | \$ 24,926 | \$ 39,304 |

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

(2) Source: DWR invoice dated July 1, 2022 for Calendar Year 2023 Statement of Charges.

(3) Source: 2024 OAC projected at half of 2023 SOC Attach 3

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

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

Central Coast Water Authority
Department of Water Resources Charges
 Fiscal Year 2023/24 Budget

Variable OMP&R Charges

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

For FY 2023/24, the variable OMP&R charges total \$2,153,282 which is \$847,794 less than the prior year amount. The budget is based on estimated water deliveries of 9,570 acre-feet.

The cost per acre-foot for water deliveries in the first half of FY 2023/24 is estimated to be \$225/AF and \$225/AF for the second half of the fiscal year.

The following table shows the allocation of the FY 2023/24 variable OMP&R costs.

| Project Participant | VARIABLE OMP&R CHARGES | | | | | | | | |
|---------------------------|---|------------------|----------------|-------------------------|---|------------------|----------------|-------------------------|-----------------------|
| | July 1, 2023 to Dec 31, 2023 ⁽¹⁾ | | | \$225/AF ⁽²⁾ | Jan 1, 2024 to June 30, 2024 ⁽³⁾ | | | \$225/AF ⁽⁴⁾ | TOTAL |
| | Requested Delivery | SYID#1 Exchanges | Net Deliveries | 2022 Var OMP&R | Requested Delivery | SYID#1 Exchanges | Net Deliveries | 2023 Var OMP&R | FY 2023/24 Var. OMP&R |
| Guadalupe | 96 | - | 96 | \$ 21,600 | 6 | - | 6 | \$ 1,350 | \$ 22,950 |
| Santa Maria | 1,137 | - | 1,137 | 255,825 | 563 | - | 563 | 126,675 | 382,500 |
| Golden State Water Co. | 140 | - | 140 | 31,500 | 45 | - | 45 | 10,125 | 41,625 |
| VSFB | 1,561 | - | 1,561 | 351,281 | 1,225 | - | 1,225 | 275,600 | 626,882 |
| Buellton | 48 | - | 48 | 10,800 | 15 | - | 15 | 3,375 | 14,175 |
| Santa Ynez (Solvang) | 120 | - | 120 | 27,000 | 197 | - | 197 | 44,325 | 71,325 |
| Santa Ynez ⁽⁶⁾ | - | 1,525 | 1,525 | - | - | 900 | 900 | - | - |
| Goleta | 549 | (549) | - | 123,525 | 1,773 | (324) | 1,449 | 398,925 | 522,450 |
| Morehart | 48 | - | 48 | 10,800 | 36 | - | 36 | 8,100 | 18,900 |
| La Cumbre | 195 | - | 195 | 43,875 | 164 | - | 164 | 36,900 | 80,775 |
| Raytheon | - | - | - | - | - | - | - | - | - |
| Santa Barbara | 366 | (366) | - | 82,350 | 216 | (216) | - | 48,600 | 130,950 |
| Montecito | 366 | (366) | - | 82,350 | 216 | (216) | - | 48,600 | 130,950 |
| Carpinteria | 244 | (244) | - | 54,900 | 244 | (144) | 100 | 54,900 | 109,800 |
| Total | 4,870 | - | 4,870 | \$ 1,095,806 | 4,700 | - | 4,700 | \$ 1,057,475 | \$ 2,153,282 |

(1) 2023 Requested Deliveries based on anticipated actual demand by each project participant without regard to the current DWR delivery allocation percentage.

(2) Source: 2023 IIR-Estimate based on 10 month average.

(3) 2024 Requested Deliveries based on a 100% delivery allocation.

(4) Source: Estimate of invoice rate for 2023.

(5) Pursuant to the Exchange Agreement, Santa Ynez only pays Variable OMP&R charges on its entitlement deliveries. The South Coast project participants which participate in the Exchange Agreement pay the Variable OMP&R charges for exchange water they accept.

CCWA Turnback Pool

In January 1998, the Authority implemented an internal turnback pool program similar to the DWR program. The Authority's pool is utilized during those years when (1) less than 100% of State water allocation is available and (2) filling the Authority's project participant delivery requests is only possible by acquiring unused Table A amounts from other project participants.

Any water that is not sold in the Authority's turnback pool is sold in the DWR turnback pool. The price for water sold in the Authority's turnback pool is the same as that sold in the DWR pool.

Central Coast Water Authority
DWR Charges
Fiscal Year 2023/24 Budget

| Project Participant | DWR FIXED CHARGES | | | | | | | DWR VARIABLE CHARGES | | | DWR Account Interest | Total DWR Charges |
|------------------------|---|---------------------------------|---------------------------------|------------------------------|---------------------------|---------------------|----------------------|----------------------|---------------------|---------------------|----------------------|----------------------|
| | Transportation Capital Through Reach 35 | Transportation Capital Reach 37 | Transportation Capital Reach 38 | Transportation Minimum OMP&R | Water System Revenue Bond | Delta Water Charges | Total Fixed | Off-Aqueduct Charges | Variable OMP&R | Total Variable | | |
| Guadalupe | \$ 270,967 | \$ - | \$ - | \$ 197,871 | \$ 9,883 | \$ 60,018 | \$ 538,739 | \$ 315 | \$ 22,950 | \$ 23,265 | \$ (4,519) | \$ 557,485 |
| Santa Maria | 7,981,457 | 351,089 | - | 5,643,713 | 291,100 | 1,767,814 | 16,035,173 | 6,342 | 382,500 | 388,842 | (130,188) | 16,293,828 |
| Golden State Water Co. | 246,378 | 10,836 | - | 186,368 | 8,985 | 54,562 | 507,130 | 652 | 41,625 | 42,277 | (3,962) | 545,444 |
| Vandenberg SFB | 2,709,758 | 119,197 | 195,456 | 1,947,194 | 98,830 | 600,184 | 5,670,619 | 11,105 | 626,882 | 637,987 | - | 6,308,605 |
| Buellton | 284,765 | 12,527 | 20,541 | 200,363 | 10,385 | 63,094 | 591,674 | 221 | 14,175 | 14,396 | (4,881) | 601,190 |
| Santa Ynez (Solvang) | 731,670 | 32,508 | 53,306 | 521,320 | 24,122 | 148,806 | 1,511,733 | 1,399 | 71,325 | 72,724 | (11,922) | 1,572,536 |
| Santa Ynez | 253,797 | 10,836 | 17,769 | 0 | 11,815 | (0) | 294,217 | - | - | - | (6,058) | 288,158 |
| Goleta | 2,217,385 | 97,525 | 159,918 | 1,658,943 | 80,536 | 491,059 | 4,705,366 | 11,024 | 522,450 | 533,474 | (37,665) | 5,201,175 |
| Morehart Land | 98,551 | 4,334 | 7,107 | 70,273 | 3,594 | 21,825 | 205,684 | 333 | 18,900 | 19,233 | (1,658) | 223,259 |
| La Cumbre | 492,756 | 21,672 | 35,537 | 372,736 | 17,969 | 109,124 | 1,049,795 | 1,445 | 80,775 | 82,220 | (8,193) | 1,123,823 |
| Raytheon | 24,630 | 1,084 | 1,777 | 17,651 | 899 | 5,456 | 51,497 | - | - | - | (2,303) | 49,194 |
| Santa Barbara | 1,478,269 | 65,016 | 106,612 | 1,118,209 | 53,908 | 327,373 | 3,149,387 | 2,226 | 130,950 | 133,176 | (25,370) | 3,257,193 |
| Montecito | 1,478,269 | 65,016 | 106,612 | 1,089,136 | 53,908 | 327,373 | 3,120,314 | 2,226 | 130,950 | 133,176 | (27,103) | 3,226,388 |
| Carpinteria | 985,512 | 43,344 | 71,075 | 727,707 | 35,938 | 218,249 | 2,081,825 | 2,014 | 109,800 | 111,814 | (17,229) | 2,176,411 |
| Goleta 2500 AF | 33,445 | - | - | 176,215 | 31,955 | 247,480 | 489,095 | - | - | - | - | 489,095 |
| Total | \$ 19,287,609 | \$ 834,985 | \$ 775,711 | \$ 13,927,702 | \$ 733,827 | \$ 4,442,417 | \$ 40,002,250 | \$ 39,304 | \$ 2,153,282 | \$ 2,192,585 | \$ (281,050) | \$ 41,913,785 |



PLC Project November 2022

Operating Expenses

The Operating Expenses section of the FY 2023/24 Budget contains a summary of the consolidated department operating expenses and allocation of the Authority's operating expenses to its project participants.

Highlights

Summary Information

- **Total FY 2023/24 Operating Expenses \$ 12,330,338**
- Fixed expense increase \$ 1,497,171
- Variable expense decrease \$ (337,011)
- Increase over FY 2022/23 Budget \$ 1,160,160
- Percentage increase 10.39%

Significant Operating Expense Changes

- Variable electric costs are estimated to be \$519,714 less than the FY 2022/23 budget, a decrease of 55.97%.
- Chemical costs are budgeted at \$87.38 an acre-foot (excluding Santa Ynez Pumping facility chemical costs), which is a 19.9% increase over FY 2023/24 chemical budget.
- Budgeted employee benefits percentage for FY 2023/24: 42.90%

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2023/24 Budget

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

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

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

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

The Operations and Maintenance staff comprise the bulk (26) of the 33 Authority employees. They are charged with the mission of providing San Luis Obispo and Santa Barbara Counties with reliable, high quality supplemental water and the objectives of protecting the environment, cost effectively operating and maintaining all facilities and ensuring the water supply meets or exceeds health and safety standards.

Operating Expense Budget and Exchange Agreement Modifications

The Operating Expense Budget presented in this document represents the anticipated expenses to operate the Authority for Fiscal Year 2023/24. These expenses are billed to the project participants based on the individual Water Supply Agreements for each agency (*see the Revenues and Sources of Cash section of this document for further information on billings*).

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

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2023/24 Budget

The Santa Ynez Exchange Agreement modifications for the Fiscal Year 2023/24 budget are as follows:

- Decrease in Warren Act and Trust Fund charges of \$433,453 (Warren Act and Trust Fund charges are not included in the Operating Expense budget and are treated as a pass-through expense).

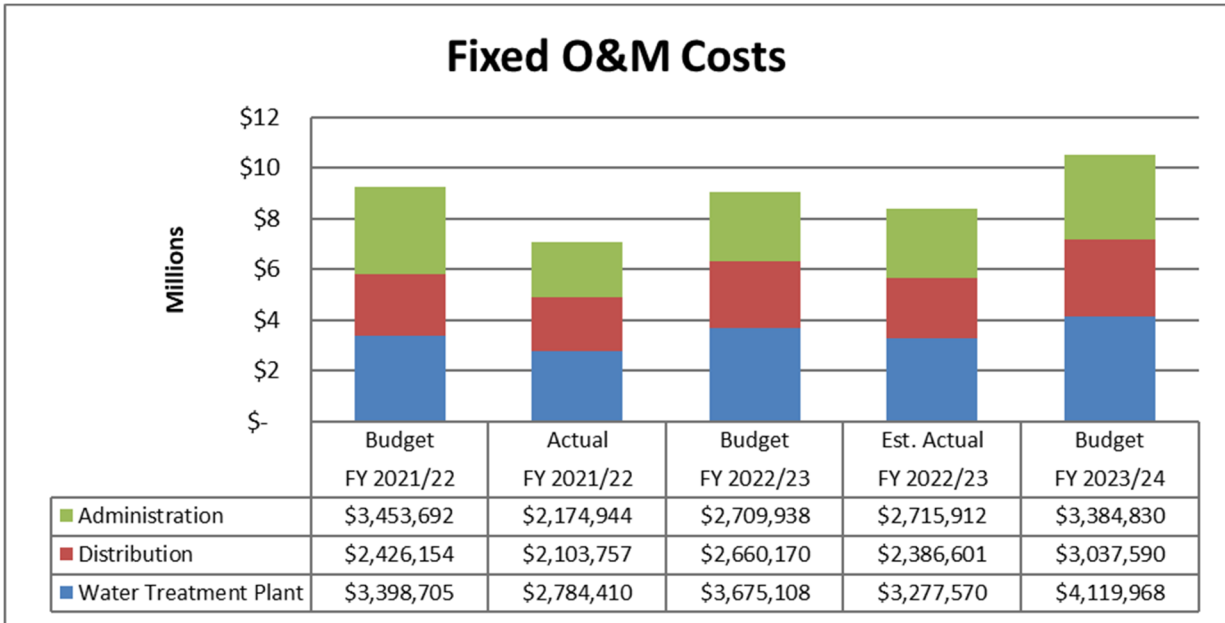
Fixed and Variable Operating Expenses

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

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

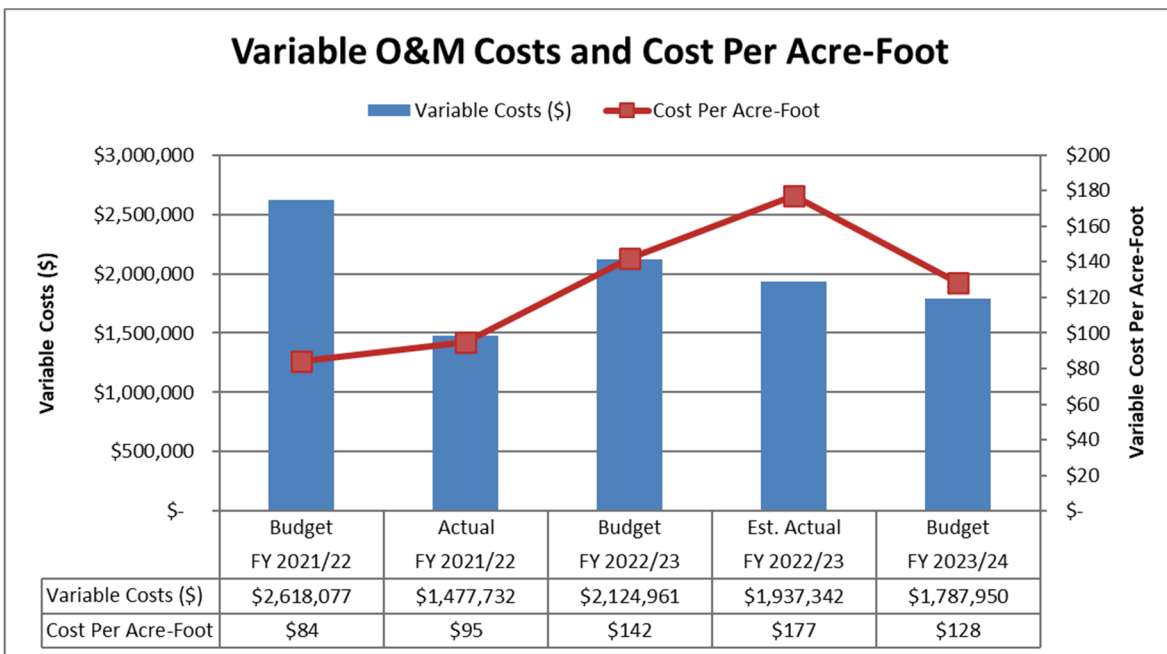
The following chart shows the three-year history of the fixed O&M costs in total and for each of the three departments.

Central Coast Water Authority
Operating Expense Overview
 Fiscal Year 2023/24 Budget



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

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



Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2023/24 Budget

The Fiscal Year 2023/24 Consolidated Departmental Operating Expense Budget totals \$12,330,338 which is \$1,160,160 higher than the Fiscal Year 2022/23 Budget, a 10.39% increase. Explanations for the various changes within the budget are discussed below and are also included in the various departmental sections of this Budget document.

Personnel Expenses

Personnel expenses are increasing by about \$705,890 which includes the following changes from the prior year:

- The FY 2023/24 total salaries and wages budget for all departments is increasing \$388,323 as compared to the prior fiscal year budget, representing an increase of 11.34%. This increase includes the annual salaries for two new full-time positions, an Operations Manager at approximately \$148,643 and a Water Treatment Plant Operator Trainee at approximately \$ 85,062, which were approved by the Board in the February 14, 2023 meeting with the balance for the anticipated staff salary pool and merit increases.
- CalPERS retirement expenses are increasing by approximately \$18,123. The combined CCWA paid employer, employee and unfunded actuarial liability contribution rates for the FY 2023/24 total 33.52% as compared to the prior year amount of 30.22%, for a combined increase of 3.30%. In FY 2017/18 CCWA employees began paying 50% of the increase in the “normal” PERS employer contribution. Additionally, CCWA now has 14 PEPRA employees.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about \$116,960 due to; 1) The 2023 CalPERS health insurance plan with the lowest premiums increased by 18.40% over the 2022 premiums, as opposed to the increase of 5% budgeted for the calendar year 2023; 2) The FY 2023/24 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2024. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- Workers’ Compensation costs are decreasing by \$13,323 due to a 22% decrease in the Experience modification rate for CCWA.
- The FY 2023/24 Budget includes a \$208,716 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums for employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of CCWA service.

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2023/24 Budget

Supplies and Equipment

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

Monitoring Expenses

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

Repairs and Maintenance

Repairs and maintenance costs are increasing by about \$22,850 due to increased repair and maintenance on aging equipment and vehicles.

Professional Services

Professional Services are increasing by \$631,007 due primarily to an increase in litigation costs and executive recruiting.

General and Administrative

General and Administrative costs are increasing by about \$6,639 due to an increase in employee safety training costs.

Utilities

Utility expenses are decreasing by about \$505,112 largely due to a decrease in variable electric expenses based on expected deliveries.

Other Expenses

Other expenses are increasing by about \$94,501 due to increased insurance costs and appropriated contingency, which is a percentage of the overall budget.

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

The chart Consolidated Department Operating Expenses provides a detailed breakdown of the components of the FY 2023/24 budget.

Central Coast Water Authority
Operating Expense Overview
 Fiscal Year 2023/24 Budget

CCWA Employee Benefits Percentage

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

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

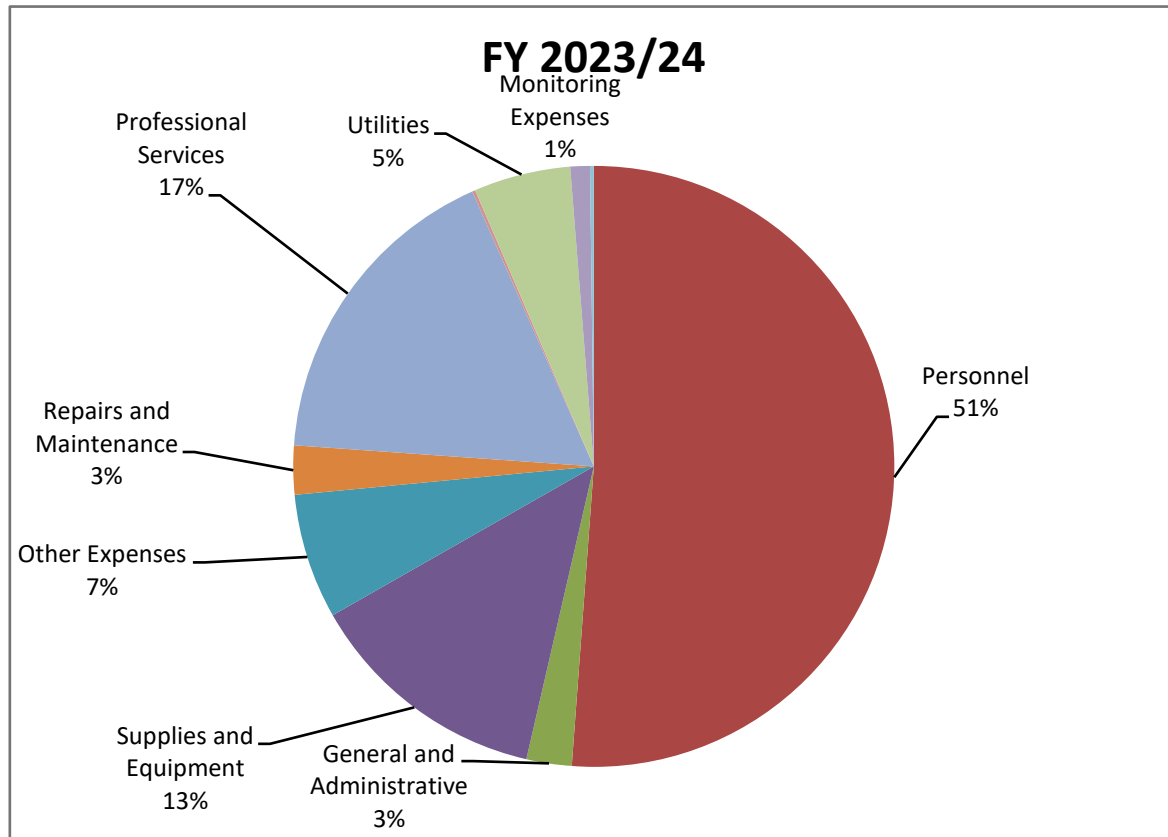
The following table shows the Employee Benefits Percentage calculation for the actual, estimated actual, and budget for the years 2021/22 through 2023/24.

| | FY 2021/22 | FY 2022/23 | FY 2023/24 |
|--------------------------------|--------------|----------------------------|-----------------------|
| | Actual | Est. Actual ⁽¹⁾ | Budget ⁽¹⁾ |
| Total Regular Salaries | \$ 3,202,713 | \$ 3,265,917 | \$ 3,812,967 |
| <u>Benefits</u> | | | |
| PERS Retirement ⁽¹⁾ | 762,353 | 678,061 | 886,178 |
| Health Insurance | 393,383 | 251,728 | 579,371 |
| Cafeteria Plan Benefits | 86,981 | 109,777 | 33,076 |
| Dental/Vision Plan | 66,569 | 68,150 | 96,457 |
| Long-Term Disability | 15,572 | 12,698 | 19,406 |
| Life Insurance | 11,824 | 19,982 | 21,368 |
| Total Benefits: | \$ 1,336,682 | \$ 1,140,397 | \$ 1,635,855 |
| Employee Benefits Percentage | 41.74% | 34.92% | 42.90% |

(1) The PERS Retirement for FY 2021/22 thru FY 2023/24 in the above benefit percentage calculations does not include the additional \$125,000 payment towards CCWA's unfunded accrued liability, which is included in the operating expense sections of the budget. Also not included in the above calculations are the GASB 68 actuarial adjustments to pension expenses.

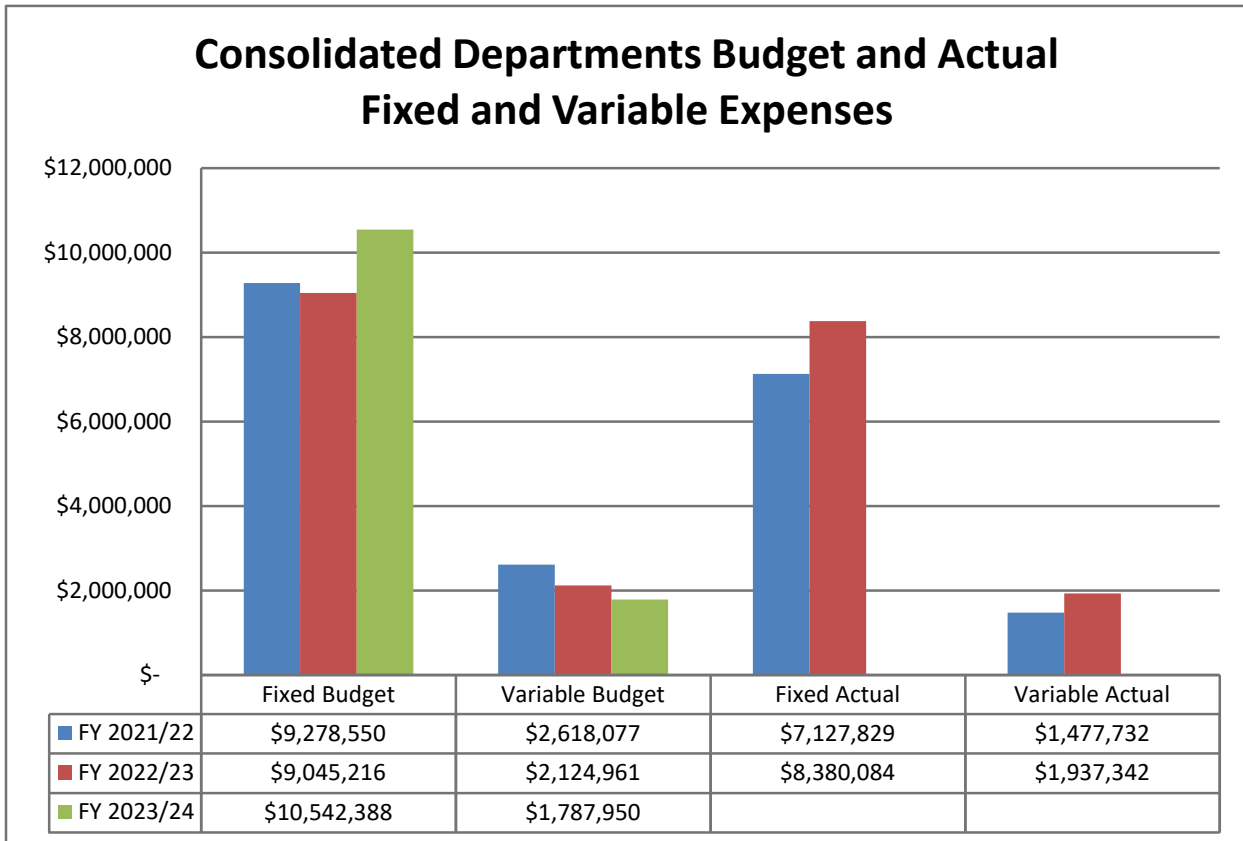
Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Budget

| Item | FY 2023/24 Budget |
|----------------------------|----------------------|
| Personnel | \$ 6,309,955 |
| Office Expenses | 21,800 |
| Supplies and Equipment | 1,622,928 |
| Monitoring Expenses | 130,332 |
| Repairs and Maintenance | 326,140 |
| Professional Services | 2,126,169 |
| General and Administrative | 298,802 |
| Utilities | 640,818 |
| Other Expenses | 828,377 |
| Turnouts | 25,018 |
| TOTAL: | \$ 12,330,338 |



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Budget

| Item | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget |
|----------------------------|----------------------|----------------------|----------------------|--------------------------------|----------------------|
| Personnel | \$ 5,291,985 | \$ 4,416,050 | \$ 5,604,065 | \$ 5,178,747 | \$ 6,309,955 |
| Office Expenses | 21,300 | 18,066 | 21,300 | 16,083 | 21,800 |
| Supplies and Equipment | 1,845,711 | 969,199 | 1,428,139 | 1,474,309 | 1,622,928 |
| Monitoring Expenses | 106,215 | 97,097 | 121,234 | 92,000 | 130,332 |
| Repairs and Maintenance | 297,310 | 289,954 | 303,290 | 250,293 | 326,140 |
| Professional Services | 2,184,285 | 1,294,966 | 1,495,162 | 1,569,893 | 2,126,169 |
| General and Administrative | 312,812 | 174,265 | 292,163 | 216,001 | 298,802 |
| Utilities | 1,145,591 | 884,483 | 1,145,930 | 843,148 | 640,818 |
| Other Expenses | 666,273 | 446,293 | 733,876 | 661,953 | 828,377 |
| Turnouts | 25,144 | 15,188 | 25,018 | 15,000 | 25,018 |
| Total: | \$ 11,896,627 | \$ 8,605,562 | \$ 11,170,177 | \$ 10,317,425 | \$ 12,330,338 |



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|----------------------------------|---------------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>PERSONNEL EXPENSES</u> | | | | | | | | |
| 5000.10 | Full-Time Regular Wages | \$ 3,256,491 | \$ 3,182,136 | \$ 3,424,644 | \$ 3,265,917 | \$ 3,812,967 | \$ 388,323 | 11.34% |
| 1300.60 | Capitalized Wages and Overtime | - | - | - | - | - | - | N/A |
| 5000.20 | Overtime | 152,603 | 197,847 | 160,581 | 201,943 | 177,305 | 16,724 | 10.41% |
| 5000.40 | Standby Pay | 60,787 | 62,111 | 65,614 | 60,995 | 68,981 | 3,367 | 5.13% |
| 5000.50 | Shift Differential Pay | 20,469 | 19,343 | 21,279 | 16,444 | 22,328 | 1,049 | 4.93% |
| 5100.10 | PERS Retirement | 856,497 | 80,110 | 993,055 | 803,061 | 1,011,178 | 18,123 | 1.83% |
| 5100.15 | Medicare Taxes | 52,105 | 51,556 | 54,107 | 47,346 | 59,663 | 5,556 | 10.27% |
| 5100.20 | Health/Dental/Vision Plans | 611,052 | 539,406 | 591,943 | 429,655 | 708,903 | 116,960 | 19.76% |
| 5100.25 | Workers' Compensation | 81,391 | 85,412 | 92,735 | 55,237 | 79,412 | (13,323) | -14.37% |
| 5100.30 | Vehicle Expenses | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | - | 0.00% |
| 5100.35 | Retiree Medical Future Liability Dep. | 152,009 | 151,188 | 149,950 | 160,988 | 208,716 | 58,766 | 39.19% |
| 5100.50 | Long-Term Disability | 16,562 | 15,778 | 17,416 | 12,698 | 19,406 | 1,990 | 11.43% |
| 5100.55 | Life Insurance | 13,310 | 11,822 | 13,696 | 19,982 | 21,368 | 7,672 | 56.02% |
| 5100.60 | Employee Physicals | 900 | 680 | 1,155 | 330 | 3,655 | 2,500 | 216.45% |
| 5000.30 | Temporary Services | - | - | - | - | - | - | N/A |
| 5100.80 | Employee Incentive Programs/457K Plan | 6,560 | 7,943 | 6,640 | 93,502 | 104,821 | 98,181 | 1478.63% |
| 5100.65 | Employee Education Reimbursement | 2,250 | - | 2,250 | - | 2,250 | - | 0.00% |
| 5100.86 | Benefits Overhead E-Projects | - | 1,719 | - | 1,649 | - | - | N/A |
| Total Personnel Expenses: | | 5,291,985 | 4,416,050 | 5,604,065 | 5,178,747 | 6,309,955 | 705,890 | 12.60% |

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--------------------------------------|----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>OFFICE EXPENSES</u> | | | | | | | | |
| 5200.20 | Office Supplies | 10,800 | 8,556 | 10,800 | 7,479 | 10,800 | - | 0.00% |
| 5200.30 | Misc. Office Expenses | 10,500 | 9,510 | 10,500 | 8,604 | 11,000 | 500 | 4.76% |
| Total Office Expenses: | | 21,300 | 18,066 | 21,300 | 16,083 | 21,800 | 500 | 2.35% |
| <u>SUPPLIES AND EQUIPMENT</u> | | | | | | | | |
| 5500.10 | Uniform Expenses | 16,160 | 18,649 | 19,705 | 16,602 | 22,555 | 2,850 | 14.46% |
| 5500.15 | Minor Tools and Equipment | 10,000 | 8,871 | 11,000 | 11,000 | 11,000 | - | 0.00% |
| 5500.20 | Spare Parts | - | - | - | - | - | - | N/A |
| 5500.25 | Landscape Equipment and Supplies | 1,500 | - | 1,500 | 250 | 1,500 | - | 0.00% |
| 5500.30 | Chemicals-Fixed | - | - | - | - | - | - | N/A |
| 5500.31 | Chemicals-Variable | 1,668,861 | 802,454 | 1,196,329 | 1,300,000 | 1,379,033 | 182,704 | 15.27% |
| 5500.35 | Maintenance Supplies/Hardware | 28,000 | 15,917 | 28,000 | 19,616 | 28,000 | - | 0.00% |
| 5500.40 | Safety Supplies | 14,000 | 16,773 | 14,000 | 11,470 | 23,235 | 9,235 | 65.96% |
| 5500.45 | Fuel and Lubricants | 93,690 | 98,837 | 148,105 | 107,371 | 148,105 | - | 0.00% |
| 5500.50 | Seed/Erosion Control Supplies | 13,000 | 7,268 | 9,000 | 7,500 | 9,000 | - | 0.00% |
| 5500.55 | Backflow Prevention Supplies | 500 | 431 | 500 | 500 | 500 | - | 0.00% |
| Total Supplies and Equipment: | | 1,845,711 | 969,199 | 1,428,139 | 1,474,309 | 1,622,928 | 194,789 | 13.64% |
| <u>MONITORING EXPENSES</u> | | | | | | | | |
| 5600.10 | Lab Supplies | 63,500 | 71,599 | 82,731 | 81,500 | 87,679 | 4,948 | 5.98% |
| 5600.20 | Lab Tools and Equipment | 13,650 | 3,183 | 10,080 | - | 14,230 | 4,150 | 41.17% |
| 5600.30 | Lab Testing | 29,065 | 22,314 | 28,423 | 10,500 | 28,423 | - | 0.00% |
| Total Monitoring Expenses: | | 106,215 | 97,097 | 121,234 | 92,000 | 130,332 | 9,098 | 7.50% |

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|---------------------------------------|-----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>REPAIRS AND MAINTENANCE</u> | | | | | | | | |
| 5700.10 | Equipment Repairs and Maintenance | 192,500 | 199,511 | 195,500 | 164,552 | 210,500 | 15,000 | 7.67% |
| 5700.20 | Vehicle Repairs and Maintenance | 21,500 | 34,950 | 28,000 | 19,500 | 28,000 | - | 0.00% |
| 5700.30 | Building Maintenance | 69,550 | 42,919 | 66,030 | 54,315 | 73,880 | 7,850 | 11.89% |
| 5700.40 | Landscape Maintenance | 13,760 | 12,574 | 13,760 | 11,925 | 13,760 | - | 0.00% |
| Total Repairs and Maintenance: | | 297,310 | 289,954 | 303,290 | 250,293 | 326,140 | 22,850 | 7.53% |
| <u>PROFESSIONAL SERVICES</u> | | | | | | | | |
| 5400.10 | Professional Services | 191,665 | 86,667 | 241,385 | 96,004 | 311,700 | 70,315 | 29.13% |
| 5400.20 | Legal Services | 1,810,000 | 1,063,338 | 1,048,772 | 1,275,000 | 1,565,000 | 516,228 | 49.22% |
| 5400.30 | Engineering Services | 30,000 | 11,266 | 30,000 | 37,975 | 72,500 | 42,500 | 141.67% |
| 5400.40 | Permits | 41,900 | 46,231 | 61,870 | 58,400 | 64,610 | 2,740 | 4.43% |
| 5400.50 | Non-Contractual Services | 4,120 | 3,263 | 4,120 | 2,514 | 4,120 | - | 0.00% |
| 5400.60 | Accounting Services | 106,600 | 84,201 | 109,015 | 100,000 | 108,239 | (776) | -0.71% |
| Total Professional Services: | | 2,184,285 | 1,294,966 | 1,495,162 | 1,569,893 | 2,126,169 | 631,007 | 42.20% |

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--|-----------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>GENERAL AND ADMINISTRATIVE</u> | | | | | | | | |
| 5300.10 | Meetings and Travel | 60,500 | 11,073 | 60,001 | 28,058 | 53,000 | (7,001) | -11.67% |
| 5300.20 | Mileage Reimbursement | 1,650 | 201 | 1,650 | 50 | 1,650 | - | 0.00% |
| 5300.30 | Dues and Memberships | 204,819 | 128,673 | 180,569 | 158,140 | 182,709 | 2,140 | 1.19% |
| 5300.40 | Publications | 3,000 | 5,097 | 3,250 | 3,250 | 3,250 | - | 0.00% |
| 5300.50 | Training | 26,444 | 16,019 | 28,294 | 15,997 | 39,794 | 11,500 | 40.65% |
| 5300.60 | Advertising | 5,500 | 99 | 5,500 | 1,500 | 5,500 | - | 0.00% |
| 5300.70 | Printing and Binding | 2,000 | 1,879 | 2,000 | 600 | 2,000 | - | 0.00% |
| 5300.80 | Postage | 8,900 | 11,224 | 10,900 | 8,406 | 10,900 | - | 0.00% |
| Total General and Administrative: | | 312,812 | 174,265 | 292,163 | 216,001 | 298,802 | 6,639 | 2.27% |
| <u>UTILITIES</u> | | | | | | | | |
| 5800.20 | Natural Gas | 8,770 | 15,083 | 10,520 | 10,663 | 10,570 | 50 | 0.48% |
| 5800.30 | Electric-Fixed | 156,721 | 166,760 | 171,857 | 164,328 | 178,665 | 6,808 | 3.96% |
| 5800.35 | Electric-Variable | 949,216 | 675,279 | 928,632 | 637,342 | 408,918 | (519,714) | -55.97% |
| 5800.40 | Water | 4,900 | 4,499 | 5,080 | 4,794 | 5,080 | - | 0.00% |
| 5800.50 | Telephone | 12,780 | 12,748 | 15,590 | 13,579 | 22,070 | 6,480 | 41.57% |
| 5800.60 | Waste Disposal | 13,205 | 10,115 | 14,251 | 12,442 | 15,515 | 1,264 | 8.87% |
| Total Utilities: | | 1,145,591 | 884,483 | 1,145,930 | 843,148 | 640,818 | (505,112) | -44.08% |

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|---------------------------------|---|----------------------|---------------------|----------------------|-----------------------------|----------------------|-------------------------------|----------------------------------|
| <u>OTHER EXPENSES</u> | | | | | | | | |
| 5900.10 | Insurance | 155,560 | 164,901 | 187,117 | 179,517 | 234,579 | 47,462 | 25.36% |
| 5900.30 | Non-Capitalized Projects ⁽¹⁾ | - | | - | - | - | - | N/A |
| 5900.40 | Equipment Rental | 46,680 | 18,374 | 67,260 | 132,364 | 67,660 | 400 | 0.59% |
| 5900.50 | Non-Capitalized Equipment | 22,500 | 9,254 | 22,500 | - | 22,500 | - | 0.00% |
| 5900.60 | Computer Expenses | 260,884 | 238,800 | 297,952 | 258,072 | 297,415 | (537) | -0.18% |
| 5900.70 | Appropriated Contingency | 180,649 | 14,964 | 159,047 | 92,000 | 206,223 | 47,176 | 29.66% |
| Total Other Expenses: | | 666,273 | 446,293 | 733,876 | 661,953 | 828,377 | 94,501 | 12.88% |
| Turnout Expenses | | 25,144 | 15,188 | 25,018 | 15,000 | 25,018 | - | 0.00% |
| TOTAL OPERATING EXPENSES | | \$ 11,896,627 | \$ 8,605,562 | \$ 11,170,177 | \$ 10,317,425 | \$ 12,330,338 | \$ 1,160,161 | 10.39% |

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

Central Coast Water Authority
Operating, Maintenance and Project Expense Allocation by Department
 Fiscal Year 2023/24 Budget

| Project Participant | <u>Administration Department</u> | | | <u>Water Treatment Plant Department Fixed Costs</u> | | | | | | Turnout Costs |
|------------------------|----------------------------------|----------------|-------------------------|---|----------------|---------------------|-------------|-------------------|-----------------------|------------------|
| | Table A | Percentage | Administration Expenses | Table A | Percentage | WTP | WTP Fixed | Exchange | Total Fixed WTP Costs | |
| | | | | | | Fixed | Retreatment | Fixed Adjustments | | |
| Shandon | - | - | \$ - | 100 | 0.23% | \$ 12,359 | - | - | 12,359 | \$ 3,121 |
| Chorro Valley | - | - | - | 2,338 | 5.32% | 288,953 | - | - | 288,953 | 2,900 |
| Lopez | - | - | - | 2,392 | 5.45% | 295,626 | - | - | 295,626 | 2,383 |
| Guadalupe | 550 | 1.41% | 49,611 | 550 | 1.25% | 67,974 | 19,699 | - | 87,674 | 2,269 |
| Santa Maria | 16,200 | 41.46% | 1,461,258 | 16,200 | 36.90% | 2,002,152 | 580,234 | - | 2,582,386 | 2,540 |
| Golden State Water Co. | 500 | 1.28% | 45,101 | 500 | 1.14% | 61,795 | 17,908 | - | 79,703 | 4,218 |
| VSFB | 5,500 | 14.07% | 496,106 | 5,500 | 12.53% | 679,743 | 196,993 | - | 876,736 | 2,000 |
| Buellton | 578 | 1.48% | 52,136 | 578 | 1.32% | 71,435 | 20,702 | - | 92,137 | 2,224 |
| Santa Ynez (Solvang) | 1,500 | 3.84% | 135,302 | 1,500 | 3.42% | 185,384 | 53,725 | - | 239,110 | 1,863 |
| Santa Ynez | 500 | 1.28% | 45,101 | 500 | 1.14% | 61,795 | 104,764 | 299,705 | 466,264 | 1,500 |
| Goleta | 4,500 | 11.52% | 405,905 | 4,500 | 10.25% | 556,153 | (318,352) | (107,894) | 129,908 | - |
| Morehart Land | 200 | 0.51% | 18,040 | 200 | 0.46% | 24,718 | (17,555) | - | 7,163 | - |
| La Cumbre | 1,000 | 2.56% | 90,201 | 1,000 | 2.28% | 123,590 | (87,773) | - | 35,817 | - |
| Raytheon (SBRC) | 50 | 0.13% | 4,510 | 50 | 0.11% | 6,179 | (4,389) | - | 1,791 | - |
| Santa Barbara | 3,000 | 7.68% | 270,603 | 3,000 | 6.83% | 370,769 | (212,234) | (71,929) | 86,605 | - |
| Montecito | 3,000 | 7.68% | 270,603 | 3,000 | 6.83% | 370,769 | (212,234) | (71,929) | 86,605 | - |
| Carpinteria | 2,000 | 5.12% | 180,402 | 2,000 | 4.55% | 247,179 | (141,490) | (47,953) | 57,737 | - |
| TOTAL: | 39,078 | 100.00% | \$ 3,524,880 | 43,908 | 100.00% | \$ 5,426,573 | \$ - | - | \$ 5,426,573 | \$ 25,018 |

| Project Participant | <u>Distribution Department Fixed Costs</u> | | | | | | | | | Total Fixed Distribution Costs | Total Fixed Operating & Project Costs |
|------------------------|--|----------------|----------------|---------------|----------------|------------------|------------------|------------------|----------|--------------------------------|---------------------------------------|
| | Reach 33B | Reach 34 | Reach 35 | Reach 37 | Reach 38 | Mission Hills II | Santa Ynez I | Santa Ynez II | | | |
| Shandon | 1,210 | - | - | - | - | - | - | - | - | 1,210 | 16,690 |
| Chorro Valley | 28,290 | - | - | - | - | - | - | - | - | 28,290 | 320,143 |
| Lopez | 28,944 | 20,114 | - | - | - | - | - | - | - | 49,058 | 347,067 |
| Guadalupe | 6,655 | 4,625 | 2,055 | - | - | - | - | - | - | 13,335 | 152,888 |
| Santa Maria | 196,022 | 136,226 | 60,536 | 30,672 | - | - | - | - | - | 423,456 | 4,469,640 |
| Golden State Water Co. | 6,050 | 4,204 | 1,868 | 947 | - | - | - | - | - | 13,070 | 142,091 |
| VSFB | 66,551 | 46,249 | 20,552 | 10,413 | 27,093 | 123,031 | - | - | - | 293,890 | 1,668,732 |
| Buellton | 6,994 | 4,860 | 2,160 | 1,094 | 2,847 | 12,929 | 37,681 | - | - | 68,566 | 215,063 |
| Santa Ynez (Solvang) | 18,150 | 12,613 | 5,605 | 2,840 | 7,389 | 33,554 | 97,788 | - | - | 177,940 | 554,214 |
| Santa Ynez | 6,050 | 4,204 | 1,868 | 947 | 2,463 | 11,185 | 32,596 | - | - | 59,313 | 572,178 |
| Goleta | 54,451 | 37,840 | 16,816 | 8,520 | 22,167 | 100,662 | 293,363 | 528,105 | - | 1,061,924 | 1,597,737 |
| Morehart Land | 2,420 | 1,682 | 747 | 379 | 985 | 4,474 | 13,038 | 23,471 | - | 47,197 | 72,400 |
| La Cumbre | 12,100 | 8,409 | 3,737 | 1,893 | 4,926 | 22,369 | 65,192 | 117,357 | - | 235,983 | 362,001 |
| Raytheon (SBRC) | 605 | 420 | 187 | 95 | 246 | 1,118 | 3,260 | 5,868 | - | 11,799 | 18,100 |
| Santa Barbara | 36,300 | 25,227 | 11,210 | 5,680 | 14,778 | 67,108 | 195,576 | 352,070 | - | 707,949 | 1,065,158 |
| Montecito | 36,300 | 25,227 | 11,210 | 5,680 | 14,778 | 67,108 | 195,576 | 352,070 | - | 707,949 | 1,065,158 |
| Carpinteria | 24,200 | 16,818 | 7,474 | 3,787 | 9,852 | 44,739 | 130,384 | 234,713 | - | 471,966 | 710,105 |
| TOTAL: | 531,294 | 348,721 | 146,026 | 72,947 | 107,524 | 488,276 | 1,064,453 | 1,613,655 | - | 4,372,895 | \$ 13,349,366 |

Central Coast Water Authority
Operating, Maintenance and Project Expense Allocation by Department
 Fiscal Year 2023/24 Budget

| Project Participant | Distribution Department Variable Costs | Water Treatment Plant Variable Costs | | | | Total Variable Operating Costs | Total Fixed, Variable & Project Costs | Summary of Total Costs | |
|------------------------|--|--------------------------------------|--------------------------|-----------------------------------|--------------------------|--------------------------------|---------------------------------------|---|--------------|
| | Santa Ynez II | WTP Variable | WTP Variable Retreatment | WTP Variable Exchange Adjustments | Total WTP Variable Costs | | | | |
| Shandon | \$ - | \$ - | | | \$ - | \$ - | \$ 16,690 | Fixed O&M Costs | |
| Chorro Valley | - | 240,789 | | | 240,789 | 240,789 | 560,932 | Administration | \$ 3,384,830 |
| Lopez | - | 236,443 | | | 236,443 | 236,443 | 583,510 | Water Treatment Plant | 4,119,968 |
| Guadalupe | - | 11,083 | 2,307 | | 13,390 | 13,390 | 166,279 | Distribution | 3,037,590 |
| Santa Maria | - | 184,721 | 38,449 | | 223,170 | 223,170 | 4,692,810 | Total Fixed O&M Costs | |
| Golden State Water Co. | - | 20,102 | 4,184 | | 24,286 | 24,286 | 166,378 | | |
| VAFB | - | 302,740 | 63,015 | | 365,755 | 365,755 | 2,034,487 | Variable O&M Costs | |
| Buellton | - | 6,846 | 1,425 | | 8,270 | 8,270 | 223,334 | Water Treatment Plant | 1,517,118 |
| Santa Ynez (Solvang) | - | 34,445 | 7,170 | | 41,615 | 41,615 | 595,829 | Distribution | 270,832 |
| Santa Ynez | - | - | 54,847 | 263,499 | 318,346 | 318,346 | 890,524 | Total Variable O&M Costs | |
| Goleta | 197,006 | 252,307 | (124,675) | (94,860) | 32,772 | 229,778 | 1,827,515 | | |
| Morehart Land | 11,421 | 9,127 | (7,228) | - | 1,900 | 13,320 | 85,721 | Capital & Non-Capital Projects | 2,806,978 |
| La Cumbre | 48,810 | 39,009 | (30,889) | - | 8,120 | 56,929 | 418,930 | | |
| S.B. Research | - | - | - | - | - | - | 18,100 | Total O&M and Project Costs: | |
| Santa Barbara | - | 63,240 | - | (63,240) | - | - | 1,065,158 | \$ 15,137,317 | |
| Montecito | - | 63,240 | - | (63,240) | - | - | 1,065,158 | | |
| Carpinteria | 13,596 | 53,026 | (8,604) | (42,160) | 2,262 | 15,858 | 725,963 | | |
| TOTAL: | \$ 270,832 | \$ 1,517,118 | \$ (0) | 0 | 1,517,118 | 1,787,950 | \$ 15,137,317 | | |



Cachuma Lake January 2023

Administration Department

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

Highlights

Department Information

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

Budget Information

- Total FY 2023/24 O&M Budget \$ 3,384,830
- O&M Budget increase over FY 2022/23 \$ 674,892
- Percentage increase over FY 2022/23 24.90%

Significant Accomplishments during 2022/23

- Implementation of the 2022 Supplemental Water Purchase Program to acquire additional water supplies for CCWA Project Participants.
- Execution of the State Water Project Contract Extension Amendment and the Water Management Amendment.

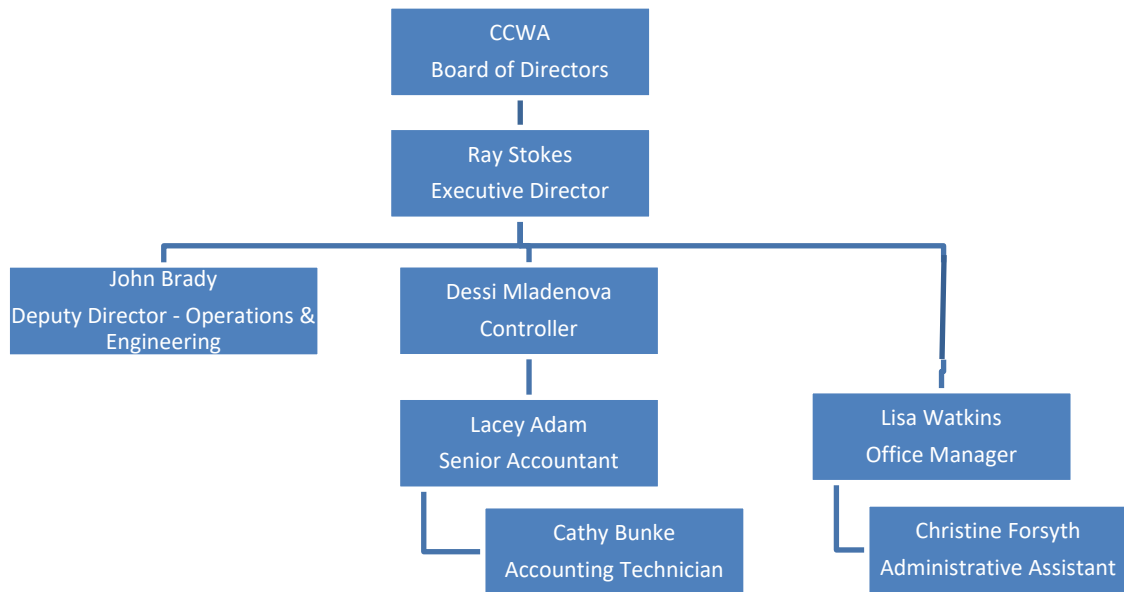
Significant Goals for FY 2023/24

- Negotiate a long-term Warren Act Contract with the US Bureau of Reclamation.
- Begin implementing a succession plan. Recruit an Operations Manager to take responsibility of capital improvement projects, planning and oversight of construction activities and supervision of staff, policy and internal relationships.
- Research and replace the existing accounting software system and the current document managing system.
- Finalize the DWR Cost/Debt reconciliation project and close out prior Statement of Charges protest items.
- Negotiate and execute a short-term exchange program for water banking opportunities.

Central Coast Water Authority
Administration Department
Fiscal Year 2023/24 Budget

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

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



EXECUTIVE DIRECTOR

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

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

Central Coast Water Authority
Administration Department
Fiscal Year 2023/24 Budget

DEPUTY DIRECTOR – Operations and Engineering

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

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

CONTROLLER

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

SENIOR ACCOUNTANT

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

OFFICE MANAGER

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

Central Coast Water Authority
Administration Department
Fiscal Year 2023/24 Budget

ADMINISTRATION DEPARTMENT OPERATING EXPENSE OVERVIEW

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

The Administration Department operating expense budget for FY 2023/24 is increasing by \$674,892 or 24.90% when compared to the FY 2022/23 Budget. The total FY 2023/24 budget is \$3,384,830 compared to the FY 2022/23 budget of \$2,709,938. The following items represent the major changes in the Administration Department budget.

Personnel Expenses Total personnel expenses are increasing by approximately \$140,992 due to the following:

- The FY 2023/24 total salaries and wages budget for the Administration Department increased by just \$70,713 when compared to the prior fiscal year budget.
- CalPERS retirement expenses are increasing by \$10,143 over the prior fiscal year. The CCWA employer paid portion for “Classic” members in FY 23/24 is 31.596% as compared to the prior year amount of 29.121%, for a 2.475% increase. CCWA “Classic” member employees began paying 50% of the increase in the “normal” PERS employer contribution in FY 2017/18. As of FY 2023/24 the Administration Department has 1 CalPERS PEPRA member employee. The PEPRA employer contribution rate in FY 2023/24 decreased from 8.26% in FY 2022/23 to 8.00% in FY 2023/24 for a decrease in employer paid PEPRA contribution rate of 0.26%. Currently, the Administration Department has 1 “Classic” 2nd tier member employee. The 2nd tier member employer contribution rate in FY 2023/24 is 24.596%.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by \$16,839. This is due to; 1) The 2023 CalPERS health insurance plan with the lowest premiums increased by 18.40% over the 2022 premiums, as opposed to the increase of 5% budgeted for the calendar year 2023. 2) The FY 2023/24 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2024. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- Workers’ Compensation costs are decreasing by \$579 due to a 22% decrease in the Experience modification rate for CCWA.
- The FY 2023/24 Budget includes a \$54,762 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees

Central Coast Water Authority
Administration Department
Fiscal Year 2023/24 Budget

who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Professional/Legal Services Professional Services are increasing by \$505,452 due primarily to an increase in legal costs and executive recruiting fees.

General and Administrative General and administrative expenses are increasing by \$500 due to an increase in Dues and Memberships.

Other Expenses Other expenses are increasing in total by \$27,477 due to an increase in appropriated contingency.

Central Coast Water Authority
Personnel Services Summary
Administration Department
Fiscal Year 2023/24 Budget

| PERSONNEL COUNT SUMMARY | | | | | |
|--|---------------------|---------------------|-------------------------|--------------------|--------------------|
| Position Title | Number | Number | Number | Change | Change |
| | Auth. FY 2021/22 | Auth. FY 2022/23 | Requested FY 2023/24 | Over FY 2021/22 | Over FY 2022/23 |
| Executive Director ⁽¹⁾ | 0.50 | 0.50 | 0.50 | - | - |
| Deputy Director of Operations ⁽²⁾ | 0.25 | 0.25 | 0.25 | - | - |
| Operations Manager ⁽³⁾ | - | - | 0.25 | 0.25 | 0.25 |
| Controller | 1.00 | 1.00 | 1.00 | - | - |
| Deputy Controller | 1.00 | - | - | - | - |
| Senior Accountant | - | 1.00 | 1.00 | - | - |
| Office Manager | 1.00 | 1.00 | 1.00 | - | - |
| Accounting Technician | 0.75 | 0.75 | 0.75 | - | - |
| Administrative Assistant | 0.75 | 0.75 | 0.75 | - | - |
| TOTAL: | 5.25 | 5.25 | 5.50 | 0.25 | 0.25 |

| PERSONNEL WAGE SUMMARY | | | | | | |
|--|------------|----------------------------|-------------------|-------------------|------------------------|------------------------|
| Position Title | No. | Position Classification | Minimum | Maximum | FY 2022/23 | Allocation |
| | of Emp. | | Monthly Salary | Monthly Salary | Total Annual Salary | to Admin Department |
| Executive Director ⁽¹⁾ | 1 | N/A | N/A | N/A | \$ 298,850 | \$ 149,425 |
| Deputy Director of Operations ⁽²⁾ | 1 | N/A | N/A | N/A | \$ 209,053 | \$ 52,263 |
| Operations Manager ⁽³⁾ | 1 | 46 | \$ 12,387 | \$ 15,112 | \$ 141,665 | \$ 35,416 |
| Controller | 1 | 43 | \$ 11,614 | \$ 14,169 | \$ 138,656 | \$ 138,656 |
| Deputy Controller | 0 | 33 | - | - | - | - |
| Senior Accountant | 1 | 25 | \$ 7,892 | \$ 9,628 | \$ 94,495 | \$ 94,495 |
| Office Manager | 1 | 31 | \$ 8,977 | \$ 10,951 | \$ 114,977 | \$ 114,977 |
| Accounting Technician | 1 | 12 | \$ 5,970 | \$ 7,283 | \$ 53,864 | \$ 53,864 |
| Administrative Assistant | 1 | 11 | \$ 5,843 | \$ 7,129 | \$ 53,199 | \$ 53,199 |
| FY 2023/24 Salary Pool | | | | | | \$ 34,103 |
| TOTAL: | 8 | | | | | \$ 726,399 |

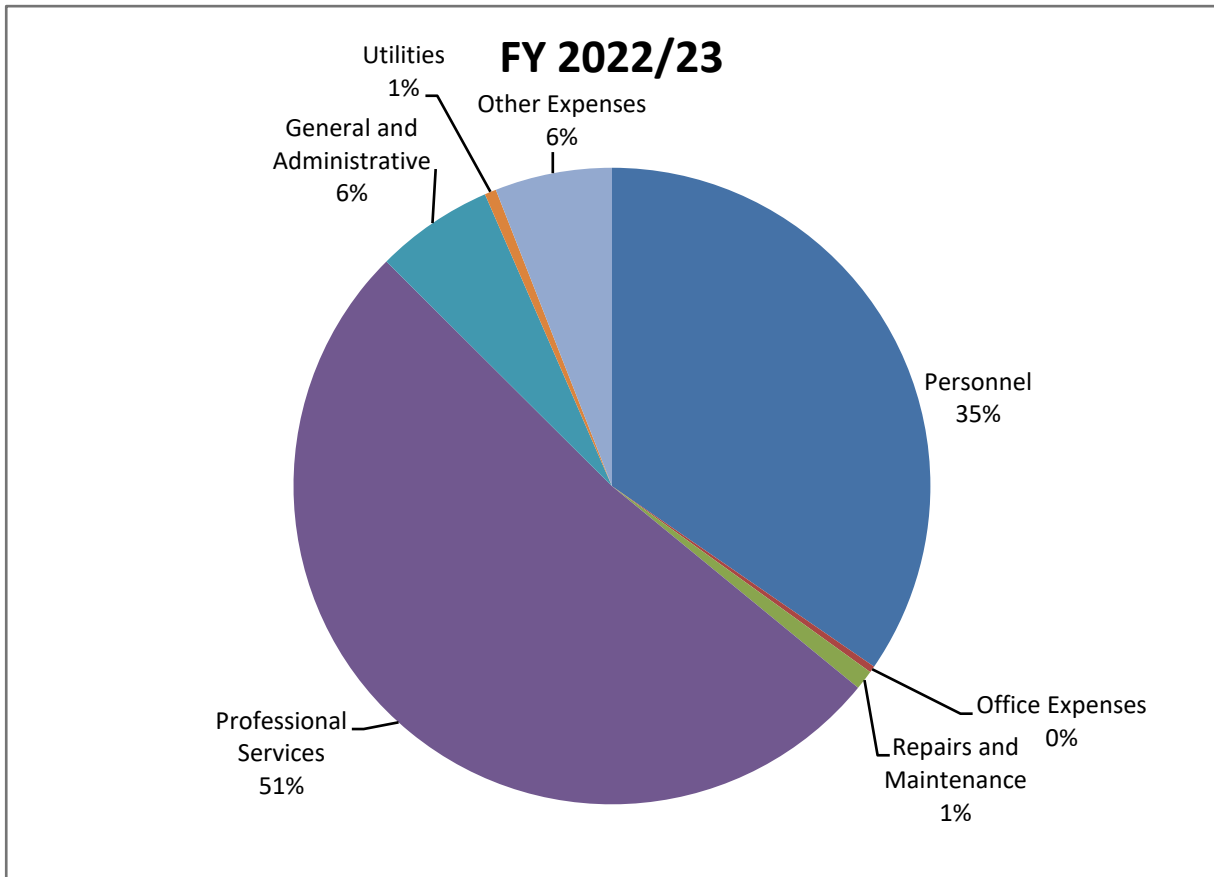
(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).

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

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

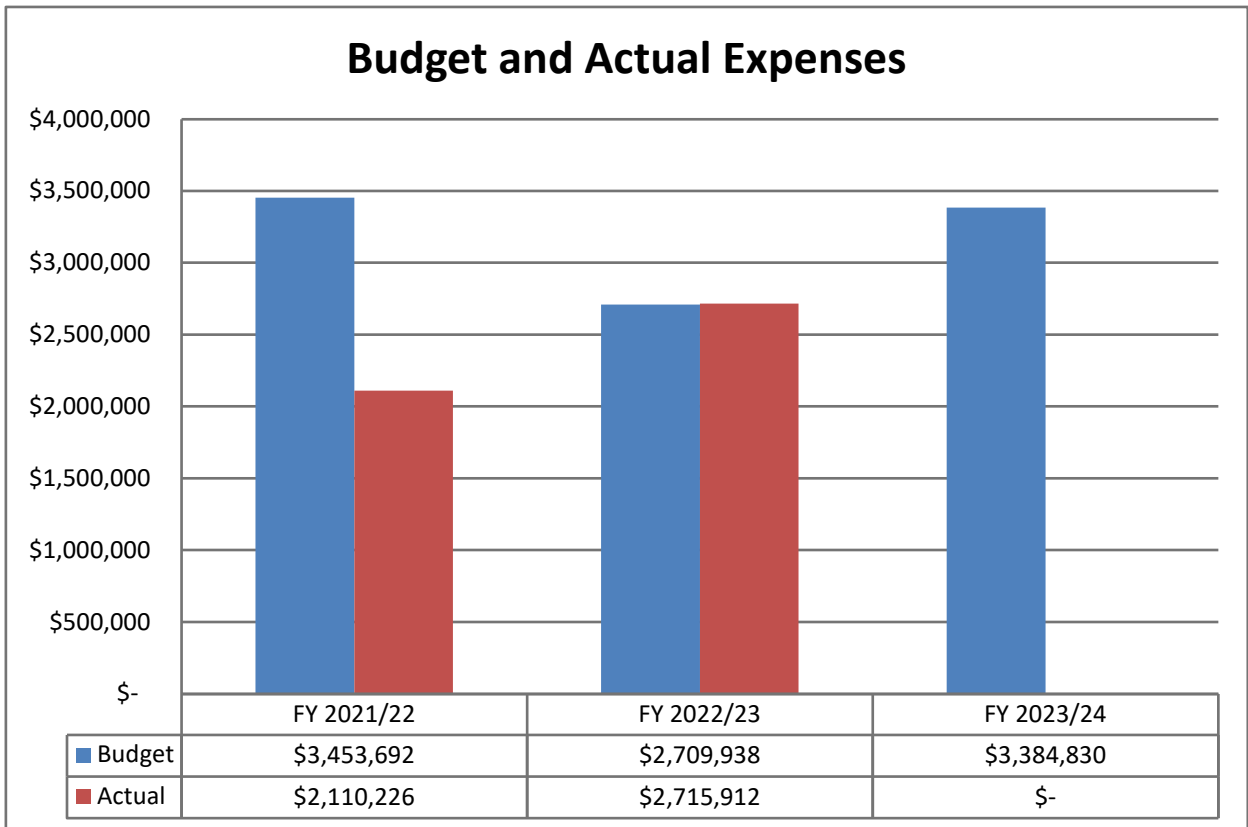
Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2023/24 Budget

| Item | FY 2023/24 Budget |
|----------------------------|----------------------------|
| Personnel | \$ 1,170,990 |
| Office Expenses | 11,300 |
| Repairs and Maintenance | 33,780 |
| Professional Services | 1,744,542 |
| General and Administrative | 203,062 |
| Utilities | 20,004 |
| Other Expenses | 201,151 |
| TOTAL: | <u>\$ 3,384,830</u> |



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2023/24 Budget

| Item | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget |
|----------------------------|----------------------|----------------------|----------------------|--------------------------------|----------------------|
| Personnel | \$ 985,145 | \$ 878,719 | \$ 1,030,498 | \$ 1,002,140 | \$ 1,170,990 |
| Office Expenses | 10,800 | 10,801 | 10,800 | 8,754 | 11,300 |
| Supplies and Equipment | - | - | - | - | - |
| Repairs and Maintenance | 33,510 | 27,040 | 33,580 | 28,425 | 33,780 |
| Professional Services | 1,997,113 | 921,224 | 1,239,090 | 1,357,710 | 1,744,542 |
| General and Administration | 202,562 | 135,311 | 202,562 | 165,383 | 203,062 |
| Utilities | 19,434 | 14,065 | 19,734 | 16,250 | 20,004 |
| Other Expenses | 205,127 | 123,066 | 173,674 | 137,250 | 201,151 |
| TOTAL: | \$ 3,453,692 | \$ 2,110,226 | \$ 2,709,938 | \$ 2,715,912 | \$ 3,384,830 |



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|----------------------------------|---------------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>PERSONNEL EXPENSES</u> | | | | | | | | |
| 5000.10 | Full-Time Regular Wages | \$ 626,463 | \$ 581,215 | \$ 655,686 | \$ 650,239 | \$ 726,399 | \$ 70,713 | 10.78% |
| 1300.60 | Capitalized Wages and Overtime | - | - | - | - | - | - | N/A |
| 5000.20 | Overtime | 5,000 | 5,287 | 5,000 | 166 | 5,000 | - | 0.00% |
| 5000.40 | Standby Pay | - | - | - | - | - | - | N/A |
| 5000.50 | Shift Differential Pay | - | - | - | - | - | - | N/A |
| 5100.10 | PERS Retirement | 185,987 | 135,146 | 199,407 | 169,338 | 209,550 | 10,143 | 5.09% |
| 5100.15 | Medicare Taxes | 9,396 | 11,330 | 9,784 | 17,358 | 10,749 | 965 | 9.86% |
| 5100.20 | Health/Dental/Vision Plans | 104,867 | 77,333 | 101,627 | 79,812 | 118,466 | 16,839 | 16.57% |
| 5100.25 | Workers' Compensation | 3,753 | 4,308 | 4,713 | 3,188 | 4,134 | (579) | -12.28% |
| 5100.30 | Vehicle Expenses | 9,000 | 9,000 | 9,000 | 9,000 | 9,000 | - | 0.00% |
| 5100.35 | Retiree Medical Future Liability Dep. | 33,522 | 41,201 | 37,905 | 43,484 | 54,762 | 16,857 | 44.47% |
| 5100.50 | Long-Term Disability | 3,258 | 2,992 | 3,410 | 2,717 | 3,777 | 367 | 10.77% |
| 5100.55 | Life Insurance | 2,369 | 1,950 | 2,436 | 3,985 | 3,622 | 1,186 | 48.69% |
| 5100.60 | Employee Physicals | - | - | - | - | - | - | N/A |
| 5100.80 | Employee Incentive/457K Plan | 1,280 | 7,943 | 1,280 | 22,854 | 25,280 | 24,000 | 1875.00% |
| 5100.65 | Employee Education Reimbursement | 250 | - | 250 | - | 250 | - | 0.00% |
| 5100.86 | Benefits Overhead E-Projects | - | 1,014 | - | - | - | - | N/A |
| Total Personnel Expenses: | | 985,145 | 878,719 | 1,030,498 | 1,002,140 | 1,170,990 | 140,492 | 13.63% |

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--------------------------------------|----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>OFFICE EXPENSES</u> | | | | | | | | |
| 5200.20 | Office Supplies | 6,300 | 5,901 | 6,300 | 4,254 | 6,300 | - | 0.00% |
| 5200.30 | Miscellaneous Office Expenses | 4,500 | 4,900 | 4,500 | 4,500 | 5,000 | 500 | 11.11% |
| Total Office Expenses: | | 10,800 | 10,801 | 10,800 | 8,754 | 11,300 | 500 | 4.63% |
| <u>SUPPLIES AND EQUIPMENT</u> | | | | | | | | |
| 5500.10 | Uniform Expenses | - | - | - | - | - | - | N/A |
| 5500.15 | Minor Tools and Equipment | - | - | - | - | - | - | N/A |
| 5500.20 | Spare Parts | - | - | - | - | - | - | N/A |
| 5500.25 | Landscape Equipment and Supplies | - | - | - | - | - | - | N/A |
| 5500.30 | Chemicals-Fixed | - | - | - | - | - | - | N/A |
| 5500.31 | Chemicals-Variable | - | - | - | - | - | - | N/A |
| 5500.35 | Maintenance Supplies/Hardware | - | - | - | - | - | - | N/A |
| 5500.40 | Safety Supplies | - | - | - | - | - | - | N/A |
| 5500.45 | Fuel and Lubricants | - | - | - | - | - | - | N/A |
| 5500.50 | Seed/Erosion Control Supplies | - | - | - | - | - | - | N/A |
| 5500.55 | Backflow Prevention Supplies | - | - | - | - | - | - | N/A |
| Total Supplies and Equipment: | | - | - | - | - | - | - | N/A |
| <u>MONITORING EXPENSES</u> | | | | | | | | |
| 5600.10 | Lab Supplies | - | - | - | - | - | - | N/A |
| 5600.20 | Lab Tools and Equipment | - | - | - | - | - | - | N/A |
| 5600.30 | Lab Testing | - | - | - | - | - | - | N/A |
| Total Monitoring Expenses: | | - | - | - | - | - | - | - |

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--|-----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>REPAIRS AND MAINTENANCE</u> | | | | | | | | |
| 5700.10 | Equipment Repairs and Maintenance | 5,500 | 4,475 | 5,500 | 2,400 | 5,500 | - | 0.00% |
| 5700.20 | Vehicle Repairs and Maintenance | - | - | - | - | - | - | N/A |
| 5700.30 | Building Maintenance | 23,750 | 16,638 | 23,820 | 22,000 | 24,020 | 200 | 0.84% |
| 5700.40 | Landscape Maintenance | 4,260 | 3,819 | 4,260 | 4,025 | 4,260 | - | 0.00% |
| Total Repairs and Maintenance: | | 33,510 | 27,040 | 33,580 | 28,425 | 33,780 | 200 | 0.60% |
| updated | | | | | | | | |
| <u>PROFESSIONAL SERVICES</u> | | | | | | | | |
| 5400.10 | Professional Services | 76,393 | 52,428 | 77,183 | 20,196 | 117,183 | 40,000 | 51.82% |
| 5400.20 | Legal Services | 1,810,000 | 926,228 | 1,048,772 | 1,235,000 | 1,515,000 | 466,228 | 44.45% |
| 5400.30 | Engineering Services | - | - | - | - | - | - | N/A |
| 5400.40 | Permits | - | - | - | - | - | - | N/A |
| 5400.50 | Non-Contractual Services | 4,120 | 2,511 | 4,120 | 2,514 | 4,120 | - | 0.00% |
| 5400.60 | Accounting Services | 106,600 | 84,201 | 109,015 | 100,000 | 108,239 | (776) | -0.71% |
| Total Professional Services: | | 1,997,113 | 921,224 | 1,239,090 | 1,357,710 | 1,744,542 | 505,452 | 40.79% |
| <u>GENERAL AND ADMINISTRATIVE</u> | | | | | | | | |
| 5300.10 | Meeting and Travel | 21,500 | 84 | 21,500 | 13,238 | 20,000 | (1,500) | -6.98% |
| 5300.20 | Mileage Reimbursement | 1,000 | - | 1,000 | 50 | 1,000 | - | 0.00% |
| 5300.30 | Dues and Memberships | 167,469 | 115,625 | 167,469 | 145,000 | 169,469 | 2,000 | 1.19% |
| 5300.40 | Publications | 1,250 | 1,145 | 1,250 | 1,250 | 1,250 | - | 0.00% |
| 5300.50 | Training | 3,544 | 1,694 | 3,544 | 2,245 | 3,544 | - | 0.00% |
| 5300.60 | Advertising | 2,500 | 99 | 2,500 | | 2,500 | - | 0.00% |
| 5300.70 | Printing and Binding | 2,000 | 1,553 | 2,000 | 600 | 2,000 | - | 0.00% |
| 5300.80 | Postage | 3,300 | 2,511 | 3,300 | 3,000 | 3,300 | - | 0.00% |
| Total General and Administrative: | | 202,562 | 135,311 | 202,562 | 165,383 | 203,062 | 500 | 0.25% |

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|---------------------------------|---|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>UTILITIES</u> | | | | | | | | |
| 5800.20 | Natural Gas | 450 | 561 | 450 | 450 | 500 | 50 | 11.11% |
| 5800.30 | Electric-Fixed | 8,944 | 4,662 | 8,944 | 6,000 | 8,944 | - | 0.00% |
| 5800.35 | Electric-Variable | - | - | - | - | - | - | N/A |
| 5800.40 | Water | 2,400 | 2,326 | 2,580 | 2,500 | 2,580 | - | 0.00% |
| 5800.50 | Telephone | 3,780 | 2,880 | 3,780 | 3,200 | 3,780 | - | 0.00% |
| 5800.60 | Waste Disposal | 3,860 | 3,636 | 3,980 | 4,100 | 4,200 | 220 | 5.53% |
| Total Utilities: | | 19,434 | 14,065 | 19,734 | 16,250 | 20,004 | 270 | 1.37% |
| <u>OTHER EXPENSES</u> | | | | | | | | |
| 5900.10 | Insurance | 23,098 | 20,067 | 22,328 | 26,833 | 23,018 | 690 | 3.09% |
| 5900.30 | Non-Capitalized Projects ⁽¹⁾ | - | - | - | - | - | - | N/A |
| 5900.40 | Equipment Rental | 5,340 | 5,410 | 5,360 | 4,600 | 5,360 | - | 0.00% |
| 5900.50 | Non-Capitalized Equipment | 2,500 | 741 | 2,500 | - | 2,500 | - | 0.00% |
| 5900.60 | Computer Expenses | 106,470 | 89,366 | 107,679 | 105,817 | 103,904 | (3,775) | -3.51% |
| 5900.70 | Appropriated Contingency | 67,719 | 7,482 | 35,807 | - | 66,369 | 30,562 | 85.35% |
| Total Other Expenses: | | 205,127 | 123,066 | 173,674 | 137,250 | 201,151 | 27,477 | 15.82% |
| TOTAL OPERATING EXPENSES | | \$ 3,453,692 | \$ 2,174,944 | \$ 2,709,938 | \$ 2,715,912 | \$ 3,384,830 | \$ 674,892 | 24.90% |

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

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

Description: Funds for the Administration Department regular employees. Includes \$34,103 for the FY 2022/23 salary pool.

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 726,399 |
| FY 22/23 Estimated Actual | 650,239 |
| Increase (Decrease) | 76,161 |

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

Description: Overtime expenses for non-exempt Administration employees.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,000 |
| FY 22/23 Estimated Actual | 166 |
| Increase (Decrease) | 4,834 |

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

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 31.9861% contribution rate for FY 2022/23, which includes the required Unfunded Accrued Liability (UAL) payment.

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 209,550 |
| FY 22/23 Estimated Actual | 169,338 |
| Increase (Decrease) | 40,212 |

| | | |
|-------------------------|------------|---------|
| Required Contributions | \$ 107,556 | 18.336% |
| UAL current fiscal year | 78,747 | 13.650% |
| UAL additional payment | 23,246 | fixed |
| TOTAL | \$ 209,550 | |

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

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

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 10,749 |
| FY 22/23 Estimated Actual | 17,358 |
| Increase (Decrease) | (6,609) |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

Description: Funds for employer paid portion of health insurance for Administration employees. Based on employee 2023 Caf  Plan elections and dependent status. Includes an estimated 5% increase in 2024 plan rates.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 92,875 |
| FY 22/23 Estimated Actual | 50,733 |
| Increase (Decrease) | 42,142 |

| | 2023 Allowance | | 2024 Allowance Est |
|---------------|----------------|----|--------------------|
| Family | \$ 21,713 | \$ | 22,799 |
| Emp + 1 | 16,702 | | 17,537 |
| Employee only | 8,351 | | 8,769 |

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

Description: Funds for Workers' Compensation insurance for the Administration Department. Based on an X-Mod rate of 80% and economy of size rate of 90%. Based on a 3% premium increase over FY 2022/23

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 4,134 |
| FY 22/23 Estimated Actual | 3,188 |
| Increase (Decrease) | 946 |

ACCOUNT NUMBER: 5100.30 **ACCOUNT TITLE:** Vehicle Expenses

Description: Auto allowance for the Executive Director in the amount of \$750 each per month.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 9,000 |
| FY 22/23 Estimated Actual | 9,000 |
| Increase (Decrease) | 0 |

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

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 54,762 |
| FY 22/23 Estimated Actual | 43,484 |
| Increase (Decrease) | 11,278 |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

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

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 9,919 |
| FY 22/23 Estimated Actual | 17,251 |
| Increase (Decrease) | (7,332) |

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

Description: Funds for the self-funded dental/vision plan. The plan provides \$4,179 per year per family for dental and vision expenses. Budgeted amount is \$3,135 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 15,672 |
| FY 22/23 Estimated Actual | 11,828 |
| Increase (Decrease) | 3,844 |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,777 |
| FY 22/23 Estimated Actual | 2,717 |
| Increase (Decrease) | 1,060 |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,622 |
| FY 22/23 Estimated Actual | 3,985 |
| Increase (Decrease) | (363) |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

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

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 250 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 250 |

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

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 25,280 |
| FY 22/23 Estimated Actual | 22,854 |
| Increase (Decrease) | 2,426 |

| | | |
|---------------|----|--------|
| EAAP | \$ | 1,280 |
| 457 K Plan | | 24,000 |
| TOTAL: | \$ | 25,280 |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 6,300 |
| FY 22/23 Estimated Actual | 4,254 |
| Increase (Decrease) | 2,046 |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,000 |
| FY 22/23 Estimated Actual | 4,500 |
| Increase (Decrease) | 500 |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 20,000 |
| FY 22/23 Estimated Actual | 13,238 |
| Increase (Decrease) | 6,762 |

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

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,000 |
| FY 22/23 Estimated Actual | 50 |
| Increase (Decrease) | 950 |

| | | |
|--|--|--|
| | | |
| | | |
| | | |
| | | |

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

Description: Funds for professional dues.

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 169,469 |
| FY 22/23 Estimated Actual | 145,000 |
| Increase (Decrease) | 24,469 |

| | | |
|----|---------|--|
| \$ | 128,282 | SWC Dues |
| | 23,304 | ACWA |
| | 7,000 | SWPCA MWQI charges |
| | 2,250 | Support various water education programs |
| | 3,500 | Employee Professional Dues and Misc. |
| | 1,500 | California Special District Association |
| | 3,633 | NEOGov |
| \$ | 169,469 | TOTAL |

ACCOUNT NUMBER: 5300.40 **ACCOUNT TITLE:** Publications

Description: Funds for publications received by CCWA

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,250 |
| FY 22/23 Estimated Actual | 1,250 |
| Increase (Decrease) | - |

| | | |
|----|-------|------------------------------------|
| \$ | 500 | Personnel related subscriptions |
| | 500 | Employee professional publications |
| | 250 | Other Publications - General |
| \$ | 1,250 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5300.50 **ACCOUNT TITLE:** Training

Description: Funds for training of CCWA personnel.
Does not include educational reimbursement expenses.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,544 |
| FY 22/23 Estimated Actual | 2,245 |
| Increase (Decrease) | 1,299 |

ACCOUNT NUMBER: 5300.60 **ACCOUNT TITLE:** Advertising

Description: Funds for public relations expenses for
CCWA including advertising for open positions.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 2,500 |
| FY 22/23 Estimated Actual | 500 |
| Increase (Decrease) | 2,000 |

ACCOUNT NUMBER: 5300.70 **ACCOUNT TITLE:** Printing and Binding

Description: Funds for the printing and binding of CCWA
documents including the Board packets, the annual budget, and the
Annual Comprehensive Financial Report (ACFR).

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 2,000 |
| FY 22/23 Estimated Actual | 600 |
| Increase (Decrease) | 1,400 |

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

Description: Funds for all postal and mail expenses.

| | | |
|----|-------|---|
| \$ | 3,000 | <u>Postage meter expenses (\$250 per month)</u> |
| | 300 | <u>Overnight and shipping svcs (\$25 per month)</u> |
| \$ | 3,300 | TOTAL |

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,300 |
| FY 22/23 Estimated Actual | 3,000 |
| Increase (Decrease) | 300 |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

Description: Funds for miscellaneous consultants and other services.

| | | | | |
|----------------------------------|---------|----|---------|---|
| FY 23/24 Requested Budget | 117,183 | \$ | 4,580 | BAO office alarm system, DMV monitoring fee |
| FY 22/23 Estimated Actual | 20,196 | | 50,000 | SB County staff costs for CCWA related work |
| Increase (Decrease) | 96,987 | | 2,603 | Personnel Team Building |
| | | | 20,000 | PR Consultant |
| | | | 40,000 | Executive recruiting |
| | | \$ | 117,183 | TOTAL |

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

Description: Funds for CCWA legal services.

| | | | | |
|----------------------------------|-----------|----|-----------|---|
| FY 23/24 Requested Budget | 1,515,000 | \$ | 1,500,000 | Brownstein Hyatt Farber General Counsel |
| FY 22/23 Estimated Actual | 1,235,000 | | 15,000 | Stradling Yocca Carlsen Personnel Counsel |
| Increase (Decrease) | 280,000 | \$ | 1,515,000 | TOTAL |

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

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

| | | | | |
|----------------------------------|-------|----|-------|---|
| FY 23/24 Requested Budget | 4,120 | \$ | 1,620 | IRC 125 Plan administration fees (\$135 per mo) |
| FY 22/23 Estimated Actual | 2,514 | | 1,500 | Employee Assistance Program |
| Increase (Decrease) | 1,606 | | 1,000 | Other miscellaneous |
| | | \$ | 4,120 | TOTAL |

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

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

| | | | | |
|----------------------------------|---------|----|---------|---|
| FY 23/24 Requested Budget | 108,239 | \$ | 26,495 | Glenn Burdette - Annual Audit |
| FY 22/23 Estimated Actual | 100,000 | | 16,257 | Ernst & Young - SWC SOC Audit |
| Increase (Decrease) | 8,239 | | 61,387 | Ernst & Young - CCWA SOC Audit |
| | | | 4,100 | Bartel Assoc - Pension/OPEB Actuarial Reports |
| | | \$ | 108,239 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,500 |
| FY 22/23 Estimated Actual | 2,400 |
| Increase (Decrease) | 3,100 |

| | | |
|----|-------|-------------------------------|
| \$ | 4,500 | Copier maintenance agreement |
| | 1,000 | Other misc. equipment repairs |
| \$ | 5,500 | TOTAL |

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

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 24,020 |
| FY 22/23 Estimated Actual | 22,000 |
| Increase (Decrease) | 2,020 |

| | | |
|----|--------|----------------------------------|
| \$ | 1,520 | Monthly Pest Control |
| | 15,000 | Janitorial services and supplies |
| | 6,000 | Building repairs, maintenance |
| | 1,500 | HVAC quarterly maintenance |
| \$ | 24,020 | TOTAL |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 4,260 |
| FY 22/23 Estimated Actual | 4,025 |
| Increase (Decrease) | 235 |

| | | |
|----|-------|------------------------------------|
| \$ | 2,640 | Gardener (\$220 per month) |
| | 1,320 | Irrigation Water (\$110 per month) |
| | 300 | Miscellaneous |
| \$ | 4,260 | TOTAL |

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

Description: Funds for natural gas service to the Administration building (\$37.50 per month).

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 500 |
| FY 22/23 Estimated Actual | 450 |
| Increase (Decrease) | 50 |

| | | |
|--|--|--|
| | | |
| | | |
| | | |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

Description: Funds for electrical service to the Administration building (\$690 per month).

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 8,944 |
| FY 22/23 Estimated Actual | 6,000 |
| Increase (Decrease) | 2,944 |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 2,580 |
| FY 22/23 Estimated Actual | 2,500 |
| Increase (Decrease) | 80 |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,780 |
| FY 22/23 Estimated Actual | 3,200 |
| Increase (Decrease) | 580 |

| | | |
|----|-------|--|
| \$ | 180 | Long distance and 800# (\$15 per month) |
| | 600 | Cell phones and airtime (\$50 per month) |
| | 900 | Conference calls (\$75 per month) |
| | 2,100 | Local Long Distance (\$175 per month) |
| \$ | 3,780 | TOTAL |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 4,200 |
| FY 22/23 Estimated Actual | 4,100 |
| Increase (Decrease) | 100 |

| | | |
|----|-------|--|
| \$ | 3,900 | Waste Disposal service (\$325 per month) |
| | 320 | Hazardous Waste Disposal |
| \$ | 4,220 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

Description: Funds for insurance related expenses.

| | | | | |
|----------------------------------|---------|----|--------|--|
| FY 23/24 Requested Budget | 23,018 | \$ | 3,010 | Property and auto insurance based on |
| FY 22/23 Estimated Actual | 26,833 | | | allocation provided by JPIA |
| Increase (Decrease) | (3,815) | \$ | 15,808 | General Liability and E&O apportioned by |
| | | | | payroll percentages |
| | | \$ | 4,200 | Employee fidelity bond \$5 million limit |
| | | \$ | 23,018 | TOTAL |

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

Description: Funds for rental of equipment.

| | | | | |
|----------------------------------|-------|----|-------|---------------------------------|
| FY 23/24 Requested Budget | 5,360 | \$ | 1,800 | Postage meter (\$150 per month) |
| FY 22/23 Estimated Actual | 4,600 | | 3,060 | Copier lease (\$255 per month) |
| Increase (Decrease) | 760 | | 500 | Other |
| | | \$ | 5,360 | TOTAL |

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

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 2,500 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 2,500 |

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2023/24 BUDGET**

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

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

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 103,904 |
| FY 22/23 Estimated Actual | 105,817 |
| Increase (Decrease) | (1,913) |

| | | | |
|--|----|---------|--|
| | \$ | 96,029 | <u>CompuVision, Annual Service Agreements and Software Subscriptions</u> |
| | \$ | 7,875 | <u>Software and other computer services</u> |
| | \$ | 103,904 | <u>TOTAL</u> |

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

Description: 2.0% of operating expenses

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 66,369 |
| FY 22/23 Estimated Actual | 66,369 |
| Increase (Decrease) | 66,369 |

| |
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| |



Water Treatment Plant March 2023

Water Treatment Plant Department

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

Highlights

Department Information

- Number of employees 16.15
- Polonio Pass Water Treatment Plant capacity 50 million gallons per day
- FY 2023/24 requested water deliveries 13,962 acre-feet

Budget Information

- Total FY 2023/24 O&M Budget \$ 5,637,086
- O&M Budget increase over FY 2022/23 \$ 685,189
 - Fixed cost increase over FY 2022/23 \$ 444,859
 - Variable cost increase over FY 2022/23 \$ 240,330
- Percentage increase 13.84%
- Fixed O&M Expenses \$ 4,119,968
- Variable O&M Expenses \$ 1,517,118
- FY 2023/24 budgeted chemical cost \$ 87.38 per acre-foot
- Regional Water Treatment Plant Cost Per AF:
 - Fixed \$ 35.82
 - Variable \$ 22.62
- Exchange Agreement Modifications Per AF:
 - Fixed \$ 123.59
 - Variable \$ 108.66

Significant Accomplishments during FY 2022/23

- Successfully operated the water treatment plant at historic low level production rates, providing the pipeline a flow rate as low as 2 MGD.
- Successfully completed the Process Logic Controller Equipment Upgrade Project and related programming at the Water Treatment Plant.
- Successfully completed many required updates to the Process Safety Management Plan and Risk Management Plan, including the Triennial Audit, Process Hazards Analysis and Offsite Consequence Analysis.

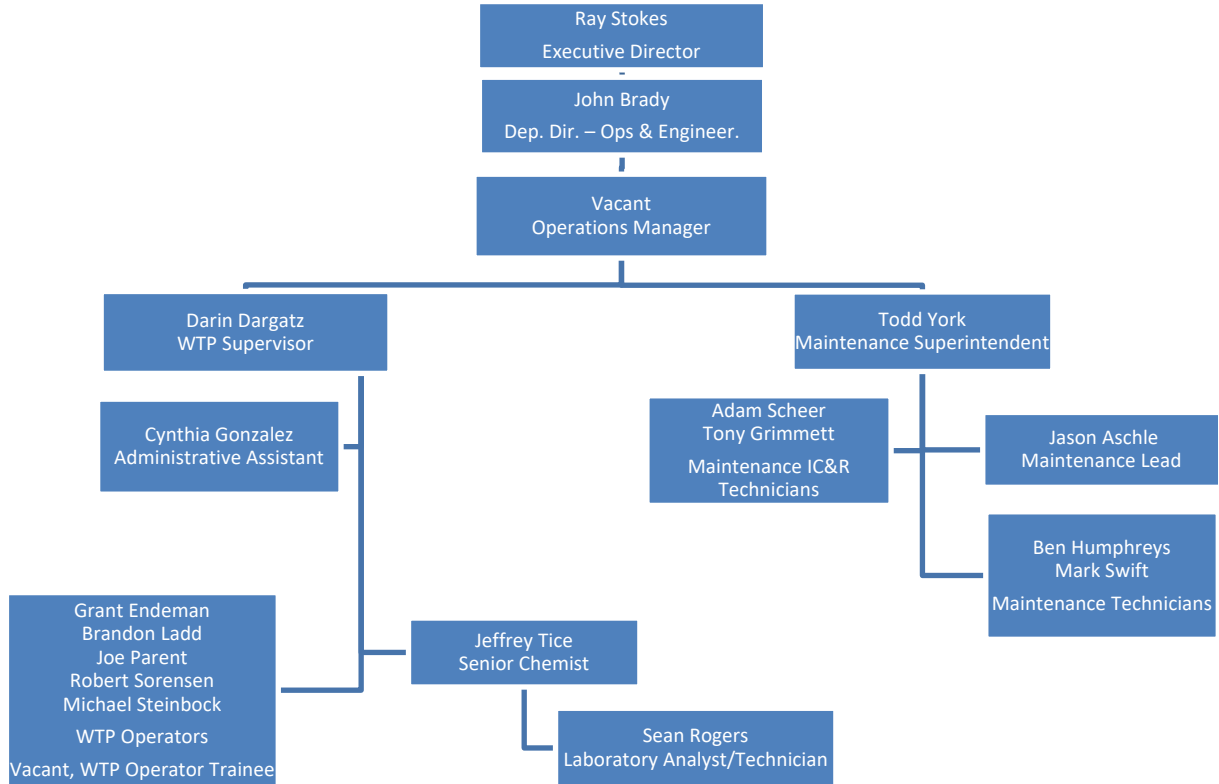
Significant Goals for FY 2023/24

- Implement an apprenticeship program with the new WTP trainee position
- Optimize nitrification control through the completion and utilization of the new pipeline chloramination station.
- Develop in house capability for taste and odor analysis.
- Develop a long-term pipe cleaning program.

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2023/24 Budget

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

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



The five (5) Plant Operators and one (1) Plant Operator Trainee operate the treatment plant and monitor the distribution pipeline on a full-time 24 hour per day basis. They place raw water orders to DWR based on system demand, treat the water according to current plant operating parameters, perform water quality analyses, monitor the plant and pipeline Supervisory Control and Data Acquisition (SCADA) system, and assist the maintenance and laboratory sections as required.

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

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

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2023/24 Budget

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

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

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

WATER TREATMENT PLANT DEPARTMENT OPERATING EXPENSE OVERVIEW

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

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

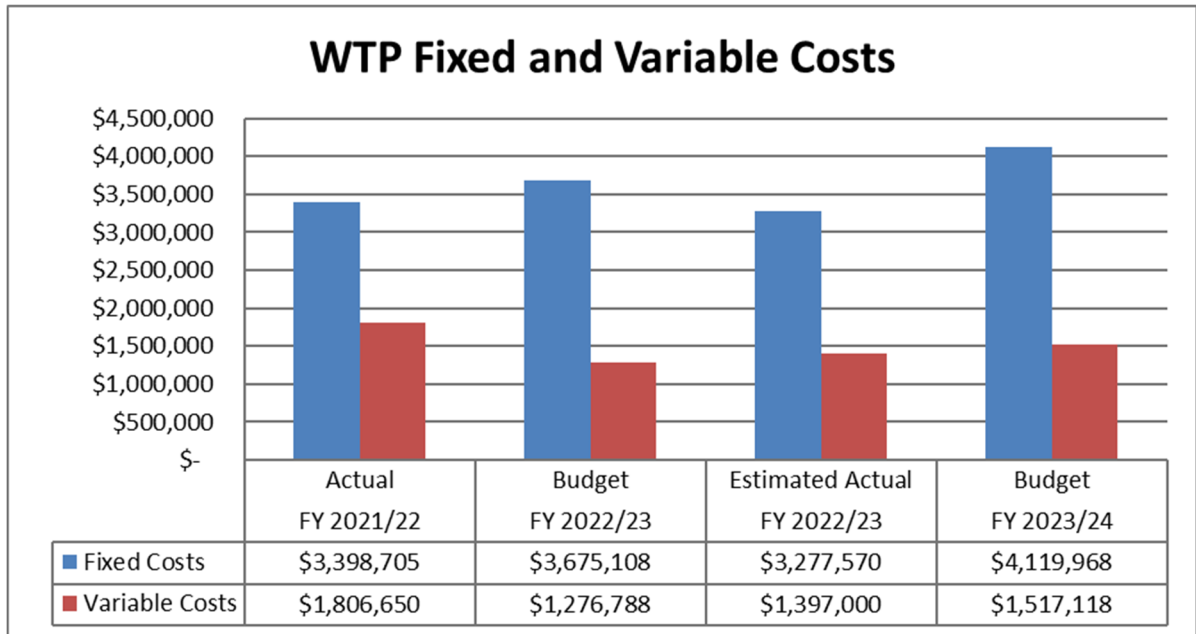
For FY 2023/24, the Water Treatment Plant fixed O&M costs total \$4,119,968 or \$444,860 more than the FY 2022/23 budget.

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

Central Coast Water Authority
Water Treatment Plant Department
 Fiscal Year 2023/24 Budget

For FY 2023/24, the Water Treatment Plant variable O&M costs total \$1,517,118 which is an increase of \$240,330 from the FY 2022/23 budget. The FY 2023/24 variable O&M budget is comprised of \$1,379,033 for chemical expenses and \$138,086 for electrical costs based on treatment and delivery of 13,962 acre-feet of water for the year.

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



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

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

Fiscal Year 2023/24 Operating Expense Budget

The FY 2023/24 Water Treatment Plant operating expense budget is \$5,637,086 which is \$685,190 more than the previous year's budget of \$4,951,897, a 13.84% increase.

The personnel expense section of the Water Treatment Plant budget represents approximately 54% of the budget. Supplies and equipment comprise 26% with other expenses making up the balance of the budget. The variable O&M expenses are included in the supplies and equipment and utilities section of the budget. The chart Regional Water Treatment Plant Allocation and Credit shows the allocation of the various components of the water treatment plant operating expense budget.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2023/24 Budget

Personnel Expenses Total personnel expenses are increasing by about \$330,103 when compared to the FY 2022/23 budget for the following reasons.

- The FY 2023/24 total salaries and wages budget for the Water Treatment Plant Department is held to an increase of \$190,807 when compared to the prior fiscal year budget due to an increase in the Consumer Price Index for December 2022 and the addition of 1 FTE Water Treatment Plant operator trainee and an operations manager.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about \$50,942. This is due to; 1) The 2023 CalPERS health insurance plan with the lowest premiums increased by 18.40% over the 2022 premiums, as opposed to the increase of 5% budgeted for the calendar year 2023; 2) The FY 2023/24 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2024. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- Workers' Compensation costs are decreasing by \$7,269 due to a 22% decrease in the Experience modification rate for CCWA.
- CalPERS retirement expenses are decreasing by \$8,509 over the prior fiscal year. The CCWA employer paid portion for "Classic" members in FY 23/24 is 31.596% as compared to the prior year amount of 29.121%, for a 2.475% increase. CCWA "Classic" member employees began paying 50% of the increase in the "normal" PERS employer contribution in FY 2017/18. As of FY 2023/24 the Water Treatment Plant Department has 10 CalPERS PEPRA member employee. The PEPRA employer contribution rate in FY 2023/24 decreased from 8.26% in FY 2022/23 to 8.00% in FY 2023/24 for a decrease in employer paid PEPRA contribution rate of 0.26%.
- The FY 2023/24 Budget includes \$100,887 for deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Supplies and Equipment Supplies and equipment are increasing by about \$188,704 because of an increased amount and price of chemicals. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality.

Monitoring Expenses Monitoring expenses are increasing \$9,098 due to a need for additional lab supplies and equipment as identified by the Senior Chemist for FY 2023/24.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2023/24 Budget

Repairs and Maintenance Repairs and Maintenance expenses are increasing by \$7,500 over the prior year due to an increase in anticipated building maintenance expenses.

Professional Services Professional service expenses are increasing by \$37,783 over the prior year largely due to increased cost of engineering services.

General and Administrative General and administrative expenses increased about \$6,640 due to increased costs for employee safety training.

Utilities Utility expenses are increasing by approximately \$67,071 due to variable electric expenses based on expected deliveries.

Other Expenses Other expenses are increasing by approximately \$38,293 due to an increase in insurance costs.

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2023/24 Budget

Regional Water Treatment Plant Allocation

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

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

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

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

The following tables show the calculation of the FY 2023/24 Regional Water Treatment Plant Allocation and Credit.

Central Coast Water Authority
Regional Water Treatment Plant Allocation and Credit
FY 2023/24 Budget

| Project Participant | Allocated Table A ⁽¹⁾ | | | | Unadjusted Fixed | | | Adjusted Fixed ⁽⁴⁾ | | | Fixed Retreatment Charge ⁽⁵⁾ | | |
|----------------------|----------------------------------|---------------------|-------------------|------------------------------|--|--------------------------------|------------------------|--------------------------------|----------------------------------|----------------------|---|-------------------------------|---|
| | Table A Amount | Exchange Deliveries | Allocated Table A | Allocated Table A Percentage | WTP Fixed Operating Costs ⁽²⁾ | Imputed WTP Debt Service Costs | Total Unadjusted Fixed | Capital Retreatment Adjustment | Fixed O&M Retreatment Adjustment | Total Adjusted Fixed | Allocated Table A % SB County | Fixed Retreatment Adjustments | Cost Per AF of Allocated Table A Amount |
| Guadalupe | 550 | | 550 | 1.25% | \$ 67,974 | | \$ 67,974 | \$ - | \$ 87,674 | \$ 87,674 | 1.41% | \$ 19,699 | \$ 35.82 |
| Santa Maria | 16,200 | | 16,200 | 36.90% | 2,002,152 | | 2,002,152 | - | 2,582,386 | 2,582,386 | 41.46% | 580,234 | 35.82 |
| Golden State Water | 500 | | 500 | 1.14% | 61,795 | | 61,795 | - | 79,703 | 79,703 | 1.28% | 17,908 | 35.82 |
| VAFB | 5,500 | | 5,500 | 12.53% | 679,743 | | 679,743 | - | 876,736 | 876,736 | 14.07% | 196,993 | 35.82 |
| Buellton | 578 | | 578 | 1.32% | 71,435 | | 71,435 | - | 92,137 | 92,137 | 1.48% | 20,702 | 35.82 |
| Santa Ynez (Solvang) | 1,500 | | 1,500 | 3.42% | 185,384 | | 185,384 | - | 239,110 | 239,110 | 3.84% | 53,725 | 35.82 |
| Santa Ynez | 500 | 2,425 | 2,925 | 6.66% | 361,500 | | 361,500 | - | 466,264 | 466,264 | 7.49% | 104,764 | 35.82 |
| Goleta | 4,500 | (873) | 3,627 | 8.26% | 448,260 | | 448,260 | - | 578,167 | 578,167 | 9.28% | 129,908 | 35.82 |
| Morehart | 200 | - | 200 | 0.46% | 24,718 | | 24,718 | - | 31,881 | 31,881 | 0.51% | 7,163 | 35.82 |
| La Cumbre | 1,000 | - | 1,000 | 2.28% | 123,590 | | 123,590 | - | 159,407 | 159,407 | 2.56% | 35,817 | 35.82 |
| Raytheon | 50 | - | 50 | 0.11% | 6,179 | | 6,179 | - | 7,970 | 7,970 | 0.13% | 1,791 | 35.82 |
| Santa Barbara | 3,000 | (582) | 2,418 | 5.51% | 298,840 | | 298,840 | - | 385,445 | 385,445 | 6.19% | 86,605 | 35.82 |
| Montecito | 3,000 | (582) | 2,418 | 5.51% | 298,840 | | 298,840 | - | 385,445 | 385,445 | 6.19% | 86,605 | 35.82 |
| Carpinteria | 2,000 | (388) | 1,612 | 3.67% | 199,226 | | 199,226 | - | 256,963 | 256,963 | 4.13% | 57,737 | 35.82 |
| SB County Subtotal: | 39,078 | - | 39,078 | 89.00% | 4,829,635 | - | 4,829,635 | - | 6,229,288 | 6,229,288 | 100.00% | 1,399,652 | 35.82 |
| SLO County | 4,830 | - | 4,830 | 11.00% | 596,938 | | 596,938 | - | - | - | | - | |
| TOTAL: | 43,908 | | 43,908 | 100.00% | \$ 5,426,573 | | \$ 5,426,573 | \$ - | \$ 6,229,288 | \$ 6,229,288 | 100.00% | \$ 1,399,652 | |

Fixed Retreatment Allocation Factor

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

| | |
|--|---------------------|
| Total Adjusted Fixed (SB County) | \$ 6,229,288 |
| Total Unadjusted Fixed Costs (SB County) | 4,829,635 |
| Fixed WTP Allocation Amount | \$ 1,399,652 |

| Project Participant | South Coast Fixed Retreatment Credits ⁽⁶⁾ | | | |
|----------------------|--|---------------------------------|--------------------------|--------------------------------|
| | South Coast Allocated Table A | South Coast Allocated Table A % | South Coast Fixed Credit | Credit/AF On Allocated Table A |
| Guadalupe | | | | |
| Santa Maria | | | | |
| Golden State Water | | | | |
| VAFB | | | | |
| Buellton | | | | |
| Santa Ynez (Solvang) | | | | |
| Santa Ynez | | | | |
| Goleta | 3,627 | 32.03% | \$ (448,260) | \$ (123.59) |
| Morehart | 200 | 1.77% | (24,718) | (123.59) |
| La Cumbre | 1,000 | 8.83% | (123,590) | (123.59) |
| Raytheon | 50 | 0.44% | (6,179) | (123.59) |
| Santa Barbara | 2,418 | 21.35% | (298,840) | (123.59) |
| Montecito | 2,418 | 21.35% | (298,840) | (123.59) |
| Carpinteria | 1,612 | 14.23% | (199,226) | (123.59) |
| SB County Subtotal: | 11,325 | 100.00% | (1,399,652) | |
| SLO County | - | 0.00% | - | |
| TOTAL: | 11,325 | 100.00% | \$ (1,399,652) | |

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

Central Coast Water Authority
Regional Water Treatment Plant Allocation and Credit
FY 2023/24 Budget
Page 2

| Project Participant | WTP Requested Water Deliveries | | | WTP Variable Operating Costs | | | | South Coast Variable Retreatment Credits | | | | TOTAL | |
|----------------------|--------------------------------|---------------------|----------------|------------------------------|---------------------------------|---------------------------------|----------------------------------|--|---------------------------------|-----------------------------|--------------------------------|------------------------------|--------------------------|
| | Requested Deliveries | Exchange Deliveries | Net Deliveries | WTP Variable Costs | Variable Retreatment Adjustment | Retreatment Variable Allocation | Retreatment Variable Cost Per AF | South Coast Actual Deliveries | South Coast Delivery Percentage | South Coast Variable Credit | Credit/AF On Actual Deliveries | Fixed & Variable Retreatment | Fixed & Variable Credits |
| Guadalupe | 102 | | 102 | \$ 11,083 | \$ 13,390 | \$ 2,307 | \$ 22.62 | | | | | \$ 22,006 | |
| Santa Maria | 1,700 | | 1,700 | 184,721 | 223,170 | 38,449 | 22.62 | | | | | 618,683 | |
| Golden State Water | 185 | | 185 | 20,102 | 24,286 | 4,184 | 22.62 | | | | | 22,093 | |
| VSFB | 2,786 | | 2,786 | 302,740 | 365,755 | 63,015 | 22.62 | | | | | 260,008 | |
| Buellton | 63 | | 63 | 6,846 | 8,270 | 1,425 | 22.62 | | | | | 22,127 | |
| Santa Ynez (Solvang) | 317 | | 317 | 34,445 | 41,615 | 7,170 | 22.62 | | | | | 60,895 | |
| Santa Ynez | - | 2,425 | 2,425 | 263,499 | 318,346 | 54,847 | 22.62 | | | | | 159,611 | |
| Goleta | 2,322 | (873) | 1,449 | 157,448 | 190,220 | 32,772 | 22.62 | 1,449 | 72.74% | \$ (157,448) | \$ (108.66) | 162,680 | \$ (605,707) |
| Morehart | 84 | - | 84 | 9,127 | 11,027 | 1,900 | 22.62 | 84 | 4.22% | (9,127) | (108.66) | 9,063 | (33,845) |
| La Cumbre | 359 | - | 359 | 39,009 | 47,128 | 8,120 | 22.62 | 359 | 18.02% | (39,009) | (108.66) | 43,936 | (162,598) |
| Raytheon | - | - | - | - | - | - | - | - | 0.00% | - | - | 1,791 | (6,179) |
| Santa Barbara | 582 | (582) | - | - | - | - | - | - | 0.00% | - | - | 86,605 | (298,840) |
| Montecito | 582 | (582) | - | - | - | - | - | - | 0.00% | - | - | 86,605 | (298,840) |
| Carpinteria | 488 | (388) | 100 | 10,866 | 13,128 | 2,262 | 22.62 | 100 | 5.02% | (10,866) | (108.66) | 59,999 | (210,092) |
| SB County Subtotal: | 9,570 | - | 9,570 | 1,039,886 | 1,256,336 | 216,450 | 22.62 | 1,992 | 100.00% | (216,450) | | 1,616,102 | (1,616,102) |
| SLO County | 4,392 | | 4,392 | 477,232 | - | | | - | 0.00% | - | | - | - |
| TOTAL: | 13,962 | - | 13,962 | \$ 1,517,118 | \$ 1,256,336 | \$ 216,450 | | 1,992 | 100.00% | \$ (216,450) | | \$ 1,616,102 | \$ (1,616,102) |

Variable Retreatment Allocation Factor

| | |
|------------------------------|--------|
| Total South Coast Deliveries | 1,992 |
| Total SB County Deliveries | 9,570 |
| Subtotal: | 11,562 |

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2023/24 Budget

Santa Ynez Exchange Agreement

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

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

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

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

The benefits of exchange are:

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

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

The following tables show the FY 2023/24 Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Santa Ynez Exchange Agreement Modifications
FY 2023/24 Budget

| Project Participant | Table A Amounts | | | WTP Fixed O&M Exchange Modifications | | | WTP Capital Exchange Modifications | | | Total Fixed Exchange Mods |
|----------------------|-----------------|---------------------|--------------------|--------------------------------------|---------------------------|------------------------------------|------------------------------------|---------------------------------|----------------------------------|---------------------------|
| | Table A Amount | Exchange Deliveries | Table A Percentage | WTP Fixed Operating Costs | WTP Fixed O&M Cost Per AF | WTP Fixed O&M Exchange Adjustments | Imputed WTP Debt Service Costs | Imputed WTP Debt Service Per AF | WTP Capital Exchange Adjustments | |
| Guadalupe | 550 | | 1.25% | \$ 67,974 | \$ 123.59 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Santa Maria | 16,200 | | 36.90% | 2,002,152 | 123.59 | - | - | - | - | - |
| Golden State Water | 500 | | 1.14% | 61,795 | 123.59 | - | - | - | - | - |
| VSFB | 5,500 | | 12.53% | 679,743 | 123.59 | - | - | - | - | - |
| Buellton | 578 | | 1.32% | 71,435 | 123.59 | - | - | - | - | - |
| Santa Ynez (Solvang) | 1,500 | | 3.42% | 185,384 | 123.59 | - | - | - | - | - |
| Santa Ynez | 500 | 2,425 | 1.14% | 61,795 | 123.59 | 299,705 | - | - | - | 299,705 |
| Goleta | 4,500 | (873) | 10.25% | 556,153 | 123.59 | (107,894) | - | - | - | (107,894) |
| Morehart | 200 | - | 0.46% | 24,718 | 123.59 | - | - | - | - | - |
| La Cumbre | 1,000 | - | 2.28% | 123,590 | 123.59 | - | - | - | - | - |
| Raytheon | 50 | - | 0.11% | 6,179 | 123.59 | - | - | - | - | - |
| Santa Barbara | 3,000 | (582) | 6.83% | 370,769 | 123.59 | (71,929) | - | - | - | (71,929) |
| Montecito | 3,000 | (582) | 6.83% | 370,769 | 123.59 | (71,929) | - | - | - | (71,929) |
| Carpinteria | 2,000 | (388) | 4.55% | 247,179 | 123.59 | (47,953) | - | - | - | (47,953) |
| SB County Subtotal: | 39,078 | - | 89.00% | 4,829,635 | - | - | - | - | - | - |
| SLO County | 4,830 | - | 11.00% | 596,938 | - | - | - | - | - | - |
| TOTAL: | 43,908 | | 100.00% | \$ 5,426,573 | | \$ - | \$ - | | | \$ - |

| Project Participant | WTP Requested Water Deliveries | | | WTP Variable Exchange Modifications | | | Total Exchange Modifications | |
|----------------------|--------------------------------|---------------------|----------------|-------------------------------------|----------------------------------|---------------------------------|------------------------------|-----------------------------|
| | Requested Deliveries | Exchange Deliveries | Net Deliveries | WTP Variable Costs | WTP Variable Costs Per Acre-Foot | Variable Exchange Modifications | TOTAL EXCHANGE MODIFICATIONS | Cost (Credit) Per Acre-Foot |
| Guadalupe | 102 | | 102 | \$ 11,083 | \$ 108.66 | - | - | - |
| Santa Maria | 1,700 | | 1,700 | 184,721 | 108.66 | - | - | - |
| Golden State Water | 185 | | 185 | 20,102 | 108.66 | - | - | - |
| VSFB | 2,786 | | 2,786 | 302,740 | 108.66 | - | - | - |
| Buellton | 63 | | 63 | 6,846 | 108.66 | - | - | - |
| Santa Ynez (Solvang) | 317 | | 317 | 34,445 | 108.66 | - | - | - |
| Santa Ynez | - | 2,425 | 2,425 | - | 108.66 | \$ 263,499 | \$ 563,204 | \$ 232 |
| Goleta | 2,322 | (873) | 1,449 | 252,307 | 108.66 | (94,860) | (202,753) | (232) |
| Morehart | 84 | - | 84 | 9,127 | 108.66 | - | - | - |
| La Cumbre | 359 | - | 359 | 39,009 | 108.66 | - | - | - |
| Raytheon | - | - | - | - | - | - | - | - |
| Santa Barbara | 582 | (582) | - | 63,240 | 108.66 | (63,240) | (135,169) | (232) |
| Montecito | 582 | (582) | - | 63,240 | 108.66 | (63,240) | (135,169) | (232) |
| Carpinteria | 488 | (388) | 100 | 53,026 | 108.66 | (42,160) | (90,113) | (232) |
| SB County Subtotal: | 9,570 | - | 9,570 | 1,039,886 | - | (0) | | |
| SLO County | 4,392 | | 4,392 | 477,232 | - | - | | |
| TOTAL: | 13,962 | | 13,962 | \$ 1,517,118 | | \$ (0) | | \$ - |

Central Coast Water Authority
Personnel Services Summary
Water Treatment Plant Department
Fiscal Year 2023/24 Budget

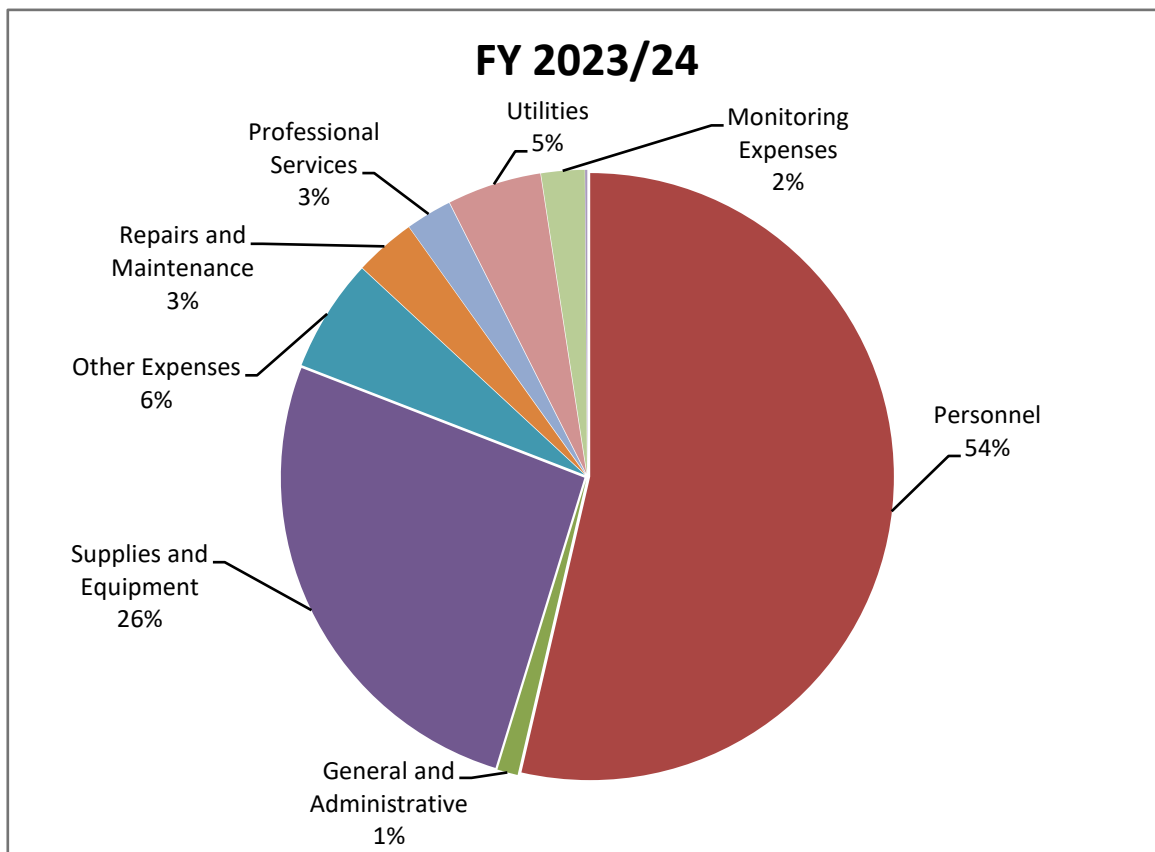
| PERSONNEL COUNT SUMMARY | | | | | |
|--|---------------------|---------------------|-------------------------|--------------------|--------------------|
| Position Title | Number | Number | Number | Change | Change |
| | Auth. FY 2021/22 | Auth. FY 2022/23 | Requested FY 2023/24 | Over FY 2021/22 | Over FY 2022/23 |
| Executive Director ⁽¹⁾ | 0.25 | 0.25 | 0.25 | - | - |
| Deputy Director of Operations ⁽²⁾ | 0.35 | 0.35 | 0.35 | - | - |
| Operations Manager ⁽³⁾ | - | - | 0.35 | 0.35 | 0.35 |
| WTP Supervisor | 1.00 | 1.00 | 1.00 | - | - |
| Maintenance Superintendent ⁽⁴⁾ | 0.60 | 0.60 | 0.60 | - | - |
| Maintenance Lead Technician | - | 1.00 | 1.00 | 1.00 | - |
| Safety & Environmental Specialist ⁽⁵⁾ | 0.25 | 0.25 | 0.25 | - | - |
| Senior Chemist | 1.00 | 1.00 | 1.00 | - | - |
| Maintenance Technician | 2.00 | 2.00 | 2.00 | - | - |
| Maintenance, IC&R Techs ⁽⁶⁾ | 1.60 | 1.60 | 1.60 | - | - |
| WTP Operators | 5.00 | 5.00 | 5.00 | - | - |
| WTP Operator Trainee | - | - | 1.00 | 1.00 | 1.00 |
| Laboratory Analyst | 1.00 | 1.00 | 1.00 | - | - |
| Administrative Assistant | 0.75 | 0.75 | 0.75 | - | - |
| TOTAL: | 13.80 | 14.80 | 16.15 | 2.35 | 1.35 |

| PERSONNEL WAGE SUMMARY | | | | | | |
|--|-------------------|----------------------------|------------------------------|------------------------------|--------------------------------------|-------------------------------|
| Position Title | No. of Emp. | Position Classification | Minimum Monthly Salary | Maximum Monthly Salary | FY 2022/23 Total Annual Salary | Allocation to WTP Dept. |
| Executive Director ⁽¹⁾ | 1 | N/A | N/A | N/A | \$ 298,850 | \$ 74,713 |
| Deputy Director of Operations ⁽²⁾ | 1 | N/A | N/A | N/A | \$ 209,053 | \$ 73,169 |
| Operations Manager ⁽³⁾ | 1 | 46 | \$ 12,387 | \$ 15,112 | \$ 141,665 | \$ 49,583 |
| WTP Supervisor | 1 | 38 | \$ 10,432 | \$ 12,727 | \$ 142,463 | \$ 142,463 |
| Maintenance Superintendent ⁽⁴⁾ | 1 | 38 | \$ 10,432 | \$ 12,727 | \$ 135,836 | \$ 81,501 |
| Safety & Environmental Specialist ⁽⁵⁾ | 1 | 38 | \$ 10,432 | \$ 12,727 | \$ 126,000 | \$ 31,500 |
| Senior Chemist | 1 | 29 | \$ 8,599 | \$ 10,491 | \$ 119,984 | \$ 119,984 |
| Maintenance Technician Lead | 1 | 21 | \$ 7,242 | \$ 8,836 | \$ 101,046 | \$ 101,046 |
| Maintenance Technicians | 2 | 19 | \$ 6,938 | \$ 8,464 | \$ 176,153 | \$ 176,153 |
| Maintenance, IC&R Technicians ⁽⁶⁾ | 2 | 26 | \$ 8,063 | \$ 9,837 | \$ 203,266 | \$ 162,613 |
| WTP Operators | 5 | 21 | \$ 7,242 | \$ 8,836 | \$ 505,283 | \$ 505,283 |
| WTP Operator Trainee | 1 | 20 | \$ 7,089 | \$ 8,648 | \$ 81,069 | \$ 81,069 |
| Laboratory Analyst | 1 | 19 | \$ 6,938 | \$ 8,464 | \$ 82,127 | \$ 82,127 |
| Administrative Assistant | 1 | 11 | \$ 5,843 | \$ 7,129 | \$ 55,494 | \$ 55,494 |
| FY 2022/23 Salary Pool | | | | | | \$ 85,551 |
| TOTAL: | | | | | | \$ 1,822,247 |

- (1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
- (2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
- (3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
- (4) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
- (5) The Safety & Environmental Specialist (previous title Regulatory Spec.) is allocated to Water Treatment Plant (25%) and Distribution (75%).
- (6) The two Maintenance, IC&R Techs are allocated to Water Treatment Plant (80%) and Distribution (20%).

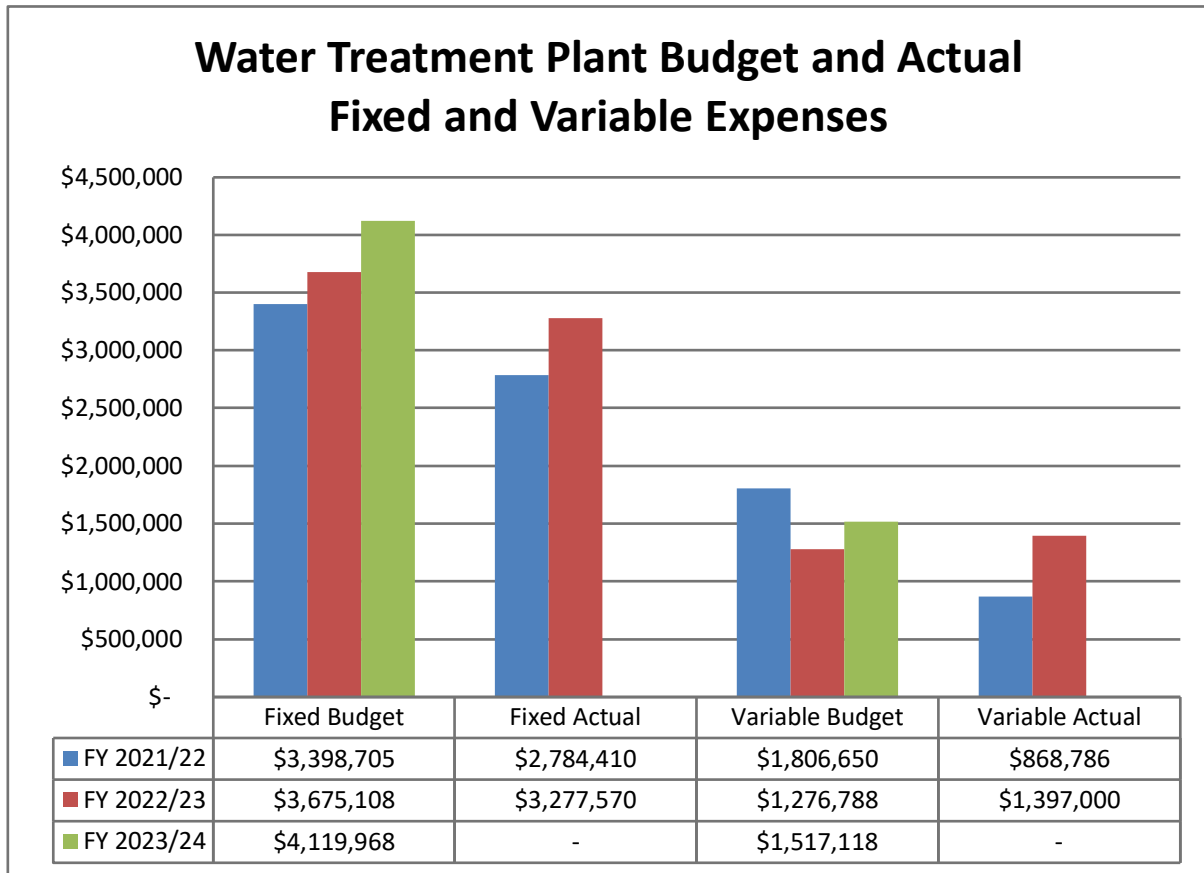
Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2023/24 Budget

| Item | FY 2023/24 Budget |
|----------------------------|----------------------|
| Personnel | \$ 3,023,881 |
| Office Expenses | 6,500 |
| Supplies and Equipment | 1,474,633 |
| Monitoring Expenses | 130,332 |
| Repairs and Maintenance | 182,600 |
| Professional Services | 137,692 |
| General and Administrative | 61,490 |
| Utilities | 281,857 |
| Other Expenses | 338,103 |
| TOTAL: | \$ 5,637,086 |



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2023/24 Budget

| Item | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget |
|----------------------------|----------------------|----------------------|----------------------|--------------------------------|----------------------|
| Personnel | \$ 2,522,333 | \$ 2,063,305 | \$ 2,693,778 | \$ 2,514,615 | \$ 3,023,881 |
| Office Expenses | 6,500 | 4,846 | 6,500 | 5,500 | 6,500 |
| Supplies and Equipment | 1,742,800 | 865,939 | 1,285,929 | 1,366,850 | 1,474,633 |
| Monitoring Expenses | 106,215 | 97,097 | 121,234 | 92,000 | 130,332 |
| Repairs and Maintenance | 172,100 | 160,378 | 175,100 | 164,400 | 182,600 |
| Professional Services | 83,439 | 67,779 | 99,909 | 105,469 | 137,692 |
| General and Administrative | 76,000 | 28,733 | 54,850 | 33,940 | 61,490 |
| Utilities | 245,318 | 187,378 | 214,786 | 228,062 | 281,857 |
| Other Expenses | 250,650 | 177,742 | 299,810 | 163,734 | 338,103 |
| Total: | \$ 5,205,355 | \$ 3,653,196 | \$ 4,951,896 | \$ 4,674,570 | \$ 5,637,086 |



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|----------------------------------|---------------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>PERSONNEL EXPENSES</u> | | | | | | | | |
| 5000.10 | Full-Time Regular Wages | \$ 1,558,525 | \$ 1,509,121 | \$ 1,631,440 | \$ 1,579,671 | \$ 1,822,247 | \$ 190,807 | 11.70% |
| 1300.60 | Capitalized Wages and Overtime | - | - | - | - | - | - | N/A |
| 5000.20 | Overtime | 77,926 | 114,946 | 81,572 | 97,628 | 91,112 | 9,540 | 11.70% |
| 5000.40 | Standby Pay | 34,504 | 38,286 | 37,129 | 37,826 | 39,049 | 1,920 | 5.17% |
| 5000.50 | Shift Differential Pay | 20,469 | 19,343 | 21,279 | 16,444 | 22,328 | 1,049 | 4.93% |
| 5100.10 | PERS Retirement | 386,952 | (39,272) | 467,638 | 379,259 | 459,129 | (8,509) | -1.82% |
| 5100.15 | Medicare Taxes | 25,195 | 23,503 | 26,117 | 18,314 | 28,921 | 2,804 | 10.74% |
| 5100.20 | Health/Dental/Vision Plans | 286,746 | 270,101 | 289,681 | 217,635 | 340,623 | 50,942 | 17.59% |
| 5100.25 | Workers' Compensation | 41,952 | 47,056 | 52,750 | 32,631 | 45,481 | (7,269) | -13.78% |
| 5100.30 | Vehicle Expenses | - | - | - | - | - | - | N/A |
| 5100.35 | Retiree Medical Future Liability Dep. | 71,423 | 65,383 | 66,748 | 70,681 | 100,887 | 34,139 | 51.15% |
| 5100.40 | Cafeteria Plan Benefits | - | - | - | - | - | - | N/A |
| 5100.45 | Dental/Vision Plan | - | - | - | - | - | - | N/A |
| 5100.50 | Long-Term Disability | 8,030 | 7,806 | 8,406 | 6,483 | 9,393 | 987 | 11.74% |
| 5100.55 | Life Insurance | 6,481 | 6,125 | 6,678 | 10,233 | 10,575 | 3,897 | 58.35% |
| 5100.60 | Employee Physicals | 450 | 260 | 660 | 330 | 1,910 | 1,250 | 189.39% |
| 5000.30 | Temporary Services | - | - | - | - | - | - | N/A |
| 5100.80 | Employee Incentive Programs/457 Plan | 2,680 | - | 2,680 | 46,234 | 51,226 | 48,546 | 1811.42% |
| 5100.65 | Employee Education Reimbursement | 1,000 | - | 1,000 | - | 1,000 | - | 0.00% |
| 5100.86 | Benefits-Non-Capitalized Projects | - | 648 | - | 1,247 | - | - | N/A |
| Total Personnel Expenses: | | 2,522,333 | 2,063,305 | 2,693,778 | 2,514,615 | 3,023,881 | 330,103 | 12.25% |

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--------------------------------------|----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>OFFICE EXPENSES</u> | | | | | | | | |
| 5200.20 | Office Supplies | 3,000 | 2,066 | 3,000 | 2,500 | 3,000 | - | 0.00% |
| 5200.30 | Miscellaneous Office Expenses | 3,500 | 2,780 | 3,500 | 3,000 | 3,500 | - | 0.00% |
| Total Office Expenses: | | 6,500 | 4,846 | 6,500 | 5,500 | 6,500 | - | 0.00% |
| <u>SUPPLIES AND EQUIPMENT</u> | | | | | | | | |
| 5500.10 | Uniform Expenses | 8,739 | 10,465 | 11,100 | 9,800 | 12,600 | 1,500 | 13.51% |
| 5500.15 | Minor Tools and Equipment | 5,000 | 7,225 | 6,000 | 6,000 | 6,000 | - | 0.00% |
| 5500.20 | Spare Parts | - | - | - | - | - | - | N/A |
| 5500.25 | Landscape Equipment and Supplies | 500 | - | 500 | 250 | 500 | - | 0.00% |
| 5500.30 | Chemicals-Fixed | - | - | - | - | - | - | N/A |
| 5500.31 | Chemicals-Variable | 1,668,861 | 802,454 | 1,196,329 | 1,300,000 | 1,379,033 | 182,704 | 15.27% |
| 5500.35 | Maintenance Supplies/Hardware | 18,000 | 7,791 | 18,000 | 11,000 | 18,000 | - | 0.00% |
| 5500.40 | Safety Supplies | 7,000 | 5,448 | 7,000 | 5,100 | 11,500 | 4,500 | 64.29% |
| 5500.45 | Fuel and Lubricants | 29,700 | 27,109 | 42,000 | 31,200 | 42,000 | - | 0.00% |
| 5500.50 | Seed/Erosion Control Supplies | 5,000 | 5,448 | 5,000 | 3,500 | 5,000 | - | 0.00% |
| 5500.55 | Backflow Prevention Supplies | - | - | - | - | - | - | N/A |
| Total Supplies and Equipment: | | 1,742,800 | 865,939 | 1,285,929 | 1,366,850 | 1,474,633 | 188,704 | 14.67% |
| <u>MONITORING EXPENSES</u> | | | | | | | | |
| 5600.10 | Lab Supplies | 63,500 | 71,599 | 82,731 | 81,500 | 87,679 | 4,948 | 5.98% |
| 5600.20 | Lab Tools and Equipment | 13,650 | 3,183 | 10,080 | - | 14,230 | 4,150 | 41.17% |
| 5600.30 | Lab Testing | 29,065 | 22,314 | 28,423 | 10,500 | 28,423 | - | 0.00% |
| Total Monitoring Expenses: | | 106,215 | 97,097 | 121,234 | 92,000 | 130,332 | 9,098 | 7.50% |

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--|-----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>REPAIRS AND MAINTENANCE</u> | | | | | | | | |
| 5700.10 | Equipment Repairs and Maintenance | 132,000 | 127,724 | 135,000 | 132,000 | 135,000 | - | 0.00% |
| 5700.20 | Vehicle Repairs and Maintenance | 6,500 | 10,430 | 8,000 | 4,500 | 8,000 | - | 0.00% |
| 5700.30 | Building Maintenance | 28,600 | 18,322 | 27,100 | 24,000 | 34,600 | 7,500 | 27.68% |
| 5700.40 | Landscape Maintenance | 5,000 | 3,902 | 5,000 | 3,900 | 5,000 | - | 0.00% |
| Total Repairs and Maintenance: | | 172,100 | 160,378 | 175,100 | 164,400 | 182,600 | 7,500 | 4.28% |
| <u>PROFESSIONAL SERVICES</u> | | | | | | | | |
| 5400.10 | Professional Services | 31,639 | 21,442 | 29,479 | 32,196 | 38,312 | 8,833 | 29.96% |
| 5400.20 | Legal Services | - | - | - | - | - | - | N/A |
| 5400.30 | Engineering Services | 15,000 | 6,796 | 15,000 | 19,273 | 42,500 | 27,500 | 183.33% |
| 5400.40 | Permits | 36,800 | 38,789 | 55,430 | 54,000 | 56,880 | 1,450 | 2.62% |
| 5400.50 | Non-Contractual Services | - | 752 | - | - | - | - | N/A |
| 5400.60 | Accounting Services | - | - | - | - | - | - | N/A |
| Total Professional Services: | | 83,439 | 67,779 | 99,909 | 105,469 | 137,692 | 37,783 | 37.82% |
| <u>GENERAL AND ADMINISTRATIVE</u> | | | | | | | | |
| 5300.10 | Meeting and Travel | 19,000 | 5,619 | 18,500 | 7,000 | 18,000 | (500) | -2.70% |
| 5300.20 | Mileage Reimbursement | 500 | 201 | 500 | - | 500 | - | 0.00% |
| 5300.30 | Dues and Memberships | 34,850 | 7,903 | 10,100 | 10,240 | 10,240 | 140 | 1.39% |
| 5300.40 | Publications | 750 | 550 | 1,000 | 1,000 | 1,000 | - | 0.00% |
| 5300.50 | Training | 14,400 | 6,026 | 16,250 | 9,200 | 23,250 | 7,000 | 43.08% |
| 5300.60 | Advertising | 1,500 | - | 1,500 | 1,500 | 1,500 | - | 0.00% |
| 5300.70 | Printing and Binding | - | - | - | - | - | - | N/A |
| 5300.80 | Postage | 5,000 | 8,433 | 7,000 | 5,000 | 7,000 | - | 0.00% |
| Total General and Administrative: | | 76,000 | 28,733 | 54,850 | 33,940 | 61,490 | 6,640 | 12.11% |

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|---------------------------------|---|---------------------|---------------------|---------------------|-----------------------------|---------------------|-------------------------------|----------------------------------|
| <u>UTILITIES</u> | | | | | | | | |
| 5800.20 | Natural Gas | 7,310 | 13,292 | 9,000 | 8,913 | 9,000 | - | 0.00% |
| 5800.30 | Electric-Fixed | 90,874 | 101,280 | 114,912 | 114,912 | 121,116 | 6,204 | 5.40% |
| 5800.31 | Electric-Variable | 137,789 | 66,332 | 80,459 | 97,000 | 138,086 | 57,627 | 71.62% |
| 5800.40 | Water | - | - | - | - | - | - | N/A |
| 5800.50 | Telephone | 3,500 | 3,621 | 4,285 | 3,400 | 7,525 | 3,240 | 75.61% |
| 5800.60 | Waste Disposal | 5,845 | 2,853 | 6,130 | 3,837 | 6,130 | - | 0.00% |
| Total Utilities: | | 245,318 | 187,378 | 214,786 | 228,062 | 281,857 | 67,071 | 31.23% |
| <u>OTHER EXPENSES</u> | | | | | | | | |
| 5900.10 | Insurance | 81,458 | 89,518 | 102,170 | 88,048 | 131,339 | 29,169 | 28.55% |
| 5900.30 | Non-Capitalized Projects ⁽¹⁾ | - | - | - | - | - | - | N/A |
| 5900.40 | Equipment Rental | 17,240 | 5,448 | 22,800 | 7,686 | 22,800 | - | 0.00% |
| 5900.50 | Non-Capitalized Equipment | 10,000 | 4,244 | 10,000 | - | 10,000 | - | 0.00% |
| 5900.60 | Computer Expenses | 76,101 | 78,532 | 92,779 | 68,000 | 93,180 | 401 | 0.43% |
| 5900.70 | Appropriated Contingency | 65,851 | - | 72,061 | - | 80,784 | 8,723 | 12.10% |
| Total Other Expenses: | | 250,650 | 177,742 | 299,810 | 163,734 | 338,103 | 38,293 | 12.77% |
| TOTAL OPERATING EXPENSES | | \$ 5,205,355 | \$ 3,653,196 | \$ 4,951,896 | \$ 4,674,570 | \$ 5,637,086 | \$ 685,190 | 13.84% |

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

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the WTP staff salaries.
Includes \$85,551 for the FY 2022/23 salary pool.

| | |
|----------------------------------|-----------|
| FY 23/24 Requested Budget | 1,822,247 |
| FY 22/23 Estimated Actual | 1,579,671 |
| Increase (Decrease) | 242,577 |

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 91,112 |
| FY 22/23 Estimated Actual | 78,984 |
| Increase (Decrease) | 12,129 |

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Stand-by Pay

Description: Funds for stand-by pay for one Distribution
employee assigned to stand-by duty on a 24-hour basis.
Based on \$2.55 per hour (5% of average hourly rate) for 8,760 hours
for WTP operators, and 8,760 hours at \$2.86 per hour for
Instrumentation and Control employee stand-by pay (2/3 to WTP
and 1/3 to Distribution).

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 39,049 |
| FY 22/23 Estimated Actual | 37,826 |
| Increase (Decrease) | 1,223 |

ACCOUNT NUMBER: 5000.50

ACCOUNT TITLE: Shift Differential Pay

Description: Funds for shift employee pay for WTP
operators is based on \$2.55 per hour (5% of average hourly rate)
for 8,760 hours of shift pay.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 22,328 |
| FY 22/23 Estimated Actual | 16,444 |
| Increase (Decrease) | 5,885 |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 459,129 |
| FY 22/23 Estimated Actual | 379,259 |
| Increase (Decrease) | 79,870 |

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 31.986% contribution rate for FY 2022/23 which includes the required Unfunded Accrued Liability (UAL) payment.

| | | |
|-------------------------|----------------|---------|
| Required Contributions | \$ 256,038 | 18.336% |
| UAL current fiscal year | 145,611 | 13.650% |
| UAL additional payment | 57,480 | fixed |
| TOTAL \$ | 459,129 | |

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 28,921 |
| FY 22/23 Estimated Actual | 18,314 |
| Increase (Decrease) | 10,608 |

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

ACCOUNT NUMBER: 5100.20

ACCOUNT TITLE: Health Insurance

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 269,381 |
| FY 22/23 Estimated Actual | 126,738 |
| Increase (Decrease) | 142,644 |

Description: Funds for employer paid portion of health insurance for WTP employees. Based on employee 2023 Café Plan elections. Includes an estimated 5% premium increase in 2024 plan rates.

| | <i>2023 Allowance</i> | <i>2024 Allowance Est</i> |
|---------------|-----------------------|---------------------------|
| Family | \$ 21,713 | \$ 22,799 |
| Emp + 1 | 16,702 | 17,537 |
| Employee only | 8,351 | 8,769 |

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 45,481 |
| FY 22/23 Estimated Actual | 32,631 |
| Increase (Decrease) | 12,850 |

Description: Funds for Workers' Compensation insurance for the WTP Department. Based on an X-Mod rate of 80 and economy of size rate of 90%. Based on a 3% premium increase over FY 2022/23

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Retiree Medical Future Liability Deposit

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 100,887 |
| FY 22/23 Estimated Actual | 70,681 |
| Increase (Decrease) | 30,205 |

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

ACCOUNT NUMBER: 5100.40

ACCOUNT TITLE: Cafeteria Plan Benefits

| | |
|----------------------------------|----------|
| FY 23/24 Requested Budget | 19,837 |
| FY 22/23 Estimated Actual | 57,554 |
| Increase (Decrease) | (37,717) |

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

ACCOUNT NUMBER: 5100.45

ACCOUNT TITLE: Dental/Vision Plan

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 51,404 |
| FY 22/23 Estimated Actual | 33,343 |
| Increase (Decrease) | 18,061 |

Description: Funds for the self-funded dental/vision plan. The plan provides \$4,179 per year per family for dental and vision expenses. Budgeted amount is \$3,135 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

ACCOUNT NUMBER: 5100.50

ACCOUNT TITLE: Long-Term Disability

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 9,393 |
| FY 22/23 Estimated Actual | 6,483 |
| Increase (Decrease) | 2,910 |

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

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5100.55

ACCOUNT TITLE: Life Insurance

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 10,575 |
| FY 22/23 Estimated Actual | 10,233 |
| Increase (Decrease) | 341 |

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

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,910 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 1,910 |

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

| | | |
|----|-------|--|
| \$ | 660 | 4 physicals @ \$165 each |
| \$ | 1,250 | 10 Respiratory and Audio Exam @ \$125 each |
| \$ | 1,910 | Total |

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,000 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 1,000 |

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

ACCOUNT NUMBER: 5100.80

ACCOUNT TITLE: Employee Incentives and 457 K. Plan

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 51,226 |
| FY 22/23 Estimated Actual | 46,234 |
| Increase (Decrease) | 4,992 |

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

| | | |
|---------------|----|--------|
| EAAP | \$ | 2,680 |
| 457 K Plan | | 48,546 |
| TOTAL: | \$ | 51,226 |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 1300.60

ACCOUNT TITLE: Capitalized Employee Benefits

Description: CCWA employee benefits
capitalized as a component of capital projects constructed or acquired
by CCWA.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the WTP.
Based on \$250 per month in office supply expenses.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,000 |
| FY 22/23 Estimated Actual | 2,500 |
| Increase (Decrease) | 500 |

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,500 |
| FY 22/23 Estimated Actual | 3,000 |
| Increase (Decrease) | 500 |

ACCOUNT NUMBER: 5300.10

ACCOUNT TITLE: Meetings and Travel

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 18,000 |
| FY 22/23 Estimated Actual | 7,000 |
| Increase (Decrease) | 11,000 |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 500 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 500 |

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 10,240 |
| FY 22/23 Estimated Actual | 10,240 |
| Increase (Decrease) | - |

| | | |
|----|--------|--------------------------------|
| \$ | 540 | AWWA dues |
| | 7,500 | Water Research Foundation dues |
| | 1,200 | Certification |
| | 1,000 | CWEA |
| \$ | 10,240 | TOTAL |

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the WTP.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,000 |
| FY 22/23 Estimated Actual | 1,000 |
| Increase (Decrease) | - |

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 23,250 |
| FY 22/23 Estimated Actual | 9,200 |
| Increase (Decrease) | 14,050 |

| | | |
|----|--------|---------------------------------------|
| \$ | 16,250 | Employee training, including safety |
| \$ | 7,000 | Confined Space Training Tier I and II |
| \$ | 23,250 | Total |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,500 |
| FY 22/23 Estimated Actual | 1,500 |
| Increase (Decrease) | - |

ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 7,000 |
| FY 22/23 Estimated Actual | 5,000 |
| Increase (Decrease) | 2,000 |

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description: Outside professional services including:

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 38,312 |
| FY 22/23 Estimated Actual | 32,196 |
| Increase (Decrease) | 6,116 |

| | | |
|----|--------|---|
| \$ | 4,400 | Fire system/extinguisher inspection |
| | 2,700 | Security |
| | 4,500 | Crane inspection |
| | 1,540 | Oil, coolant and diesel analysis |
| | 4,000 | Emergency generator/forklift service |
| | 5,000 | Equipment Calibration |
| | 1,100 | Fit testing equipment certification/service |
| | 2,200 | Safety Equipment (fall hoist, ect) |
| | 5,360 | Man Down Monitoring Fee |
| | 7,512 | Personnel Team Building |
| \$ | 38,312 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 42,500 |
| FY 22/23 Estimated Actual | 19,273 |
| Increase (Decrease) | 23,227 |

| | | |
|----|--------|---------------------|
| \$ | 10,000 | General Engineering |
| | 5,000 | Cathodic Protection |
| | 15,000 | PLC Support |
| | 12,500 | Safety Consultant |
| \$ | 42,500 | TOTAL |

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required WTP permits.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 56,880 |
| FY 22/23 Estimated Actual | 54,000 |
| Increase (Decrease) | 2,880 |

| | | |
|----|--------|----------------------------|
| \$ | 2,500 | RWQCB NPDES |
| | 38,750 | Drinking Water Program |
| | 9,250 | ELAP Lab Accreditation |
| | 1,760 | Emergency Generator Permit |
| | 4,620 | Hazardous Materials Fees |
| \$ | 56,880 | TOTAL |

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description: Funds for employer provided uniforms and uniform expense employee reimbursements.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 12,600 |
| FY 22/23 Estimated Actual | 9,800 |
| Increase (Decrease) | 2,800 |

| | | |
|----|--------|--|
| \$ | 6,600 | Uniform Service (\$550 per month) |
| | 3,000 | Blue jean pants (\$300/yr emp allowance) |
| | 2,500 | Boots (\$250/yr employee allowance) |
| | 500 | Misc. uniform requirements (jackets, etc.) |
| | 12,600 | TOTAL |

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 6,000 |
| FY 22/23 Estimated Actual | 6,000 |
| Increase (Decrease) | - |

| | | |
|--|--|--|
| | | |
| | | |
| | | |
| | | |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Supplies

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

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 500 |
| FY 22/23 Estimated Actual | 250 |
| Increase (Decrease) | 250 |

\$ 500 Herbicide

ACCOUNT NUMBER: 5500.31

ACCOUNT TITLE: Chemicals-Variable

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

| | |
|----------------------------------|-----------|
| FY 23/24 Requested Budget | 1,379,033 |
| FY 22/23 Estimated Actual | 1,300,000 |
| Increase (Decrease) | 79,033 |

(1) WTP Plant: \$87.38 per acre foot and 13,962 acre feet of requests
 (2) Santa Ynez Pumping Station: \$8.30/AF for 1,992 AF pumped water
 (3) Tank 5 and 7 Chlorination at \$18.79/AF for 7,583 AF

ACCOUNT NUMBER: 5500.35

ACCOUNT TITLE: Maintenance Supplies/Hardware

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 18,000 |
| FY 22/23 Estimated Actual | 11,000 |
| Increase (Decrease) | 7,000 |

\$ 18,000 Maintenance Supplies/Hardware

ACCOUNT NUMBER: 5500.40

ACCOUNT TITLE: Safety Supplies

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 11,500 |
| FY 22/23 Estimated Actual | 5,100 |
| Increase (Decrease) | 6,400 |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5500.50

ACCOUNT TITLE: Seed/Plants/Erosion Control Supplies

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,000 |
| FY 22/23 Estimated Actual | 3,500 |
| Increase (Decrease) | 1,500 |

\$ 5,000 Erosion maintenance

ACCOUNT NUMBER: 5500.45

ACCOUNT TITLE: Fuel and Lubricants

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 42,000 |
| FY 22/23 Estimated Actual | 31,200 |
| Increase (Decrease) | 10,800 |

ACCOUNT NUMBER: 5600.10

ACCOUNT TITLE: Laboratory Supplies

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 87,679 |
| FY 22/23 Estimated Actual | 81,500 |
| Increase (Decrease) | 6,179 |

ACCOUNT NUMBER: 5600.20

ACCOUNT TITLE: Laboratory Tools and Equipment

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 14,230 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 14,230 |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5600.30

ACCOUNT TITLE: Lab Testing

Description: Funds for outside lab services.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 28,423 |
| FY 22/23 Estimated Actual | 10,500 |
| Increase (Decrease) | 17,923 |

| | |
|-----------|--------------------------------|
| \$ 13,680 | MIB and Microcystin Monitoring |
| 7,340 | Annual Compliance Monitoring |
| 528 | Monthly Compliance Monitoring |
| 3,200 | DBP |
| 3,200 | Microcystin |
| 475 | DI Water Testing |
| \$ 28,423 | TOTAL |

ACCOUNT NUMBER: 5700.10

ACCOUNT TITLE: Equipment Repairs and Maintenance

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

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 135,000 |
| FY 22/23 Estimated Actual | 132,000 |
| Increase (Decrease) | 3,000 |

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 8,000 |
| FY 22/23 Estimated Actual | 4,500 |
| Increase (Decrease) | 3,500 |

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 34,600 |
| FY 22/23 Estimated Actual | 24,000 |
| Increase (Decrease) | 10,600 |

| | |
|-----------|---------------------------------------|
| \$ 1,000 | Miscellaneous repairs |
| 3,200 | Site improvements (includes painting) |
| 20,000 | Janitorial service |
| 3,000 | HVAC |
| 7,400 | Janitorial Supplies |
| \$ 34,600 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,000 |
| FY 22/23 Estimated Actual | 3,900 |
| Increase (Decrease) | 1,100 |

ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for propane gas service to the WTP.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 9,000 |
| FY 22/23 Estimated Actual | 8,913 |
| Increase (Decrease) | 87 |

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service to the WTP.

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 121,116 |
| FY 22/23 Estimated Actual | 114,912 |
| Increase (Decrease) | 6,204 |

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

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

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 138,086 |
| FY 22/23 Estimated Actual | 97,000 |
| Increase (Decrease) | 41,086 |

| | | |
|----|---------|-------|
| \$ | 9.89 | \$/AF |
| | 13,962 | AF |
| \$ | 138,086 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

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

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 7,525 |
| FY 22/23 Estimated Actual | 3,400 |
| Increase (Decrease) | 4,125 |

| | | |
|----|-------|----------------|
| \$ | 4,285 | General Phones |
| \$ | 3,240 | Tablet Service |
| \$ | 7,525 | Total |

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 6,130 |
| FY 22/23 Estimated Actual | 3,837 |
| Increase (Decrease) | 2,293 |

| | | |
|----|-------|--------------------------|
| \$ | 2,700 | Garbage(\$225 per month) |
| | 630 | Bulk Dumpster |
| | 2,200 | Waste Oil/Solvent |
| | 600 | Light Bulbs |
| \$ | 6,130 | TOTAL |

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 131,339 |
| FY 22/23 Estimated Actual | 88,048 |
| Increase (Decrease) | 43,291 |

| | | |
|----|---------|---|
| \$ | 81,262 | Property and auto coverage based on the apportionment provided by JPIA. |
| \$ | 50,077 | General liability and E&O based on salary proportions. |
| \$ | 131,339 | TOTAL |

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the WTP.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 22,800 |
| FY 22/23 Estimated Actual | 7,686 |
| Increase (Decrease) | 15,114 |

| | | |
|----|--------|--------------------------------|
| \$ | 2,700 | Copier lease (\$225 per month) |
| | 10,100 | Motorized equipment |
| | 10,000 | Lagoon cleaning |
| \$ | 22,800 | TOTAL |

ACCOUNT NUMBER: 5900.50

ACCOUNT TITLE: Non-Capitalized Fixed Assets

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 10,000 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 10,000 |

| | | |
|--|--|--|
| | | |
| | | |
| | | |

ACCOUNT NUMBER: 5900.60

ACCOUNT TITLE: Computer Expenses

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 93,180 |
| FY 22/23 Estimated Actual | 68,000 |
| Increase (Decrease) | 25,180 |

| | | |
|----|--------|---|
| \$ | 89,505 | CompuVision, Annual Service Agreements and Software Subscriptions |
| \$ | 3,675 | Software, New Computers and other computer services. |
| \$ | 93,180 | TOTAL |

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 80,784 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 80,784 |

| | | |
|--|--|--|
| | | |
| | | |
| | | |



Cachuma Lake Pipe Extension Project 2023

Distribution Department

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

Highlights

Department Information

- Number of employees 10.60
- Authority pipeline (in miles) 42
- Coastal Branch Phase II pipeline (in miles) 101
- Number of water storage tanks 7
- Number of turnouts 10

Budget Information

- Total FY 2023/24 O&M Budget \$ 3,308,422
- O&M Budget decrease over FY 2022/23 \$ (199,921)
 - Fixed cost increase over FY 2022/23 \$ 377,420
 - Variable cost decrease over FY 2022/23 \$ (577,341)
- Percentage decrease (5.70%)
- Fixed O&M expenses \$ 3,037,590
- Variable O&M expenses \$ 270,832
- FY 2023/24 budgeted electrical cost \$ 135.96 per acre-foot

Significant Accomplishments during FY 2022/23

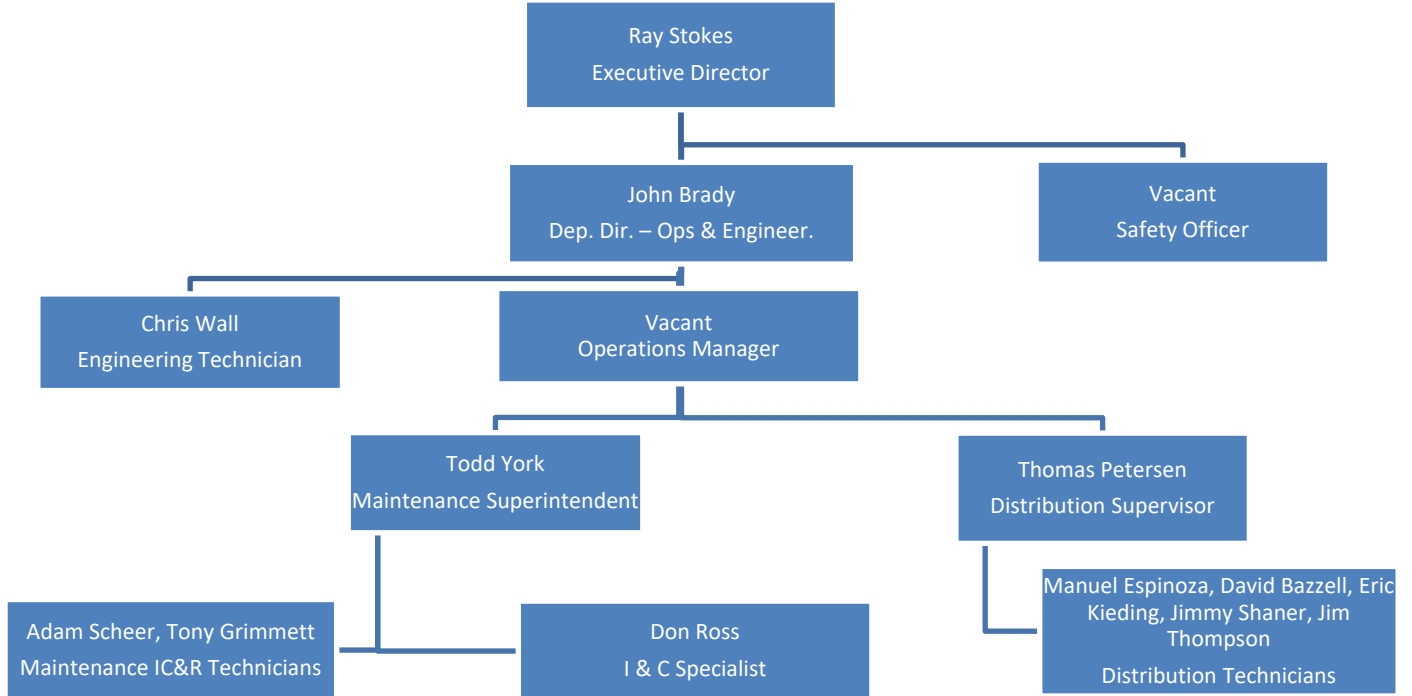
- Successfully operated the pipeline at historic low flow rate of 2 MGD, while maintaining water quality and potability.
- Successfully constructed the lakeside extension of the CCWA Bradbury penstock bypass pipeline in November 2022 and successfully removed the same pipeline that was submerged in January 2023 following rapid rise in lake level.
- Successfully proposed, designed and constructed the alternative release point to facilitate release of CCWA water to the Santa Ynez River.

Significant Goals for FY 2023/24

- Upgrade the CCWA CMMS system and the GIS system to fully capture institutional knowledge.
- Begin work on a long-term plan to install a permanent penstock bypass pipeline to ultimately replace the portion of the 1960's era CCWA pipeline within the Santa Ynez river.

Central Coast Water Authority
Distribution Department
Fiscal Year 2023/24 Budget

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



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

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

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

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

Central Coast Water Authority
Distribution Department
Fiscal Year 2023/24 Budget

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

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

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

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

DISTRIBUTION DEPARTMENT OPERATING EXPENSE OVERVIEW

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

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

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

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

Central Coast Water Authority
Distribution Department
Fiscal Year 2023/24 Budget

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

DWR REACHES

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

CCWA (Authority) REACHES

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

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

Distribution Allocation of Operating Expenses by Financial Reach

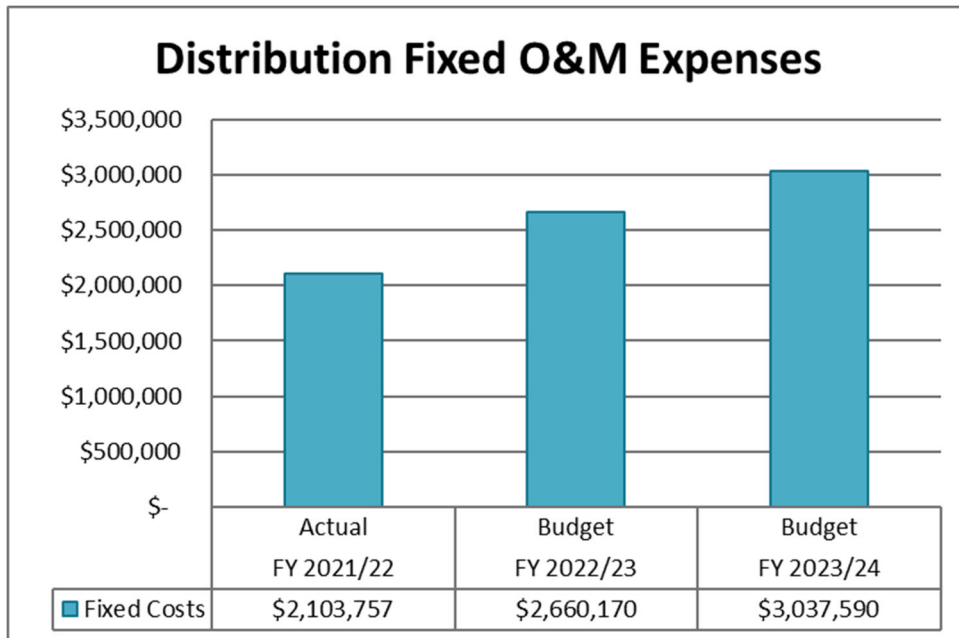
The Distribution Department operating expenses are allocated among the financial reaches listed above based on allocation percentages established by the Authority. These percentages are based on the FY 2021/22 actual operating expenses for each reach. The financial reach allocation percentages are adjusted each year based on the year-end budget status report actual operating expenses from the preceding fiscal year. The following table provides the allocation percentages for the Distribution Department operating expenses.

Central Coast Water Authority
Distribution Department
 Fiscal Year 2023/24 Budget

| Distribution Department Financial Reach Allocation | | | |
|---|--|--|------------------------|
| Financial Reach | FY 2023/24 Allocation Percentage | FY 2022/23 Allocation Percentage | Increase (Decrease) |
| Reach 33B | 16.26% | 19.36% | -3.10% |
| Reach 34 | 8.07% | 9.30% | -1.23% |
| Reach 35 | 4.47% | 2.54% | 1.93% |
| Reach 37 | 2.23% | 2.57% | -0.34% |
| Reach 38 | 3.29% | 3.24% | 0.05% |
| Mission Hills II | 14.95% | 13.82% | 1.13% |
| Santa Ynez I | 17.21% | 17.13% | 0.08% |
| Santa Ynez II | 33.52% | 32.04% | 1.48% |
| TOTAL: | 100.00% | 100.00% | 0.00% |

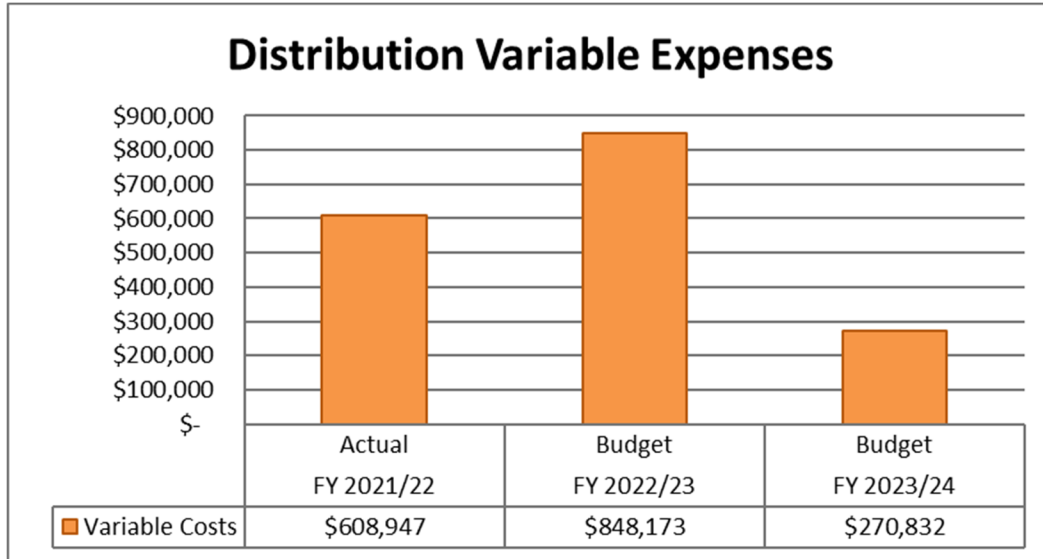
The expenses associated with the Distribution Department are divided into fixed and variable O&M costs.

Fixed O&M Costs are all costs of the distribution system that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services, and repair and maintenance costs. The following graph shows the three-year trend for the Distribution Department Fixed O&M expenses. As the graph shows, the FY 2023/24 fixed O&M costs are \$377,420 higher than the prior year budget amount.



Central Coast Water Authority
Distribution Department
 Fiscal Year 2023/24 Budget

Variable O&M Costs are all costs that vary with the amount of water processed. The Distribution Department variable expenses are solely electrical costs to pump the South Coast project participant water into Lake Cachuma. The following graph shows the three-year trend for the Distribution Department variable O&M costs. As the graph shows, the FY 2023/24 variable O&M costs are \$577,341 lower than the prior year budget amounts.



The following table shows the allocation of the Distribution Department variable O&M costs (electrical costs) for the Fiscal Year 2023/24 Budget.

Distribution Department Electrical Costs

| Project Participant | Requested Table A Deliveries ⁽¹⁾ | Distribution Electrical Costs at \$135.96/AF |
|--|---|--|
| Goleta | 1,449 | \$ 197,006 |
| Morehart | 84 | 11,421 |
| La Cumbre | 359 | 48,810 |
| Raytheon | - | - |
| Santa Barbara | - | - |
| Montecito | - | - |
| Carpinteria | 100 | 13,596 |
| Total South Coast: | 1,992 | \$ 270,832 |
| <small>(1) Excludes water deliveries exchanged with Santa Ynez ID#1.</small> | | |

Central Coast Water Authority
Distribution Department
Fiscal Year 2023/24 Budget

Fiscal Year 2023/24 Operating Expense Budget

The Fiscal Year 2023/24 Distribution Department operating expense budget is \$3,308,422, which is \$199,921 lower than the previous year's budget of \$3,508,343, a decrease of 5.70%. The personnel expense section of the Distribution Department budget represents approximately 64% of the budget. Utilities comprise 10%, with other expenses making up the balance of the budget. A pie chart showing percentage of the various components of the Distribution Department operating expense budget is included on a subsequent page. Variable O&M costs are included in the supplies and equipment and utilities categories.

Personnel Expenses Personnel expenses are increasing by about \$235,294 attributed to the following:

- The FY 2023/24 total Distribution Department salaries and wages budget is held to an increase of only \$126,803 when compared to the prior fiscal year budget due to an increase in the Consumer Price Index for December 2022 and the addition of an operations manager.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by \$49,179. This is due to; 1) The 2023 CalPERS health insurance plan with the lowest premiums increased by 18.40% over the 2022 premiums, as opposed to the increase of 5% budgeted for the calendar year 2023; 2) The FY 2023/24 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2024. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- Workers' Compensation costs are decreasing by \$5,475 due to a 22% decrease in the Experience modification rate for CCWA.
- CalPERS retirement expenses are increasing by \$16,490 over the prior fiscal year. The CCWA employer paid portion for "Classic" members in FY 23/24 is 31.596% as compared to the prior year amount of 29.121%, for a 2.475 % increase. CCWA "Classic" member employees began paying 50% of the increase in the "normal" PERS employer contribution in FY 2017/18. As of FY 2023/24 the Distribution Department has 7 CalPERS PEPRA member employee. The PEPRA employer contribution rate in FY 2023/24 decreased from 8.26% in FY 2022/23 to 8.00% in FY 2023/24 for a decrease in employer paid PEPRA contribution rate of 0.26%.
- The FY 2023/24 Budget includes a \$53,067 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Central Coast Water Authority
Distribution Department
Fiscal Year 2023/24 Budget

Repairs and Maintenance Repairs and maintenance costs are increasing by about \$15,150 because of an increase in anticipated equipment repair and maintenance expenses.

Professional Services Professional Services costs are increasing by approximately \$87,772 due to environmental services required by regulatory agencies and legal cost associated with the negotiation of a long term Warren Act contract.

General and Administrative General and Administrative costs are decreasing by \$500 due to a decrease in meeting and travel expenses.

Utility Expenses Utility expenses are decreasing by \$572,453 largely due to savings in variable electric costs due to lower estimated deliveries and lower projected cost per AF.

Other Expenses Other expenses are increasing by approximately \$28,731 due to anticipated increase in insurance and computer expenses.

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

Central Coast Water Authority
Distribution Department
 Fiscal Year 2023/24 Budget

The following table shows the FY 2023/24 O&M budget for the various CCWA Turnouts.

| TURNOUT EXPENSES | | | | | | | | |
|-----------------------------|------------------|-----------------------------------|-------------------------|-----------------|-----------------------------|---------------------------------|-----------|---------------|
| Turnout | Electric Expense | Equipment Repairs and Maintenance | Phone Computer Expenses | Other Expenses | Subtotal Operating Expenses | Capital Projects ⁽¹⁾ | TOTAL | |
| Guadalupe | \$ 769 | \$ 1,000 | \$ - | \$ 500 | \$ 2,269 | \$ - | \$ | 2,269 |
| Santa Maria | 540 | 1,500 | - | 500 | 2,540 | - | \$ | 2,540 |
| Golden State Water Co. | 718 | 3,000 | - | 500 | 4,218 | - | \$ | 4,218 |
| Vandenberg Space Force Base | | 1,500 | - | 500 | 2,000 | - | \$ | 2,000 |
| Buellton | 224 | 1,500 | - | 500 | 2,224 | - | \$ | 2,224 |
| Santa Ynez (Solvang) | 363 | 1,000 | - | 500 | 1,863 | - | \$ | 1,863 |
| Santa Ynez | | 1,000 | - | 500 | 1,500 | - | \$ | 1,500 |
| Shandon | 1,621 | 1,000 | - | 500 | 3,121 | - | \$ | 3,121 |
| Chorro Valley | | 1,500 | 900 | 500 | 2,900 | - | \$ | 2,900 |
| Lopez | 383 | 1,500 | - | 500 | 2,383 | - | \$ | 2,383 |
| TOTAL: | \$ 4,618 | \$ 14,500 | \$ 900 | \$ 5,000 | \$ 25,018 | \$ - | \$ | 25,018 |

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

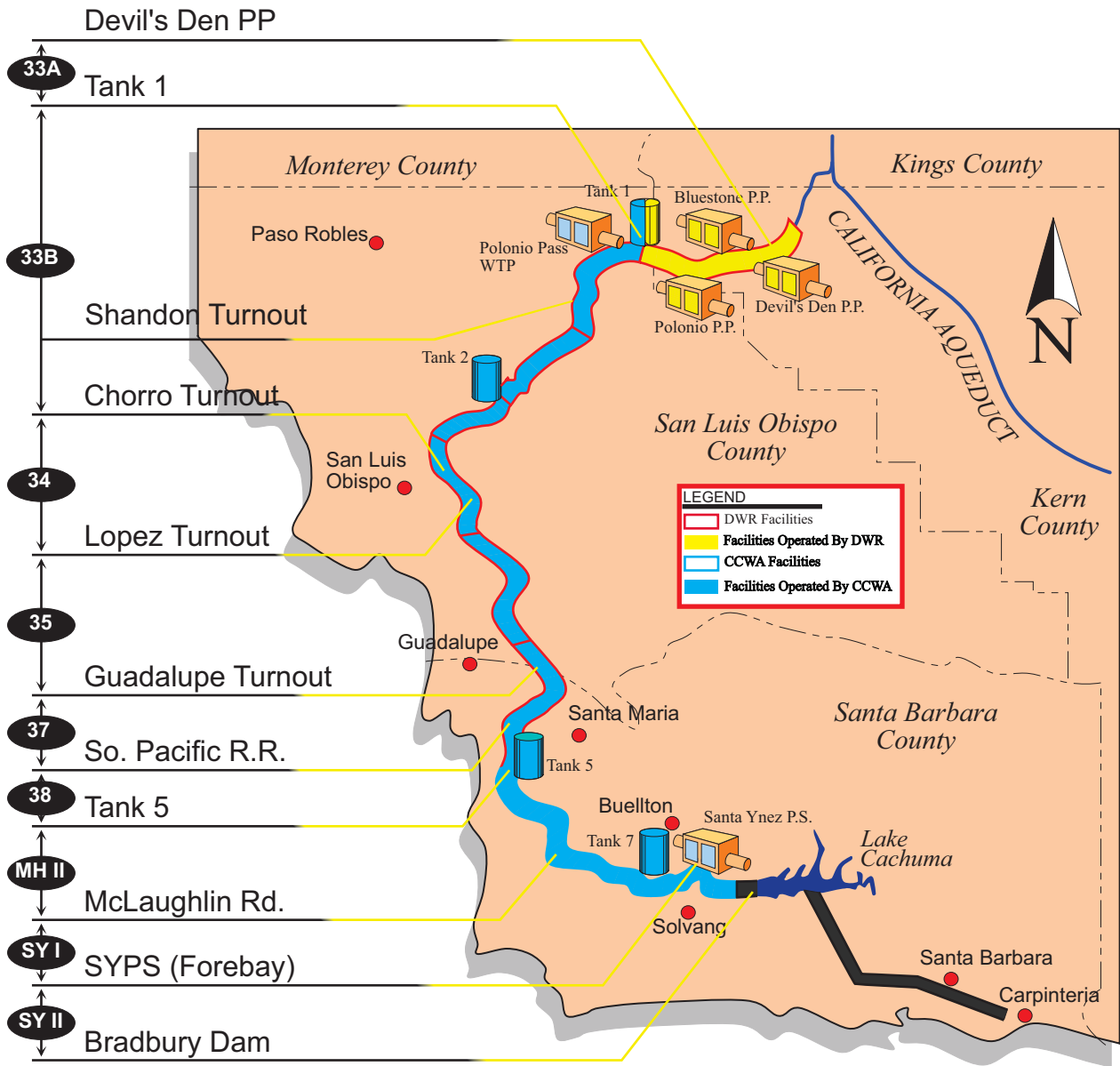
Central Coast Water Authority
Distribution Department
 Fiscal Year 2023/24 Budget

| PERSONNEL COUNT SUMMARY | | | | | |
|--|-------------------------------|-------------------------------|-----------------------------------|------------------------------|------------------------------|
| Position Title | Number Auth. FY 2021/22 | Number Auth. FY 2022/23 | Number Requested FY 2023/24 | Change Over FY 2021/22 | Change Over FY 2022/23 |
| Executive Director ⁽¹⁾ | 0.25 | 0.25 | 0.25 | - | - |
| Deputy Director of Operations ⁽²⁾ | 0.40 | 0.40 | 0.40 | - | - |
| Operations Manager ⁽³⁾ | - | - | 0.40 | 0.40 | 0.40 |
| Safety & Environmental Specialist ⁽⁴⁾ | 0.75 | 0.75 | 0.75 | - | - |
| Distribution Supervisor | 1.00 | 1.00 | 1.00 | - | - |
| Engineering Technician | 1.00 | 1.00 | 1.00 | - | - |
| Instrumentation & Control Specialist | 1.00 | 1.00 | 1.00 | - | - |
| Maintenance Superintendent ⁽⁵⁾ | 0.40 | 0.40 | 0.40 | - | - |
| Maintenance/IC&R Technicians ⁽⁶⁾ | 0.40 | 0.40 | 0.40 | - | - |
| Distribution Technician | 5.00 | 5.00 | 5.00 | - | - |
| TOTAL: | 10.20 | 10.20 | 10.60 | 0.40 | 0.40 |

| PERSONNEL WAGE SUMMARY | | | | | | |
|--|-------------------|----------------------------|------------------------------|------------------------------|--------------------------------------|---------------------------------|
| Position Title | No. of Emp. | Position Classification | Minimum Monthly Salary | Maximum Monthly Salary | FY 2022/23 Total Annual Salary | Allocation to Dist. Dept. |
| Executive Director ⁽¹⁾ | 1 | N/A | N/A | N/A | \$ 298,850 | \$ 74,713 |
| Deputy Director of Operations ⁽²⁾ | 1 | N/A | N/A | N/A | \$ 209,053 | \$ 83,621 |
| Operations Manager ⁽³⁾ | 1 | 46 | \$ 12,387 | \$ 15,112 | \$ 141,665 | \$ 56,666 |
| Safety & Environmental Specialist ⁽⁴⁾ | 1 | 38 | \$ 10,432 | \$ 12,727 | \$ 126,000 | \$ 94,500 |
| Distribution Supervisor | 1 | 34 | \$ 9,574 | \$ 11,680 | \$ 122,580 | \$ 122,580 |
| Engineering Technician | 1 | 21 | \$ 7,242 | \$ 8,836 | \$ 99,727 | \$ 99,727 |
| Instrumentation & Control Specialist | 1 | 28 | \$ 8,417 | \$ 10,268 | \$ 114,955 | \$ 114,955 |
| Maintenance Superintendent ⁽⁵⁾ | 1 | 38 | \$ 10,432 | \$ 12,727 | \$ 135,836 | \$ 54,334 |
| Maintenance/IC&R Technicians ⁽⁶⁾ | 2 | 26 | \$ 8,063 | \$ 9,837 | \$ 203,266 | \$ 40,653 |
| Distribution Technicians | 5 | 19 | \$ 6,938 | \$ 8,464 | \$ 463,214 | \$ 463,214 |
| FY 2023/24 Salary Pool | | | | | | \$ 59,357 |
| TOTAL: | | | | | | \$ 1,264,321 |

- (1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
 (2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
 (3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
 (4) The Safety/Environmental Specialist (previously Regulatory Spec.) is allocated to Water Treatment Plant (25%) and Distribution (75%).
 (5) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
 (6) The two Maintenance IC&R Technicians are allocated to Water Treatment Plant (80%) and Distribution (20%).

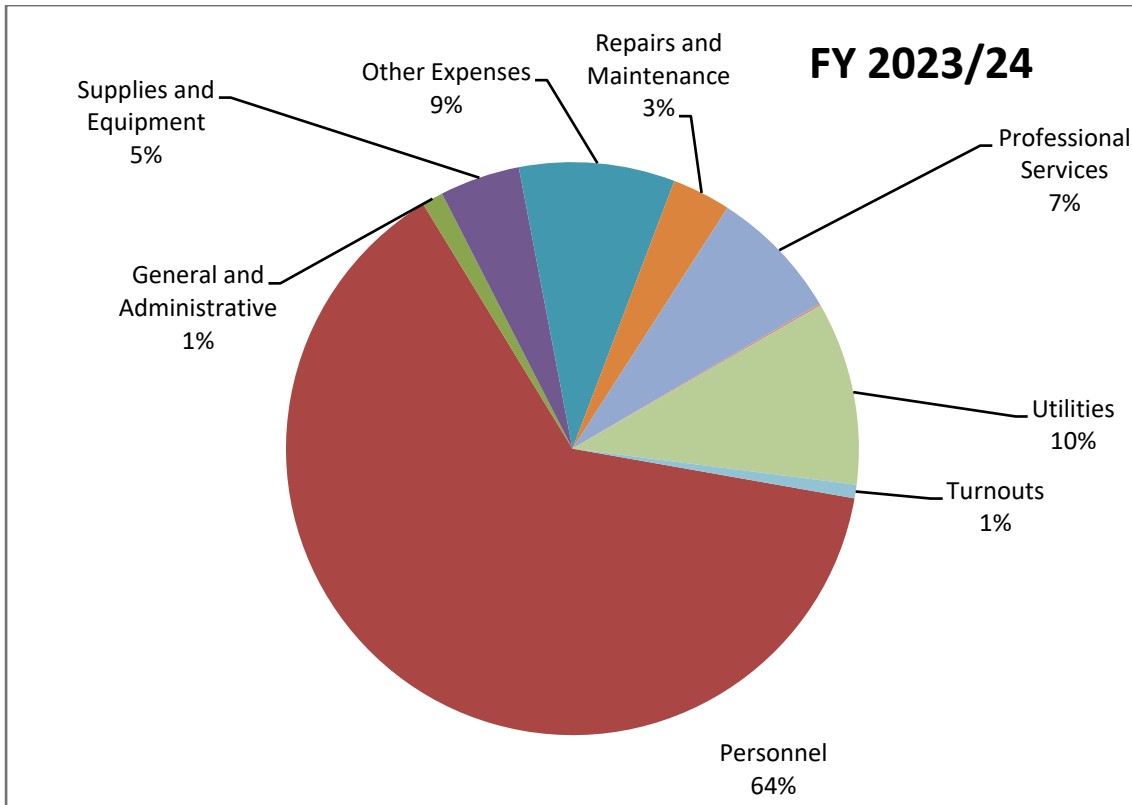
COASTAL BRANCH FINANCIAL REACHES



| Purveyor | CONTRACT ENTITLEMENT IN FINANCIAL REACHES | | | | | | | |
|----------------------|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | WTP / 33B | 34 | 35 | 37 | 38 | MH II | SY I | SY II |
| Shandon | 100 | | | | | | | |
| Chorro Valley | 2,338 | | | | | | | |
| Lopez | 2,392 | 2,392 | | | | | | |
| Guadalupe | 550 | 550 | 550 | | | | | |
| Santa Maria | 16,200 | 16,200 | 16,200 | 16,200 | | | | |
| SCWC | 500 | 500 | 500 | 500 | | | | |
| Vandenberg AFB | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | | |
| Buellton | 578 | 578 | 578 | 578 | 578 | 578 | 578 | |
| Santa Ynez (Solvang) | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | |
| Santa Ynez | 500 | 500 | 500 | 500 | 500 | 500 | 500 | |
| Goleta | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Morehart Land | 200 | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| LaCumbre | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| SB Research | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Santa Barbara | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Montecito | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Carpinteria | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| TOTAL | 43,908 AF | 41,470 AF | 39,078 AF | 38,528 AF | 21,828 AF | 21,828 AF | 16,328 AF | 13,750 AF |

Central Coast Water Authority
Distribution Department
 Fiscal Year 2023/24 Budget

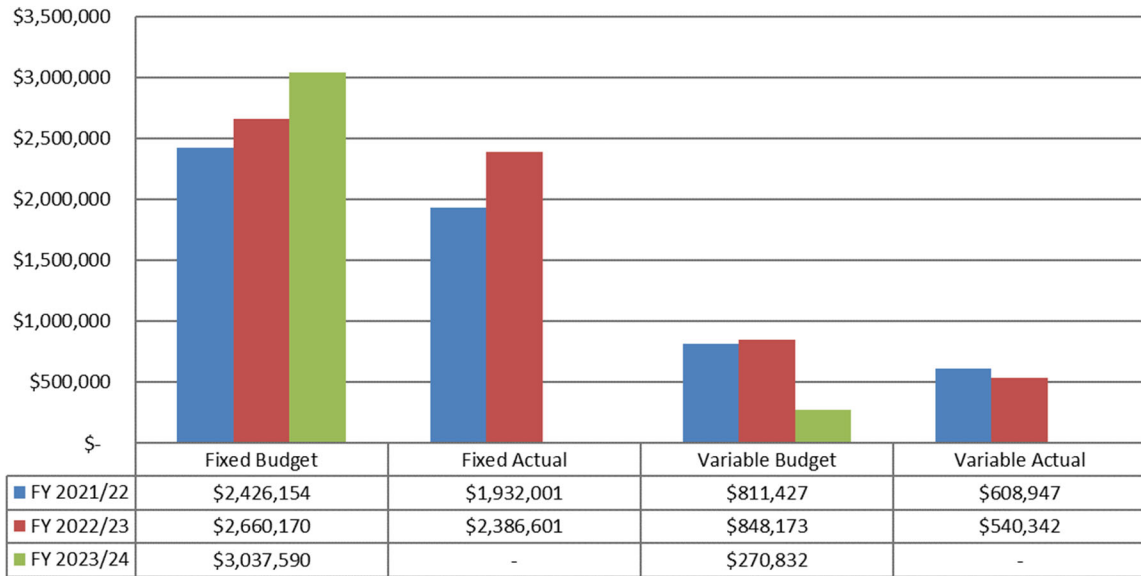
| Item | FY 2023/24 Budget |
|----------------------------|---------------------|
| Personnel | \$ 2,115,083 |
| Office Expenses | 4,000 |
| Supplies and Equipment | 148,295 |
| Monitoring Expenses | - |
| Repairs and Maintenance | 109,760 |
| Professional Services | 243,935 |
| General and Administrative | 34,250 |
| Utilities | 338,957 |
| Other Expenses | 289,123 |
| Turnouts | 25,018 |
| TOTAL: | \$ 3,308,422 |



Central Coast Water Authority
Distribution Department
 Fiscal Year 2023/24 Budget

| Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget |
|---|---------------------|---------------------|---------------------|-----------------------------|---------------------|
| Personnel Expenses | \$ 1,784,507 | \$ 1,474,026 | \$ 1,879,789 | \$ 1,661,991 | \$ 2,115,083 |
| Office Expenses | 4,000 | 2,419 | 4,000 | 1,829 | 4,000 |
| Supplies and Equipment | 102,911 | 103,260 | 142,210 | 107,459 | 148,295 |
| Monitoring Expenses | - | - | - | - | - |
| Repairs and Maintenance | 91,700 | 104,644 | 94,610 | 57,468 | 109,760 |
| Professional Services | 103,733 | 161,819 | 156,163 | 106,714 | 243,935 |
| General and Administrative | 34,250 | 22,821 | 34,751 | 16,678 | 34,250 |
| Utilities | 880,839 | 683,040 | 911,410 | 598,836 | 338,957 |
| Other Expenses | 210,496 | 145,485 | 260,392 | 360,969 | 289,123 |
| Turnouts | 25,144 | 15,188 | 25,018 | 15,000 | 25,018 |
| Total Operating Expenses | \$ 3,237,580 | \$ 2,712,704 | \$ 3,508,343 | \$ 2,926,943 | \$ 3,308,422 |
| Fixed Operating Expenses ⁽¹⁾ | \$ 2,426,154 | \$ 2,103,757 | \$ 2,660,170 | \$ 2,386,601 | \$ 3,037,590 |
| Variable Operating Expenses | 811,427 | 608,947 | 848,173 | 540,342 | 270,832 |
| Total Operating Expenses | \$ 3,237,580 | \$ 2,712,704 | \$ 3,508,343 | \$ 2,926,943 | \$ 3,308,422 |

**Distribution Budget and Actual
 Fixed and Variable Expenses**



Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|----------------------------------|---------------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>PERSONNEL EXPENSES</u> | | UPDATED | | | | | | |
| 5000.10 | Full-Time Regular Wages | \$ 1,071,503 | \$ 1,091,800 | \$ 1,137,518 | \$ 1,036,008 | \$ 1,264,321 | \$ 126,803 | 11.15% |
| 1300.60 | Capitalized Wages and Overtime | - | - | - | - | - | - | N/A |
| 5000.20 | Overtime | 69,677 | 77,614 | 74,009 | 104,149 | 81,193 | 7,184 | 9.71% |
| 5000.40 | Standby Pay | 26,283 | 23,825 | 28,485 | 23,169 | 29,932 | 1,447 | 5.08% |
| 5000.50 | Shift Differential Pay | - | - | - | - | - | - | N/A |
| 5100.10 | PERS Retirement | 283,558 | (15,764) | 326,010 | 254,465 | 342,500 | 16,490 | 5.06% |
| 5100.15 | Medicare Taxes | 17,514 | 16,723 | 18,206 | 11,674 | 19,992 | 1,786 | 9.81% |
| 5100.20 | Health/Dental/Vision Plans | 219,439 | 191,972 | 200,635 | 132,208 | 249,814 | 49,179 | 24.51% |
| 5100.25 | Workers' Compensation | 35,686 | 34,048 | 35,272 | 19,418 | 29,797 | (5,475) | -15.52% |
| 5100.30 | Vehicle Expenses | - | - | - | - | - | - | N/A |
| 5100.35 | Retiree Medical Future Liability Dep. | 47,063 | 44,604 | 45,297 | 46,823 | 53,067 | 7,770 | 17.15% |
| 5100.50 | Long-Term Disability | 5,274 | 4,980 | 5,600 | 3,498 | 6,236 | 636 | 11.35% |
| 5100.55 | Life Insurance | 4,460 | 3,747 | 4,582 | 5,763 | 7,171 | 2,589 | 56.51% |
| 5100.60 | Employee Physicals | 450 | 420 | 495 | - | 1,745 | 1,250 | 252.53% |
| 5000.30 | Temporary Services | - | - | - | - | - | - | N/A |
| 5100.80 | Employee Incentive Programs/457 Plan | 2,600 | - | 2,680 | 24,414 | 28,315 | 25,635 | 956.53% |
| 5100.65 | Employee Education Reimbursement | 1,000 | - | 1,000 | - | 1,000 | - | 0.00% |
| 5100.86 | Benefits-Non-Capitalized Projects | - | 57 | - | 402 | - | - | N/A |
| 1300.60 | Capitalized Employee Benefits | - | - | - | - | - | - | N/A |
| Total Personnel Expenses: | | 1,784,507 | 1,474,026 | 1,879,789 | 1,661,991 | 2,115,083 | 235,294 | 12.52% |

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--------------------------------------|----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>OFFICE EXPENSES</u> | | | | | | | | |
| 5200.20 | Office Supplies | 1,500 | 589 | 1,500 | 725 | 1,500 | - | 0.00% |
| 5200.30 | Miscellaneous Office Expenses | 2,500 | 1,830 | 2,500 | 1,104 | 2,500 | - | 0.00% |
| Total Office Expenses: | | 4,000 | 2,419 | 4,000 | 1,829 | 4,000 | - | 0.00% |
| <u>SUPPLIES AND EQUIPMENT</u> | | | | | | | | |
| 5500.10 | Uniform Expenses | 7,421 | 8,184 | 8,605 | 6,802 | 9,955 | 1,350 | 15.69% |
| 5500.15 | Minor Tools and Equipment | 5,000 | 1,646 | 5,000 | 5,000 | 5,000 | - | 0.00% |
| 5500.20 | Spare Parts | - | - | - | - | - | - | N/A |
| 5500.25 | Landscape Equipment and Supplies | 1,000 | - | 1,000 | - | 1,000 | - | 0.00% |
| 5500.30 | Chemicals-Fixed | - | - | - | - | - | - | N/A |
| 5500.31 | Chemicals-Variable | - | - | - | - | - | - | N/A |
| 5500.35 | Maintenance Supplies/Hardware | 10,000 | 8,126 | 10,000 | 8,616 | 10,000 | - | 0.00% |
| 5500.40 | Safety Supplies | 7,000 | 11,326 | 7,000 | 6,370 | 11,735 | 4,735 | 67.64% |
| 5500.45 | Fuel and Lubricants | 63,990 | 71,728 | 106,105 | 76,171 | 106,105 | - | 0.00% |
| 5500.50 | Seed/Erosion Control Supplies | 8,000 | 1,820 | 4,000 | 4,000 | 4,000 | - | 0.00% |
| 5500.55 | Backflow Prevention Supplies | 500 | 431 | 500 | 500 | 500 | - | 0.00% |
| Total Supplies and Equipment: | | 102,911 | 103,260 | 142,210 | 107,459 | 148,295 | 6,085 | 4.28% |
| <u>MONITORING EXPENSES</u> | | | | | | | | |
| 5600.10 | Lab Supplies | - | - | - | - | - | - | N/A |
| 5600.20 | Lab Tools and Equipment | - | - | - | - | - | - | N/A |
| 5600.30 | Lab Testing | - | - | - | - | - | - | N/A |
| Total Monitoring Expenses: | | - | - | - | - | - | - | N/A |

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|--|-----------------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>REPAIRS AND MAINTENANCE</u> | | | | | | | | |
| 5700.10 | Equipment Repairs and Maintenance | 55,000 | 67,312 | 55,000 | 30,152 | 70,000 | 15,000 | 27.27% |
| 5700.20 | Vehicle Repairs and Maintenance | 15,000 | 24,521 | 20,000 | 15,000 | 20,000 | - | 0.00% |
| 5700.30 | Building Maintenance | 17,200 | 7,958 | 15,110 | 8,315 | 15,260 | 150 | 0.99% |
| 5700.40 | Landscape Maintenance | 4,500 | 4,853 | 4,500 | 4,000 | 4,500 | - | 0.00% |
| Total Repairs and Maintenance: | | 91,700 | 104,644 | 94,610 | 57,468 | 109,760 | 15,150 | 16.01% |
| <u>PROFESSIONAL SERVICES</u> | | | | | | | | |
| 5400.10 | Professional Services | 83,633 | 12,797 | 134,723 | 43,612 | 156,205 | 21,482 | 15.95% |
| 5400.20 | Legal Services | - | 137,110 | - | 40,000 | 50,000 | 50,000 | N/A |
| 5400.30 | Engineering Services | 15,000 | 4,470 | 15,000 | 18,702 | 30,000 | 15,000 | 100.00% |
| 5400.40 | Permits | 5,100 | 7,443 | 6,440 | 4,400 | 7,730 | 1,290 | 20.03% |
| 5400.50 | Non-Contractual Services | - | - | - | - | - | - | N/A |
| 5400.60 | Accounting Services | - | - | - | - | - | - | N/A |
| Total Professional Services: | | 103,733 | 161,819 | 156,163 | 106,714 | 243,935 | 87,772 | 56.21% |
| <u>GENERAL AND ADMINISTRATIVE</u> | | | | | | | | |
| 5300.10 | Meeting and Travel | 20,000 | 5,370 | 20,001 | 7,820 | 15,000 | (5,001) | -25.00% |
| 5300.20 | Mileage Reimbursement | 150 | - | 150 | - | 150 | - | 0.00% |
| 5300.30 | Dues and Memberships | 2,500 | 5,145 | 3,000 | 2,900 | 3,000 | - | 0.00% |
| 5300.40 | Publications | 1,000 | 3,402 | 1,000 | 1,000 | 1,000 | - | 0.00% |
| 5300.50 | Training | 8,500 | 8,298 | 8,500 | 4,552 | 13,000 | 4,500 | 52.94% |
| 5300.60 | Advertising | 1,500 | - | 1,500 | - | 1,500 | - | 0.00% |
| 5300.70 | Printing and Binding | - | 326 | - | - | - | - | N/A |
| 5300.80 | Postage | 600 | 279 | 600 | 406 | 600 | - | 0.00% |
| Total General and Administrative: | | 34,250 | 22,821 | 34,751 | 16,678 | 34,250 | (501) | -1.44% |

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2023/24 Administration/O&M Budget

| Account Number | Account Name | FY 2021/22 Budget | FY 2021/22 Actual | FY 2022/23 Budget | FY 2022/23 Estimated Actual | FY 2023/24 Budget | Change from FY 2022/23 Budget | Percent Change FY 2022/23 Budget |
|---------------------------------|---|-------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------------------|----------------------------------|
| <u>UTILITIES</u> | | | | | | | | |
| 5800.20 | Natural Gas | 1,010 | 1,230 | 1,070 | 1,300 | 1,070 | - | 0.00% |
| 5800.30 | Electric Fixed | 56,903 | 60,818 | 48,001 | 43,416 | 48,605 | 604 | 1.26% |
| 5800.31 | Electric-Variable | 811,427 | 608,947 | 848,173 | 540,342 | 270,832 | (577,341) | -68.07% |
| 5800.40 | Water | 2,500 | 2,173 | 2,500 | 2,294 | 2,500 | - | 0.00% |
| 5800.50 | Telephone | 5,500 | 6,247 | 7,525 | 6,979 | 10,765 | 3,240 | 43.06% |
| 5800.60 | Waste Disposal | 3,500 | 3,626 | 4,141 | 4,505 | 5,185 | 1,044 | 25.21% |
| Total Utilities: | | 880,839 | 683,040 | 911,410 | 598,836 | 338,957 | (572,453) | -62.81% |
| <u>OTHER EXPENSES</u> | | | | | | | | |
| 5900.10 | Insurance | 51,004 | 55,316 | 62,619 | 64,636 | 80,222 | 17,603 | 28.11% |
| 5900.30 | Non-Capitalized Projects ⁽¹⁾ | - | - | - | - | - | - | N/A |
| 5900.40 | Equipment Rental | 24,100 | 7,516 | 39,100 | 120,078 | 39,500 | 400 | 1.02% |
| 5900.50 | Non-Capitalized Equipment | 10,000 | 4,269 | 10,000 | - | 10,000 | - | 0.00% |
| 5900.60 | Computer Expenses | 78,313 | 70,902 | 97,494 | 84,255 | 100,331 | 2,837 | 2.91% |
| 5900.70 | Appropriated Contingency | 47,079 | 7,482 | 51,179 | 92,000 | 59,070 | 7,891 | 15.42% |
| Total Other Expenses: | | 210,496 | 145,485 | 260,392 | 360,969 | 289,123 | 28,731 | 11.03% |
| | Turnouts | 25,144 | 15,188 | 25,018 | 15,000 | 25,018 | - | 0.00% |
| TOTAL OPERATING EXPENSES | | \$ 3,237,580 | \$ 2,712,704 | \$ 3,508,343 | \$ 2,926,943 | \$ 3,308,422 | (199,921) | -5.70% |

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

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the Distribution regular full-time employees. Includes \$59,357 for FY 2022/23 salary pool.

| | |
|----------------------------------|-----------|
| FY 23/24 Requested Budget | 1,264,321 |
| FY 22/23 Estimated Actual | 1,036,008 |
| Increase (Decrease) | 228,313 |

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

Description: Funds for overtime expenses for non-exempt Distribution employees.

| | |
|----------------------------------|----------|
| FY 23/24 Requested Budget | 81,193 |
| FY 22/23 Estimated Actual | 104,149 |
| Increase (Decrease) | (22,956) |

Overtime is set at 5.0% of salaries plus one hour per day to monitor SCADA system.

ACCOUNT NUMBER: 1300.60

ACCOUNT TITLE: Capitalized Salaries and Overtime

Description: CCWA employee salaries and overtime capitalized as a component of capital projects constructed or acquired by CCWA.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

ACCOUNT NUMBER: 5000.30

ACCOUNT TITLE: Temporary Services

Description: Temporary services:

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Stand-by Pay

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 29,932 |
| FY 22/23 Estimated Actual | 23,169 |
| Increase (Decrease) | 6,763 |

Description: Funds for stand-by pay for one Distribution Technician and one Instrumentation and Control employee assigned to stand-by duty on a 24-hour basis. Based on 5% of their average hourly rate. Standby pay is \$2.46 per hour for a Distribution employee. Instrumentation and Control employee hourly rate is \$2.86 (1/3 allocated to Distribution Department and 2/3 allocated to the Water Treatment Plant Department).

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 342,500 |
| FY 22/23 Estimated Actual | 254,465 |
| Increase (Decrease) | 88,035 |

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 31.986% contribution rate for FY 2023/24, which includes the required Unfunded Accrued Liability (UAL) payment.

| | | |
|-------------------------|------------|--------------|
| Required Contributions | \$ 186,071 | 18.336% |
| UAL current fiscal year | 112,155 | 13.650% |
| UAL additional payment | 44,274 | fixed amount |
| | \$ 342,500 | |

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 19,992 |
| FY 22/23 Estimated Actual | 11,674 |
| Increase (Decrease) | 8,318 |

Description: Funds for the employer portion of Medicare taxes for the Distribution Department. Amount is equal to 1.45% of all wages.

ACCOUNT NUMBER: 5100.20

ACCOUNT TITLE: Health Insurance

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 213,269 |
| FY 22/23 Estimated Actual | 74,257 |
| Increase (Decrease) | 139,012 |

Description: Funds for the employer paid portion of health insurance for Distribution employees. Based on employee 2023 Café Plan elections. Includes an estimated 5% premium increase in 2024 rates.

| | 2023 Allowance | | 2024 Allowance Est | |
|---------------|----------------|--|--------------------|--|
| Family | \$ 21,713 | | \$ 22,799 | |
| Emp + 1 | 16,702 | | 17,537 | |
| Employee only | 8,351 | | 8,769 | |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

Description: Funds for Workers' Compensation insurance for the Distribution department. Based on an X-Mod rate of 80 and an economy of size rate of 90%. Based on a 3% premium increase over FY 2022/23

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 29,797 |
| FY 22/23 Estimated Actual | 19,418 |
| Increase (Decrease) | 10,379 |

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Retiree Medical Future Liability Deposit

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 53,067 |
| FY 22/23 Estimated Actual | 46,823 |
| Increase (Decrease) | 6,245 |

ACCOUNT NUMBER: 5100.40

ACCOUNT TITLE: Cafeteria Plan Benefits

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

| | |
|----------------------------------|----------|
| FY 23/24 Requested Budget | 3,320 |
| FY 22/23 Estimated Actual | 34,971 |
| Increase (Decrease) | (31,651) |

ACCOUNT NUMBER: 5100.45

ACCOUNT TITLE: Dental/Vision Plan

Description: Funds for the self-funded dental/vision plan. The plan provides \$4,179 per year per family for dental and vision expenses. Budgeted amount is \$3,134 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 33,225 |
| FY 22/23 Estimated Actual | 22,980 |
| Increase (Decrease) | 10,245 |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5100.50

ACCOUNT TITLE: Long-Term Disability

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 6,236 |
| FY 22/23 Estimated Actual | 3,498 |
| Increase (Decrease) | 2,738 |

ACCOUNT NUMBER: 5100.55

ACCOUNT TITLE: Life Insurance

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 7,171 |
| FY 22/23 Estimated Actual | 5,763 |
| Increase (Decrease) | 1,408 |

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,745 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 1,745 |

| | | |
|----|-------|--|
| | 495 | 3 physicals at \$165 each |
| \$ | 1,250 | 10 Respiratory and Audio Exam @ \$125 each |
| \$ | 1,745 | Total |

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,000 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 1,000 |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5100.80

ACCOUNT TITLE: Employee Incentive Programs/457 K Plan

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 28,315 |
| FY 22/23 Estimated Actual | 24,414 |
| Increase (Decrease) | 3,901 |

| | | |
|----|--------|------------|
| \$ | 2,680 | EAAP |
| | 25,635 | 457 K Plan |
| \$ | 28,315 | TOTAL |

ACCOUNT NUMBER: 1300.60

ACCOUNT TITLE: Capitalized Employee Benefits

Description: CCWA employee benefits capitalized as a component of capital projects constructed or acquired by CCWA.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

| | | |
|--|--|--|
| | | |
| | | |
| | | |
| | | |
| | | |

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the Distribution Department.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,500 |
| FY 22/23 Estimated Actual | 725 |
| Increase (Decrease) | 775 |

| | | |
|--|--|--|
| | | |
| | | |
| | | |
| | | |
| | | |

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 2,500 |
| FY 22/23 Estimated Actual | 1,100 |
| Increase (Decrease) | 1,400 |

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**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5300.10

ACCOUNT TITLE: Meetings and Travel

Description: Funds for Distribution Department employee meetings and travel expenses. Includes State Water Contractor travel for Executive Director and Deputy Director as well as travel expenses for winter maintenance.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 15,000 |
| FY 22/23 Estimated Actual | 8,000 |
| Increase (Decrease) | 7,000 |

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 150 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 150 |

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues and memberships in required areas.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 3,000 |
| FY 22/23 Estimated Actual | 2,900 |
| Increase (Decrease) | 100 |

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the Distribution Department.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,000 |
| FY 22/23 Estimated Actual | 1,000 |
| Increase (Decrease) | - |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

Description: Funds for training Distribution Department staff.
Does not include educational reimbursement.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 13,000 |
| FY 22/23 Estimated Actual | 4,600 |
| Increase (Decrease) | 8,400 |

| | | |
|----|--------|-------------------------------------|
| \$ | 8,500 | Employee Training, including safety |
| \$ | 4,500 | |
| \$ | 13,000 | Total |
| | | |
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ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

Description: Funds for public relations materials
for the Distribution Department including open position advertising.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,500 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 1,500 |

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ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses
for the Distribution Department.

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 600 |
| FY 22/23 Estimated Actual | 410 |
| Increase (Decrease) | 190 |

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**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description:

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 156,205 |
| FY 22/23 Estimated Actual | 43,612 |
| Increase (Decrease) | 112,593 |

| | |
|------------|--|
| \$ 100,000 | Environmental Services, Required by Reg Agency |
| 16,500 | Cathodic protection, Crane inspections |
| 3,400 | Emergency generator and forklift service |
| 1,800 | Hydraulic package oil analysis |
| 3,715 | Fire extinguisher and SCBA inspections |
| 4,930 | Personnel Team Building |
| 12,500 | Safety Consultant |
| 5,360 | Man Down Monitoring Fee |
| 1,500 | Forklift Service |
| 550 | SCBA Inspection |
| 1,500 | Crane Inspections |
| 4,450 | Security |
| \$ 156,205 | TOTAL |

ACCOUNT NUMBER: 5400.20

ACCOUNT TITLE: Legal Services

Description:

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 50,000 |
| FY 22/23 Estimated Actual | 40,000 |
| Increase (Decrease) | 10,000 |

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ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

Description: Funds for all non-capitalized engineering services.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 30,000 |
| FY 22/23 Estimated Actual | 18,702 |
| Increase (Decrease) | 11,298 |

| | |
|-----------|------------------------------------|
| \$ 15,000 | General Services (SCADA, GIS, etc) |
| \$ 15,000 | PLC Support |
| 30,000 | Total |

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**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required permits for the Distribution Department.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 7,730 |
| FY 22/23 Estimated Actual | 4,400 |
| Increase (Decrease) | 3,330 |

| | |
|----------|----------------------------------|
| \$ 3,450 | Low Threat Discharge Permit |
| 1,795 | Diesel Permit |
| 2,485 | SYPP, Tank 7 and 5 Business Plan |
| \$ 7,730 | TOTAL |

ACCOUNT NUMBER: 5400.50

ACCOUNT TITLE: Non-Contractual Services

Description: Funds for miscellaneous non-contractual services. Not funded this year.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

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ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description: Funds for employer provided uniforms including reimbursement of uniform expenses to employees.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 9,955 |
| FY 22/23 Estimated Actual | 6,802 |
| Increase (Decrease) | 3,153 |

| | |
|----------|---|
| \$ 4,020 | Uniform Service (\$335 month) |
| 2,700 | Blue jean pants (\$150/year employee allowance) |
| 2,250 | Boots (\$250/year employee allowance) |
| 985 | Misc. uniform requirements (jackets, etc.) |
| \$ 9,955 | TOTAL |

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,000 |
| FY 22/23 Estimated Actual | 5,000 |
| Increase (Decrease) | - |

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**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5500.20

ACCOUNT TITLE: Spare Parts

Description: Not funded.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

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ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Equipment and Supplies

Description: Funds for the purchase of equipment and supplies for landscape maintenance at the pump station.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,000 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 1,000 |

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ACCOUNT NUMBER: 5500.30

ACCOUNT TITLE: Chemicals-Fixed

Description: Not funded.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

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ACCOUNT NUMBER: 5500.35

ACCOUNT TITLE: Maintenance Supplies/Hardware

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 10,000 |
| FY 22/23 Estimated Actual | 6,400 |
| Increase (Decrease) | 3,600 |

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**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5500.40

ACCOUNT TITLE: Safety Supplies

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 11,735 |
| FY 22/23 Estimated Actual | 6,370 |
| Increase (Decrease) | 5,365 |

ACCOUNT NUMBER: 5500.45

ACCOUNT TITLE: Fuel and Lubricants

Description: Funds for the purchase of fuel and lubricants for Distribution Department vehicles. Does not include mileage reimbursement expenses.

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 106,105 |
| FY 22/23 Estimated Actual | 76,171 |
| Increase (Decrease) | 29,934 |

| | | |
|----|---------|--------------------------|
| \$ | 97,000 | Vehicles |
| | 2,370 | Emergency Generator Sets |
| | 4,365 | Lubricants |
| | 2,370 | Miscellaneous |
| \$ | 106,105 | TOTAL |

ACCOUNT NUMBER: 5500.50

ACCOUNT TITLE: Seed/Plants/Erosion Control Supplies

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

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 4,000 |
| FY 22/23 Estimated Actual | 4,000 |
| Increase (Decrease) | - |

| | | |
|----|-------|----------------------|
| \$ | 1,000 | Seed |
| | 1,000 | Plants and materials |
| | 2,000 | Erosion control |
| \$ | 4,000 | TOTAL |

ACCOUNT NUMBER: 5500.55

ACCOUNT TITLE: Backflow Prevention Supplies

Description: Funds for backflow prevention.

| | |
|----------------------------------|-----|
| FY 23/24 Requested Budget | 500 |
| FY 22/23 Estimated Actual | 500 |
| Increase (Decrease) | - |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5700.10

ACCOUNT TITLE: Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of
Distribution Department equipment.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 70,000 |
| FY 22/23 Estimated Actual | 30,200 |
| Increase (Decrease) | 39,800 |

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance
of Distribution Department vehicles.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 20,000 |
| FY 22/23 Estimated Actual | 15,000 |
| Increase (Decrease) | 5,000 |

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

Description: Funds for the repair and maintenance
of the Santa Ynez Pumping Facility.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 15,260 |
| FY 22/23 Estimated Actual | 8,315 |
| Increase (Decrease) | 6,945 |

| | | |
|----|--------|-------------------------------------|
| \$ | 3,675 | Janitorial Service |
| | 1,785 | Pest Control |
| | 5,800 | HVAC, includes quarterly inspection |
| | 4,000 | Minor building repairs |
| \$ | 15,260 | TOTAL |

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

Description: Funds for the maintenance of the
Santa Ynez Pumping Facility (SYPF).

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 4,500 |
| FY 22/23 Estimated Actual | 4,000 |
| Increase (Decrease) | 500 |

| | | |
|----|-------|------------------------|
| \$ | 4,500 | SYPF (\$375 month avg) |
|----|-------|------------------------|

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for natural gas service for the
Distribution Department.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 1,070 |
| FY 22/23 Estimated Actual | 1,300 |
| Increase (Decrease) | (230) |

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service for the Distribution Dept.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 48,605 |
| FY 22/23 Estimated Actual | 43,416 |
| Increase (Decrease) | 5,189 |

| | | | |
|----|--------|-----------------|----------------|
| \$ | 17,215 | Suite B & C | \$ 1,435/month |
| | 1,626 | ISO vaults (2) | \$ 136/month |
| | 9,866 | Tanks (3) | \$ 822/month |
| | 3,385 | Rectifiers (11) | \$ 282/month |
| | 4,909 | EDV | \$ 409/month |
| | 11,604 | SYPF | \$ 967/month |
| \$ | 48,605 | TOTAL | |

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

Description: Funds for electrical service for the
Distribution Department.

| | |
|----------------------------------|-----------|
| FY 23/24 Requested Budget | 270,832 |
| FY 22/23 Estimated Actual | 540,342 |
| Increase (Decrease) | (269,509) |

| | | |
|--|-----------|--------------------|
| | 1,992 | Acre feet pumped |
| | \$135.96 | Cost per acre foot |
| | \$270,832 | TOTAL |

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

Description: Funds for water and sewer service to
the Distribution Department.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 2,500 |
| FY 22/23 Estimated Actual | 2,294 |
| Increase (Decrease) | 206 |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 10,765 |
| FY 22/23 Estimated Actual | 6,979 |
| Increase (Decrease) | 3,786 |

| | | |
|----|--------|----------------|
| \$ | 7,525 | General Phone |
| \$ | 3,240 | Tablet Service |
| \$ | 10,765 | Total |

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

Description: Funds for trash service and removal of hazardous waste (waste oil) for the Distribution Department.

| | |
|----------------------------------|-------|
| FY 23/24 Requested Budget | 5,185 |
| FY 22/23 Estimated Actual | 4,505 |
| Increase (Decrease) | 680 |

| | | |
|----|-------|-------------------------|
| \$ | 4,260 | Trash service |
| | 925 | Hazardous waste removal |
| \$ | 5,185 | TOTAL |

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 80,222 |
| FY 22/23 Estimated Actual | 64,636 |
| Increase (Decrease) | 15,586 |

| | | |
|----|--------|--|
| \$ | 45,477 | Property and Auto Insurance as apportioned by JPIA. |
| \$ | 34,745 | General liability and E&O insurance pro rated by salary percentages. |
| \$ | 80,222 | TOTAL |

ACCOUNT NUMBER: 5900.30

ACCOUNT TITLE: Non-Capitalized Projects

Description: Funds for projects along the pipeline on facilities which are not owned by CCWA or do not qualify for capitalization under the CCWA capitalization policy. See the Capital and Non-Capital Projects in the "Projects" section of the budget for details on these projects which are now classified as non-operating expenses beginning in FY 2018/19.

| | |
|----------------------------------|---|
| FY 23/24 Requested Budget | - |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | - |

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2023/24 BUDGET**

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the
Distribution Department.

| | |
|----------------------------------|----------|
| FY 23/24 Requested Budget | 39,500 |
| FY 22/23 Estimated Actual | 120,078 |
| Increase (Decrease) | (80,578) |

| | | |
|----|--------|--|
| \$ | 4,000 | Portable toilets (4) \$1,000/year each |
| | 7,500 | General equipment rental |
| | 3,000 | Mowing |
| | 25,000 | Cachuma Lake bypass pipeline |
| \$ | 39,500 | TOTAL |

ACCOUNT NUMBER: 5900.50

ACCOUNT TITLE: Non-Capitalized Fixed Assets

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

| | |
|----------------------------------|--------|
| FY 23/24 Requested Budget | 10,000 |
| FY 22/23 Estimated Actual | - |
| Increase (Decrease) | 10,000 |

| | | |
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ACCOUNT NUMBER: 5900.60

ACCOUNT TITLE: Computer Expenses

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

| | |
|----------------------------------|---------|
| FY 23/24 Requested Budget | 100,331 |
| FY 22/23 Estimated Actual | 84,300 |
| Increase (Decrease) | 16,031 |

| | | |
|----|---------|--|
| \$ | 91,721 | CompuVision, Annual Service Agreements, and Software Subscriptions |
| \$ | 8,610 | Software, New Computers, DSL Allowance and other computer services. |
| \$ | 100,331 | TOTAL |

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

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

| | |
|----------------------------------|----------|
| FY 23/24 Requested Budget | 59,070 |
| FY 22/23 Estimated Actual | 92,000 |
| Increase (Decrease) | (32,930) |

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GTO Blow Off / Shutdown November 2022

Capital, Non-Capital & Extraordinary Projects

The Capital Improvements Projects (CIP) and Non-Capital Projects (NCP) is a component of the non-operating expense section of the budget. The CIP budget includes expenses for fixed asset/equipment purchases as well as the accumulation of expenditures for construction projects undertaken by the Authority. The NCP budget includes expenditures for facility, equipment, maintenance and repairs. The Extraordinary Project Program (EPP) at the end of the project section of the budget provides a list of both CIP and NCP with a \$75,000 cost threshold over the next ten years.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
Fiscal Year 2023/24 Budget

The Capital Improvements Projects (CIP) and Non-Capital Projects (NCP) section is a component of the non-operating expense section of the budget. The budget for CIP includes expenditures for fixed asset/equipment purchases, the accumulation of expenditures associated with construction projects undertaken by the Authority. The NCP budget includes expenditures for facility, equipment, maintenance and repairs. The Extraordinary Project Program (EPP) at the end of this section provides a list of both Capital and Non-Capital Projects with a \$75,000 cost threshold and are anticipated occurring over the next ten years.

Total CIP and NCP budget for FY 2023/24 is \$2,806,978 and consists of 13 Capital Improvement Projects representing \$2,246,434 of the budget, and a budget of \$560,545 for 11 Non-Capital Projects.

Capitalization Criteria

The Authority capitalizes project expenditures and fixed asset purchases for those projects and assets that (1) are greater than \$10,000 and (2) have an estimated useful life longer than five years, with the exception of computer related equipment which is amortized over three years.

Principles used to determine what constitutes Capitalization:

- Fixing a defect or design flaw
- Creating an addition, physical enlargement or expansion
- Creating an increase in capacity, productivity or efficiency
- Rebuilding property after the end of its economic useful life
- Replacing a major component or structural part of the property
- Adapting property to a new or different use

Carry-Over

During the previous fiscal year, certain capital improvement projects were either not completed or started during the year. However, the Authority intends to complete these projects and expend the funds in the next fiscal year. Therefore, the items are treated as a “carry-over.” This means that the project is being carried forward from the previous fiscal year to the new fiscal year capital improvement budget. Additionally, the unused funds are moved from the previous fiscal year to the new fiscal year. Currently, it is not yet known if funds will need to be carried over from FY 2022/23 into FY 2023/24.

Funding of Capital Improvements (CIP) and Non-Capital Projects (NCP)

The FY 2023/24 CIP and NCP expenditures are entirely funded from Project Participant Assessments.

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2023/24 Budget

The following table shows the allocation of the FY 2023/24 Capital Improvements Projects and Non-Capital Projects by department and financial reach. Details for each of the proposed projects can also be found in this section.

| FY 2023/24 Capital Improvement Projects (CIP) | | | | | | |
|---|-----------------|----------------|-----------------|--------------|----------|--------------|
| Capital Projects | Specific | | Water Treatment | | | Total |
| | Financial Reach | Administration | Plant | Distribution | Turnouts | |
| MIB and Geosmin Analyzer | WTP | \$ - | \$ 262,500 | \$ - | \$ - | \$ 262,500 |
| WTP Office Building | WTP | - | 714,000 | - | - | 714,000 |
| Actuators | WTP | - | 34,020 | - | - | 34,020 |
| Granular Activated Carbon (GAC) Filter Media Replacement. | WTP | - | 78,750 | - | - | 78,750 |
| Repair of Corroded Risers of Air Vacuum/Air Release (AVAR) Valves – Phase 3 | SYI | - | - | 426,090 | - | 426,090 |
| SYPP Surge Tank Pedestal Repair | SYII | - | - | 367,500 | - | 367,500 |
| Permanent Bypass Piping System TM. | SYII | - | - | 78,750 | - | 78,750 |
| Serving and Expanding Portable Dosing Equipment | DIST | - | - | 68,040 | - | 68,040 |
| Right-of-Way Mower | DIST | - | - | 11,340 | - | 11,340 |
| Trailer for Tractor | DIST | - | - | 22,680 | - | 22,680 |
| Expansion of the Nutronics Hyperconverge System | ADM/DIST/WTP | 21,000 | 21,000 | 21,000 | - | 63,000 |
| Mesa Verde Road Patch and Slurry Seal | SYI | - | - | 76,266 | - | 76,266 |
| Pneumatic Tire Lift Truck (Forklift) | DIST | - | - | 43,498 | - | 43,498 |
| Total Capital Projects: | | \$ 21,000 | \$ 1,110,270 | \$ 1,115,164 | \$ - | \$ 2,246,434 |
| FY 2023/24 Non-Capital Projects (NCP) | | | | | | |
| Maintenance, Repairs & Equipment Projects | Financial Reach | ADM | WTP | DIST | Turnouts | Total |
| Lower Containment, Caustic Blending Pump and Fill Station Repair Lining | WTP | \$ - | \$ 98,175 | \$ - | \$ - | \$ 98,175 |
| WTP Control Room – Flooring and countertop | WTP | - | 26,250 | - | - | 26,250 |
| Quantum I/O Card Upgrade. | 34 | - | - | 85,050 | - | 85,050 |
| Carpet Replacement for Suite B of the Buellton Administration Office and the Santa Ynez Pumping Plant | DIST/SYII | - | - | 31,500 | - | 31,500 |
| Santa Ynez Pumping Plant (SYPP) Water Quality Instrumentation. | SYII | - | - | 56,700 | - | 56,700 |
| New Document Management System | ADM/DIST/WTP | 21,367 | 21,367 | 21,367 | - | 64,100 |
| New Financial System Software | ADMIN | 84,100 | - | - | - | 84,100 |
| Tablets | WTP/DIST | - | 2,835 | 2835 | - | 5,670 |
| Replace Management Server and Windows 2012 R2 Operating System. | ADMIN | 5,250 | - | - | - | 5,250 |
| CMMS/GIS Optimization | WTP/DIST | - | 39,375 | 39,375 | - | 78,750 |
| Safety System Software | ADM/DIST/WTP | 8,333 | 8,333 | 8,333 | - | 25,000 |
| Total Maintenance, Repair & Equipment Projects: | | \$ 119,050 | \$ 196,335 | \$ 245,160 | \$ - | \$ 560,545 |
| TOTAL CAPITAL and NON-CAPITAL PROJECTS: | | \$ 140,050 | \$ 1,306,605 | \$ 1,360,324 | \$ - | \$ 2,806,978 |

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
 Fiscal Year 2023/24 Budget

The following tables provide details for each of the Capital Improvement Projects.

| Description: | MIB and Geosmin Analyzer |
|-------------------------------|---|
| Department: | WTP |
| Expanded Description | This project will include the purchase of a gas chromatography and mass spectrometry instrument, which will allow the CCWA laboratory to analyze for MIB and Geosmin on a near real time basis. The project will also include costs for assistance with the installation of the instrument at the CCWA laboratory and training of staff. |
| Estimated Charge - Contractor | \$250,000 |
| Contingency (5%) | <u>12,500</u> |
| Subtotal without CCWA Labor | \$262,500 |
| CCWA Labor | <u>5,490</u> |
| Total Cost | \$267,990 |
| Operating Budget Impact: | CCWA currently relies upon the Kern County Water Agency Laboratory to analyze water samples for MIB and Geosmin. In 2022, the number of samples that could be analyzed by Kern County Water Agency was reduced to two per week and the analytical results would require one week to receive. At the time, there were no other alternative laboratories that could exceed this level of service. Considering that operating a treatment system requires more timely results and in greater number, it would be highly beneficial for CCWA to develop its own capability to analyze MIB and Geosmin through purchasing an analyzer. |

| Description: | WTP Office Building |
|-------------------------------|--|
| Department: | WTP |
| Expanded Description | This is the final phase of the WTP staff office project and has been combined with a project to provide sleeping. The design is complete and this phase will include construction of the building, coupled with engineering inspections. The design provides office space for four staff and also provides sleeping quarters for WTP Operators. |
| Estimated Charge - Contractor | \$680,000 |
| Contingency (5%) | <u>34,000</u> |
| Subtotal without CCWA Labor | \$714,000 |
| CCWA Labor | <u>26,034</u> |
| Total Cost | \$740,034 |
| Operating Budget Impact: | This project was initiated following a review of the office space needs of the WTP. One finding of the review was that offices in the lower level of the Operations Building were not compliant with the American Disabilities Act (ADA) requirements. It was also recognized that there are certain safety concerns for the night operator. From review of safety studies, the most hazardous time for a night shift worker is the drive home. Consequently, the project was modified to provide a small single occupancy sleeping quarters for the night shift operator. This would provide the option to the night operator to sleep before driving home. Most operators have a 30-minute drive home following a night shift. This project will provide ADA compliant office space and provide an additional safety feature for the plant operation, which will reduce the costs associated with non-compliance fines and potential injuries. |

Central Coast Water Authority
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| Description: | Actuators |
| Department: | WTP |
| Expanded Description | This project is to replace the filter control valve actuators. The existing actuators are well past their service life and need to be replaced to ensure reliable filter operation. This is the last phase of replacing the filter control valve actuators in the filter gallery. |
| Estimated Charge - Material | \$30,000 |
| Tax (8%) | 2,400 |
| Contingency (5%) | <u>1,620</u> |
| Subtotal without CCWA Labor | \$34,020 |
| CCWA Labor | <u>8,532</u> |
| Total Cost | \$42,552 |
| Operating Budget Impact: | The filters of the Water Treatment Plant serve a vital element of the water treatment operations. The function of the filters is to removal particulate matter from the water and, as a consequence, the filters must be cleaned periodically. The Filter Air Scour Valve Actuator will open and close the Air Scour Valves. These valves allow air to pass through the filter media to create a turbulent condition that facilitates filter media cleaning. Without this function, the filters would not be properly cleaned and filter production would become impacted, which may reduce the capacity of the Water Treatment Plant. Replacement of components that are past their service life will help prevent interruption of water treatment and delivery operations, which would result in higher operational costs. |

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| Description: | Granular Activated Carbon (GAC) Filter Media Replacement |
| Department: | WTP |
| Expanded Description | This project provides supplemental funding for a carryover GAC replacement project which was delayed due to inflation and supply issues. The supplemental funding is needed to include the replacement of the sand layer of the filter. The sand has been in place since original construction and needs to be replaced. |
| Estimated Charge - Contractor | \$75,000 |
| Contingency (5%) | <u>3,750</u> |
| Subtotal without CCWA Labor | \$78,750 |
| CCWA Labor | <u>8,364</u> |
| Total Cost | \$87,114 |
| Operating Budget Impact: | As a result of a special study, it was determined that filter media replacement every three years was not necessary for compliance with water quality regulations. It was concluded that the filter media should be replaced if its hydraulic characteristics began to degrade. Based on CCWA's on-going filter media monitoring program, it was determined that media in Filter #1, #3 and #5 requires replacement at this time. |

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| Description: | Repair of Corroded Risers of Air Vacuum/Air Release (AVAR) Valves – Phase 3 |
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| Department: | SYI |
| Expanded Description | This is a four-phase project to repair corroded riser piping of identified AVAR valves along the pipeline. A Technical Memorandum was prepared by HDR Engineering to develop the scope of the repair and cost estimates. Four phases are required to both spread the cost over time as well as to size the phases so that they can be completed within the timeframe of a normal winter shutdown. The most corroded risers will be repaired first and the least corroded risers will be repaired in the later phase of the project. |
| Estimated Charge - Contractor | \$405,800 |
| Contingency (5%) | <u>20,290</u> |
| Subtotal without CCWA Labor | \$426,090 |
| CCWA Labor | <u>21,735</u> |
| Total Cost | \$389,235 |
| Operating Budget Impact: | AVAR Valves are an important components of a proper pipeline operation. They facilitate purging of air that may have entered the pipeline and they also prevent the generation of a vacuum pressure within the pipeline. These functions serve to allow efficient conveyance of water through the pipeline and also prevent damage associated with pressure transients. The corroded risers have the potential to leak. This may necessitate the need to isolate the AVAR through closing its isolation valve, which eliminates the protective function of the AVAR Valves for the pipeline operation. Without these protections, the pipeline may be subjected to significant damage. |

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| Description: | SYPP Surge Tank Pedestal Repair |
| Department: | SYII |
| Expanded Description | The pedestal supporting the surge tank at the Santa Ynez Pumping Plant has become deteriorated, with deep cracks near the edges of the pedestal. A detailed structural investigation was conducted and it was determined that the pedestal needed to be replaced and the mounting of the surge tank will need to be modified to prevent future damage. A detailed design has been prepared and a competitive bid will be solicited from qualified contractors. |
| Estimated Charge - Contractor | \$350,000 |
| Contingency (5%) | <u>17,500</u> |
| Subtotal without CCWA Labor | \$367,500 |
| CCWA Labor | <u>21,735</u> |
| Total Cost | \$389,235 |
| Operating Budget Impact: | The surge tank at the Santa Ynez Pumping Plant is an important hydraulic control for the pumping operation. It provides a mechanism to attenuate the occurrence of pressure transients within the pipeline between the pumping plant and Bradbury Dam. If the concrete pedestal upon which the surge tank is mounted fails, the surge tank will need to be isolated to control any leakage and repaired. The cost of repairing the surge tank pedestal is much less than costs for repairing a damaged surge tank and any damage to the pipeline arising from an unmitigated pressure transient. |

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| Description: | Permanent Bypass Piping System TM |
| Department: | SYII |
| Expanded Description | A high-density polyethylene (HDPE) pipeline has been in use to convey water to Lake Cachuma to specifically by-pass the Bradbury Dam Penstock, which is the original delivery point for CCWA water. This project is intended to begin long term planning for a permanent bypass pipeline and the eventual replacement of the portion of the 1960's era CCWA pipeline within the Santa Ynez riverbed. An additional aim of the project to be in position to take advantage of the US Bureau of Reclamation Plan to install a pipeline across the Stilling Basin and combine efforts to build pipelines across the Stilling Basin. |
| Estimated Charge - Contractor | \$75,000 |
| Contingency (5%) | <u>3,750</u> |
| Subtotal without CCWA Labor | \$78,750 |
| CCWA Labor | <u>9,917</u> |
| Total Cost | \$88,667 |
| Operating Budget Impact: | A portion of the CCWA pipeline from the Santa Ynez Pumping Plant and Lake Cachuma was constructed in the 1960's within the Santa Ynez Riverbed. Prior to CCWA purchasing this portion of the pipeline in the mid-1990's, an assessment of the pipeline's remaining service life was completed and the assessment suggested a remaining service life of approximately 20 years. While the condition of the pipeline is closely monitored by CCWA staff and there are no significant issues with the pipeline, the eventual replacement of the pipeline is a significant project that will require a number of years to plan, permit and construct. Through advanced planning, the pipeline can be replaced in the most cost-effective manner and allow time to arrange for financing, environmental review and permitting. |

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| Description: | Serving and Expanding Portable Dosing Equipment |
| Department: | DIST |
| Expanded Description | CCWA currently has two trailer mounted dichlorination dosing systems and one trailer mounted chloramination system. The two dichlorination systems have been in service for over 20 years and required a complete rebuild. In addition, two trailer mounted emergency eyewash and shower systems are needed to accompany deployment of the chemical dosing units. This project will include the costs to re-equip the two dichlorination trailers and the costs to build two new trailer mounted emergency eyewash and shower systems meeting applicable safety standards. |
| Estimated Charge – Material\$ | \$60,000 |
| Tax (8%) | 4,800 |
| Contingency (5%) | <u>3,240</u> |
| Subtotal without CCWA Labor | \$68,040 |
| CCWA Labor | <u>7,330</u> |
| Total Cost | \$75,370 |
| Operating Budget Impact: | Periodically, water will need to be drained from the CCWA pipeline for maintenance and other reasons. When water is drained from the pipeline, it is typically released to stormwater conveyance systems or to streams of creeks. To comply with water quality regulations, all chloraminated water must be dechlorinated before it can be released to stormwater conveyance systems or streams or creeks. In addition, safety measures need to be provided whenever chemical dosing is being performed. Through implementing this project, CCWA will have reliable dichlorination systems for use in pipeline maintenance activities as well as to provide required safety equipment. |

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|-----------------------------|---|
| Description: | Right-of-Way Mower |
| Department: | DIST |
| Expanded Description | As part of the fire protection measures of the pipeline Right-of-Way, all access roads to pipeline appurtenances are mowed during the spring time. This ensures that dry weeds will not be sufficiently present within the access road to create a fire hazard through contact with CCWA vehicles. The existing mower is at the end of its useful service life and replacement is needed. |
| Estimated Charge - Material | \$10,000 |
| Tax (8%) | 800 |
| Contingency (5%) | <u>540</u> |
| Subtotal without CCWA Labor | \$11,340 |
| CCWA Labor | <u>1,038</u> |
| Total Cost | \$12,378 |
| Operating Budget Impact: | Fire threatens the integrity of CCWA facilities and facilities near the pipeline as well as threatens CCWA employee and public safety. This fire mitigation measure will reduce the potential of fire being ignited on the pipeline Right-of-Way from CCWA activities. The potential costs associated with firefighting and recovery will also be avoided through implementing this measure |

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| Description: | Trailer for Tractor |
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| Department: | DIST |
| Expanded Description | Distribution staff mows the pipeline right-of-way as a fire prevention measures on an annual basis. This project is to purchase a trailer to transport the tractor to mowing locations along the pipeline. |
| Estimated Charge - Material | \$20,000 |
| Tax (8%) | 1,600 |
| Contingency (5%) | <u>1,080</u> |
| Subtotal without CCWA Labor | \$22,680 |
| CCWA Labor | <u>727</u> |
| Total Cost | \$23,407 |
| Operating Budget Impact: | The existing trailer used to transport the tractor for the annual right-of-way mowing is over 20 years old and has reached the end of its anticipated service life. |

| Description: | Expansion of the Nutronics Hyperconverge System |
|-------------------------------|---|
| Department: | ADM/DIST/WTP |
| Expanded Description | Due to the expanding amount of data collected and stored by CCWA, the Hyper converge system needs to be equipped with an additional node. This will significantly increase the resiliency of the CCWA network operation as well as increase storage capacity. |
| Estimated Charge - Contractor | \$60,000 |
| Contingency (5%) | <u>3,000</u> |
| Subtotal without CCWA Labor | \$63,000 |
| CCWA Labor | <u>2,411</u> |
| Total Cost | \$65,411 |
| Operating Budget Impact: | The CCWA operation requires the generation and use of a substantial amount of data and also requires real time communication. The expansion of the Hyperconverge system is needed to accommodate the growth of the volume of data. |

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| Description: | Mesa Verde Road Patch and Slurry Seal |
| Department: | SYI |
| Expanded Description | CCWA staff conducts annual asphalt assessments and prioritizes pavement that are in need of crack sealing, slurry sealing or asphalt overlays. This project will involve the installation of an asphalt patching and slurry seal over Mesa Verde Road. CCWA committed to maintaining this road during original construction of the SYPP |
| Estimated Charge – Contractor | \$72,865 |
| Contingency (5%) | <u>\$3,401</u> |
| Subtotal without CCWA Labor | \$76,266 |
| CCWA Labor | \$6,940 |
| Total Cost | \$83,206 |
| Operating Budget Impact: | The purpose of routine servicing of asphalt pavement is to postpone major replacement for as long as possible. This technique has been utilized for the Mesa Verde Road leading to the Santa Ynez Pumping Plant. Currently, crack sealing and slurry sealing methods are needed to postpone the major expense of an asphalt overlay. This work will greatly extend the service life of the road. |

| | |
|-----------------------------|---|
| Description: | Pneumatic Tire Lift Truck (Forklift) |
| Department: | DIST |
| Expanded Description | CCWA has need of a forklift for lifting heavy pallets, equipment, and supplies needed to operate the pipeline. The current forklift is at the end of its useful life. This project is to purchase a new forklift. |
| Estimated Charge – Material | \$40,369 |
| Tax (8%) | <u>\$3,129</u> |
| Subtotal without CCWA Labor | \$43,498 |
| CCWA Labor | \$0 |
| Total Cost | \$43,498 |
| Operating Budget Impact: | The existing forklift used by the Distribution staff is over 25 years old and has reached the end of its anticipated service life. |

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Non-Capitalized Projects

CCWA operates the Coastal Branch Extension for DWR through an Operations and Maintenance Agreement. Therefore, all expenses associated with the repairs and maintenance of the DWR portion of the Coastal Branch Extension are funded through the CCWA O&M assessments. Additionally, certain portions of the facilities around the Polonio Pass Water Treatment are owned by DWR but also operated and maintained by CCWA, such as the access road to the Water Treatment Plant. Since CCWA does not own the DWR facilities, capital related expenditures may not be capitalized as an asset on its books. The account also includes funding for projects on CCWA owned portions of the Water Treatment Plant which are considered extraordinary expenses, but which are not eligible for capitalization.

The following tables provide details for each of the Non-Capital Projects.

| | |
|-------------------------------|---|
| Description: | Lower Containment, Caustic Blending Pump and Fill Station Repair Lining |
| Department: | WTP |
| Expanded Description | This project will address three specific areas of the Water Treatment Plant where degraded concrete has been observed: (1) the Lower Containment Structure that receives stormwater or potential chemical leakages from the Chemical Tank Farm, (2) the concrete containment beneath the caustic blending pump and (3) the concrete containment beneath the chemical fill ports. These three areas are designed to intermittently hold chemical or stormwater or a combination of both. |
| Estimated Charge - Contractor | \$93,500 |
| Contingency (5%) | <u>4,675</u> |
| Subtotal without CCWA Labor | \$98,175 |
| CCWA Labor | <u>6,676</u> |
| Total Cost | \$104,851 |
| Operating Budget Impact: | Concrete can be degraded from certain chemicals and environmental conditions. Once the surface starts to degrade, it is important to repair and service the area to prevent potential corrosion of the embedded steel rebar. If the embedded steel rebar corrodes, it will cause a spalling issue where thicker section of concrete will break off from the concrete structure and thus creating a more expensive repair. |

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| Description: | WTP Control Room – Flooring and Countertop |
| Department: | WTP |
| Expanded Description | The Control Room at the Polonio Pass Water Treatment Plant is a key facility to reliably operate the plant and is occupied by the Operator-in-Charge on a 24 hours per day and seven days per week basis. The last remodeling of the control room occurred over ten years ago and the floor coverings and countertops are in need of replacement. This project will include retaining the services of a contractor to replace floor covering and countertops. |
| Estimated Charge - Contractor | \$25,000 |
| Contingency (5%) | <u>1,250</u> |
| Subtotal without CCWA Labor | \$26,250 |
| CCWA Labor | <u>2,402</u> |
| Total Cost | \$28,652 |
| Operating Budget Impact: | As with all equipment, proper maintenance will extend the service life. The floor covering and countertops of the Control Room have been properly maintained as well as inspected for signs of the end of service life. Based on the most recent inspection of these systems, it is time to replace these components. Through proactively replacing equipment before the end of its useful service life, breakdown events and related impacts to operations are avoided. The costs to respond to breakdown events is much higher than costs for the proactive replacement of equipment before the end of its service life. |

| | |
|-----------------------------|--|
| Description: | Quantum I/O Card Upgrade |
| Department: | REACH 34 |
| Expanded Description | The existing Process Logic Controller Input/Output Cards for the Energy Dissipation Valve Facility is outdated and no longer supported by the manufacturer. This project will upgrade I/O card to current technology, consistent with the other pipeline facilities and Water treatment Plant. |
| Estimated Charge - Material | \$75,000 |
| Tax (8%) | 6,000 |
| Contingency (5%) | <u>4,050</u> |
| Subtotal without CCWA Labor | \$85,050 |
| CCWA Labor | <u>12,636</u> |
| Total Cost | \$97,686 |
| Operating Budget Impact: | Manufacturers will develop new improved products as technology advances with time. Eventually, manufacturer will stop supporting older products as that equipment passes its anticipated useful service life. To maintain a resilient operation, it is important to migrate to new technology through time to take advantage of the improved operation and efficiencies. |

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| Description: | Carpet Replacement for Suite B of the Buellton Administration Office and the office space of the Santa Ynez Pumping Plant |
| Department: | DIST/SYII |
| Expanded Description | The carpet in both of these locations have been in place for over 15 years and have significant wear. This project will include retaining a contractor to remove the existing carpet and the installation of new carpet. |
| Estimated Charge - Contractor | \$30,000 |
| Contingency (5%) | <u>1,500</u> |
| Subtotal without CCWA Labor | \$31,500 |
| CCWA Labor | <u>1,038</u> |
| Total Cost | \$32,538 |
| Operating Budget Impact: | As with all equipment, proper maintenance will extend the service life. The floor coverings of Suite B of the Buellton Administrative Office and of the Santa Ynez Pumping Plant have been properly maintained as well as inspected for signed of the end of service life. Based on the most recent inspection of these areas, it is time to replace the floor coverings. Through proactively replacing equipment before the end of it useful service life, breakdown events and related impacts to operations are avoided. The costs to respond to breakdown events is much higher than costs for the proactive replacement of equipment before the end of its service life. |

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|-----------------------------|---|
| Description: | Santa Ynez Pumping Plant (SYPP) Water Quality Instrumentation |
| Department: | SYII |
| Expanded Description | The SYPP conveys water to Lake Cachuma and is authorized through a contract with the US Bureau of Reclamation. One of the requirements of the contract is to fully dechlorinate the water prior to delivering it to the lake. To comply with this requirement, the SYPP is designed to shut down operation if there is a detectable concentration of chlorine (>0.03 mg/l) or if bisulfite concentration is less than 0.1 mg/l or greater than 1.0 mg/l. This project will install new water quality instruments on the discharge piping of the plant and will be used for the shutdown sequence. This will provide a more appropriate location for the instrumentation responsible for triggering a shutdown and will also provide redundancy in water quality monitoring. |
| Estimated Charge - Material | \$50,000 |
| Tax (8%) | 4,000 |
| Contingency (5%) | <u>2,700</u> |
| Subtotal without CCWA Labor | \$56,700 |
| CCWA Labor | <u>7,379</u> |
| Total Cost | \$64,079 |
| Operating Budget Impact: | Full compliance with the contract with the US Bureau of Reclamation allows continued use of the excess capacity of the Cachuma project for conveying and storing CCWA water. If the contract provisions are violated, there is the potential that the Bureaus facilities will become unavailable for CCWA's use. This would result in no way to convey CCWA water to the South Coast Participants. |

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| Description: | New Document Management System |
| Department: | ADM/DIST/WTP |
| Expanded Description | The existing CCWA document management systems is Imanage Desksite. This system will no longer be supported by the software vender. Consequently, a new document management systems is needed. This project will include purchasing the new software package and licensing as well as technical support. |
| Estimated Charge - Contractor | \$61,048 |
| Contingency (5%) | <u>3,052</u> |
| Subtotal without CCWA Labor | \$64,100 |
| CCWA Labor | <u>3,595</u> |
| Total Cost | \$67,694 |
| Operating Budget Impact: | A document management system is a computerized system used to store, share, track and manage files or documents. It is desirable to utilize a digital system for document management to allow for searching capability, access control and storage. In addition, a digital system can be backed up and preserved by a variety of technique. The features of a document management systems significantly reduces staff time in filing and retrieving documents. |

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|-------------------------------|---|
| Description: | New Financial System Software |
| Department: | ADM |
| Expanded Description | The existing CCWA Financial System Software is Microsoft Dynamic SL. This system will no longer be supported by the software vender. Consequently, a new Financial System Software is needed. This project will include purchasing the new software package and licensing as well as technical support. |
| Estimated Charge - Contractor | \$80,095 |
| Contingency (5%) | <u>4,005</u> |
| Subtotal without CCWA Labor | \$84,100 |
| CCWA Labor | <u>16,908</u> |
| Total Cost | \$100,996 |
| Operating Budget Impact: | A Financial System Software is special application software that records all the financial activity within an organization. Basic features of this system not only include all the modules of accounting software like accounts payable, accounts receivable, ledger, reporting modules and payroll but also to explore alternative investment choices and calculate statistical relationships. Primarily, the goal of the financial software is to record, categorize, analyze, compile, interpret and then present an accurate and updated financial report for the business. |

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| Description: | Tablets |
|-----------------------------|--|
| Department: | DIST/WTP |
| Expanded Description | As part of optimizing the use of the CCWA Computerized Maintenance Management Systems, Work Orders will be issued and completed in electronic format. These tablets will be utilized to receive Work Order Assignments, collect data related to completing the assigned task and will only communicate with CCWA network using CCWA secured dual factor authentication protocol. A total of 12 Tablets are needed to launch this expansion of the CMMS system |
| Estimated Charge - Material | \$5,000 |
| Tax (8%) | 400 |
| Contingency (5%) | <u>270</u> |
| Subtotal without CCWA Labor | \$5,670 |
| CCWA Labor | <u>2,411</u> |
| Total Cost | \$8,081 |
| Operating Budget Impact: | These tablets will help advance the existing CCWA CMMS from a primarily paper documented system to complete digital format system. This will allow a more complete view into Work Order generation, assignment and completion. It will also facilitate analysis and better follow-up on inspection findings or other important follow-up information. Through making work assignments of staff more efficient and prioritizing important follow-up actions, overall labor costs will be minimized and the service life of CCWA equipment and facilities will be maximized. |

| Description: | Replace Management Server and Windows 2012 R2 Operating System |
|-------------------------------|---|
| Department: | ADM |
| Expanded Description | The Management Server is a physical server that allows remote access by our network management consultant, CompuVision. The server is used to provide a secured portal into the CCWA network. All IP connected devices within the CCWA network are monitored for functionality, capacity and for security purposes. The portal is also utilized to deploy scheduled software updates and other security measures. The current Management Server is past its service life and requires replacement. The operating system also requires migration to current Operating System |
| Estimated Charge - Contractor | \$5,000 |
| Contingency (5%) | <u>250</u> |
| Subtotal without CCWA Labor | \$5,250 |
| CCWA Labor | <u>2,411</u> |
| Total Cost | \$7,661 |
| Operating Budget Impact: | Through providing this system, CCWA can utilize experts in network operations and security. This optimizes the network operations through maintaining the network to follow best practices of the industry. |

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| Description: | CMMS/GIS Optimization |
| Department: | DIST/WTP |
| Expanded Description | The CCWA existing software packages for the Computerized Maintenance Management System and the Geographical Information Systems were developed with in-house staff. Due to other pressing duties, these programs have not been developed to the extent needed to adequately capture institutional knowledge, which is part of the CCWA succession plan. To optimize the use of these two software packages, a consulting firm will be retained to review the state of software package development, evaluate the existing data hierarchy, consider the need to migrate to a complete digital format, identify efficient methods of monitoring work flow and to help coordinate the updating of work orders to ensure they are consistent with current operation and maintenance manuals. |
| Estimated Charge - Contractor | \$75,000 |
| Contingency (5%) | <u>3,750</u> |
| Subtotal without CCWA Labor | \$78,750 |
| CCWA Labor | <u>23,338</u> |
| Total Cost | \$102,088 |
| Operating Budget Impact: | There are limitations to the current development state of the CMMS and GIS software packages, primarily related to a limited number of power users, unutilized software features and reliance on paper work orders for assigning work as well as for documentation. The aim of the project is to accomplish three goals: (1) ensure that the capabilities of the software packages are fully utilized, which will allow a more transparent view of work order issuance, assignment and completion, (2) to move towards a more complete digital format, which will allow for analysis and better follow-up on inspection findings and (3) to upgrade the software packages so that they will be able to integrate into an asset management software system in the future. Through achieving these three goals, the work assignments of staff will become more efficient and will prioritize important follow-up actions, which will reduce the overall labor costs and optimize the service life of CCWA equipment and facilities |

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|--------------------------------------|---|
| Description: | Safety Management System |
| Department: | ADM/DIST/WTP |
| Expanded Description | As a result of a detailed review of the CCWA safety program, it was determined that due to the complexity of the numerous safety programs that a software package designed to document and track all safety related items is needed. This kind of software packages is known as a Safety Management System (SMS). This system is similar to Computerized Maintenance Management Systems (CMMS) in that tasks are identified, scheduled and completed tasks are documented. However, the SMS will have additional features directly related to safety, such as process hazards analysis documentation and other related risk assessment tasks. |
| Estimated Charge - Contractor | \$23,810 |
| Contingency (5%) | 1,190 |
| Subtotal without CCWA Labor | \$25,000 |
| CCWA Labor | 837 |
| Total Cost | \$25,837 |
| Operating Budget Impact: | The CCWA Injury Illness Prevention Plan was completely re-written in FY 2022/2023 to ensure full compliance with all applicable safety regulations and best practices. The CCWA operation has numerous job hazards that must be fully recognized and mitigated to protect staff from injury through full implementation of the IIPP. The SMS will be a critical tool in accomplishing this goal. Noncompliance with the CCWA IIPP and related programs can lead to staff injury and/or a violation of safety regulations |

FORMAL EXTRAORDINARY PROJECT PROGRAM

CCWA staff and an experienced engineering consultant worked together to develop a formal Extraordinary Project Program (EPP). As the various facilities and systems that are operated and maintained by CCWA age, there will be a need for projects to replace, refurbish and improve those facilities and systems. Not only will the number of these kinds of projects increase but their magnitude in both costs and potential impact on operations will increase as well. In addition, the Board may find that the CCWA System can be improved or modified to provide additional benefits to CCWA Participants. Consequently, there is a need to carefully consider what specific projects are needed or desired by the Board and to plan and schedule their implementation. The project identification, planning, prioritization and scheduling steps were foundational in the preparation of the formal EPP.

Another important purpose of a formal EPP is that it provides a format in which to communicate to the Board a more comprehensive long range plan for the CCWA system operation and development. In the past, Staff presented projects to the Board through the annual budgeting process. All projects were funded on a current year basis and included in the Authority's draft budget, which was submitted to the Board of Directors for approval. Because this process did not

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provide a full view of multi-year projects nor provide a definitive long term plan, in Fiscal Year 2017/18 Staff developed the formal EPP to adequately communicate to the Board the current work of careful planning and prioritizing of projects.

As with all EPPs, the basic elements include the following:

- **Identification of Projects.** Since the purpose of a formal EPP is to communicate the long term development plans for the CCWA System, it is important to identify the size of the projects to bring to the Board's attention. For the purposes of initial evaluation, CCWA staff has used \$75,000 as the threshold level in which to include a project in the EPP. The Board may decide to increase or decrease this threshold level.

In terms of identifying projects, there are two kinds of projects: (1) projects identified through routine facility assessments and (2) projects that improve the CCWA system and provide additional benefits to CCWA Participants, such as expanding the water treatment plant.

- **Identify Funding for Projects.** For the CCWA operation, all funding of projects occurs through the annual budgeting process for the CCWA operation. However, for large projects, the Board may decide to direct staff to pursue grant funding opportunities. Since applying for grants is a project in itself and may require an extended timeframe to secure a grant, this may be the first step in developing a project.
- **Budgeting Project.** A formal EPP allows the Board to fully consider the costs and schedule of a multi-year project. In addition, annual updates of the EPP will allow updates to project costs estimates and other important updates for the Board to consider. This is an improvement on the prior method of submitting projects on a current year budget basis only.
- **Implementing Projects.** A standard project management approach is utilized in organizing and implementing projects. Every project is described, in terms of cost and schedule, as a multi-phased project to include the phases shown below:
 - **Project initiation.** Once a project is identified, staff will need to prepare a description of the project as well as provide justification for the project. This is the very early stages of the project and is the basis for initial approval. If the project is approved, the next step will be implemented.
 - **Planning/Predesign.** For large projects, preliminary engineering is required to estimate the order of magnitude scope and cost of the project. Either staff or a consulting engineer can be utilized in developing these estimates. Following this step, the Board may want to

Central Coast Water Authority
Capital, Non-Capital & Extraordinary Projects
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provide additional review as to whether to approve the project for further development.

- Design. Once a project has been approved by the Board, the project will be designed by a consulting engineering firm. If the design contract exceeds \$30,000, staff will request approval from the Board before awarding the contract, consistent with the CCWA Purchasing Policies. Generally, the design will be incorporated into a Request-For-Bids (RFB) document, using CCWA's standard contracts and front end specifications for public works projects.
- Construction Bid and Award. Once the RFB is finalized, it will be advertised as required by public procurement regulations. The competitive bidding process will follow established public works project protocol. Once bids have been publicly opened, the Bids will be reviewed to determine if the contractor is responsible and if the Bid was responsive to Bid Documents. Once this process is completed, the lowest responsible and responsive Bid will be presented to the Board for consideration for contract award.
- Construction. The construction phase will include the efforts of CCWA staff and engineering inspectors to closely monitor the progress of the construction to ensure adherence to the requirements of the Contract Documents as well as identify potential changes to the work that may be to CCWA's benefit. Staff will provide periodic updates to the Board and may also potentially request modifications of the work underway.
- Post Construction. This step is critical in terms of releasing the contractor from the project through verifying work was completed as required by the Contract Documents, all releases from future contractor and subcontractor claims have been secured and that as built records are completed.

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CCWA staff prepared the following table to show the current thinking of the long term projects over a ten year planning horizon. As indicated earlier, CCWA staff proposes to utilize the services of an experienced engineering consultant to assist with the development of a formal EPP. This process will likely include collaboration with participants to gain consensus with a long term plan for the CCWA System.

Conceptual Capital Improvement Program (Threshold = \$75,000)

| Major Facilities | Total Budget | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|--------------|-------------|-------------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Network | | | | | | | | | | | |
| SCADA Upgrade - 2Yr | \$400,000 | | | | | | \$200,000 | \$200,000 | | | |
| Distribution General | | | | | | | | | | | |
| Air Vac Replacement - 4 Phase | \$405,800 | \$405,800 | | | | | | | | | |
| Pavement Overlays (Mesa Verde Road) | \$200,000 | | | | \$200,000 | | | | | | |
| Tank 7 Access Road Overlay | \$100,000 | | \$100,000 | | | | | | | | |
| SYPP Surge Tank Pedestal | \$350,000 | \$350,000 | | | | | | | | | |
| Water Treatment Plant | | | | | | | | | | | |
| MIB and Geosmin Analyzer | \$250,000 | \$405,000 | | | | | | | | | |
| Granular Activated Carbon | \$1,200,000 | | | | | | | | \$400,000 | \$400,000 | \$400,000 |
| Permanent Install of PAC System - 1 Yr | \$650,000 | | \$650,000 | | | | | | | | |
| West Slope Drainage Improvements - 2 Yr | \$425,000 | | | \$75,000 | \$350,000 | | | | | | |
| Sludge Collector System - 3 year | \$675,000 | | \$225,000 | \$225,000 | \$225,000 | | | | | | |
| Lining of Chlorine Contact Basin - 3 Yr | \$1,125,000 | | | \$375,000 | \$375,000 | \$375,000 | | | | | |
| Lining of Filters - 4 Yr | \$920,000 | | | | | | \$306,667 | \$306,667 | \$306,667 | | |
| Lining Lower Containment and Fill Station | \$93,500 | \$93,500 | | | | | | | | | |
| Polymer Mixer Tank - 2 Phases | \$200,000 | | \$75,000 | \$125,000 | | | | | | | |
| Slurry Seal Access Road - 1 Yr | \$125,000 | | | | \$125,000 | | | | | | |
| Staff Office and Operator Sleeping Quarters | \$500,000 | \$680,000 | | | | | | | | | |
| Lagoon C French Drain | \$475,000 | | \$475,000 | | | | | | | | |
| EDV | | | | | | | | | | | |
| Hydraulic Package Refurbishment - 1 Yr | \$125,000 | \$75,000 | \$125,000 | | | | | | | | |
| Bradbury Dam | | | | | | | | | | | |
| Permanent Bypass Piping System - 2 Yr | \$400,000 | \$75,000 | \$75,000 | \$250,000 | | | | | | | |
| Estimated Yearly Totals | | \$2,084,300 | \$1,725,000 | \$1,050,000 | \$1,275,000 | \$375,000 | \$506,667 | \$506,667 | \$706,667 | \$400,000 | \$400,000 |



Cachuma Lake Alternate Release Point Project January 2023

Reserves and Cash Management

The Reserves and Cash Management section of the 2023/24 Budget includes information regarding the Authority's O&M Reserve Fund, Rate Coverage Reserve Fund and cash management information.

Highlights

| | |
|---|---------------------|
| <u>FY 23/24 Total Reserve Balances</u> | \$17,489,434 |
| • O&M Reserve Fund | \$ 2,000,000 |
| • Rate Coverage Reserve Fund | \$ 9,601,020 |
| • DWR Reserve Fund | \$ 5,888,414 |

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Reserves and Cash Management
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This section of the Budget discusses the three cash reserves maintained by the Authority; the Operations and Maintenance Reserve Fund and the Rate Coverage Reserve Fund, and the DWR Reserve Fund. This section also discusses the Authority's cash management policies and the CCWA project participant investment pool.

Operations and Maintenance Reserve Fund Policy

During its December 18, 1997 regular meeting, the Board of Directors approved an "Operations and Maintenance Reserve Policy" as follows:

Purpose: The O&M Reserve Fund is intended to provide a mechanism for the Authority to undertake immediately unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available.

Contributions: Contributions to the O&M Reserve Fund are mandatory. Each Authority Contractor shall maintain on deposit with Authority in said Fund an amount of money equal to its pro-rata share of the Fund target size of \$2 million, which share is that Contractor's Water Supply Agreement Project Allotment divided by the Project Allotments held by all Authority Contractors. Each Contractor's initial contribution to the O&M Reserve Fund shall be drawn from cash held by Authority on behalf of the Contractor as of the date of the Fund's creation. If the Fund balance is reduced below \$2 million, Authority shall be authorized to (i) transfer into said Fund excess operating assessments and investment income from the Fund, and (ii) notify the participating Contractor if an additional contribution is necessary, in which event the contractor shall deposit an additional contribution within sixty-days (60) of the Authority notice.

Administration: The Treasurer shall invest funds held in the O&M Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. O&M Reserve Fund investment earnings shall be considered to credit each Authority Contractor with respect to that Contractor's June 1 payment to Authority, except to the extent said earnings are needed to be retained to ensure that the Contractor's share of the Fund is fully funded, or as otherwise directed by the Contractor. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the O&M Reserve Fund.

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Use of Fund: Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities, including by way of example only: repair of earthquake-caused damage to Authority facilities; unanticipated need to purchase chemicals; major emergency repair or replacement of equipment; reserve for legal judgments. In the event that monies from the O&M Reserve Fund are expended for an activity which is to be funded by certain Contractors and not other Contractors (for example, repair of a certain reach of the pipeline), then (i) it is permissible to expend from the Fund an amount which exceeds the monies on deposit by those Contractors who are obligated to fund the activity under the WSA, and (ii) said Contractors shall replenish said Fund as quickly as possible, and in no event later than one year, including payment of interest on monies expended which exceeded the amount on deposit by said Contractors.

The following table shows the allocation of the Operations and Maintenance Reserve Fund by project participant.

Operations and Maintenance Reserve Fund

| Project Participant | Table A Amount | % of Table A | Operating Reserve |
|-----------------------------------|-------------------|-----------------|----------------------|
| City of Buellton | 578 | 1.48% | \$ 29,582 |
| Carpinteria Valley Water District | 2,000 | 5.12% | 102,359 |
| Goleta Water District | 4,500 | 11.52% | 230,309 |
| City of Guadalupe | 550 | 1.41% | 28,149 |
| La Cumbre Mutual Water Company | 1,000 | 2.56% | 51,180 |
| Montecito Water District | 3,000 | 7.68% | 153,539 |
| Morehart Land Company | 200 | 0.51% | 10,236 |
| City of Santa Barbara | 3,000 | 7.68% | 153,539 |
| Raytheon Systems Company | 50 | 0.13% | 2,559 |
| City of Santa Maria | 16,200 | 41.46% | 829,111 |
| Santa Ynez RWCD, I.D. #1 | 2,000 | 5.12% | 102,359 |
| Golden State Water Company | 500 | 1.28% | 25,590 |
| Vandenberg Space Force Base | 5,500 | 14.07% | 281,488 |
| TOTAL | 39,078 | 100.00% | \$ 2,000,000 |

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Reserves and Cash Management
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Rate Coverage Reserve Fund

During its December 18, 1997 regular meeting, the Board of Directors also adopted the “Rate Coverage Reserve Fund” policy as follows:

Purpose: The Rate Fund is intended to provide a mechanism to allow the Authority Contractors to satisfy a portion of their obligation under Section 20(a) of the Water Supply Agreement (WSAs) to impose rates and charges sufficient to collect 125% of their Contract Payments (as therein defined).

Contributions: Contributions to the Rate Fund are voluntary. During each year of participation, an Authority Contractor, which has elected to participate in the Rate Fund, shall maintain on deposit with the Authority in said Fund an amount of money, when combined with the moneys on deposit in the O&M Reserve Fund, sufficient to constitute all or a portion of 25% of that Contractor’s Contract Payments with respect to that year. A participating Contractor’s initial contribution to the Rate Fund may be drawn from cash held by the Authority on behalf of the Contractor as of the date of the Fund’s creation. In each subsequent year, the Authority shall notify the participating Contractor if an additional contribution is desired and the Contractor shall deposit said additional contribution within sixty-days (60) of the Authority notice. Voluntary contributions to the Fund by a Contractor may be made at any time, but shall not be considered with regard to satisfying the Contractor’s obligations until the subsequent July 1. For example to act as a credit for Fiscal Year 1998/99, a deposit must be received by the Authority prior to July 1, 1998. However, in the first year of the Fund’s creation, each Authority Contractor may elect to deposit additional funds into the Rate Fund within the first 30 days after adoption of this policy by the Authority Board of Directors. These balances will be counted toward the coverage calculations for FY 1997/98.

Withdrawal: A Contractor may withdraw from the Rate Fund effective 180 days after it submits written documentation to the Authority that is in compliance with its WSA rate coverage obligations without considering the Fund.

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Administration: Investments of deposits in the Rate Coverage Reserve Fund will be in Permitted Investments described in clause (A) of the definition thereof contained in the Indenture of Trust, dated as of November 1, 1996, with maturities of one year or less or in the Local Agency Investment Fund. Rate Fund investment earnings shall be credited to the Contractors account within the Fund except to the extent the Contractor directs the Authority to credit said earnings to the Contractor’s payments obligations or as otherwise directed by the Contractor. Deposits and related earnings on deposits for each project participant will be accounted for on an individual project participant basis even if commingled for investment purposes. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the Rate Fund.

Use of Funds: Monies in the Rate Fund shall not be expended for any purpose, except upon approval of the Board of Directors (i) for emergency expenses, and (ii) to the extent necessary to supplement funds available from the O&M Reserve Fund provided that the Contractor submits written documentation to the Authority that it is in compliance with its WSA rate coverage obligations without considering the proposed expenditure from the fund.

The following table shows the Rate Coverage Reserve Fund balances, including interest income as of December 31, 2021. Participation in the fund for FY 2022/23 is not yet known. Prior to June 30, 2022, each project participant will be notified of the allowable deposit in the Rate Coverage Reserve Fund for FY 2022/23.

FY 2022/23 Rate Coverage Reserve Fund

| Project Participant | FY 2022/23 Deposit |
|-------------------------------------|-----------------------|
| City of Buellton | \$ 277,920 |
| Carpinteria Valley Water District | 869,350 |
| City of Guadalupe | 193,139 |
| La Cumbre Mutual Water Company | 404,809 |
| Montecito Water District | 1,510,580 |
| City of Santa Maria | 5,224,134 |
| Santa Ynez, RWCD, I.D. #1 (Solvang) | 639,135 |
| Santa Ynez, RWCD, I.D. #1 | 466,069 |
| County of San Luis Obispo (Shandon) | 15,884 |
| TOTAL: | \$ 9,601,020 |
| | |

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DWR Reserve Fund Policy

During its March 28, 2019 regular meeting, the Board of Directors approved a “DWR Reserve Fund Policy” as follows:

Purpose: The DWR Reserve Fund is intended to provide a funding source for payments to the State of California Department of Water Resources (DWR) when there is a difference between estimates used to prepare the DWR portion of the annual CCWA budget and the actual amounts billed to the Authority by DWR.

Contributions: Contributions to the DWR Reserve Fund are voluntary. Project Participants wanting to participate in the DWR Reserve Fund shall notify the Authority of such intent. The Authority will in turn, notify the participating Project Participant of its “Target DWR Reserve Fund Amount” (Target Amount). The Target Amount will be equal to the participating Project Participant’s proportional share of a \$10 million allocation of DWR Transportation Minimum OMP&R charges as calculated in the most recent DWR Statement of Charges at the time the DWR Reserve Fund Policy is approved by the CCWA Board of Directors, and updated periodically.

Funding of each participating Project Participant’s share of the DWR Reserve Fund will come from a combination of (1) CCWA Operating Expense budget surpluses, if any (2) Interest earnings on funds held in all other accounts on behalf of the participating Project Participant and (3) excess amounts, if any, from any of the DWR Statement of Charges cost components.

After the participating Project Participant’s share of the DWR Reserve Fund has been fully funded up to the participating Project Participant’s Target Amount, the credits, interest earnings and excess DWR amounts will be returned to the participating Project Participant as a credit against future bills from the Authority.

If the balance of the participating Project Participant’s DWR Reserve Fund falls below the Target Amount, the Authority will retain the credits listed above until the balance once again equals the Target Amount.

Central Coast Water Authority
Reserves and Cash Management
 Fiscal Year 2023/24 Budget

Withdrawal: A participating Project Participant may withdraw from the DWR Reserve Fund by notifying the Authority in writing of its request to withdraw its funds on deposit in the DWR Reserve Fund. Within 60 days, the Authority will either credit the funds on deposit against the participating Project Participant’s next invoice from the Authority, or at the request of the participating Project Participant, issue a check for the refund of the deposit amount.

Administration: The Treasurer shall invest funds held in the DWR Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. DWR Reserve Fund investment earnings shall be redeposited into the DWR Reserve Fund for each participating Project Participant up to the Target Amount. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the DWR Reserve Fund.

Use of Fund: Monies held in the DWR Reserve Fund may be used by the Authority to fund the difference between the estimates used for billing purposes to the participating Project Participants for the annual DWR Statement of Charges (all fixed cost components) and the actual Statement of Charges received from DWR.

The following table shows the DWR Reserve funding target, fund balance as of June 30, 2022, the estimated transfer for FY 2022/23 and the balance remaining to fully fund the DWR Reserve Fund by project participant:

DWR Reserve Fund Target and Fund Balance

| Project Participant | Table A Amount | % of Table A | DWR Reserve Fund Target ⁽¹⁾ | DWR Reserve Fund Balance ⁽²⁾ | Estimated Transfer for FY 2022/23 | Remaining Funds to Meet Target |
|-------------------------------|----------------|----------------|--|---|-----------------------------------|--------------------------------|
| Guadalupe | 550 | 1.41% | \$ 140,744 | \$ 131,358 | \$ 9,386 | \$ 0 |
| Santa Maria | 16,200 | 41.46% | 4,145,555 | \$ 4,198,093 | - | (52,538) |
| Golden State Water Co. | 500 | 1.28% | 127,949 | \$ 89,035 | 12,542 | 26,372 |
| Vandenberg SFB ⁽³⁾ | 5,500 | 14.07% | - | \$ - | - | - |
| Buellton | 578 | 1.48% | 147,909 | \$ 138,295 | 9,615 | (0) |
| Santa Ynez (Solvang) | 1,500 | 3.84% | 383,848 | \$ 342,048 | 41,800 | (0) |
| Santa Ynez | 500 | 1.28% | 127,949 | \$ 180,741 | - | (52,792) |
| Goleta ⁽³⁾ | 4,500 | 11.52% | - | \$ - | - | - |
| Morehart Land | 200 | 0.51% | 51,180 | \$ 48,595 | 2,585 | (0) |
| La Cumbre | 1,000 | 2.56% | 255,898 | \$ 176,980 | 17,317 | 61,601 |
| Raytheon | 50 | 0.13% | 12,795 | \$ 11,999 | 795 | 0 |
| Santa Barbara | 3,000 | 7.68% | 767,695 | \$ 466,187 | 11,042 | 290,466 |
| Montecito ⁽³⁾ | 3,000 | 7.68% | - | \$ - | - | - |
| Carpinteria ⁽³⁾ | 2,000 | 5.12% | - | \$ - | - | - |
| TOTAL | 39,078 | 100.00% | \$ 6,161,523 | 5,783,332 | \$ 105,082 | \$ 273,109 |

(1) Participation in the DWR Reserve Fund is voluntary. The initial reserve fund target set \$10 million was reduced based on project participants opting out of the DWR Reserve.

(2) The table above shows credits as of Jan 31, 2023 transferred to the DWR Reserve Fund and the estimated amount to be transferred on June 30, 2023 from the following sources: CCWA O&M credits and interest earnings on all reserve and deposit accounts.

(3) Project participants opting out of participating in the DWR Reserve Fund.

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Fiscal Year 2023/24 Budget

Cash Management

The cash balances presented in “Total Budget Summary” page at the beginning of this document exclude cash balances invested in the CCWA Investment Pool (described below) with the exception of the CCWA O&M Reserve Fund. Additionally, the effects of other accounts receivables and payables have been added or subtracted from the cash balance presentation of the “Total Budget Summary” sheet to show the cash balances as if all receivables and payables had been received or paid.

Reconciliation of Prior Year Budget and Actual Amounts

It is the Authority’s policy to refund unexpended operating assessments and investment income on the Authority’s general operating account after the close of each fiscal year. This reconciliation occurs in conjunction with the closeout of the fiscal year and the preparation of the annual financial statements.

Since all excess “revenues” are returned to the project participants and any “deficits” are collected from the project participants, the general fund balance, defined as total cash minus reserves, is projected to be zero. However, since the Authority receives assessment income in advance of the anticipated payment date, the actual cash balance will be positive.

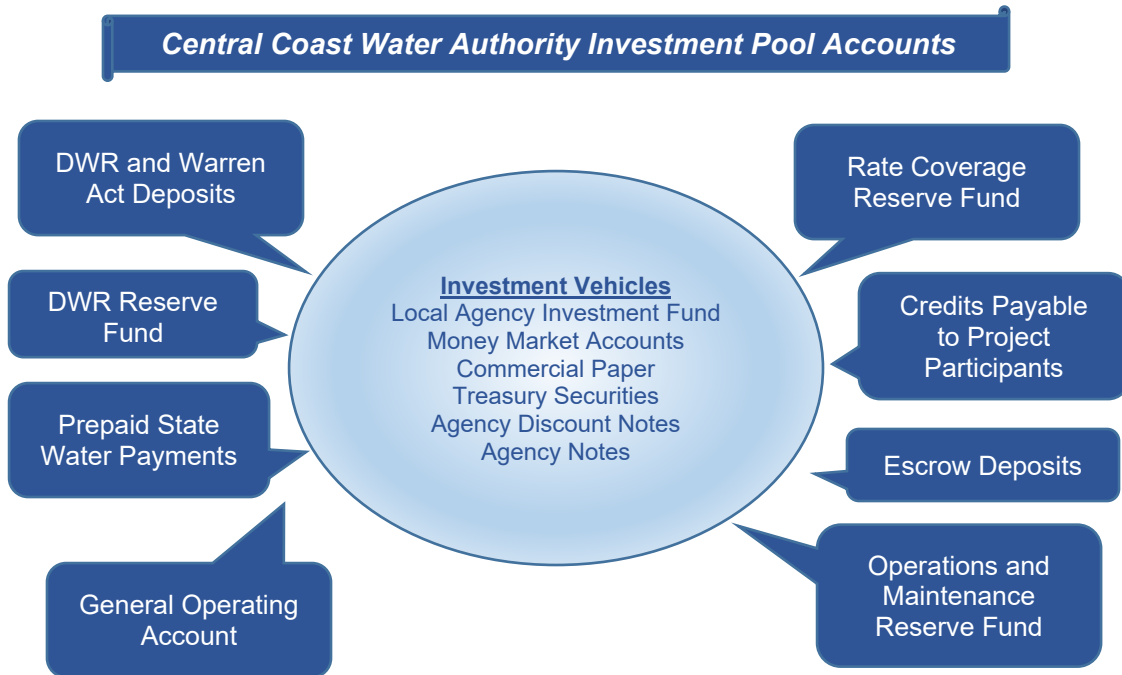
CCWA Investment Pool

All cash and investments paid by the project participants to the Authority are invested in accordance with the Authority’s Investment Policy. All cash and investments are allocated and invested in an investment pool which is comprised of the various “types” of payments paid by the Authority’s project participants further broken down by individual project participants within each account.

Each account within the CCWA investment pool receives investment income based on the account’s proportional share of the average daily balance for the month.

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The following graphic shows the total CCWA Investment Pool and the various types of accounts in the pool.



Investment Pool Account Descriptions

- General Operating Account – general account for the investment of current year O&M budget funds and general unallocated funds [all operations and maintenance expenses and capital improvement projects listed in this budget].
- Operations and Maintenance Reserve Fund – a \$2 million operating reserve for emergency purposes [described in this section of the budget].
- Rate Coverage Reserve Fund – a fund in which certain project participants that are required to meet the coverage obligation in the Water Supply Agreement may elect to participant to aid them in meeting the coverage obligation [described in this section of the budget].
- Department of Water Resources Reserve Fund – a voluntary fund in which certain Project Participants have various credits and earnings held to cover DWR Statement of Charges volatility [described in this section of the budget].

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- Prepaid State Water Payments – Similar to the rate coverage reserve fund, certain project participants may elect to “prepay” a portion of the next year CCWA payments to decrease the coverage obligation in that year. In order to reduce the coverage obligation, the prepayment must be received and held by CCWA one full fiscal year in advance of when the prepayment will be applied against the payments.
- DWR and Warren Act Deposits – funds paid by the CCWA project participants for both fixed and variable DWR payments and payments to the US Bureau of Reclamation for Warren Act charges for delivery of State Water into Lake Cachuma [refer to the “DWR” section of this budget].
- Escrow Deposits – deposits received from certain “non-public agency” project participants as required under their individual water supply agreements. The deposits are approximately equal to one year’s State water payment.
- Credits payable to Project Participants– credits from many sources but primarily for O&M credits and interest income credits for under-expended O&M costs from the prior fiscal year.



Flash Mix Pump Install January 2023

Ten Year Financial Plan

The Ten Year Financial Plan contains pro-forma projections for each Santa Barbara and San Luis Obispo County project participant for the next ten years.

Central Coast Water Authority
Ten Year Financial Plan
Fiscal Year 2023/24 Budget

The Ten Year Financial Plan shows the allocated share of the Authority's costs to each project participant for the next ten fiscal years beginning with the current budget year.

The Ten Year Financial Plan is prepared to provide each project participant an estimate of future costs for the Authority. Specifically, these projections are used by the Authority's project participants to assist in establishing water rates for their local agencies and ensuring their water system revenues are sufficient to meet the coverage covenant contained in the Water Supply Agreements (*please refer to the "Budget Foreword" section of this document for additional information regarding the Water Supply Agreements and the coverage covenant*).

Central Coast Water Authority
ALL PROJECT PARTICIPANTS
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Table A Water Deliveries-1st Quarter | 4,603 | 5,204 | 3,727 | 3,727 | 3,727 | 3,727 | 3,727 | 3,727 | 3,727 | 3,727 |
| Table A Water Deliveries-2nd Quarter | 2,301 | 2,274 | 4,484 | 4,484 | 4,484 | 4,484 | 4,484 | 4,484 | 4,484 | 4,484 |
| Table A Water Deliveries-3rd Quarter | 2,965 | 3,049 | 6,600 | 6,600 | 6,600 | 6,600 | 6,600 | 6,600 | 6,600 | 6,600 |
| Table A Water Deliveries-4th Quarter | 4,093 | 4,163 | 4,258 | 4,258 | 4,258 | 4,258 | 4,258 | 4,258 | 4,258 | 4,258 |
| Total FY Table A Deliveries (acre-feet) | 13,962 | 14,690 | 19,069 | 19,069 | 19,069 | 19,069 | 19,069 | 19,069 | 19,069 | 19,069 |

| | | | | | | | | | | |
|---|--------------|--------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Exchange Deliveries-1st Quarter | 1,375 | 1,375 | - | - | - | - | - | - | - | - |
| Exchange Deliveries-2nd Quarter | 150 | 150 | - | - | - | - | - | - | - | - |
| Exchange Deliveries-3rd Quarter | 100 | - | - | - | - | - | - | - | - | - |
| Exchange Deliveries-4th Quarter | 800 | - | - | - | - | - | - | - | - | - |
| Total FY Exchange Deliveries (acre-feet) | 2,425 | 1,525 | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 13,349,366 | \$ 14,016,834 | \$ 14,717,676 | \$ 15,453,560 | \$ 16,226,238 | \$ 17,037,550 | \$ 17,889,427 | \$ 18,783,899 | \$ 19,723,094 | \$ 20,709,248 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 1,787,950 | 2,270,268 | 2,858,044 | 3,000,946 | 3,150,994 | 3,308,543 | 3,473,971 | 3,647,669 | 3,830,052 | 4,021,555 |
| CCWA Credits | (971,784) | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | 331,429 | 555,876 | 950,363 | 950,363 | 950,363 | 950,363 | 950,363 | 950,363 | 950,363 | 950,363 |
| Subtotal: CCWA Costs | 14,496,961 | 16,842,978 | 18,526,083 | 19,404,869 | 20,327,594 | 21,296,456 | 22,313,760 | 23,381,930 | 24,503,509 | 25,681,166 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Transportation Capital | \$ 19,287,609 | 18,761,575 | 18,758,463 | 18,753,601 | 18,743,586 | 18,734,245 | 18,728,429 | 18,713,513 | 18,705,209 | 18,710,129 |
| Coastal Branch Extension | 1,610,695 | 2,412,191 | 1,829,194 | 2,025,264 | 1,911,179 | 3,080,859 | 2,880,789 | - | - | - |
| Water System Revenue Bond Surcharge | 733,827 | 1,192,309 | 692,973 | 1,377,201 | 1,093,803 | 1,019,924 | 751,369 | 540,902 | 703,771 | 1,976,957 |
| Transportation Minimum OMP&R | 13,927,702 | 12,066,092 | 12,196,232 | 12,298,764 | 12,421,751 | 12,545,968 | 12,671,428 | 12,798,143 | 12,926,124 | 13,055,385 |
| Delta Water Charge | 4,442,417 | 4,757,911 | 5,002,754 | 5,259,840 | 5,529,780 | 5,813,217 | 6,110,826 | 6,423,315 | 6,751,429 | 6,890,389 |
| DWR Variable Costs ⁽⁵⁾ | 1,911,535 | 2,986,364 | 4,272,675 | 4,486,309 | 4,710,625 | 4,946,156 | 5,193,464 | 5,453,137 | 5,725,794 | 6,012,083 |
| Subtotal: DWR Costs | \$ 41,913,785 | \$ 42,176,442 | \$ 42,752,291 | \$ 44,200,979 | \$ 44,410,724 | \$ 46,140,369 | \$ 46,336,304 | \$ 43,929,009 | \$ 44,812,326 | \$ 46,644,942 |

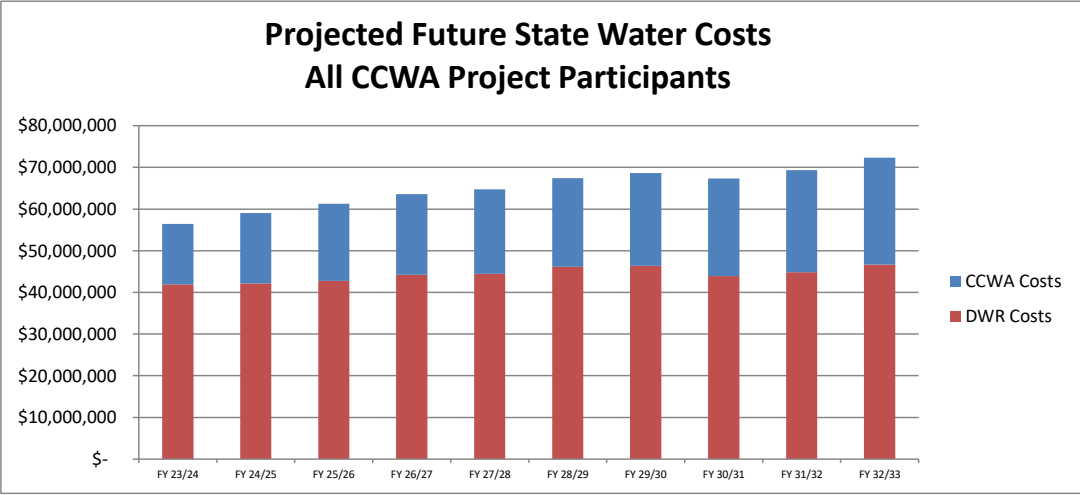
| | | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Projected State Water Costs | \$ 56,410,747 | \$ 59,019,420 | \$ 61,278,374 | \$ 63,605,848 | \$ 64,738,318 | \$ 67,436,825 | \$ 68,650,065 | \$ 67,310,939 | \$ 69,315,835 | \$ 72,326,108 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 52,379,832 | \$ 53,206,912 | \$ 53,197,292 | \$ 55,168,229 | \$ 55,926,337 | \$ 58,231,763 | \$ 59,032,268 | \$ 57,259,771 | \$ 58,809,626 | \$ 61,342,107 |
| July 1st Variable Payment ⁽⁴⁾ | 1,482,387 | 2,648,468 | 1,579,159 | 1,647,777 | 1,719,825 | 1,795,476 | 1,874,909 | 1,958,314 | 2,045,889 | 2,137,843 |
| October 1st Variable Payment | 614,026 | 752,872 | 1,844,482 | 1,926,465 | 2,012,548 | 2,102,935 | 2,197,841 | 2,297,492 | 2,402,126 | 2,511,991 |
| January 1st Variable Payment | 737,257 | 1,003,660 | 2,766,676 | 2,890,817 | 3,021,166 | 3,158,032 | 3,301,741 | 3,452,636 | 3,611,076 | 3,777,437 |
| April 1st Variable Payment | 1,197,245 | 1,407,509 | 1,890,765 | 1,972,559 | 2,058,442 | 2,148,620 | 2,243,306 | 2,342,726 | 2,447,118 | 2,556,729 |

Central Coast Water Authority
ALL PROJECT PARTICIPANTS
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Guadalupe
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Water Deliveries-1st Quarter | 48 | 3 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Water Deliveries-2nd Quarter | 48 | 3 | 55 | 55 | 55 | 55 | 55 | 55 | 55 | 55 |
| Water Deliveries-3rd Quarter | 3 | 87 | 87 | 87 | 87 | 87 | 87 | 87 | 87 | 87 |
| Water Deliveries-4th Quarter | 3 | 73 | 73 | 73 | 73 | 73 | 73 | 73 | 73 | 73 |
| Total FY Water Deliveries (acre-feet) | 102 | 166 | 265 | 265 | 265 | 265 | 265 | 265 | 265 | 265 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 152,888 | \$ 160,533 | \$ 168,560 | \$ 176,988 | \$ 185,837 | \$ 195,129 | \$ 204,885 | \$ 215,129 | \$ 225,886 | \$ 237,180 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 13,390 | 22,882 | 38,354 | 40,272 | 42,285 | 44,400 | 46,620 | 48,951 | 51,398 | 53,968 |
| CCWA(Credits) Amount Due | (7,134) | | | | | | | | | |
| Subtotal: CCWA Costs | 159,144 | 183,414 | 206,914 | 217,259 | 228,122 | 239,528 | 251,505 | 264,080 | 277,284 | 291,148 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Transportation Capital | 270,967 | 263,573 | 263,529 | 263,461 | 263,320 | 263,189 | 263,107 | 262,898 | 262,781 | 262,850 |
| Coastal Branch Extension | - | - | - | - | - | - | - | - | - | - |
| Water System Revenue Bond Surcharge | 9,883 | 16,057 | 9,333 | 18,547 | 14,731 | 13,736 | 10,119 | 7,285 | 9,478 | 26,625 |
| Transportation Minimum OMP&R | 197,871 | 171,423 | 173,272 | 174,729 | 176,476 | 178,241 | 180,023 | 181,823 | 183,641 | 185,478 |
| Delta Water Charge | 60,018 | 63,284 | 66,541 | 69,960 | 73,550 | 77,320 | 81,279 | 85,435 | 89,799 | 91,648 |
| DWR Variable Costs ^{(5) (6)} | 18,747 | 41,930 | 70,283 | 73,797 | 77,487 | 81,361 | 85,429 | 89,701 | 94,186 | 98,895 |
| Subtotal: DWR Costs | \$ 557,485 | \$ 556,267 | \$ 582,957 | \$ 600,494 | \$ 605,564 | \$ 613,847 | \$ 619,958 | \$ 627,142 | \$ 639,886 | \$ 665,495 |

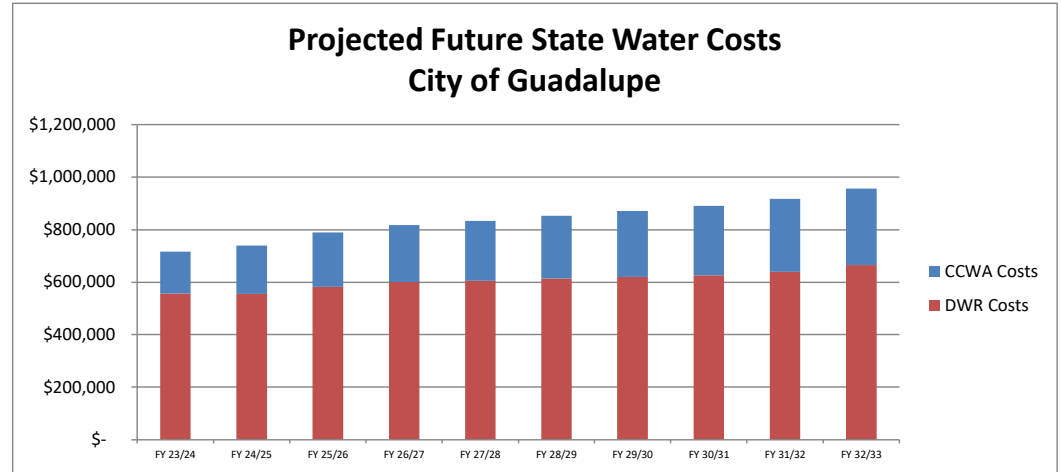
| | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Projected State Water Costs | \$ 716,630 | \$ 739,681 | \$ 789,871 | \$ 817,753 | \$ 833,686 | \$ 853,375 | \$ 871,462 | \$ 891,222 | \$ 917,170 | \$ 956,644 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 684,493 | \$ 674,870 | \$ 681,234 | \$ 703,684 | \$ 713,914 | \$ 727,614 | \$ 739,413 | \$ 752,570 | \$ 771,586 | \$ 803,780 |
| July 1st Variable Payment ⁽⁴⁾ | 15,123 | 1,171 | 20,498 | 21,522 | 22,599 | 23,728 | 24,915 | 26,161 | 27,469 | 28,842 |
| October 1st Variable Payment | 15,123 | 1,171 | 22,547 | 23,675 | 24,858 | 26,101 | 27,406 | 28,777 | 30,216 | 31,726 |
| January 1st Variable Payment | 945 | 33,967 | 35,666 | 37,449 | 39,322 | 41,288 | 43,352 | 45,520 | 47,796 | 50,185 |
| April 1st Variable Payment | 945 | 28,501 | 29,926 | 31,423 | 32,994 | 34,644 | 36,376 | 38,195 | 40,104 | 42,110 |

Central Coast Water Authority
City of Guadalupe
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Santa Maria
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Water Deliveries-1st Quarter | 850 | 850 | 1,162 | 1,162 | 1,162 | 1,162 | 1,162 | 1,162 | 1,162 | 1,162 |
| Water Deliveries-2nd Quarter | 287 | 287 | 1,546 | 1,546 | 1,546 | 1,546 | 1,546 | 1,546 | 1,546 | 1,546 |
| Water Deliveries-3rd Quarter | - | - | 2,537 | 2,537 | 2,537 | 2,537 | 2,537 | 2,537 | 2,537 | 2,537 |
| Water Deliveries-4th Quarter | 563 | 563 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 | 1,407 |
| Total FY Water Deliveries (acre-feet) | 1,700 | 1,700 | 6,652 | 6,652 | 6,652 | 6,652 | 6,652 | 6,652 | 6,652 | 6,652 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 4,469,640 | \$ 4,693,122 | \$ 4,927,778 | \$ 5,174,167 | \$ 5,432,875 | \$ 5,704,519 | \$ 5,989,745 | \$ 6,289,232 | \$ 6,603,694 | \$ 6,933,879 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 223,170 | 234,329 | 962,760 | 1,010,898 | 1,061,443 | 1,114,515 | 1,170,241 | 1,228,753 | 1,290,191 | 1,354,700 |
| CCWA Credits | (394,618) | | | | | | | | | |
| Subtotal: CCWA Costs | 4,298,193 | 4,927,451 | 5,890,539 | 6,185,065 | 6,494,319 | 6,819,035 | 7,159,986 | 7,517,986 | 7,893,885 | 8,288,579 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Transportation Capital | 7,981,457 | 7,763,660 | 7,762,372 | 7,760,360 | 7,756,216 | 7,752,351 | 7,749,944 | 7,743,772 | 7,740,335 | 7,742,371 |
| Coastal Branch Extension | 351,089 | 525,793 | 398,716 | 441,454 | 416,586 | 671,545 | 627,935 | - | - | - |
| Water System Revenue Bond Surcharge | 291,100 | 472,975 | 274,894 | 546,319 | 433,898 | 404,591 | 298,059 | 214,569 | 279,177 | 784,234 |
| Transportation Minimum OMP&R | 5,643,713 | 4,889,361 | 4,942,096 | 4,983,643 | 5,033,480 | 5,083,814 | 5,134,652 | 5,185,999 | 5,237,859 | 5,290,238 |
| Delta Water Charge | 1,767,814 | 1,864,001 | 1,959,924 | 2,060,642 | 2,166,396 | 2,277,438 | 2,394,031 | 2,516,455 | 2,645,000 | 2,699,440 |
| DWR Variable Costs ^{(5) (6)} | 258,655 | 429,402 | 1,764,236 | 1,852,447 | 1,945,070 | 2,042,323 | 2,144,439 | 2,251,661 | 2,364,245 | 2,482,457 |
| Subtotal: DWR Costs | \$ 16,293,828 | \$ 15,945,193 | \$ 17,102,237 | \$ 17,644,865 | \$ 17,751,646 | \$ 18,232,063 | \$ 18,349,062 | \$ 17,912,456 | \$ 18,266,616 | \$ 18,998,740 |

| | | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total Projected State Water Costs | \$ 20,592,021 | \$ 20,872,643 | \$ 22,992,775 | \$ 23,829,931 | \$ 24,245,965 | \$ 25,051,097 | \$ 25,509,048 | \$ 25,430,442 | \$ 26,160,501 | \$ 27,287,320 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 20,110,196 | \$ 20,208,913 | \$ 20,265,779 | \$ 20,966,585 | \$ 21,239,451 | \$ 21,894,259 | \$ 22,194,368 | \$ 21,950,027 | \$ 22,506,066 | \$ 23,450,162 |
| July 1st Variable Payment ⁽⁴⁾ | 240,913 | 331,865 | 476,363 | 500,182 | 525,191 | 551,450 | 579,023 | 607,974 | 638,373 | 670,291 |
| October 1st Variable Payment | 81,343 | 112,053 | 633,785 | 665,474 | 698,748 | 733,685 | 770,369 | 808,888 | 849,332 | 891,799 |
| January 1st Variable Payment | - | - | 1,040,046 | 1,092,049 | 1,146,651 | 1,203,984 | 1,264,183 | 1,327,392 | 1,393,762 | 1,463,450 |
| April 1st Variable Payment | 159,569 | 219,812 | 576,801 | 605,642 | 635,924 | 667,720 | 701,106 | 736,161 | 772,969 | 811,618 |

Central Coast Water Authority
City of Santa Maria
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

(1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.

(2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.

(3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).

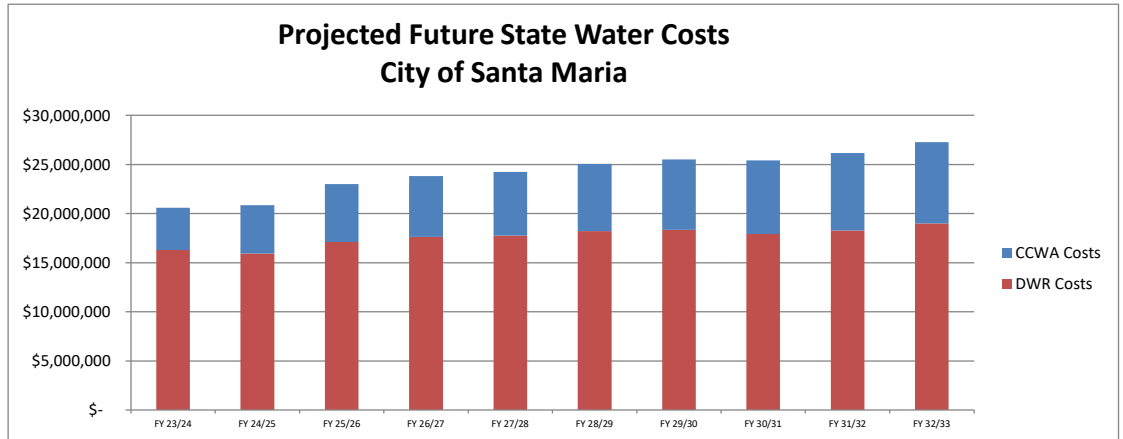
(4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.

(5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.

(6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.

(7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.

(8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Golden State Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Water Deliveries-1st Quarter | 90 | 90 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Water Deliveries-2nd Quarter | 50 | 50 | 77 | 77 | 77 | 77 | 77 | 77 | 77 | 77 |
| Water Deliveries-3rd Quarter | - | - | 89 | 89 | 89 | 89 | 89 | 89 | 89 | 89 |
| Water Deliveries-4th Quarter | 45 | 45 | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 |
| Total FY Water Deliveries (acre-feet) | 185 | 185 | 234 | 234 | 234 | 234 | 234 | 234 | 234 | 234 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 142,091 | \$ 149,196 | \$ 156,656 | \$ 164,489 | \$ 172,713 | \$ 181,349 | \$ 190,416 | \$ 199,937 | \$ 209,934 | \$ 220,430 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 24,286 | 25,500 | 33,867 | 35,561 | 37,339 | 39,206 | 41,166 | 43,224 | 45,386 | 47,655 |
| CCWA Credits | (0) | | | | | | | | | |
| Subtotal: CCWA Costs | 166,378 | 174,697 | 190,523 | 200,049 | 210,052 | 220,554 | 231,582 | 243,161 | 255,319 | 268,085 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Transportation Capital | 246,378 | 239,655 | 239,615 | 239,553 | 239,425 | 239,305 | 239,231 | 239,041 | 238,935 | 238,997 |
| Coastal Branch Extension | 10,836 | 16,228 | 12,306 | 13,625 | 12,858 | 20,727 | 19,381 | - | - | - |
| Water System Revenue Bond Surcharge | 8,985 | 14,599 | 8,485 | 16,862 | 13,393 | 12,488 | 9,200 | 6,623 | 8,617 | 24,206 |
| Transportation Minimum OMP&R | 186,368 | 161,458 | 163,199 | 164,571 | 166,217 | 167,879 | 169,558 | 171,253 | 172,966 | 174,696 |
| Delta Water Charge | 54,562 | 57,531 | 60,491 | 63,600 | 66,864 | 70,291 | 73,890 | 77,668 | 81,636 | 83,316 |
| DWR Variable Costs ^{(5) (6)} | 38,315 | 46,729 | 62,061 | 65,164 | 68,422 | 71,844 | 75,436 | 79,208 | 83,168 | 87,326 |
| Subtotal: DWR Costs | \$ 545,444 | \$ 536,199 | \$ 546,157 | \$ 563,376 | \$ 567,178 | \$ 582,534 | \$ 586,695 | \$ 573,793 | \$ 585,321 | \$ 608,541 |

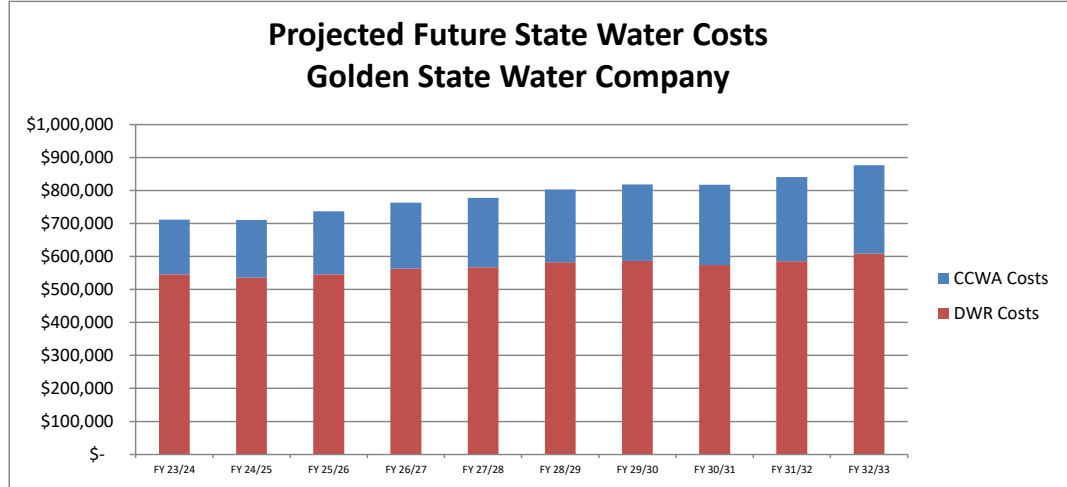
| | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Projected State Water Costs | \$ 711,822 | \$ 710,896 | \$ 736,681 | \$ 763,425 | \$ 777,230 | \$ 803,089 | \$ 818,277 | \$ 816,954 | \$ 840,641 | \$ 876,627 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 649,221 | \$ 638,666 | \$ 640,752 | \$ 662,700 | \$ 671,469 | \$ 692,039 | \$ 701,675 | \$ 694,522 | \$ 712,087 | \$ 741,645 |
| July 1st Variable Payment ⁽⁴⁾ | 30,454 | 35,139 | 9,019 | 9,470 | 9,943 | 10,441 | 10,963 | 11,511 | 12,086 | 12,691 |
| October 1st Variable Payment | 16,919 | 19,521 | 31,566 | 33,145 | 34,802 | 36,542 | 38,369 | 40,287 | 42,302 | 44,417 |
| January 1st Variable Payment | - | - | 36,486 | 38,310 | 40,225 | 42,237 | 44,349 | 46,566 | 48,894 | 51,339 |
| April 1st Variable Payment | 15,227 | 17,569 | 18,858 | 19,801 | 20,791 | 21,830 | 22,922 | 24,068 | 25,271 | 26,535 |

Central Coast Water Authority
Golden State Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

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- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Vandenberg AFB
State Water Cost Ten-Year Projections
Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Water Deliveries-1st Quarter | 819 | 819 | 437 | 437 | 437 | 437 | 437 | 437 | 437 | 437 |
| Water Deliveries-2nd Quarter | 742 | 742 | 532 | 532 | 532 | 532 | 532 | 532 | 532 | 532 |
| Water Deliveries-3rd Quarter | 552 | 552 | 762 | 762 | 762 | 762 | 762 | 762 | 762 | 762 |
| Water Deliveries-4th Quarter | 673 | 673 | 394 | 394 | 394 | 394 | 394 | 394 | 394 | 394 |
| Total FY Water Deliveries (acre-feet) | 2,786 | 2,786 | 2,125 | 2,125 | 2,125 | 2,125 | 2,125 | 2,125 | 2,125 | 2,125 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 1,668,732 | \$ 1,752,168 | \$ 1,839,777 | \$ 1,931,766 | \$ 2,028,354 | \$ 2,129,772 | \$ 2,236,260 | \$ 2,348,073 | \$ 2,465,477 | \$ 2,588,751 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 365,755 | 384,023 | 307,556 | 322,934 | 339,081 | 356,035 | 373,837 | 392,529 | 412,155 | 432,763 |
| CCWA Credits | (102,856) | | | | | | | | | |
| Subtotal: CCWA Costs | 1,931,630 | 2,136,192 | 2,147,333 | 2,254,700 | 2,367,435 | 2,485,807 | 2,610,097 | 2,740,602 | 2,877,632 | 3,021,514 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Transportation Capital | 2,709,758 | 2,635,814 | 2,635,377 | 2,634,694 | 2,633,287 | 2,631,975 | 2,631,158 | 2,629,062 | 2,627,895 | 2,628,587 |
| Coastal Branch Extension | 314,653 | 471,226 | 357,337 | 395,639 | 373,353 | 601,852 | 562,768 | - | - | - |
| Water System Revenue Bond Surcharge | 98,830 | 160,577 | 93,328 | 185,478 | 147,311 | 137,361 | 101,193 | 72,847 | 94,782 | 266,252 |
| Transportation Minimum OMP&R | 1,947,194 | 1,686,928 | 1,705,122 | 1,719,457 | 1,736,651 | 1,754,018 | 1,771,558 | 1,789,274 | 1,807,166 | 1,825,238 |
| Delta Water Charge | 600,184 | 632,840 | 665,406 | 699,601 | 735,505 | 773,204 | 812,788 | 854,352 | 897,994 | 916,477 |
| DWR Variable Costs ^{(5) (6)} | 637,987 | 703,714 | 563,590 | 591,770 | 621,358 | 652,426 | 685,047 | 719,300 | 755,265 | 793,028 |
| Subtotal: DWR Costs | \$ 6,308,605 | \$ 6,291,100 | \$ 6,020,160 | \$ 6,226,639 | \$ 6,247,465 | \$ 6,550,836 | \$ 6,564,512 | \$ 6,064,835 | \$ 6,183,102 | \$ 6,429,581 |

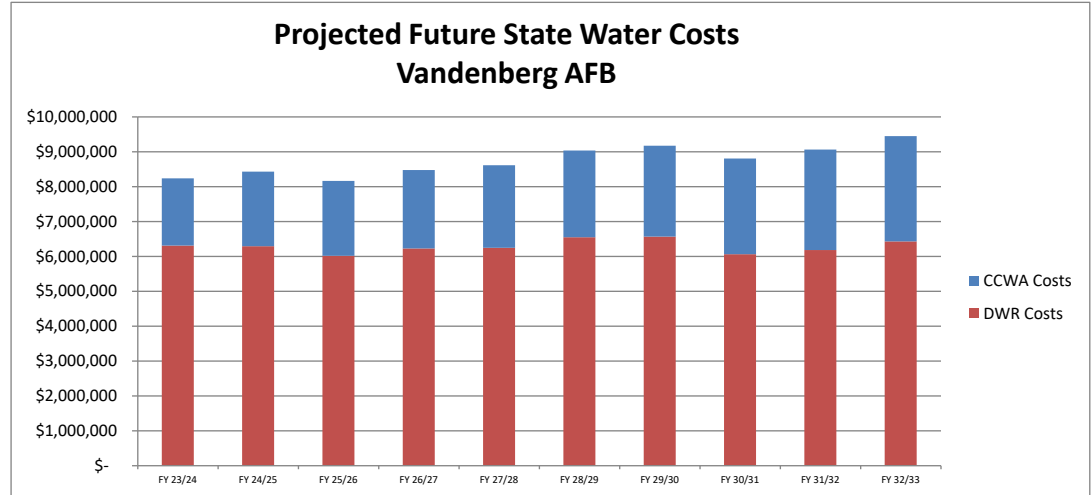
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 8,240,236 | \$ 8,427,292 | \$ 8,167,493 | \$ 8,481,339 | \$ 8,614,900 | \$ 9,036,642 | \$ 9,174,609 | \$ 8,805,437 | \$ 9,060,734 | \$ 9,451,094 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 7,236,494 | \$ 7,339,554 | \$ 7,296,347 | \$ 7,566,635 | \$ 7,654,461 | \$ 8,028,181 | \$ 8,115,725 | \$ 7,693,608 | \$ 7,893,315 | \$ 8,225,304 |
| July 1st Variable Payment ⁽⁴⁾ | 295,070 | 319,762 | 179,149 | 188,106 | 197,511 | 207,387 | 217,756 | 228,644 | 240,076 | 252,080 |
| October 1st Variable Payment | 267,328 | 289,699 | 218,094 | 228,999 | 240,449 | 252,471 | 265,095 | 278,349 | 292,267 | 306,880 |
| January 1st Variable Payment | 198,875 | 215,517 | 312,383 | 328,002 | 344,402 | 361,622 | 379,703 | 398,689 | 418,623 | 439,554 |
| April 1st Variable Payment | 242,469 | 262,759 | 161,521 | 169,597 | 178,077 | 186,981 | 196,330 | 206,146 | 216,453 | 227,276 |

Central Coast Water Authority
Vandenberg AFB
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retirement Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Buellton
State Water Cost Ten-Year Projections
Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|
| Water Deliveries-1st Quarter | 48 | 48 | 40 | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Water Deliveries-2nd Quarter | - | - | 51 | 51 | 51 | 51 | 51 | 51 | 51 | 51 |
| Water Deliveries-3rd Quarter | - | - | 94 | 94 | 94 | 94 | 94 | 94 | 94 | 94 |
| Water Deliveries-4th Quarter | 15 | 15 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 |
| Total FY Water Deliveries (acre-feet) | 63 | 63 | 238 | 238 | 238 | 238 | 238 | 238 | 238 | 238 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 215,063 | \$ 225,816 | \$ 237,107 | \$ 248,963 | \$ 261,411 | \$ 274,481 | \$ 288,205 | \$ 302,616 | \$ 317,746 | \$ 333,634 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 8,270 | 8,684 | 34,446 | 36,169 | 37,977 | 39,876 | 41,870 | 43,963 | 46,161 | 48,469 |
| CCWA Credits | (15,079) | | | | | | | | | |
| Subtotal: CCWA Costs | 208,255 | 234,500 | 271,554 | 285,131 | 299,388 | 314,357 | 330,075 | 346,579 | 363,908 | 382,103 |

| <u>DWR Costs</u> ⁽⁷⁾ | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Transportation Capital | 284,765 | 276,994 | 276,948 | 276,876 | 276,729 | 276,591 | 276,505 | 276,285 | 276,162 | 276,235 |
| Coastal Branch Extension | 33,067 | 49,522 | 37,553 | 41,578 | 39,236 | 63,249 | 59,142 | - | - | - |
| Water System Revenue Bond Surcharge | 10,385 | 16,874 | 9,807 | 19,491 | 15,480 | 14,434 | 10,634 | 7,655 | 9,960 | 27,979 |
| Transportation Minimum OMP&R | 200,363 | 173,582 | 175,454 | 176,929 | 178,699 | 180,486 | 182,290 | 184,113 | 185,954 | 187,814 |
| Delta Water Charge | 63,094 | 66,527 | 69,950 | 73,545 | 77,319 | 81,282 | 85,444 | 89,813 | 94,401 | 96,344 |
| DWR Variable Costs ⁽⁵⁾⁽⁶⁾ | 9,516 | 15,913 | 63,122 | 66,278 | 69,592 | 73,072 | 76,725 | 80,562 | 84,590 | 88,819 |
| Subtotal: DWR Costs | \$ 601,190 | \$ 599,412 | \$ 632,835 | \$ 654,698 | \$ 657,054 | \$ 689,114 | \$ 690,740 | \$ 638,427 | \$ 651,067 | \$ 677,190 |

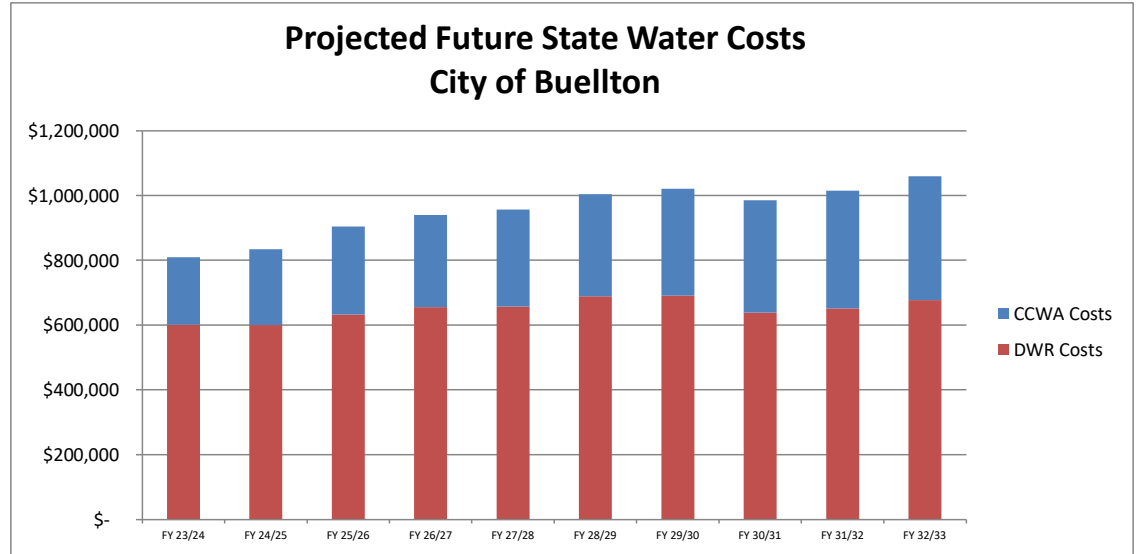
| | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 809,445 | \$ 833,912 | \$ 904,388 | \$ 939,829 | \$ 956,442 | \$ 1,003,471 | \$ 1,020,815 | \$ 985,006 | \$ 1,014,975 | \$ 1,059,293 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 791,659 | \$ 808,815 | \$ 806,320 | \$ 836,882 | \$ 848,373 | \$ 890,024 | \$ 901,720 | \$ 859,982 | \$ 883,724 | \$ 921,505 |
| July 1st Variable Payment ⁽⁴⁾ | 13,551 | 18,741 | 16,398 | 17,218 | 18,079 | 18,983 | 19,932 | 20,929 | 21,975 | 23,074 |
| October 1st Variable Payment | - | - | 20,908 | 21,953 | 23,051 | 24,203 | 25,413 | 26,684 | 28,018 | 29,419 |
| January 1st Variable Payment | - | - | 38,535 | 40,462 | 42,485 | 44,610 | 46,840 | 49,182 | 51,641 | 54,223 |
| April 1st Variable Payment | 4,235 | 5,856 | 21,727 | 22,814 | 23,954 | 25,152 | 26,410 | 27,730 | 29,117 | 30,573 |

Central Coast Water Authority
City of Buellton
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.389/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Santa Ynez ID#1 (Solvang)
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Water Deliveries-1st Quarter | 75 | 260 | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 |
| Water Deliveries-2nd Quarter | 45 | 75 | 159 | 159 | 159 | 159 | 159 | 159 | 159 | 159 |
| Water Deliveries-3rd Quarter | | - | 276 | 276 | 276 | 276 | 276 | 276 | 276 | 276 |
| Water Deliveries-4th Quarter | 197 | 197 | 117 | 117 | 117 | 117 | 117 | 117 | 117 | 117 |
| Total FY Water Deliveries (acre-feet) | 317 | 532 | 660 | 660 | 660 | 660 | 660 | 660 | 660 | 660 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 554,214 | \$ 581,925 | \$ 611,021 | \$ 641,572 | \$ 673,651 | \$ 707,333 | \$ 742,700 | \$ 779,835 | \$ 818,826 | \$ 859,768 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 41,615 | 73,331 | 95,523 | 100,300 | 105,315 | 110,580 | 116,109 | 121,915 | 128,011 | 134,411 |
| CCWA Credits | (23,132) | | | | | | | | | |
| Subtotal: CCWA Costs | 572,696 | 655,256 | 706,544 | 741,872 | 778,965 | 817,913 | 858,809 | 901,750 | 946,837 | 994,179 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Transportation Capital | 731,670 | 711,744 | 711,626 | 711,442 | 711,062 | 710,708 | 710,487 | 709,921 | 709,606 | 709,793 |
| Coastal Branch Extension | 85,814 | 128,516 | 97,455 | 107,902 | 101,824 | 164,141 | 153,482 | - | - | - |
| Water System Revenue Bond Surcharge | 24,122 | 39,194 | 22,779 | 45,271 | 35,956 | 33,527 | 24,699 | 17,781 | 23,134 | 64,987 |
| Transportation Minimum OMP&R | 521,320 | 451,639 | 456,511 | 460,348 | 464,952 | 469,601 | 474,297 | 479,040 | 483,831 | 488,669 |
| Delta Water Charge | 148,806 | 156,902 | 164,977 | 173,455 | 182,357 | 191,704 | 201,518 | 211,823 | 222,643 | 227,226 |
| DWR Variable Costs ^{(5) (6)} | 60,802 | 134,378 | 175,044 | 183,797 | 192,986 | 202,636 | 212,768 | 223,406 | 234,576 | 246,305 |
| Subtotal: DWR Costs | \$ 1,572,536 | \$ 1,622,374 | \$ 1,628,393 | \$ 1,682,215 | \$ 1,689,136 | \$ 1,772,317 | \$ 1,777,251 | \$ 1,641,971 | \$ 1,673,791 | \$ 1,736,979 |

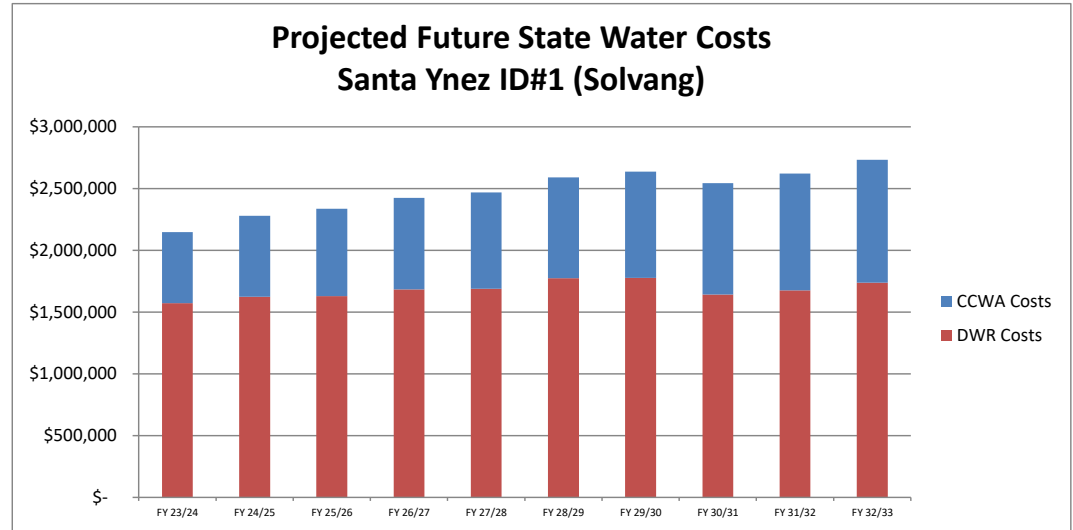
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 2,145,232 | \$ 2,277,630 | \$ 2,334,937 | \$ 2,424,086 | \$ 2,468,101 | \$ 2,590,230 | \$ 2,636,060 | \$ 2,543,720 | \$ 2,620,628 | \$ 2,731,158 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 2,042,815 | \$ 2,069,058 | \$ 2,063,507 | \$ 2,139,128 | \$ 2,168,937 | \$ 2,276,152 | \$ 2,306,321 | \$ 2,197,537 | \$ 2,257,178 | \$ 2,349,579 |
| July 1st Variable Payment ⁽⁴⁾ | 24,231 | 101,512 | 44,275 | 46,488 | 48,813 | 51,254 | 53,816 | 56,507 | 59,332 | 62,299 |
| October 1st Variable Payment | 14,539 | 29,282 | 65,182 | 68,441 | 71,863 | 75,457 | 79,229 | 83,191 | 87,350 | 91,718 |
| January 1st Variable Payment | - | - | 113,147 | 118,804 | 124,744 | 130,981 | 137,530 | 144,407 | 151,627 | 159,209 |
| April 1st Variable Payment | 63,647 | 76,915 | 47,964 | 50,363 | 52,881 | 55,525 | 58,301 | 61,216 | 64,277 | 67,491 |

Central Coast Water Authority
Santa Ynez ID#1 (Solvang)
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

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- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Santa Ynez ID#1
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽⁴⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Table A Water Deliveries-1st Quarter | - | - | - | - | - | - | - | - | - | - |
| Table A Water Deliveries-2nd Quarter | - | - | 21 | 21 | 21 | 21 | 21 | 21 | 21 | 21 |
| Table A Water Deliveries-3rd Quarter | - | - | 104 | 104 | 104 | 104 | 104 | 104 | 104 | 104 |
| Table A Water Deliveries-4th Quarter | - | - | 99 | 99 | 99 | 99 | 99 | 99 | 99 | 99 |
| Total FY Table A Deliveries (acre-feet) | - | - | 224 | 224 | 224 | 224 | 224 | 224 | 224 | 224 |

| | | | | | | | | | | |
|---|-------|-------|---|---|---|---|---|---|---|---|
| Exchange Deliveries-1st Quarter | 1,375 | 1,375 | | | | | | | | |
| Exchange Deliveries-2nd Quarter | 150 | 150 | | | | | | | | |
| Exchange Deliveries-3rd Quarter | 100 | | | | | | | | | |
| Exchange Deliveries-4th Quarter | 800 | | | | | | | | | |
| Total FY Exchange Deliveries (acre-feet) | 2,425 | 1,525 | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 131 | \$ 138 | \$ 145 | \$ 152 | \$ 160 | \$ 168 | \$ 176 | \$ 185 | \$ 194 | \$ 204 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 572,178 | \$ 600,787 | \$ 630,826 | \$ 662,367 | \$ 695,486 | \$ 730,260 | \$ 766,773 | \$ 805,112 | \$ 845,367 | \$ 887,636 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 318,346 | 210,207 | 32,420 | 34,041 | 35,743 | 37,530 | 39,407 | 41,377 | 43,446 | 45,618 |
| CCWA Credits | (285,172) | | | | | | | | | |
| Subtotal: CCWA Costs | 605,351 | 810,993 | 663,246 | 696,408 | 731,229 | 767,790 | 806,180 | 846,489 | 888,813 | 933,254 |

| <u>DWR Costs</u> ⁽⁷⁾ | | | | | | | | | | |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Transportation Capital | 253,797 | 246,830 | 246,789 | 246,725 | 246,594 | 246,471 | 246,394 | 246,198 | 246,089 | 246,153 |
| Coastal Branch Extension | 28,605 | 42,839 | 32,485 | 35,967 | 33,941 | 54,714 | 51,161 | - | - | - |
| Water System Revenue Bond Surcharge | 11,815 | 19,197 | 11,157 | 22,174 | 17,611 | 16,422 | 12,098 | 8,709 | 11,331 | 31,831 |
| Transportation Minimum OMP&R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Delta Water Charge | (0) | 73,221 | 76,989 | 80,946 | 85,100 | 89,462 | 94,042 | 98,851 | 103,900 | 106,039 |
| DWR Variable Costs ^{(5) (6)} | (6,058) | - | 59,409 | 62,379 | 65,498 | 68,773 | 72,212 | 75,823 | 79,614 | 83,594 |
| Subtotal: DWR Costs | \$ 288,158 | \$ 382,087 | \$ 426,830 | \$ 448,192 | \$ 448,744 | \$ 475,841 | \$ 475,906 | \$ 429,580 | \$ 440,934 | \$ 467,617 |

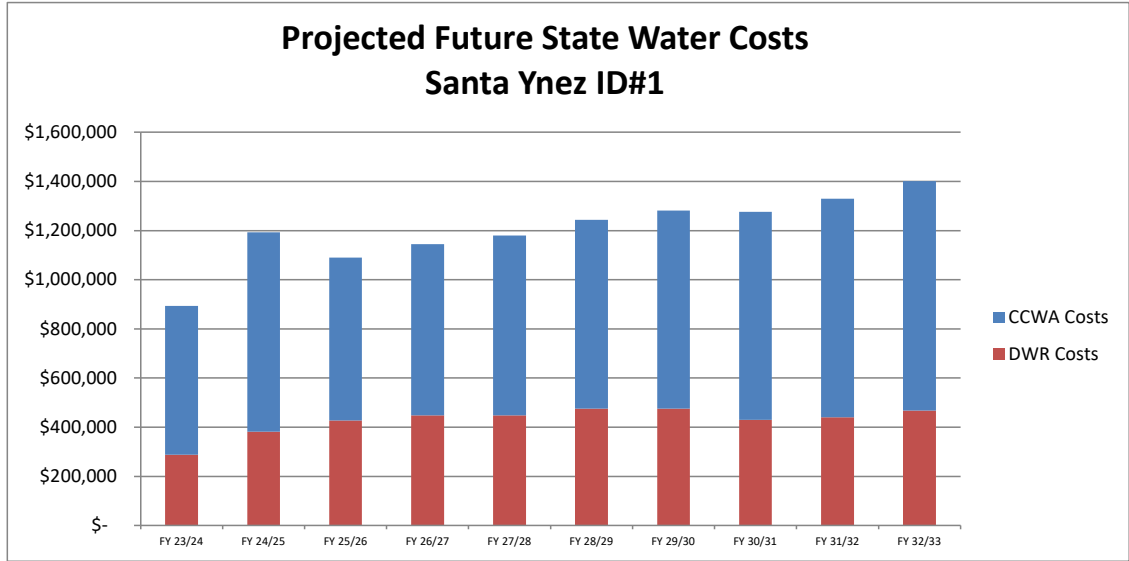
| | | | | | | | | | | |
|--|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Projected State Water Costs | \$ 893,509 | \$ 1,193,081 | \$ 1,090,076 | \$ 1,144,600 | \$ 1,179,973 | \$ 1,243,632 | \$ 1,282,086 | \$ 1,276,069 | \$ 1,329,747 | \$ 1,400,871 |
|--|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 581,222 | \$ 981,723 | \$ 997,096 | \$ 1,047,029 | \$ 1,077,581 | \$ 1,136,177 | \$ 1,169,316 | \$ 1,157,718 | \$ 1,205,537 | \$ 1,270,507 |
| July 1st Variable Payment ⁽⁴⁾ | 177,070 | 189,531 | - | - | - | - | - | - | - | - |
| October 1st Variable Payment | 19,317 | 20,676 | 8,609 | 9,039 | 9,491 | 9,966 | 10,464 | 10,987 | 11,537 | 12,114 |
| January 1st Variable Payment | 12,878 | - | 42,635 | 44,767 | 47,005 | 49,355 | 51,823 | 54,414 | 57,135 | 59,992 |
| April 1st Variable Payment | 103,023 | - | 40,585 | 42,614 | 44,745 | 46,982 | 49,332 | 51,798 | 54,388 | 57,107 |

Central Coast Water Authority
Santa Ynez ID#1
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

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- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Goleta Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽⁴⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Table A Water Deliveries-1st Quarter | 495 | 957 | 558 | 558 | 558 | 558 | 558 | 558 | 558 | 558 |
| Table A Water Deliveries-2nd Quarter | 54 | 54 | 556 | 556 | 556 | 556 | 556 | 556 | 556 | 556 |
| Table A Water Deliveries-3rd Quarter | 1,084 | 1,084 | 557 | 557 | 557 | 557 | 557 | 557 | 557 | 557 |
| Table A Water Deliveries-4th Quarter | 689 | 689 | 581 | 581 | 581 | 581 | 581 | 581 | 581 | 581 |
| Total FY Table A Deliveries (acre-feet) | 2,322 | 2,784 | 2,252 | 2,252 | 2,252 | 2,252 | 2,252 | 2,252 | 2,252 | 2,252 |

| | | | | | | | | | | |
|---|------------|------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Exchange Deliveries-1st Quarter | 495 | 495 | | | | | | | | |
| Exchange Deliveries-2nd Quarter | 54 | 54 | | | | | | | | |
| Exchange Deliveries-3rd Quarter | 36 | | | | | | | | | |
| Exchange Deliveries-4th Quarter | 288 | | | | | | | | | |
| Total FY Exchange Deliveries (acre-feet) | 873 | 549 | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 1,597,737 | \$ 1,677,624 | \$ 1,761,505 | \$ 1,849,580 | \$ 1,942,059 | \$ 2,039,162 | \$ 2,141,120 | \$ 2,248,176 | \$ 2,360,585 | \$ 2,478,614 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 229,778 | 463,553 | 393,720 | 413,406 | 434,076 | 455,780 | 478,569 | 502,498 | 527,623 | 554,004 |
| CCWA Credits | (18,371) | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | 241,085 | 371,859 | 374,688 | 374,688 | 374,688 | 374,688 | 374,688 | 374,688 | 374,688 | 374,688 |
| Subtotal: CCWA Costs | 2,050,229 | 2,513,036 | 2,529,913 | 2,637,674 | 2,750,823 | 2,869,630 | 2,994,377 | 3,125,362 | 3,262,895 | 3,407,306 |

| <u>DWR Costs</u> ⁽⁷⁾ | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Transportation Capital | 2,250,830 | 2,189,703 | 2,189,339 | 2,188,772 | 2,187,603 | 2,186,513 | 2,185,834 | 2,184,093 | 2,183,124 | 2,183,698 |
| Coastal Branch Extension | 257,443 | 385,549 | 292,366 | 323,705 | 305,471 | 492,424 | 460,447 | - | - | - |
| Water System Revenue Bond Surcharge | 112,491 | 182,773 | 106,228 | 211,116 | 167,673 | 156,348 | 115,180 | 82,917 | 107,884 | 303,055 |
| Transportation Minimum OMP&R | 1,835,158 | 1,589,866 | 1,607,014 | 1,620,524 | 1,636,729 | 1,653,096 | 1,669,627 | 1,686,324 | 1,703,187 | 1,720,219 |
| Delta Water Charge | 738,539 | 779,282 | 819,384 | 861,492 | 905,704 | 952,127 | 1,000,872 | 1,052,053 | 1,105,794 | 1,128,554 |
| DWR Variable Costs ^{(5) (6)} | 495,809 | 841,880 | 597,273 | 627,136 | 658,493 | 691,418 | 725,989 | 762,288 | 800,403 | 840,423 |
| Subtotal: DWR Costs | \$ 5,690,270 | \$ 5,969,054 | \$ 5,611,606 | \$ 5,832,745 | \$ 5,861,673 | \$ 6,131,927 | \$ 6,157,949 | \$ 5,767,675 | \$ 5,900,391 | \$ 6,175,949 |

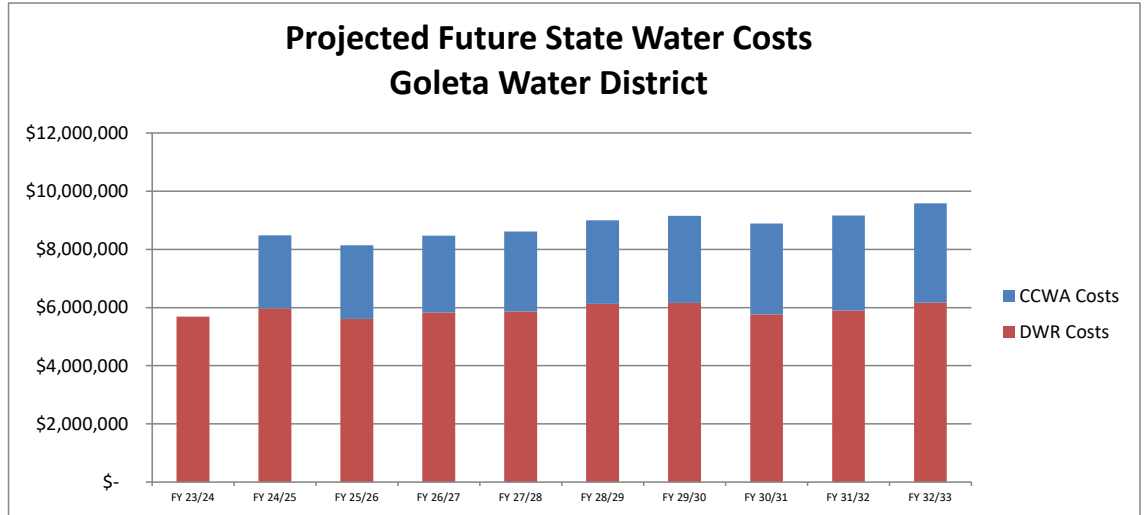
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 7,740,499 | \$ 8,482,090 | \$ 8,141,518 | \$ 8,470,419 | \$ 8,612,497 | \$ 9,001,557 | \$ 9,152,326 | \$ 8,893,037 | \$ 9,163,287 | \$ 9,583,254 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 6,773,827 | \$ 6,801,454 | \$ 6,772,494 | \$ 7,051,846 | \$ 7,141,896 | \$ 7,476,328 | \$ 7,569,737 | \$ 7,250,220 | \$ 7,457,230 | \$ 7,810,797 |
| July 1st Variable Payment ⁽⁴⁾ | 299,532.05 | 730,702 | 338388.0374 | 350,665 | 363,557 | 377,093 | 391,305 | 406,228 | 421,898 | 438,351 |
| October 1st Variable Payment | 32,676 | 54,350 | 337,175 | 349,409 | 362,254 | 375,741 | 389,903 | 404,772 | 420,386 | 436,780 |
| January 1st Variable Payment | 338,865 | 545,510 | 337,782 | 350,037 | 362,905 | 376,417 | 390,604 | 405,500 | 421,142 | 437,565 |
| April 1st Variable Payment | 295,599 | 346,731 | 352,336 | 365,119 | 378,542 | 392,636 | 407,434 | 422,973 | 439,288 | 456,419 |

Central Coast Water Authority
Goleta Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Morehart Land Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Table A Water Deliveries-1st Quarter | 24 | 24 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Table A Water Deliveries-2nd Quarter | 24 | 12 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| Table A Water Deliveries-3rd Quarter | 12 | 12 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Table A Water Deliveries-4th Quarter | 24 | 24 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Total FY Table A Deliveries (acre-feet) | 84 | 72 | 44 | 44 | 44 | 44 | 44 | 44 | 44 | 44 |

| | | | | | | | | | | |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Exchange Deliveries-1st Quarter | | | | | | | | | | |
| Exchange Deliveries-2nd Quarter | | | | | | | | | | |
| Exchange Deliveries-3rd Quarter | | | | | | | | | | |
| Exchange Deliveries-4th Quarter | | | | | | | | | | |
| Total FY Exchange Deliveries (acre-feet) | - | - | - | - | - | - | - | - | - | - |
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 72,400 | \$ 76,020 | \$ 79,821 | \$ 83,812 | \$ 88,003 | \$ 92,403 | \$ 97,023 | \$ 101,874 | \$ 106,968 | \$ 112,317 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 13,320 | 11,988 | 7,693 | 8,077 | 8,481 | 8,905 | 9,350 | 9,818 | 10,309 | 10,824 |
| CCWA Credits | (4,275) | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | 13,976 | 11,979 | 7,321 | 7,321 | 7,321 | 7,321 | 7,321 | 7,321 | 7,321 | 7,321 |
| Subtotal: CCWA Costs | 95,422 | 99,988 | 94,835 | 99,210 | 103,805 | 108,629 | 113,694 | 119,013 | 124,598 | 130,461 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Transportation Capital | 98,551 | 95,862 | 95,846 | 95,821 | 95,770 | 95,722 | 95,692 | 95,616 | 95,574 | 95,599 |
| Coastal Branch Extension | 11,442 | 17,136 | 12,994 | 14,387 | 13,576 | 21,886 | 20,464 | - | - | - |
| Water System Revenue Bond Surcharge | 3,594 | 5,839 | 3,393 | 6,744 | 5,356 | 4,995 | 3,679 | 2,649 | 3,446 | 9,681 |
| Transportation Minimum OMP&R | 70,273 | 60,880 | 61,536 | 62,054 | 62,674 | 63,301 | 63,934 | 64,573 | 65,219 | 65,871 |
| Delta Water Charge | 21,825 | 23,012 | 24,197 | 25,440 | 26,746 | 28,117 | 29,556 | 31,067 | 32,654 | 33,326 |
| DWR Variable Costs ^{(5) (6)} | 17,575 | 18,186 | 11,670 | 12,253 | 12,866 | 13,509 | 14,185 | 14,894 | 15,638 | 16,420 |
| Subtotal: DWR Costs | \$ 223,259 | \$ 220,915 | \$ 209,636 | \$ 216,699 | \$ 216,988 | \$ 227,529 | \$ 227,511 | \$ 208,799 | \$ 212,532 | \$ 220,898 |

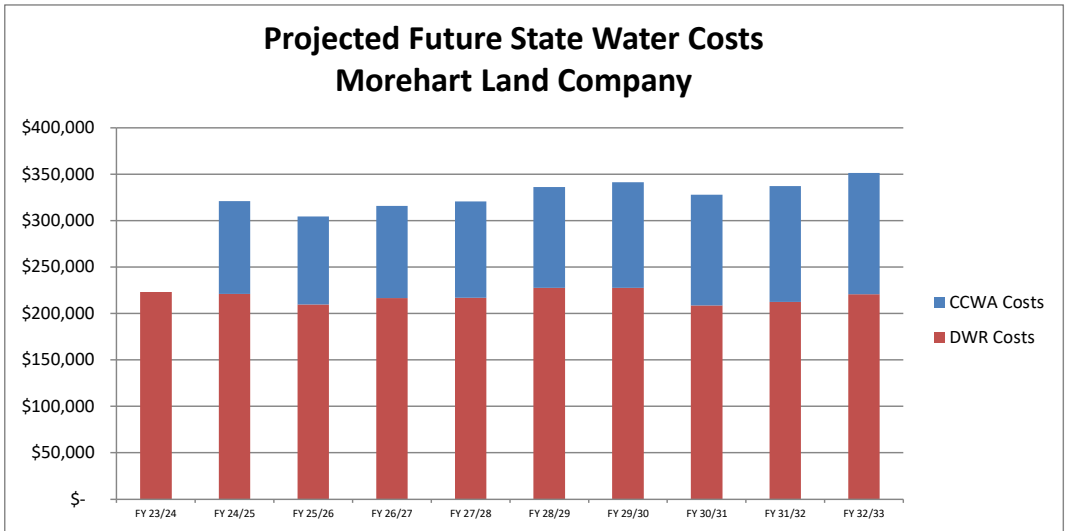
| | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Projected State Water Costs | \$ 318,681 | \$ 320,903 | \$ 304,471 | \$ 315,909 | \$ 320,793 | \$ 336,158 | \$ 341,205 | \$ 327,812 | \$ 337,130 | \$ 351,360 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 273,810 | \$ 278,646 | \$ 277,685 | \$ 288,155 | \$ 292,023 | \$ 306,320 | \$ 310,247 | \$ 295,677 | \$ 303,759 | \$ 316,691 |
| July 1st Variable Payment ⁽⁴⁾ | 12,820 | 14,051 | 5,458 | 5,656 | 5,864 | 6,082 | 6,311 | 6,552 | 6,805 | 7,070 |
| October 1st Variable Payment | 12,820 | 7,026 | 8,490 | 8,798 | 9,121 | 9,461 | 9,818 | 10,192 | 10,585 | 10,998 |
| January 1st Variable Payment | 6,410 | 7,026 | 7,884 | 8,170 | 8,470 | 8,785 | 9,116 | 9,464 | 9,829 | 10,212 |
| April 1st Variable Payment | 12,820 | 14,051 | 4,851 | 5,027 | 5,212 | 5,406 | 5,610 | 5,824 | 6,049 | 6,285 |

Central Coast Water Authority
Morehart Land Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

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- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retirement Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
La Cumbre Mutual Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Table A Water Deliveries-1st Quarter | 124 | 123 | 94 | 94 | 94 | 94 | 94 | 94 | 94 | 94 |
| Table A Water Deliveries-2nd Quarter | 71 | 71 | 113 | 113 | 113 | 113 | 113 | 113 | 113 | 113 |
| Table A Water Deliveries-3rd Quarter | 71 | 71 | 171 | 171 | 171 | 171 | 171 | 171 | 171 | 171 |
| Table A Water Deliveries-4th Quarter | 93 | 93 | 109 | 109 | 109 | 109 | 109 | 109 | 109 | 109 |
| Total FY Table A Deliveries (acre-feet) | 359 | 358 | 487 | 487 | 487 | 487 | 487 | 487 | 487 | 487 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 362,001 | \$ 380,101 | \$ 399,106 | \$ 419,062 | \$ 440,015 | \$ 462,015 | \$ 485,116 | \$ 509,372 | \$ 534,841 | \$ 561,583 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 56,929 | 59,609 | 85,143 | 89,400 | 93,870 | 98,564 | 103,492 | 108,666 | 114,100 | 119,805 |
| CCWA Credits | - | - | - | - | - | - | - | - | - | - |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | 59,730 | 59,564 | 81,027 | 81,027 | 81,027 | 81,027 | 81,027 | 81,027 | 81,027 | 81,027 |
| Subtotal: CCWA Costs | 478,661 | 499,274 | 565,276 | 589,489 | 614,912 | 641,606 | 669,635 | 699,065 | 729,967 | 762,414 |

| <u>DWR Costs</u> ⁽⁷⁾ | | | | | | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Transportation Capital | 492,756 | 479,309 | 479,230 | 479,105 | 478,850 | 478,611 | 478,462 | 478,081 | 477,869 | 477,995 |
| Coastal Branch Extension | 57,210 | 85,678 | 64,970 | 71,934 | 67,882 | 109,428 | 102,321 | - | - | - |
| Water System Revenue Bond Surcharge | 17,969 | 29,195 | 16,968 | 33,723 | 26,783 | 24,974 | 18,398 | 13,245 | 17,233 | 48,409 |
| Transportation Minimum OMP&R | 372,736 | 322,916 | 326,398 | 329,142 | 332,434 | 335,758 | 339,116 | 342,507 | 345,932 | 349,391 |
| Delta Water Charge | 109,124 | 115,062 | 120,983 | 127,200 | 133,728 | 140,583 | 147,780 | 155,337 | 163,272 | 166,632 |
| DWR Variable Costs ^{(5) (6)} | 74,028 | 90,427 | 129,162 | 135,620 | 142,401 | 149,521 | 156,997 | 164,847 | 173,089 | 181,743 |
| Subtotal: DWR Costs | \$ 1,123,823 | \$ 1,122,587 | \$ 1,137,711 | \$ 1,176,725 | \$ 1,182,078 | \$ 1,238,874 | \$ 1,243,074 | \$ 1,154,016 | \$ 1,177,394 | \$ 1,224,170 |

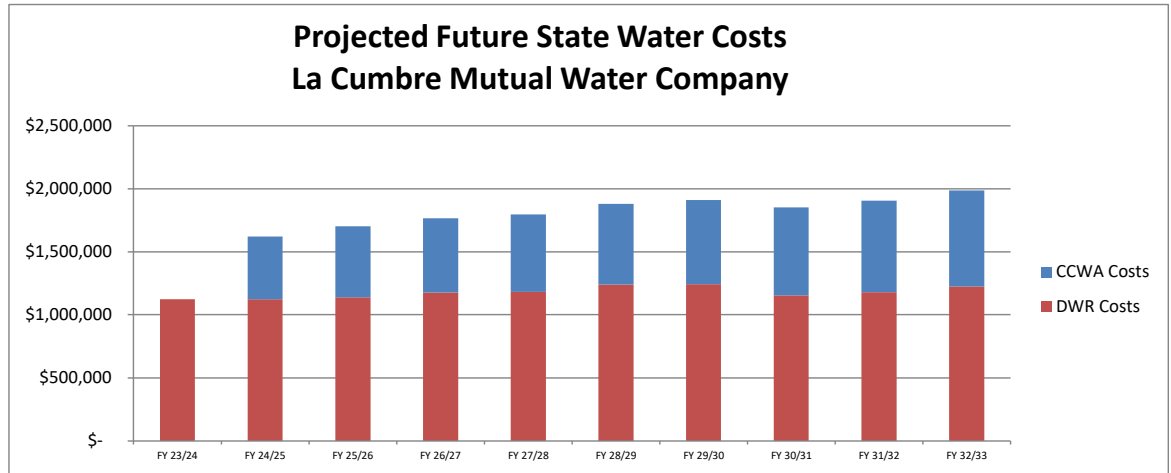
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 1,602,484 | \$ 1,621,861 | \$ 1,702,988 | \$ 1,766,213 | \$ 1,796,990 | \$ 1,880,480 | \$ 1,912,709 | \$ 1,853,082 | \$ 1,907,362 | \$ 1,986,584 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 1,411,797 | \$ 1,411,450 | \$ 1,406,845 | \$ 1,459,356 | \$ 1,478,881 | \$ 1,550,558 | \$ 1,570,383 | \$ 1,497,731 | \$ 1,538,335 | \$ 1,603,199 |
| July 1st Variable Payment ⁽⁴⁾ | 65,864 | 72,013 | 57,004 | 59,073 | 61,244 | 63,525 | 65,919 | 68,433 | 71,072 | 73,844 |
| October 1st Variable Payment | 37,713 | 41,569 | 68,527 | 71,013 | 73,623 | 76,365 | 79,243 | 82,265 | 85,438 | 88,770 |
| January 1st Variable Payment | 37,713 | 41,569 | 103,700 | 107,462 | 111,413 | 115,561 | 119,916 | 124,489 | 129,291 | 134,333 |
| April 1st Variable Payment | 49,398 | 54,449 | 66,101 | 68,499 | 71,017 | 73,661 | 76,438 | 79,353 | 82,414 | 85,628 |

Central Coast Water Authority
La Cumbre Mutual Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Raytheon Systems Company
State Water Cost Ten-Year Projections
Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Table A Water Deliveries-1st Quarter | - | - | | | | | | | | |
| Table A Water Deliveries-2nd Quarter | - | - | | | | | | | | |
| Table A Water Deliveries-3rd Quarter | - | - | | | | | | | | |
| Table A Water Deliveries-4th Quarter | - | - | | | | | | | | |
| Total FY Table A Deliveries (acre-feet) | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 18,100 | \$ 19,005 | \$ 19,955 | \$ 20,953 | \$ 22,001 | \$ 23,101 | \$ 24,256 | \$ 25,469 | \$ 26,742 | \$ 28,079 |
| CCWA Variable O&M Costs ⁽⁵⁾ | - | - | - | - | - | - | - | - | - | - |
| CCWA Credits | (985) | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | - | - | - | - | - | - | - | - | - | - |
| Subtotal: CCWA Costs | 17,115 | 19,005 | 19,955 | 20,953 | 22,001 | 23,101 | 24,256 | 25,469 | 26,742 | 28,079 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Transportation Capital | 24,630 | 23,958 | 23,954 | 23,948 | 23,935 | 23,923 | 23,916 | 23,897 | 23,886 | 23,892 |
| Coastal Branch Extension | 2,860 | 4,284 | 3,249 | 3,597 | 3,394 | 5,471 | 5,116 | - | - | - |
| Water System Revenue Bond Surcharge | 899 | 1,461 | 849 | 1,687 | 1,340 | 1,249 | 920 | 663 | 862 | 2,422 |
| Transportation Minimum OMP&R | 17,651 | 15,292 | 15,457 | 15,587 | 15,743 | 15,900 | 16,059 | 16,220 | 16,382 | 16,546 |
| Delta Water Charge | 5,456 | 5,753 | 6,049 | 6,360 | 6,686 | 7,029 | 7,389 | 7,767 | 8,164 | 8,332 |
| DWR Variable Costs ^{(5) (6)} | (2,303) | - | - | - | - | - | - | - | - | - |
| Subtotal: DWR Costs | \$ 49,194 | \$ 50,748 | \$ 49,558 | \$ 51,179 | \$ 51,098 | \$ 53,573 | \$ 53,401 | \$ 48,546 | \$ 49,294 | \$ 51,192 |

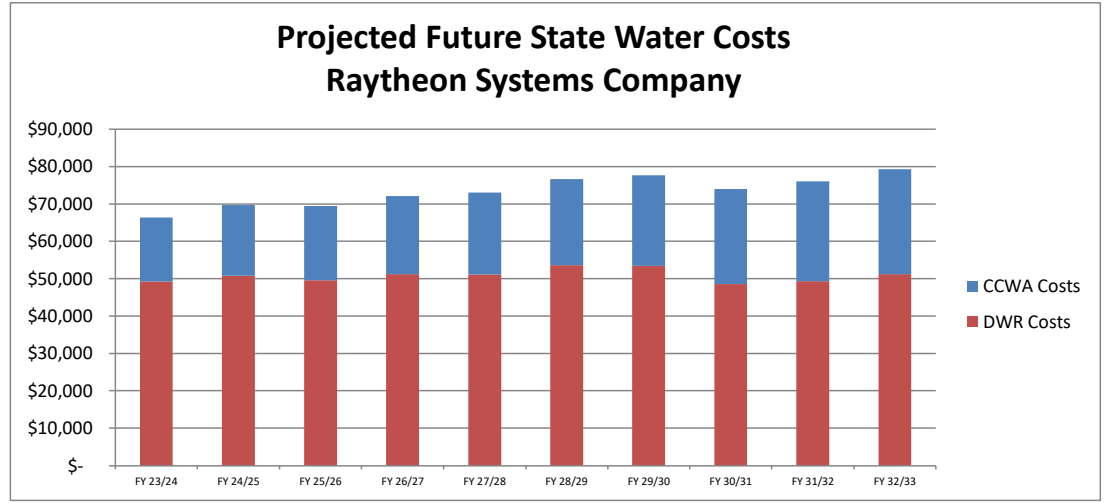
| | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total Projected State Water Costs | \$ 66,309 | \$ 69,753 | \$ 69,513 | \$ 72,132 | \$ 73,099 | \$ 76,674 | \$ 77,656 | \$ 74,015 | \$ 76,036 | \$ 79,271 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| June 1st Fixed Payment ⁽³⁾ | \$ 66,309 | \$ 69,705 | \$ 69,465 | \$ 72,084 | \$ 73,051 | \$ 76,626 | \$ 77,608 | \$ 73,966 | \$ 75,988 | \$ 79,223 |
| July 1st Variable Payment ⁽⁴⁾ | (2,303) | - | | | | | | | | |
| October 1st Variable Payment | - | - | | | | | | | | |
| January 1st Variable Payment | - | - | | | | | | | | |
| April 1st Variable Payment | - | - | | | | | | | | |

Central Coast Water Authority
Raytheon Systems Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e. the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
City of Santa Barbara
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Table A Water Deliveries-1st Quarter | 330 | 330 | 221 | 221 | 221 | 221 | 221 | 221 | 221 | 221 |
| Table A Water Deliveries-2nd Quarter | 36 | 36 | 226 | 226 | 226 | 226 | 226 | 226 | 226 | 226 |
| Table A Water Deliveries-3rd Quarter | 24 | 24 | 311 | 311 | 311 | 311 | 311 | 311 | 311 | 311 |
| Table A Water Deliveries-4th Quarter | 192 | 192 | 277 | 277 | 277 | 277 | 277 | 277 | 277 | 277 |
| Total FY Table A Deliveries (acre-feet) | 582 | 582 | 1,035 | 1,035 | 1,035 | 1,035 | 1,035 | 1,035 | 1,035 | 1,035 |

| | | | | | | | | | | |
|---|------------|------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Exchange Deliveries-1st Quarter | 330 | 330 | | | | | | | | |
| Exchange Deliveries-2nd Quarter | 36 | 36 | | | | | | | | |
| Exchange Deliveries-3rd Quarter | 24 | | | | | | | | | |
| Exchange Deliveries-4th Quarter | 192 | | | | | | | | | |
| Total FY Exchange Deliveries (acre-feet) | 582 | 366 | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 1,065,158 | \$ 1,118,416 | \$ 1,174,337 | \$ 1,233,053 | \$ 1,294,706 | \$ 1,359,441 | \$ 1,427,413 | \$ 1,498,784 | \$ 1,573,723 | \$ 1,652,410 |
| CCWA Variable O&M Costs ⁽⁵⁾ | - | 96,907 | 180,950 | 189,998 | 199,498 | 209,473 | 219,946 | 230,944 | 242,491 | 254,615 |
| CCWA Credits | - | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | | 35,938 | 172,203 | 172,203 | 172,203 | 172,203 | 172,203 | 172,203 | 172,203 | 172,203 |
| Subtotal: CCWA Costs | \$ 1,065,158 | \$ 1,251,260 | \$ 1,527,490 | \$ 1,595,255 | \$ 1,666,407 | \$ 1,741,117 | \$ 1,819,563 | \$ 1,901,931 | \$ 1,988,418 | \$ 2,079,228 |

| <u>DWR Costs</u> ⁽⁷⁾ | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Transportation Capital | 1,478,269 | 1,437,927 | 1,437,689 | 1,437,316 | 1,436,549 | 1,435,833 | 1,435,387 | 1,434,244 | 1,433,607 | 1,433,984 |
| Coastal Branch Extension | 171,629 | 257,033 | 194,911 | 215,803 | 203,647 | 328,283 | 306,964 | - | - | - |
| Water System Revenue Bond Surcharge | 53,908 | 87,588 | 50,906 | 101,170 | 80,352 | 74,925 | 55,196 | 39,735 | 51,700 | 145,229 |
| Transportation Minimum OMP&R | 1,118,209 | 968,747 | 979,195 | 987,427 | 997,302 | 1,007,275 | 1,017,347 | 1,027,521 | 1,037,796 | 1,048,174 |
| Delta Water Charge | 327,373 | 345,185 | 362,949 | 381,600 | 401,184 | 421,748 | 443,339 | 466,010 | 489,815 | 499,896 |
| DWR Variable Costs ⁽⁵⁾⁽⁶⁾ | 107,806 | 239,455 | 274,501 | 288,227 | 302,638 | 317,770 | 333,658 | 350,341 | 367,858 | 386,251 |
| Subtotal: DWR Costs | 3,257,193 | 3,335,935 | 3,300,152 | 3,411,544 | 3,421,671 | 3,585,832 | 3,591,892 | 3,317,851 | 3,380,776 | 3,513,535 |

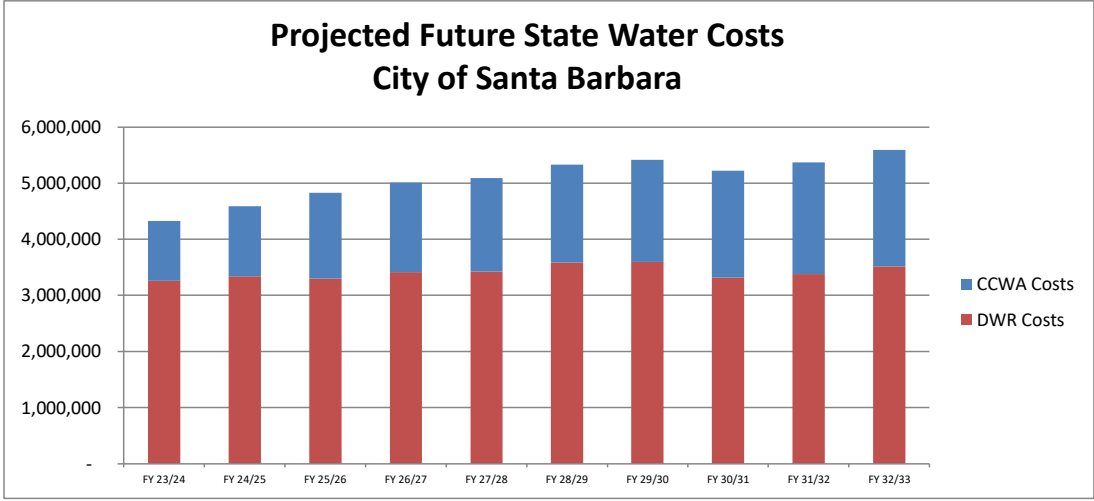
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 4,322,351 | \$ 4,587,195 | \$ 4,827,642 | \$ 5,006,799 | \$ 5,088,079 | \$ 5,326,950 | \$ 5,411,456 | \$ 5,219,782 | \$ 5,369,194 | \$ 5,592,763 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 4,214,545 | \$ 4,214,896 | \$ 4,199,987 | \$ 4,356,371 | \$ 4,413,739 | \$ 4,627,504 | \$ 4,685,648 | \$ 4,466,294 | \$ 4,586,641 | \$ 4,779,693 |
| July 1st Variable Payment ⁽⁴⁾ | 61,127 | 259,196 | 134,021 | 138,884 | 143,989 | 149,350 | 154,979 | 160,890 | 167,096 | 173,612 |
| October 1st Variable Payment | 6,668 | 28,276 | 137,053 | 142,026 | 147,247 | 152,729 | 158,486 | 164,530 | 170,876 | 177,540 |
| January 1st Variable Payment | 4,446 | 9,425 | 188,600 | 195,443 | 202,627 | 210,172 | 218,093 | 226,410 | 235,144 | 244,314 |
| April 1st Variable Payment | 35,565 | 75,402 | 167,981 | 174,076 | 180,475 | 187,195 | 194,250 | 201,658 | 209,437 | 217,604 |

Central Coast Water Authority
City of Santa Barbara
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retirement Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Montecito Water District
State Water Cost Ten-Year Projections
Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Table A Water Deliveries-1st Quarter | 330 | 330 | 226 | 226 | 226 | 226 | 226 | 226 | 226 | 226 |
| Table A Water Deliveries-2nd Quarter | 36 | 36 | 172 | 172 | 172 | 172 | 172 | 172 | 172 | 172 |
| Table A Water Deliveries-3rd Quarter | 24 | 24 | 311 | 311 | 311 | 311 | 311 | 311 | 311 | 311 |
| Table A Water Deliveries-4th Quarter | 192 | 192 | 288 | 288 | 288 | 288 | 288 | 288 | 288 | 288 |
| Total FY Table A Deliveries (acre-feet) | 582 | 582 | 997 | 997 | 997 | 997 | 997 | 997 | 997 | 997 |

| | | | | | | | | | | |
|---|------------|------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Exchange Deliveries-1st Quarter | 330 | 330 | | | | | | | | |
| Exchange Deliveries-2nd Quarter | 36 | 36 | | | | | | | | |
| Exchange Deliveries-3rd Quarter | 24 | | | | | | | | | |
| Exchange Deliveries-4th Quarter | 192 | | | | | | | | | |
| Total FY Exchange Deliveries (acre-feet) | 582 | 366 | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 1,065,158 | \$ 1,118,416 | \$ 1,174,337 | \$ 1,233,053 | \$ 1,294,706 | \$ 1,359,441 | \$ 1,427,413 | \$ 1,498,784 | \$ 1,573,723 | \$ 1,652,410 |
| CCWA Variable O&M Costs ⁽⁵⁾ | - | 96,907 | 174,307 | 183,022 | 192,173 | 201,782 | 211,871 | 222,465 | 233,588 | 245,267 |
| CCWA Credits | (29,073) | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | - | 35,938 | 165,881 | 165,881 | 165,881 | 165,881 | 165,881 | 165,881 | 165,881 | 165,881 |
| Subtotal: CCWA Costs | 1,036,085 | 1,251,260 | 1,514,524 | 1,581,956 | 1,652,760 | 1,727,104 | 1,805,165 | 1,887,130 | 1,973,192 | 2,063,558 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Transportation Capital | 1,478,269 | 1,437,927 | 1,437,689 | 1,437,316 | 1,436,549 | 1,435,833 | 1,435,387 | 1,434,244 | 1,433,607 | 1,433,984 |
| Coastal Branch Extension | 171,629 | 257,033 | 194,911 | 215,803 | 203,647 | 328,283 | 306,964 | - | - | - |
| Water System Revenue Bond Surcharge | 53,908 | 87,588 | 50,906 | 101,170 | 80,352 | 74,925 | 55,196 | 39,735 | 51,700 | 145,229 |
| Transportation Minimum OMP&R | 1,089,136 | 943,560 | 953,737 | 961,754 | 971,372 | 981,086 | 990,897 | 1,000,806 | 1,010,814 | 1,020,922 |
| Delta Water Charge | 327,373 | 345,185 | 362,949 | 381,600 | 401,184 | 421,748 | 443,339 | 466,010 | 489,815 | 499,896 |
| DWR Variable Costs ⁽⁵⁾⁽⁶⁾ | 106,074 | 239,455 | 264,423 | 277,644 | 291,527 | 306,103 | 321,408 | 337,478 | 354,352 | 372,070 |
| Subtotal: DWR Costs | \$ 3,226,388 | \$ 3,310,748 | \$ 3,264,615 | \$ 3,375,289 | \$ 3,384,630 | \$ 3,547,976 | \$ 3,553,191 | \$ 3,278,273 | \$ 3,340,288 | \$ 3,472,101 |

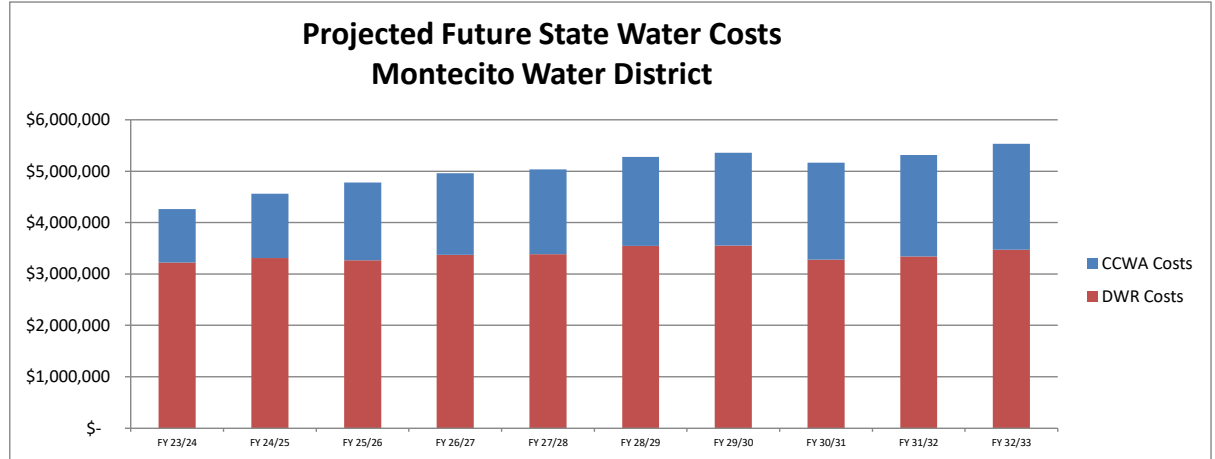
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 4,262,472 | \$ 4,562,008 | \$ 4,779,139 | \$ 4,957,246 | \$ 5,037,391 | \$ 5,275,081 | \$ 5,358,357 | \$ 5,165,403 | \$ 5,313,480 | \$ 5,535,659 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 4,156,399 | \$ 4,186,899 | \$ 4,171,718 | \$ 4,327,888 | \$ 4,384,999 | \$ 4,598,505 | \$ 4,656,386 | \$ 4,436,768 | \$ 4,556,848 | \$ 4,749,631 |
| July 1st Variable Payment ⁽⁴⁾ | 60,145 | 259,196 | 137,053 | 142,026 | 147,247 | 152,729 | 158,486 | 164,530 | 170,876 | 177,540 |
| October 1st Variable Payment | 6,561 | 28,276 | 104,306 | 108,090 | 112,064 | 116,236 | 120,617 | 125,217 | 130,047 | 135,119 |
| January 1st Variable Payment | 4,374 | 9,425 | 188,600 | 195,443 | 202,627 | 210,172 | 218,093 | 226,410 | 235,144 | 244,314 |
| April 1st Variable Payment | 34,993 | 75,402 | 174,652 | 180,989 | 187,642 | 194,628 | 201,964 | 209,666 | 217,754 | 226,246 |

Central Coast Water Authority
Montecito Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Carpinteria Valley Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Table A Water Deliveries-1st Quarter | 220 | 220 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 |
| Table A Water Deliveries-2nd Quarter | 24 | 24 | 150 | 150 | 150 | 150 | 150 | 150 | 150 | 150 |
| Table A Water Deliveries-3rd Quarter | 16 | 16 | 343 | 343 | 343 | 343 | 343 | 343 | 343 | 343 |
| Table A Water Deliveries-4th Quarter | 228 | 228 | 269 | 269 | 269 | 269 | 269 | 269 | 269 | 269 |
| Total FY Table A Deliveries (acre-feet) | 488 | 488 | 897 | 897 | 897 | 897 | 897 | 897 | 897 | 897 |

Small 1 and 2 acre-feet amounts are due to rounding differences.

| | | | | | | | | | | |
|---|------------|------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Exchange Deliveries-1st Quarter | 220 | 220 | | | | | | | | |
| Exchange Deliveries-2nd Quarter | 24 | 24 | | | | | | | | |
| Exchange Deliveries-3rd Quarter | 16 | | | | | | | | | |
| Exchange Deliveries-4th Quarter | 128 | | | | | | | | | |
| Total FY Exchange Deliveries (acre-feet) | 388 | 244 | - | - | - | - | - | - | - | - |
| CCWA Variable Cost per AF Assumptions | \$ 159 | \$ 167 | \$ 175 | \$ 184 | \$ 193 | \$ 202 | \$ 213 | \$ 223 | \$ 234 | \$ 246 |
| DWR Variable Cost per AF Assumptions | \$ 229 | \$ 253 | \$ 265 | \$ 278 | \$ 292 | \$ 307 | \$ 322 | \$ 338 | \$ 355 | \$ 373 |

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 710,105 | \$ 745,611 | \$ 782,891 | \$ 822,036 | \$ 863,137 | \$ 906,294 | \$ 951,609 | \$ 999,189 | \$ 1,049,149 | \$ 1,101,606 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 15,858 | 81,255 | 156,824 | 164,665 | 172,898 | 181,543 | 190,620 | 200,151 | 210,159 | 220,667 |
| CCWA Credits | (17,766) | | | | | | | | | |
| Warren Act and Trust Fund Charges ⁽⁸⁾ | 16,638 | 40,597 | 149,243 | 149,243 | 149,243 | 149,243 | 149,243 | 149,243 | 149,243 | 149,243 |
| Subtotal: CCWA Costs | 724,835 | 867,462 | 1,088,958 | 1,135,943 | 1,185,278 | 1,237,080 | 1,291,472 | 1,348,583 | 1,408,551 | 1,471,516 |

| <u>DWR Costs ⁽⁷⁾</u> | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Transportation Capital | 985,512 | 958,618 | 958,459 | 958,211 | 957,699 | 957,222 | 956,925 | 956,162 | 955,738 | 955,990 |
| Coastal Branch Extension | 114,419 | 171,355 | 129,941 | 143,869 | 135,765 | 218,855 | 204,643 | - | - | - |
| Water System Revenue Bond Surcharge | 35,938 | 58,392 | 33,938 | 67,447 | 53,568 | 49,950 | 36,797 | 26,490 | 34,466 | 96,819 |
| Transportation Minimum OMP&R | 727,707 | 630,440 | 637,240 | 642,597 | 649,023 | 655,513 | 662,068 | 668,689 | 675,376 | 682,129 |
| Delta Water Charge | 218,249 | 230,124 | 241,966 | 254,400 | 267,456 | 281,165 | 295,559 | 310,673 | 326,543 | 333,264 |
| DWR Variable Costs ^{(5) (6)} | 94,586 | 184,895 | 237,901 | 249,796 | 262,286 | 275,400 | 289,171 | 303,629 | 318,810 | 334,751 |
| Subtotal: DWR Costs | \$ 2,176,411 | \$ 2,233,824 | \$ 2,239,444 | \$ 2,316,320 | \$ 2,325,797 | \$ 2,438,105 | \$ 2,445,163 | \$ 2,265,644 | \$ 2,310,934 | \$ 2,402,953 |

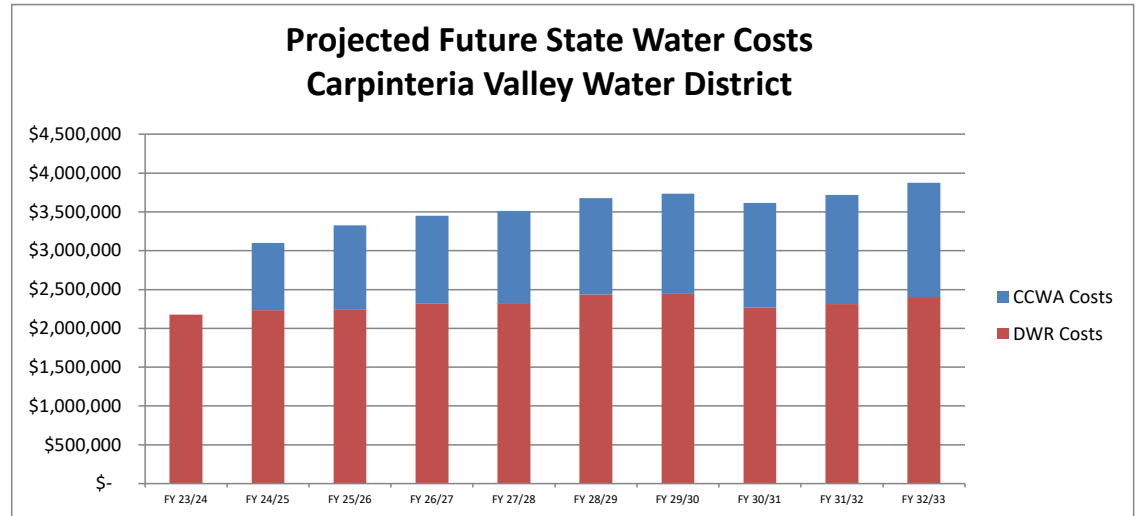
| | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Projected State Water Costs | \$ 2,901,246 | \$ 3,101,286 | \$ 3,328,402 | \$ 3,452,263 | \$ 3,511,075 | \$ 3,675,185 | \$ 3,736,635 | \$ 3,614,227 | \$ 3,719,484 | \$ 3,874,469 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 2,774,165 | \$ 2,792,768 | \$ 2,782,663 | \$ 2,886,788 | \$ 2,924,877 | \$ 3,067,228 | \$ 3,105,831 | \$ 2,959,433 | \$ 3,039,501 | \$ 3,168,038 |
| July 1st Variable Payment ⁽⁴⁾ | 63,831 | 184,383 | 81,868 | 84,838 | 87,957 | 91,232 | 94,671 | 98,281 | 102,072 | 106,053 |
| October 1st Variable Payment | 6,963 | 20,115 | 90,965 | 94,265 | 97,730 | 101,369 | 105,190 | 109,201 | 113,413 | 117,836 |
| January 1st Variable Payment | 4,642 | 6,705 | 208,006 | 215,552 | 223,477 | 231,797 | 240,533 | 249,707 | 259,339 | 269,452 |
| April 1st Variable Payment | 51,645 | 95,544 | 163,130 | 169,048 | 175,263 | 181,788 | 188,640 | 195,834 | 203,388 | 211,320 |

Central Coast Water Authority
Carpinteria Valley Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e., the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Chorro Valley Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u> | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Table A Water Deliveries-1st Quarter | 582 | 582 | 431 | 431 | 431 | 431 | 431 | 431 | 431 | 431 |
| Table A Water Deliveries-2nd Quarter | 470 | 470 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Table A Water Deliveries-3rd Quarter | 582 | 582 | 542 | 542 | 542 | 542 | 542 | 542 | 542 | 542 |
| Table A Water Deliveries-4th Quarter | 582 | 582 | 362 | 362 | 362 | 362 | 362 | 362 | 362 | 362 |
| Total FY Table A Deliveries (<i>acre-feet</i>) | 2,216 | 2,216 | 1,835 | 1,835 | 1,835 | 1,835 | 1,835 | 1,835 | 1,835 | 1,835 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 109 | \$ 114 | \$ 120 | \$ 126 | \$ 132 | \$ 139 | \$ 146 | \$ 153 | \$ 161 | \$ 169 |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 320,143 | \$ 336,150 | \$ 352,957 | \$ 370,605 | \$ 389,135 | \$ 408,592 | \$ 429,022 | \$ 450,473 | \$ 472,997 | \$ 496,646 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 240,789 | 252,829 | 219,828 | 230,819 | 242,360 | 254,478 | 267,202 | 280,562 | 294,590 | 309,319 |
| CCWA Credits | (42,786) | | | | | | | | | |
| Warren Act Charges | | | | | | | | | | |
| Subtotal: CCWA Costs | \$ 518,146 | \$ 588,979 | \$ 572,785 | \$ 601,424 | \$ 631,495 | \$ 663,070 | \$ 696,224 | \$ 731,035 | \$ 767,586 | \$ 805,966 |

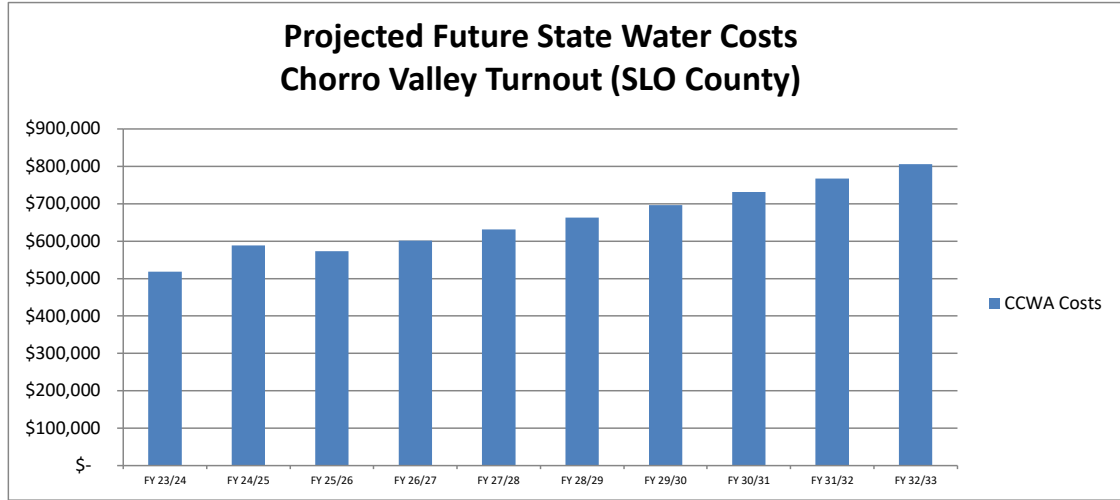
| | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Total Projected State Water Costs | \$ 518,146 | \$ 588,979 | \$ 572,785 | \$ 601,424 | \$ 631,495 | \$ 663,070 | \$ 696,224 | \$ 731,035 | \$ 767,586 | \$ 805,966 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 277,357 | \$ 336,150 | \$ 352,957 | \$ 370,605 | \$ 389,135 | \$ 408,592 | \$ 429,022 | \$ 450,473 | \$ 472,997 | \$ 496,646 |
| July 1st Variable Payment ⁽⁴⁾ | 63,240 | 66,402 | 51,633 | 54,214 | 56,925 | 59,771 | 62,760 | 65,898 | 69,193 | 72,652 |
| October 1st Variable Payment | 51,070 | 53,623 | 59,899 | 62,893 | 66,038 | 69,340 | 72,807 | 76,447 | 80,270 | 84,283 |
| January 1st Variable Payment | 63,240 | 66,402 | 64,930 | 68,176 | 71,585 | 75,165 | 78,923 | 82,869 | 87,012 | 91,363 |
| April 1st Variable Payment | 63,240 | 66,402 | 43,367 | 45,535 | 47,812 | 50,202 | 52,712 | 55,348 | 58,115 | 61,021 |

Central Coast Water Authority
Chorro Valley Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.389/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
Lopez Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Table A Water Deliveries-1st Quarter | 568 | 568 | 231 | 231 | 231 | 231 | 231 | 231 | 231 | 231 |
| Table A Water Deliveries-2nd Quarter | 414 | 414 | 306 | 306 | 306 | 306 | 306 | 306 | 306 | 306 |
| Table A Water Deliveries-3rd Quarter | 597 | 597 | 391 | 391 | 391 | 391 | 391 | 391 | 391 | 391 |
| Table A Water Deliveries-4th Quarter | 597 | 597 | 171 | 171 | 171 | 171 | 171 | 171 | 171 | 171 |
| Total FY Table A Deliveries (acre-feet) | 2,176 | 2,176 | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 | 1,099 |

| | | | | | | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 109 | \$ 114 | \$ 120 | \$ 126 | \$ 132 | \$ 139 | \$ 146 | \$ 153 | \$ 161 | \$ 169 |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 347,067 | \$ 364,421 | \$ 382,642 | \$ 401,774 | \$ 421,862 | \$ 442,956 | \$ 465,103 | \$ 488,358 | \$ 512,776 | \$ 538,415 |
| CCWA Variable O&M Costs ⁽⁵⁾ | 236,443 | 248,265 | 131,657 | 138,240 | 145,152 | 152,409 | 160,030 | 168,031 | 176,433 | 185,255 |
| CCWA Credits | (29,625) | | | | | | | | | |
| Warren Act Charges | | | | | | | | | | |
| Subtotal: CCWA Costs | \$ 553,885 | \$ 612,686 | \$ 514,299 | \$ 540,013 | \$ 567,014 | \$ 595,365 | \$ 625,133 | \$ 656,390 | \$ 689,209 | \$ 723,670 |

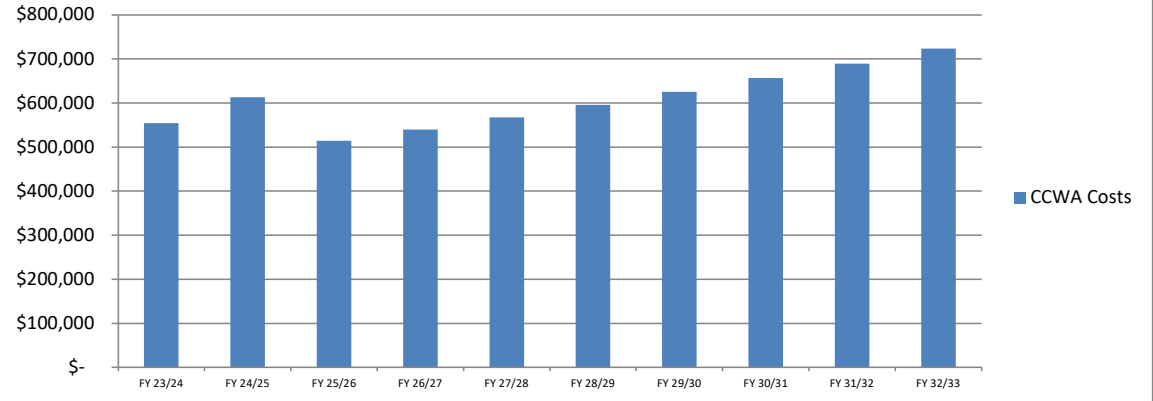
| | | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Projected State Water Costs | \$ 553,885 | \$ 612,686 | \$ 514,299 | \$ 540,013 | \$ 567,014 | \$ 595,365 | \$ 625,133 | \$ 656,390 | \$ 689,209 | \$ 723,670 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| June 1st Fixed Payment ⁽³⁾ | \$ 317,442 | \$ 364,421 | \$ 382,642 | \$ 401,774 | \$ 421,862 | \$ 442,956 | \$ 465,103 | \$ 488,358 | \$ 512,776 | \$ 538,415 |
| July 1st Variable Payment ⁽⁴⁾ | 61,719 | 64,804 | 27,673 | 29,057 | 30,510 | 32,035 | 33,637 | 35,319 | 37,085 | 38,939 |
| October 1st Variable Payment | 44,985 | 47,234 | 36,658 | 38,491 | 40,415 | 42,436 | 44,558 | 46,786 | 49,125 | 51,581 |
| January 1st Variable Payment | 64,870 | 68,113 | 46,841 | 49,183 | 51,642 | 54,224 | 56,935 | 59,782 | 62,771 | 65,909 |
| April 1st Variable Payment | 64,870 | 68,113 | 20,485 | 21,510 | 22,585 | 23,714 | 24,900 | 26,145 | 27,452 | 28,825 |

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.

Projected Future State Water Costs Lopez Turnout (SLO County)



Central Coast Water Authority
Shandon
State Water Cost Ten-Year Projections
Fiscal Year 2023/24 Final Proposed Budget

| <u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾ | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Table A Water Deliveries-1st Quarter | - | - | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Table A Water Deliveries-2nd Quarter | - | - | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Table A Water Deliveries-3rd Quarter | - | - | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Table A Water Deliveries-4th Quarter | - | - | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Total FY Table A Deliveries (acre-feet) | - | - | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 |

| | | | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| CCWA Variable Cost per AF Assumptions | \$ 109 | \$ 114 | \$ 120 | \$ 126 | \$ 132 | \$ 139 | \$ 146 | \$ 153 | \$ 161 | \$ 169 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|

| <u>CCWA Costs</u> | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| CCWA Fixed O&M Costs ⁽²⁾ | \$ 16,690 | \$ 17,524 | \$ 18,401 | \$ 19,321 | \$ 20,287 | \$ 21,301 | \$ 22,366 | \$ 23,484 | \$ 24,659 | \$ 25,892 |
| CCWA Variable O&M Costs ⁽⁵⁾ | - | - | 2,995 | 3,145 | 3,302 | 3,467 | 3,640 | 3,822 | 4,013 | 4,214 |
| CCWA Credits | (911) | | | | | | | | | |
| Subtotal: CCWA Costs | \$ 15,779 | \$ 17,524 | \$ 21,396 | \$ 22,465 | \$ 23,589 | \$ 24,768 | \$ 26,007 | \$ 27,307 | \$ 28,672 | \$ 30,106 |

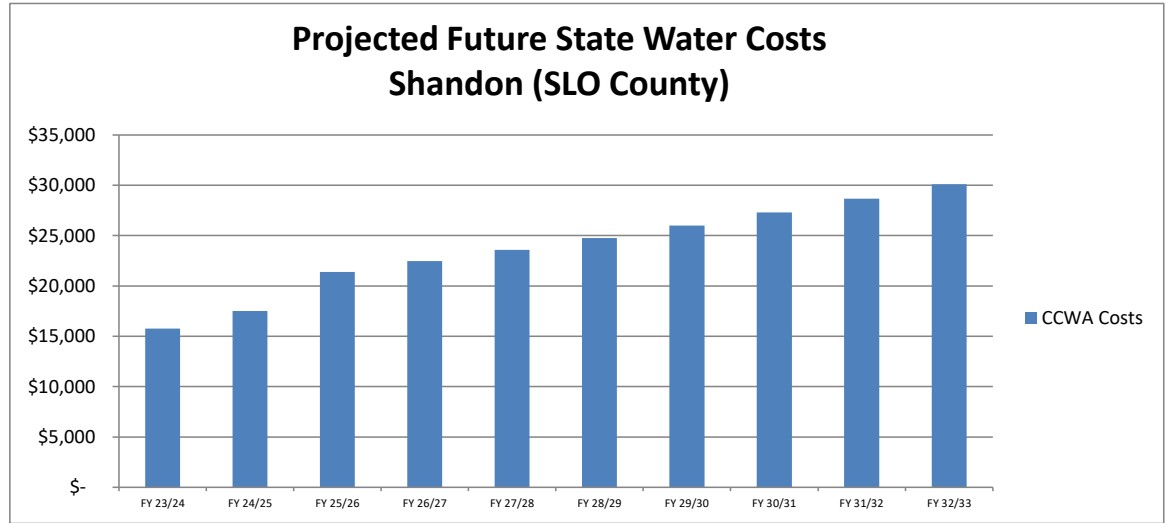
| | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total Projected State Water Costs | \$ 15,779 | \$ 17,524 | \$ 21,396 | \$ 22,465 | \$ 23,589 | \$ 24,768 | \$ 26,007 | \$ 27,307 | \$ 28,672 | \$ 30,106 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

| <u>Projected Payments by Due Date</u> | | | | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| June 1st Fixed Payment ⁽³⁾ | \$ 15,779 | \$ 17,524 | \$ 18,401 | \$ 19,321 | \$ 20,287 | \$ 21,301 | \$ 22,366 | \$ 23,484 | \$ 24,659 | \$ 25,892 |
| July 1st Variable Payment ⁽⁴⁾ | - | - | 359 | 377 | 396 | 416 | 437 | 459 | 482 | 506 |
| October 1st Variable Payment | - | - | 719 | 755 | 792 | 832 | 874 | 917 | 963 | 1,011 |
| January 1st Variable Payment | - | - | 1,438 | 1,509 | 1,585 | 1,664 | 1,747 | 1,835 | 1,926 | 2,023 |
| April 1st Variable Payment | - | - | 479 | 503 | 528 | 555 | 582 | 612 | 642 | 674 |

Central Coast Water Authority
Shandon
 State Water Cost Ten-Year Projections
 Fiscal Year 2023/24 Final Proposed Budget

NOTES

- (1) Estimates for the first and second year based on participant requests and thereafter based on a 5 year average.
- (2) CCWA fixed costs are based on a 5 % inflation factor. There is a change in Fixed Costs reflected in fiscal years 2023/24 thru 2032/33 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
- (3) June 1st fixed cost payment is paid in June BEFORE the beginning of the fiscal year shown (i.e, the FY 2023/24 fixed payment is paid on June 1, 2023).
- (4) July 1st quarterly variable payment is paid in June BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2023 Statement of Charges dated July 1, 2022.
- (8) Warren Act Charges are \$166.38/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$123.38/AF and Trust Fund payments at \$43.00/AF.



Central Coast Water Authority
CCWA Fixed Costs
 Ten-Year Financial Plan Projections
 FY 2023/24 Final Proposed Budget

| | Allocation Percentage | Base Year | | | | | | | | | |
|-------------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
| Base Fixed O&M Costs | | 13,349,366 | 13,349,366 | 14,016,834 | 14,717,676 | 15,453,560 | 16,226,238 | 17,037,550 | 17,889,427 | 18,783,899 | 19,723,094 |
| Inflation Factor | | | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Projected Fixed O&M | | 13,349,366 | 14,016,834 | 14,717,676 | 15,453,560 | 16,226,238 | 17,037,550 | 17,889,427 | 18,783,899 | 19,723,094 | 20,709,248 |
| Capital Improvement Projects | | - | - | - | - | - | - | - | - | - | - |
| Other Costs | | - | - | - | - | - | - | - | - | - | - |
| TOTAL CCWA FIXED COSTS | | 13,349,366 | 14,016,834 | 14,717,676 | 15,453,560 | 16,226,238 | 17,037,550 | 17,889,427 | 18,783,899 | 19,723,094 | 20,709,248 |
| Guadalupe | 1.16% | 152,888 | 160,533 | 168,560 | 176,988 | 185,837 | 195,129 | 204,885 | 215,129 | 225,886 | 237,180 |
| Santa Maria | 33.77% | 4,469,640 | 4,693,122 | 4,927,778 | 5,174,167 | 5,432,875 | 5,704,519 | 5,989,745 | 6,289,232 | 6,603,694 | 6,933,879 |
| Golden State Water | 1.10% | 142,091 | 149,196 | 156,656 | 164,489 | 172,713 | 181,349 | 190,416 | 199,937 | 209,934 | 220,430 |
| Vandenberg AFB | 12.97% | 1,668,732 | 1,752,168 | 1,839,777 | 1,931,766 | 2,028,354 | 2,129,772 | 2,236,260 | 2,348,073 | 2,465,477 | 2,588,751 |
| Buellton | 1.62% | 215,063 | 225,816 | 237,107 | 248,963 | 261,411 | 274,481 | 288,205 | 302,616 | 317,746 | 333,634 |
| Santa Ynez (Solvang) | 4.21% | 554,214 | 581,925 | 611,021 | 641,572 | 673,651 | 707,333 | 742,700 | 779,835 | 818,826 | 859,768 |
| Santa Ynez | 4.70% | 572,178 | 600,787 | 630,826 | 662,367 | 695,486 | 730,260 | 766,773 | 805,112 | 845,367 | 887,636 |
| Goleta | 11.03% | 1,597,737 | 1,677,624 | 1,761,505 | 1,849,580 | 1,942,059 | 2,039,162 | 2,141,120 | 2,248,176 | 2,360,585 | 2,478,614 |
| Morehart Land Co. | 0.49% | 72,400 | 76,020 | 79,821 | 83,812 | 88,003 | 92,403 | 97,023 | 101,874 | 106,968 | 112,317 |
| La Cumbre | 2.48% | 362,001 | 380,101 | 399,106 | 419,062 | 440,015 | 462,015 | 485,116 | 509,372 | 534,841 | 561,583 |
| Raytheon | 0.14% | 18,100 | 19,005 | 19,955 | 20,953 | 22,001 | 23,101 | 24,256 | 25,469 | 26,742 | 28,079 |
| Santa Barbara | 7.98% | 1,065,158 | 1,118,416 | 1,174,337 | 1,233,053 | 1,294,706 | 1,359,441 | 1,427,413 | 1,498,784 | 1,573,723 | 1,652,410 |
| Montecito | 7.98% | 1,065,158 | 1,118,416 | 1,174,337 | 1,233,053 | 1,294,706 | 1,359,441 | 1,427,413 | 1,498,784 | 1,573,723 | 1,652,410 |
| Carpinteria | 5.25% | 710,105 | 745,611 | 782,891 | 822,036 | 863,137 | 906,294 | 951,609 | 999,189 | 1,049,149 | 1,101,606 |
| Shandon | 0.13% | 16,690 | 17,524 | 18,401 | 19,321 | 20,287 | 21,301 | 22,366 | 23,484 | 24,659 | 25,892 |
| Chorro Valley | 2.40% | 320,143 | 336,150 | 352,957 | 370,605 | 389,135 | 408,592 | 429,022 | 450,473 | 472,997 | 496,646 |
| Lopez | 2.60% | 347,067 | 364,421 | 382,642 | 401,774 | 421,862 | 442,956 | 465,103 | 488,358 | 512,776 | 538,415 |
| Total: | 100.00% | 13,349,366 | 14,016,834 | 14,717,676 | 15,453,560 | 16,226,238 | 17,037,550 | 17,889,427 | 18,783,899 | 19,723,094 | 20,709,248 |

FIXED O&M + CIP

(1) CCWA Fixed Costs for fiscal Years 2022/23 thru 2030/31 reflect changes due to the October 2021 payoff of CCWA Revenue Bond Debt.

Central Coast Water Authority
CCWA & DWR Variable Cost Projections

Ten-Year Financial Plan Projections

FY 2023/24 Final Proposed Budget

| | Base Year FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|--|-----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| CCWA Variable Costs/AF-North County | 109 | 114 | 120 | 126 | 132 | 139 | 146 | 153 | 161 | 169 |
| CCWA WTP Variable Retreatment Costs/AF | 23 | 24 | 25 | 26 | 27 | 29 | 30 | 32 | 33 | 35 |
| Inflation Factor | | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| Projected CCWA Variable \$/AF-North County | 131 | 138 | 145 | 152 | 160 | 168 | 176 | 185 | 194 | 204 |
| CCWA Variable Costs/AF-South County | 245 | 257 | 270 | 283 | 297 | 312 | 328 | 344 | 361 | 379 |
| CCWA WTP Variable Retreatment Costs/AF | 23 | 24 | 25 | 26 | 27 | 29 | 30 | 32 | 33 | 35 |
| South Coast Retreatment Credits/AF | (109) | (114) | (120) | (126) | (132) | (139) | (146) | (153) | (161) | (169) |
| Inflation Factor | | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| Projected CCWA Variable \$/AF-South County | 159 | 167 | 175 | 184 | 193 | 202 | 213 | 223 | 234 | 246 |
| Estimated DWR Variable \$/AF | 229 | 241 | 253 | 265 | 278 | 292 | 307 | 322 | 338 | 355 |
| Inflation Factor | | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| Projected DWR Variable \$/AF | 229 | 253 | 265 | 278 | 292 | 307 | 322 | 338 | 355 | 373 |
| Total Projected Variable Cost/AF | | | | | | | | | | |
| CCWA & DWR Variable - North Coast \$/AF | 360 | 390 | 410 | 430 | 452 | 475 | 498 | 523 | 549 | 577 |
| CCWA & DWR Variable - South Coast \$/AF ⁽¹⁾ | 388 | 419 | 440 | 462 | 485 | 509 | 535 | 562 | 590 | 619 |

(1) South Coast total AF estimates do not include Warren Act charges.

Central Coast Water Authority
DWR Transportation Capital Charges

Ten-Year Financial Plan Projections
 FY 2023/24 Final Proposed Budget

| | Allocation Percentage | doc 49323 for RMC proj | | | | | | | | | |
|---------------------------------|--------------------------|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
| Current Year Charges | | 23,696,592 | 22,550,213 | 22,547,101 | 22,542,239 | 22,532,224 | 22,522,883 | 22,517,067 | 22,502,151 | 22,493,847 | 22,498,767 |
| Rate Management Credits | | (2,712,382) | (2,482,519) | (2,482,519) | (2,482,519) | (2,482,519) | (2,482,519) | (2,482,519) | (2,482,519) | (2,482,519) | (2,482,519) |
| (Over)/Under Payment | | (1,306,614) | (1,306,119) | (1,306,119) | (1,306,119) | (1,306,119) | (1,306,119) | (1,306,119) | (1,306,119) | (1,306,119) | (1,306,119) |
| Miscellaneous Charges/(Credits) | | (389,986) | - | - | - | - | - | - | - | - | - |
| TOTAL PAYMENTS | | 19,287,609 | 18,761,575 | 18,758,463 | 18,753,601 | 18,743,586 | 18,734,245 | 18,728,429 | 18,713,513 | 18,705,209 | 18,710,129 |
| Guadalupe | 1.40% | 270,967 | 263,573 | 263,529 | 263,461 | 263,320 | 263,189 | 263,107 | 262,898 | 262,781 | 262,850 |
| Santa Maria | 41.38% | 7,981,457 | 7,763,660 | 7,762,372 | 7,760,360 | 7,756,216 | 7,752,351 | 7,749,944 | 7,743,772 | 7,740,335 | 7,742,371 |
| Golden State Water | 1.28% | 246,378 | 239,655 | 239,615 | 239,553 | 239,425 | 239,305 | 239,231 | 239,041 | 238,935 | 238,997 |
| Vandenberg AFB | 14.05% | 2,709,758 | 2,635,814 | 2,635,377 | 2,634,694 | 2,633,287 | 2,631,975 | 2,631,158 | 2,629,062 | 2,627,895 | 2,628,587 |
| Buellton | 1.48% | 284,765 | 276,994 | 276,948 | 276,876 | 276,729 | 276,591 | 276,505 | 276,285 | 276,162 | 276,235 |
| Santa Ynez (Solvang) | 3.79% | 731,670 | 711,744 | 711,626 | 711,442 | 711,062 | 710,708 | 710,487 | 709,921 | 709,606 | 709,793 |
| Santa Ynez | 1.32% | 253,797 | 246,830 | 246,789 | 246,725 | 246,594 | 246,471 | 246,394 | 246,198 | 246,089 | 246,153 |
| Goleta | 11.67% | 2,250,830 | 2,189,703 | 2,189,339 | 2,188,772 | 2,187,603 | 2,186,513 | 2,185,834 | 2,184,093 | 2,183,124 | 2,183,698 |
| Morehart Land Co. | 0.51% | 98,551 | 95,862 | 95,846 | 95,821 | 95,770 | 95,722 | 95,692 | 95,616 | 95,574 | 95,599 |
| La Cumbre | 2.55% | 492,756 | 479,309 | 479,230 | 479,105 | 478,850 | 478,611 | 478,462 | 478,081 | 477,869 | 477,995 |
| Raytheon | 0.13% | 24,630 | 23,958 | 23,954 | 23,948 | 23,935 | 23,923 | 23,916 | 23,897 | 23,886 | 23,892 |
| Santa Barbara | 7.66% | 1,478,269 | 1,437,927 | 1,437,689 | 1,437,316 | 1,436,549 | 1,435,833 | 1,435,387 | 1,434,244 | 1,433,607 | 1,433,984 |
| Montecito | 7.66% | 1,478,269 | 1,437,927 | 1,437,689 | 1,437,316 | 1,436,549 | 1,435,833 | 1,435,387 | 1,434,244 | 1,433,607 | 1,433,984 |
| Carpinteria | 5.11% | 985,512 | 958,618 | 958,459 | 958,211 | 957,699 | 957,222 | 956,925 | 956,162 | 955,738 | 955,990 |
| Total: | 100.00% | 19,287,609 | 18,761,575 | 18,758,463 | 18,753,601 | 18,743,586 | 18,734,245 | 18,728,429 | 18,713,513 | 18,705,209 | 18,710,129 |

Central Coast Water Authority
DWR Coastal Branch Extension
 Ten-Year Financial Plan Projections
 FY 2023/24 Final Proposed Budget

| | Allocation Percentage | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|----------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------|-------------|-------------|
| Principal | | 1,920,927 | 1,994,337 | 1,601,184 | 1,729,445 | 1,725,089 | 2,726,604 | 2,831,943 | | | |
| Interest | | 495,546 | 418,073 | 346,243 | 279,721 | 204,471 | 124,210 | 42,308 | | | |
| Bond Cover | | 613,294 | 613,075 | 494,841 | 510,938 | 492,557 | 722,602 | 729,140 | | | - |
| Return of Prior Year Cover | | (728,336) | (613,294) | (613,075) | (494,841) | (510,938) | (492,557) | (722,602) | | | - |
| Other Charges/(Credits) | | (690,736) | - | - | - | - | - | - | - | - | - |
| TOTAL PAYMENTS | | 1,610,695 | 2,412,191 | 1,829,194 | 2,025,264 | 1,911,179 | 3,080,859 | 2,880,789 | - | - | - |
| Guadalupe | 0.00% | - | - | - | - | - | - | - | - | - | - |
| Santa Maria | 21.80% | 351,089 | 525,793 | 398,716 | 441,454 | 416,586 | 671,545 | 627,935 | - | - | - |
| Golden State Water | 0.67% | 10,836 | 16,228 | 12,306 | 13,625 | 12,858 | 20,727 | 19,381 | - | - | - |
| Vandenberg AFB | 19.54% | 314,653 | 471,226 | 357,337 | 395,639 | 373,353 | 601,852 | 562,768 | - | - | - |
| Buellton | 2.05% | 33,067 | 49,522 | 37,553 | 41,578 | 39,236 | 63,249 | 59,142 | - | - | - |
| Santa Ynez (Solvang) | 5.33% | 85,814 | 128,516 | 97,455 | 107,902 | 101,824 | 164,141 | 153,482 | - | - | - |
| Santa Ynez | 1.78% | 28,605 | 42,839 | 32,485 | 35,967 | 33,941 | 54,714 | 51,161 | - | - | - |
| Goleta | 15.98% | 257,443 | 385,549 | 292,366 | 323,705 | 305,471 | 492,424 | 460,447 | - | - | - |
| Morehart Land Co. | 0.71% | 11,442 | 17,136 | 12,994 | 14,387 | 13,576 | 21,886 | 20,464 | - | - | - |
| La Cumbre | 3.55% | 57,210 | 85,678 | 64,970 | 71,934 | 67,882 | 109,428 | 102,321 | - | - | - |
| Raytheon | 0.18% | 2,860 | 4,284 | 3,249 | 3,597 | 3,394 | 5,471 | 5,116 | - | - | - |
| Santa Barbara | 10.66% | 171,629 | 257,033 | 194,911 | 215,803 | 203,647 | 328,283 | 306,964 | - | - | - |
| Montecito | 10.66% | 171,629 | 257,033 | 194,911 | 215,803 | 203,647 | 328,283 | 306,964 | - | - | - |
| Carpinteria | 7.10% | 114,419 | 171,355 | 129,941 | 143,869 | 135,765 | 218,855 | 204,643 | - | - | - |
| Total: | 100.00% | \$ 1,610,695 | \$ 2,412,191 | \$ 1,829,194 | \$ 2,025,264 | \$ 1,911,179 | \$ 3,080,859 | \$ 2,880,789 | \$ - | \$ - | \$ - |

Central Coast Water Authority
DWR Water System Revenue Bond Surcharge
 Ten-Year Financial Plan Projections
 FY 2023/24 Final Proposed Budget

| | Allocation | | | | | | | | | | |
|---------------------------------|----------------|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|---------------------|
| | Percentage | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
| WSRB Charge | | 3,923,619 | 3,841,136 | 3,305,507 | 3,754,059 | 3,668,023 | 3,556,288 | 3,238,570 | 2,888,307 | 2,897,060 | 2,899,391 |
| Return of Prior Year Cover(44%) | | (2,255,763) | (1,726,392) | (1,690,100) | (1,454,423) | (1,651,786) | (1,613,930) | (1,564,767) | (1,424,971) | (1,270,855) | |
| Refund of Power Debt Service | | (922,434) | (922,434) | (922,434) | (922,434) | (922,434) | (922,434) | (922,434) | (922,434) | (922,434) | (922,434) |
| Other Charges/(Credits) | | (11,595) | - | - | - | - | - | - | - | - | - |
| TOTAL PAYMENTS | | 733,827 | 1,192,309 | 692,973 | 1,377,201 | 1,093,803 | 1,019,924 | 751,369 | 540,902 | 703,771 | 1,976,957 |
| Guadalupe | 1.35% | 9,883 | 16,057 | 9,333 | 18,547 | 14,731 | 13,736 | 10,119 | 7,285 | 9,478 | 26,625 |
| Santa Maria | 39.67% | 291,100 | 472,975 | 274,894 | 546,319 | 433,898 | 404,591 | 298,059 | 214,569 | 279,177 | 784,234 |
| Golden State Water | 1.22% | 8,985 | 14,599 | 8,485 | 16,862 | 13,393 | 12,488 | 9,200 | 6,623 | 8,617 | 24,206 |
| Vandenberg AFB | 13.47% | 98,830 | 160,577 | 93,328 | 185,478 | 147,311 | 137,361 | 101,193 | 72,847 | 94,782 | 266,252 |
| Buellton | 1.42% | 10,385 | 16,874 | 9,807 | 19,491 | 15,480 | 14,434 | 10,634 | 7,655 | 9,960 | 27,979 |
| Santa Ynez (Solvang) | 3.29% | 24,122 | 39,194 | 22,779 | 45,271 | 35,956 | 33,527 | 24,699 | 17,781 | 23,134 | 64,987 |
| Santa Ynez | 1.61% | 11,815 | 19,197 | 11,157 | 22,174 | 17,611 | 16,422 | 12,098 | 8,709 | 11,331 | 31,831 |
| Goleta | 15.33% | 112,491 | 182,773 | 106,228 | 211,116 | 167,673 | 156,348 | 115,180 | 82,917 | 107,884 | 303,055 |
| Morehart Land Co. | 0.49% | 3,594 | 5,839 | 3,393 | 6,744 | 5,356 | 4,995 | 3,679 | 2,649 | 3,446 | 9,681 |
| La Cumbre | 2.45% | 17,969 | 29,195 | 16,968 | 33,723 | 26,783 | 24,974 | 18,398 | 13,245 | 17,233 | 48,409 |
| Raytheon | 0.12% | 899 | 1,461 | 849 | 1,687 | 1,340 | 1,249 | 920 | 663 | 862 | 2,422 |
| Santa Barbara | 7.35% | 53,908 | 87,588 | 50,906 | 101,170 | 80,352 | 74,925 | 55,196 | 39,735 | 51,700 | 145,229 |
| Montecito | 7.35% | 53,908 | 87,588 | 50,906 | 101,170 | 80,352 | 74,925 | 55,196 | 39,735 | 51,700 | 145,229 |
| Carpinteria | 4.90% | 35,938 | 58,392 | 33,938 | 67,447 | 53,568 | 49,950 | 36,797 | 26,490 | 34,466 | 96,819 |
| Total: | 100.00% | \$ 733,827 | \$ 1,192,309 | \$ 692,973 | \$ 1,377,201 | \$ 1,093,803 | \$ 1,019,924 | \$ 751,369 | \$ 540,902 | \$ 703,771 | \$ 1,976,957 |

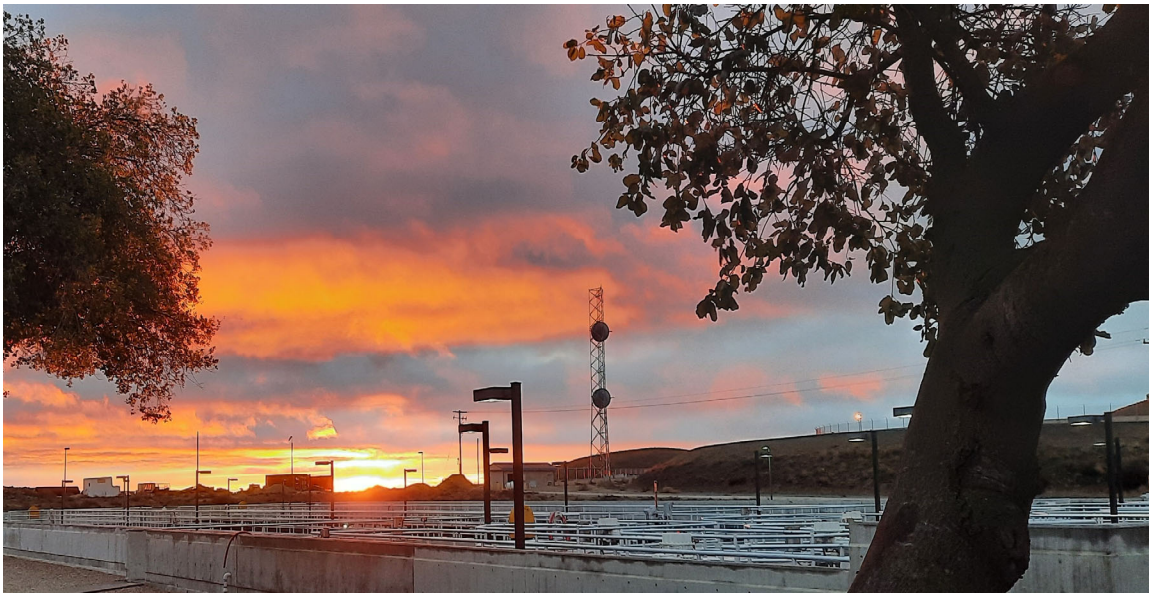
Central Coast Water Authority
DWR Transportation Minimum OMP&R
 Ten-Year Financial Plan Projections
 FY 2023/24 Final Proposed Budget

| | Allocation Percentage | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 |
|-------------------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Current Year Charges ⁽¹⁾ | | 12,125,783 | 12,066,092 | 12,196,232 | 12,298,764 | 12,421,751 | 12,545,968 | 12,671,428 | 12,798,143 | 12,926,124 | 13,055,385 |
| (Over)/Under Payment | | 2,616,229 | - | - | - | - | - | - | - | - | - |
| Miscellaneous Charges/(Credits) | | (814,310) | - | - | - | - | - | - | - | - | - |
| TOTAL PAYMENTS | | 13,927,702 | 12,066,092 | 12,196,232 | 12,298,764 | 12,421,751 | 12,545,968 | 12,671,428 | 12,798,143 | 12,926,124 | 13,055,385 |
| Guadalupe | 1.421% | 197,871 | 171,423 | 173,272 | 174,729 | 176,476 | 178,241 | 180,023 | 181,823 | 183,641 | 185,478 |
| Santa Maria | 40.521% | 5,643,713 | 4,889,361 | 4,942,096 | 4,983,643 | 5,033,480 | 5,083,814 | 5,134,652 | 5,185,999 | 5,237,859 | 5,290,238 |
| Golden State Water | 1.338% | 186,368 | 161,458 | 163,199 | 164,571 | 166,217 | 167,879 | 169,558 | 171,253 | 172,966 | 174,696 |
| Vandenberg AFB | 13.981% | 1,947,194 | 1,686,928 | 1,705,122 | 1,719,457 | 1,736,651 | 1,754,018 | 1,771,558 | 1,789,274 | 1,807,166 | 1,825,238 |
| Buellton | 1.439% | 200,363 | 173,582 | 175,454 | 176,929 | 178,699 | 180,486 | 182,290 | 184,113 | 185,954 | 187,814 |
| Santa Ynez (Solvang) | 3.743% | 521,320 | 451,639 | 456,511 | 460,348 | 464,952 | 469,601 | 474,297 | 479,040 | 483,831 | 488,669 |
| Santa Ynez | 0.000% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Goleta | 13.176% | 1,835,158 | 1,589,866 | 1,607,014 | 1,620,524 | 1,636,729 | 1,653,096 | 1,669,627 | 1,686,324 | 1,703,187 | 1,720,219 |
| Morehart Land Co. | 0.505% | 70,273 | 60,880 | 61,536 | 62,054 | 62,674 | 63,301 | 63,934 | 64,573 | 65,219 | 65,871 |
| La Cumbre | 2.676% | 372,736 | 322,916 | 326,398 | 329,142 | 332,434 | 335,758 | 339,116 | 342,507 | 345,932 | 349,391 |
| Raytheon | 0.127% | 17,651 | 15,292 | 15,457 | 15,587 | 15,743 | 15,900 | 16,059 | 16,220 | 16,382 | 16,546 |
| Santa Barbara | 8.03% | 1,118,209 | 968,747 | 979,195 | 987,427 | 997,302 | 1,007,275 | 1,017,347 | 1,027,521 | 1,037,796 | 1,048,174 |
| Montecito | 7.82% | 1,089,136 | 943,560 | 953,737 | 961,754 | 971,372 | 981,086 | 990,897 | 1,000,806 | 1,010,814 | 1,020,922 |
| Carpinteria | 5.22% | 727,707 | 630,440 | 637,240 | 642,597 | 649,023 | 655,513 | 662,068 | 668,689 | 675,376 | 682,129 |
| Total: | 100.00% | \$ 13,927,702 | \$ 12,066,092 | \$ 12,196,232 | \$ 12,298,764 | \$ 12,421,751 | \$ 12,545,968 | \$ 12,671,428 | \$ 12,798,143 | \$ 12,926,124 | \$ 13,055,385 |

(1) Based on a 5% inflation factor.

Central Coast Water Authority
DWR Delta Water Charge
 Ten-Year Financial Plan Projections
 FY 2023/24 Final Proposed Budget

| Table A & Drought Buffer | | Table A & Drought Buffer % | | | | | | | | | | |
|--|---------------|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | FY 23/24 | FY 24/25 | FY 25/26 | FY 26/27 | FY 27/28 | FY 28/29 | FY 29/30 | FY 30/31 | FY 31/32 | FY 32/33 | |
| Delta Water Charge \$/AF-Base Inflation % | | \$ 103 | \$ 103 | \$ 108 | \$ 113 | \$ 119 | \$ 125 | \$ 131 | \$ 137 | \$ 144 | \$ 151 | |
| Projected DWC-Base Charges | | \$ 103 | \$ 108 | \$ 113 | \$ 119 | \$ 125 | \$ 131 | \$ 137 | \$ 144 | \$ 151 | \$ 151 | |
| Rate Management Credits/AF Miscellaneous Charges/(Credits) | | (3) | (3) | (3) | (3) | (3) | (3) | (3) | (3) | (3) | (3) | |
| TOTAL PAYMENTS | | \$ 99 | \$ 105 | \$ 110 | \$ 116 | \$ 122 | \$ 128 | \$ 134 | \$ 141 | \$ 148 | \$ 151 | |
| Guadalupe | 605 | 1.351% | 60,018 | 63,284 | 66,541 | 69,960 | 73,550 | 77,320 | 81,279 | 85,435 | 89,799 | 91,648 |
| Santa Maria | 17,820 | 39.794% | 1,767,814 | 1,864,001 | 1,959,924 | 2,060,642 | 2,166,396 | 2,277,438 | 2,394,031 | 2,516,455 | 2,645,000 | 2,699,440 |
| Golden State Water | 550 | 1.228% | 54,562 | 57,531 | 60,491 | 63,600 | 66,864 | 70,291 | 73,890 | 77,668 | 81,636 | 83,316 |
| Vandenberg AFB | 6,050 | 13.510% | 600,184 | 632,840 | 665,406 | 699,601 | 735,505 | 773,204 | 812,788 | 854,352 | 897,994 | 916,477 |
| Buellton | 636 | 1.420% | 63,094 | 66,527 | 69,950 | 73,545 | 77,319 | 81,282 | 85,444 | 89,813 | 94,401 | 96,344 |
| Santa Ynez (Solvang) | 1,500 | 3.350% | 148,806 | 156,902 | 164,977 | 173,455 | 182,357 | 191,704 | 201,518 | 211,823 | 222,643 | 227,226 |
| Santa Ynez | 700 | 0.000% | (0) | 73,221 | 76,989 | 80,946 | 85,100 | 89,462 | 94,042 | 98,851 | 103,900 | 106,039 |
| Goleta | 7,450 | 16.626% | 738,539 | 779,282 | 819,384 | 861,492 | 905,704 | 952,127 | 1,000,872 | 1,052,053 | 1,105,794 | 1,128,554 |
| Morehart Land Co. | 220 | 0.491% | 21,825 | 23,012 | 24,197 | 25,440 | 26,746 | 28,117 | 29,556 | 31,067 | 32,654 | 33,326 |
| La Cumbre | 1,100 | 2.456% | 109,124 | 115,062 | 120,983 | 127,200 | 133,728 | 140,583 | 147,780 | 155,337 | 163,272 | 166,632 |
| Raytheon | 55 | 0.123% | 5,456 | 5,753 | 6,049 | 6,360 | 6,686 | 7,029 | 7,389 | 7,767 | 8,164 | 8,332 |
| Santa Barbara | 3,300 | 7.369% | 327,373 | 345,185 | 362,949 | 381,600 | 401,184 | 421,748 | 443,339 | 466,010 | 489,815 | 499,896 |
| Montecito | 3,300 | 7.369% | 327,373 | 345,185 | 362,949 | 381,600 | 401,184 | 421,748 | 443,339 | 466,010 | 489,815 | 499,896 |
| Carpinteria | 2,200 | 4.913% | 218,249 | 230,124 | 241,966 | 254,400 | 267,456 | 281,165 | 295,559 | 310,673 | 326,543 | 333,264 |
| Total: | 45,486 | 100.00% | \$ 4,442,417 | \$ 4,757,911 | \$ 5,002,754 | \$ 5,259,840 | \$ 5,529,780 | \$ 5,813,217 | \$ 6,110,826 | \$ 6,423,315 | \$ 6,751,429 | \$ 6,890,389 |



Sunset at Water Treatment Plant 2023

Appendix

The Appendix to the FY 2023/24 Budget contains miscellaneous statistical information on the CCWA, and glossaries of acronyms and terms.

Central Coast Water Authority
Santa Barbara County Area Description
Fiscal Year 2023/24 Budget

Santa Barbara County is located on the Pacific coast of the southern portion of the U.S. state of California, just west of Ventura County. The estimated total population of the County as of July 2019 was 446,499 according to the US Census Bureau. The county seat is Santa Barbara and the largest city is Santa Maria.

For thousands of years, the area was home to the Chumash tribe of Native Americans, complex hunter-gathers who lived along the coast and in interior valleys leaving rock art in many locations including Painted Cave. European contact had devastating effects on the Chumash Indians, including a series of disease epidemics that drastically reduced Chumash population. The Chumash survived, however, and thousands of Chumash descendants still live in the Santa Barbara area or surrounding counties.

The County has a total area of 3,789 square miles and four of the Channel Islands – San Miguel Island, Anacapa Island, Santa Cruz Island and Santa Rosa Island – are in Santa Barbara County. They form the largest part of the Channel Islands National Park.

Santa Barbara County has a mountainous interior abutting a coastal plains area. The largest concentration of people is on this coastal plain, referred to as the south coast – the part of the county south of the Santa Ynez Mountains – which includes the cities of Santa Barbara, Goleta and Carpinteria, as well as the unincorporated areas of Hope Ranch, Mission Canyon, Montecito and Isla Vista. North of the mountains are the towns of Santa Ynez, Solvang, Buellton, Lompoc; the unincorporated towns of Los Olivos and Ballard; the unincorporated areas of Mission Hills and Vandenberg Village; and Vandenberg Air Force Base, where the Santa Ynez River flows out to the sea. North of the Santa Ynez Valley are the cities of Santa Maria and Guadalupe.

Santa Barbara County, often branded as the American Riviera, is home to a beautiful landscape and great climate for living, playing and working. The County is well known for its strong sense of community, prime agricultural land, award winning wineries, and attractive cultural and tourism opportunities. However, Santa Barbara County also touts its talented and highly skilled workforce, and growing business sectors, from high tech to health care to design. Quality institutions like UC Santa Barbara and Vandenberg Airforce Base continue to attract high quality individuals to the County. It is these attributes that attract and retain businesses in the area.

Central Coast Water Authority
Miscellaneous Statistical Information
 Fiscal Year 2023/24 Budget

| | |
|---|---|
| Form of government | Joint Powers Authority |
| Date of organization | August 1, 1991 |
| Number of full-time equivalent positions | 32.25 |
| Polonio Pass Water Treatment Plant design capacity | 43 million gallons per day <i>(50 mgd per amended permit from DHS)</i> |
| Authority pipeline (in miles) | 42.5 |
| Coastal Branch pipeline (in miles) | 100.6 |
| State water Table A amount | (acre-feet per year) |
| CCWA contract Table A amount | 39,078 |
| CCWA drought buffer | 3,908 |
| Goleta Water District additional Table A | <u>2,500</u> |
| TOTAL | 45,486 |
| FY 2023/24 Santa Barbara County requested deliveries | 9,570 acre-feet |
| San Luis Obispo State water Table A | 3,100 acre-feet |
| FY 2023/24 San Luis Obispo requested deliveries | 4,392 acre-feet |
| Amount of treated water storage in tanks | 23.7 million gallons |
| Number of turnouts | 10 |
| Number of project participants | |
| Santa Barbara County | 13 |
| San Luis Obispo County | <u>11</u> |
| TOTAL | 24 |
| Estimated total population served by State water | |
| Santa Barbara County | 440,668 |
| San Luis Obispo County | <u>41,000</u> |
| TOTAL | 481,000 |

Central Coast Water Authority

Glossary of Acronyms

Fiscal Year 2023/24 Budget

| | |
|--|--|
| ACWA - Association of California Water Agencies | EBP - Employee Benefits Program |
| ADM - Administration | EDV - Energy Dissipation Valve Vault |
| AF - Acre-Foot or Acre-Feet | EPP - Extraordinary Project Program |
| ACFR - Annual Comprehensive Finance Report | EIR - Environmental Impact Report |
| AVEK - Antelope Valley/East Kern Water Agency | ELAP - Environmental Laboratory Accreditation Program (ELAP) |
| AWWA - American Water Works Association | E&O - Errors and Omissions |
| BDCP - Bay Delta Conservation Plan | FOC - Fiber Optic Cable |
| CaIPERS - California Public Employees' Retirement System | FY - Fiscal Year |
| CCR - Consumer Confidence Report | GAAP - Generally Accepted Accounting Principles |
| CCRb - Cachuma Conservation Release Board | GASB - Governmental Accounting Standards Board |
| CCWA - Central Coast Water Authority | GFOA - Government Finance Officers Association |
| CDF - California Department of Forestry | GIS - Geographic Information System |
| CDFW - California Department of Fish & Wildlife (Formerly CA Department of Fish & Game) | GPS - Global Positioning System |
| CEQA - California Environmental Quality Act | HCF - Hundred Cubic Feet |
| CIP - Capital Improvement Program | HDPE - High-density Polyethylene |
| CMMS - Computerized Maintenance Management System | HVAC - Heating, Ventilation, and Air Conditioning |
| COMB - Cachuma Operations and Maintenance Board | IC&R - Instrumentation Calibration & Repair |
| CPI - Consumer Price Index | IRC - Internal Revenue Code |
| CY - Calendar Year | IRWD - Irvine Ranch Water District |
| DBP - Disinfection By-Products | ISO - International Standards Organization |
| DCS - Distributive Control System | ISP - Internet Service Provider |
| DHCCP - Delta Habitat Conservation Conveyance Plan | JPA - Joint Powers Authority |
| DI - Deionized or deionization | JPIA - Joint Powers Insurance Agency |
| DIST - Distribution | LAFCO - (Santa Barbara) Local Agency Formation Commission |
| DO - Dissolved oxygen | LAIF - Local Agency Investment Fund (California State Treasurer's Office) |
| DOT - Department of Transportation | LIMS - Laboratory Information Management System |
| DPH - Department of Public Health | LT2 - Long Term 2 Enhanced Surface Water Treatment Rule |
| DWR - Department of Water Resources | MIB - 2-Methyl Isoborneol |
| EAP - Emergency Action Plan or Employee Assistance Program | |
| EAAP - Employee Achievement Awards Program | |

Central Coast Water Authority

Glossary of Acronyms

Fiscal Year 2023/24 Budget

MWD - Metropolitan Water District of Southern California

MWQI - Municipal Water Quality Investigations

NACE - Nomenclature general des Activites (industrial classification)

NCP - Non-Capital Projects

NPDES - National Pollutant Discharge Elimination System

O&M - Operations & Maintenance

OMP&R - Operations, Maintenance, Power and Replacement

OPEB - Other Post-Employment Benefits

OSHA - Occupational Safety and Health Administration

PAC - Powdered Activated Carbon

PG&E - Pacific Gas & Electric

PEPRA - California Public Employees' Pension Reform Act

PERS - California Public Employees' Retirement System

PLC - Process Logic Controllers

PPWTP - Polonio Pass Water Treatment Plant

QA/QC – Quality Assurance and Quality Control

RAS - Replacement Accounting System

RFB - Request for Bid

RFP - Request for Proposal

RFQ - Request for Qualifications

ROW - Right-of-Way

RPP - Remote Process Logic Controller Panel

RWQCB - Regional Water Quality Control Board

SAN - Storage Area Network

SBCFC&WCD - Santa Barbara County Flood Control and Water Conservation District

SCADA - Supervisory Control and Data Acquisition

SCBA - Self Contained Breathing Apparatus

SFCWA - State and Federal Contractors Water Agency

SLOCFCWCD - San Luis Obispo County Flood Control and Water Conservation District

SOC - Statement of Charges (Department of Water Resources)

SQL - Structured Query Language

SWC - State Water Contractors

SWP - State Water Project

SWPAO - State Water Project Analysis Office

SWPC - State Water Project Contractor

SWPCA - State Water Project Contractors Authority

SWPP - Supplemental Water Purchase Program

SWRCB - State Water Resources Control Board

SY ID#1 or SYRWCD ID#1 - Santa Ynez River Water Conservation District, Improvement District #1

SYPF - Santa Ynez Pumping Facility

SYPP - Santa Ynez Pumping Plant

TDS - Total Dissolved Solids

THM - Total Trihalomethane

TOC - Total Organic Carbon

UPS - Uninterruptable Power Supply

USBR - United States Bureau of Reclamation

UWMP - Urban Water Management Plan

VAFB - Vandenberg Air Force Base

VFD - Variable Frequency Drive

WRF - Water Research Foundation

WSA - Water Supply Agreement

WSRA - Water Supply Retention Agreement

WSRB - Water System Revenue Bond Surcharge

WTP - Water Treatment Plant

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2023/24 Budget

A

Account - A record of a business transaction; a reckoning of money received or paid.

Accounting System - The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of a government entity.

Accrual Basis of Accounting - The method of recording financial transactions in the accounting period in which revenues are earned and expenses are incurred, rather than only after cash is received or paid.

Acre-Foot of Water - The volume of water that would cover one acre to a depth of one foot (approximately 325,900 gallons).

Adoption - Formal action by the Board of Directors which sets the spending limits for the fiscal year.

Advance Refunding - A defeasance of outstanding debt prior to the date the bonds can be called by depositing cash and/or securities in escrow sufficient to pay all principal and interest payments and the call premium, if any, when due. All covenants and restrictions are released.

Amortization - Gradual reduction, redemption, or liquidation of the balance of an account according to a specified schedule of times and amounts.

Appropriation - The act of setting aside money for a specific purpose.

Aqueduct - A canal for conveying a large amount of water.

Assets - Resources owned or held by a government which have monetary value.

B

Bond Call - Bonds that are redeemable by the issuer prior to the specified maturity date at a specified price at or above par.

Balance Budget - The Authority's financial plan balancing proposed expenditures for a certain period of time to the expected income or revenue for that same period.

C

Capital Expenditures – Amounts expended which result in the acquisition of, or addition to, fixed assets, including land, buildings, improvements, machinery and equipment.

Capital Improvements - Expenditures for items or projects which usually have an estimated useful life longer than five (5) years and will benefit the Authority for a long period of time.

Capitalized Interest - Funds provided from the proceeds of an issue to cover interest payments until revenue sources to repay the debt are available.

Central Coast Water Authority

Glossary of Terms

Fiscal Year 2023/24 Budget

Carry-Over - The term used to denote amounts which were expected to be expended during one fiscal year on a contract or obligation but were not expended for various reasons. Amounts are “carried over” into the subsequent fiscal year.

Coastal Branch Phase II - A 102-mile long buried pipeline, and ancillary facilities, extending from Devils Den (Kern County) to Tank 5 on Vandenberg Air Force Base (Santa Barbara County).

Comprehensive Annual Financial Report (CAFR) - The official annual report, including financial statements, statistical information, and extensive narration, which goes beyond the minimum financial reporting.

Coverage - The margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

D

Debt - An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

Defeasance - To set aside sufficient money to retire outstanding debt when due. A full defeasance results in release from covenants and contractual obligations contained in the bond documents.

Deficiency - A general term indicating the amount by which anything falls short of some requirement of expectation.

Deficit - The excess of expenditures over revenues during an accounting period.

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

Department of Water Resources - The state agency responsible for financing, constructing and operating State Water Project facilities.

Depreciation - An element of cost resulting from the service of long-lived assets in an economic organization and represents the loss in asset value because of wear, deterioration, obsolescence or action of the physical elements. In this budget, no specific depreciation schedule or funding of depreciated assets is provided.

Drought Buffer - A portion of the Authority’s State water entitlement (3,908 AF) which is being utilized to firm up the reliability of each Santa Barbara County project participant’s Water Supply Agreement entitlement allocation.

E

Enterprise Fund - A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.

Entity - The basic unit upon which accounting and/or financial reporting activities focus.

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Expenditures - A decrease in net financial resources, or funds paid or to be paid for an asset obtained, or goods and services obtained regardless of when the expense is actually paid.

F

Financing Participant - An Authority or San Luis Obispo County project participant that participated in the 1992 CCWA Revenue Bond and 1996 CCWA Refunding Revenue Bond issues.

Financial Reaches - Segments of the CCWA and DWR pipeline from or through which project participants receive water.

Fiscal Year - A twelve-month period of time to which the annual budget applies and, at the end of which a governmental unit determines its financial position and the results of its operations.

Fixed Asset - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Fixed O&M Costs - Operating and maintenance expenses charged to the project participants which do not vary with the amount of water delivered to the project participant.

Fixed Project Costs - Capital costs, including Debt Service, reserves for the payment of debt service, and other payments under the bond resolution which do not vary with the amount of water delivered to the project participant.

Fund Balance – Also known as financial position, fund balance is the excess of fund assets over liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses. CCWA operates under one fund for financial statement and budgetary purposes. Because CCWA is a pass-through agency, all revenues are equal to the expenditures included in the budget. As such, overall Fund Balance excluding the Operating Reserve (see *Operating Reserve*) is expected to be zero.

G

GASB – The Government Accounting Standards Board is the source of generally accepted accounting principles (GAAP) used by state and local governments. As with most of the entities involved in creating GAAP in the United States, it is a private, non-governmental organization.

General Fund - The Authority's cash balance net of reserve balances.

Generally Accepted Accounting Principles - The uniform accounting principles, standards, and procedures for the presentation of financial reports. For local governments, GAAP is set by the Government Accounting Standards Board (GASB).

Geographical Information System (GIS) - An information system integrating maps with electronic data.

J

Joint Powers Authority - A public authority created by a joint exercise of powers agreement between any two or more governmental agencies. The authority may be given power to perform

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any function which all parties to the agreement are empowered to perform and which will be of benefit to all parties.

L

Line Item - Expenditure classifications established to account for and budget the appropriations approved.

Water Treatment and Local Facilities Agreements - Agreements, dated as of March 1, 1992, by and between San Luis Obispo County Flood Control and Water Conservation District and various San Luis Obispo County project participants.

M

Maintenance - The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

Master Water Treatment Agreement - Agreement, dated as of March 1, 1992, by and between the Authority and San Luis Obispo County Flood Control and Water Conservation District.

Modified Accrual Basis - The accrual basis of accounting adapted to the governmental fund type. Revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the liability is incurred.

Monterey Agreement - The agreement which formed the basis for the Monterey amendments to the State Water Contract that includes, among other provisions, the addition of Articles 51 through 56.

MOU Trust Fund - A trust fund established under a memorandum of understanding (July 6, 1995 effective date) by and between the Authority, Cachuma Project Authority (i.e., Cachuma Operations and Maintenance Board) and the United States of America, acting through the Bureau of Reclamation. The trust fund is funded by \$43/AF payments to the Cachuma Operations and Maintenance Board for State water wheeled through Cachuma Project facilities.

Municipal - In its broadest sense, an adjective which denotes the state and all subordinate units of government.

O

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Off Aqueduct Charge - Bond debt service, cover and reserves for transmission costs allocated to DWR off-aqueduct power facilities (power cost which includes both fixed and variable cost elements.)

Other Post-Employment Benefits (OPEB) – Benefits provided to retirees other than pension, such as retiree health insurance.

Operating Expenses- All costs associated with the day-to-day business of the Authority which are not considered capital improvements or debt repayments.

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Operating Reserve Balance – Reserve of \$2 million, approved by the CCWA Board of Directors to provide a mechanism for the Authority to undertake immediately unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available. Each Authority Contractor contributed to the Operating Reserve Fund in proportion to their Table A water allocation.

P

Pass-Through Charges - Charges from DWR and the United States Bureau of Reclamation which are paid by the project participants. The charges are not expenses of the Authority but are charged and paid by the Authority.

Polonio Pass Water Treatment Plant - A 43 million gallon per day treatment plant which treats all State water delivered to San Luis Obispo and Santa Barbara Counties.

Projected - An estimate of revenues and expenditures based on past trends, the present economic situation and future financial forecasts.

Project Participant - Each entity which has executed a Water Supply Agreement with the Authority.

Proprietary Fund - A method of accounting for a government's ongoing organizations and activities that are similar to those often found in the private sector.

R

Rate Management Funds Credit - Reductions in DWR charges commencing in 1997. The credit was implemented as a result of the Monterey amendments to the State Water Contract.

Reach - see "Financial Reach"

Regional Water Treatment Plant Allocation - A formula adopted by the Authority Board of Directors (Resolutions 92-16 and 95-13) which allocates certain Fixed Project, Fixed O&M and Variable O&M treatment plant costs from South Coast project participants to all other Authority project participants. The purpose of the allocation is to subsidize the South Coast project participants' costs of retreating State water to ensure they realize their share of the financial benefit to all project participants associated with the economies of building and operating only one treatment plant for State water.

Reserve Funds - A budgeted amount to be set aside in an account for future use.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Revenue - An inflow of assets, not necessarily in cash, in exchange for services rendered.

Revenue Bond - A bond payable solely from net or gross non ad valorem tax revenues derived from general fund revenues, tax increment revenues, or tolls, charges or rents paid by users of the facility constructed with the proceeds of the bond issue.

Right of Way (ROW) - A legal right of passage over another person's ground.

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S

Santa Ynez Exchange Agreement - An agreement, date as of February 1, 1993, by and between Carpinteria County (Valley) Water District, Central Coast Water Authority, Goleta Water District, La Cumbre Mutual Water Company, Montecito Water District, Santa Ynez River Water Conservation District, Improvement District #1 (SYID#1), Summerland Water District and the City of Santa Barbara entitled "Santa Ynez River/State Water Project Exchange Agreement." Among other things, this agreement provides for the exchange of SYID#1's Cachuma Project entitlement for a like amount of State water that would otherwise be delivered to the other South Coast project participants which are signatory to the agreement.

SCADA System - "Supervisory Control and Data Acquisition" System. The computer system which collects data, processes the data and corrects and/or instructs the operators on corrective actions to take.

State Water Project - The largest state-built, multipurpose water project in the nation. It extends for more than 600 miles. Its main purpose is water supply - to store surplus water during wet periods and distribute it to areas of need in northern California, the San Francisco Bay area, the San Joaquin Valley and Southern California. Other functions include flood control, power generation, recreation, and fish and wildlife enhancement.

T

Table A Amount - The maximum amount of State Water Project water to be made available annually by DWR to the Authority at various delivery structures (i.e. turnouts) under the terms of the State Water Contract.

Table A Reduction - Elections by certain project participants to temporarily decrease their State water entitlement allocation. This election is for a minimum of five years and eliminates the Delta Water Charge associated with the amount of State water entitlement that has been reduced.

Transportation Capital Costs - Capital costs charged by DWR for the use of facilities to transport water to the vicinity of each State water contractor's turnout.

Transportation Charge - Minimum Operation, Maintenance, Power and Replacement (OMP&R) - Operating costs incurred by DWR that do not depend on or vary with quantities of water delivered to the Authority.

Turnback Pool Reduction - Elections by project participants to "turnback" a portion of their State water in a given year.

Turnout - A delivery structure which includes metering and valve facilities through which State water is delivered from the CCWA or DWR pipeline to a project participant's delivery system.

V

Variable O&M Charges - Operations and maintenance expenses which vary directly in proportion to the amount of water delivered to a project participant.

Vulnerability Assessment- The examination of a system to identify critical infrastructure or related components that maybe at risk of attack and the procedures that can be implemented to reduce that risk.

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W

Warren Act Charges - Wheeling charges required under a July 25, 1995 contract between the United States and the Central Coast Water Authority. The \$15/AF charge is payable to the Bureau of Reclamation (and recovered into the Reclamation Fund) for State water wheeled through Cachuma Project facilities.

Water Supply Agreement - An agreement between the Authority and each project participant to, among other things, sell State water entitlement allotment and provide for financing of the Authority facilities.

Water System Revenue Bond Surcharge - The surcharge is the difference between the total project charges collected at the project interest rate for a project and the annual financing costs of the water system revenue bonds issued for that project. Project interest rate is the melded financing costs for projects not financed with water system revenue bonds.

THE STATE WATER PROJECT IN SANTA BARBARA COUNTY

Introduction

The water treatment and conveyance facilities built between 1993 and 1997 to bring State water to Santa Barbara and San Luis Obispo Counties comprise the most ambitious and complex public works project ever constructed on California's Central Coast. The project consists of (1) water conveyance facilities built by the California Department of Water Resources (State) and (2) regional distribution and treatment facilities constructed by a cooperative group of local water agencies and cities operating as the Central Coast Water Authority (CCWA).

This significant water project was conceived and constructed amidst intense political controversy. It faced and overcame daunting engineering and environmental challenges. It was completed because a remarkable and steadfast collection of water leaders made sure that it was going to be completed, despite the obstacles. By employing an intensive management approach, the project was completed very close to the original schedule and delivers water at the price (as adjusted for inflation) projected in the planning documents.

This paper is a summary of the essential facts concerning the State Water Project in Santa Barbara County, and was prepared as information for the public. The information presented was derived from CCWA official records, which are available for public review.

History of the State Water Project

It is common knowledge that California's fundamental water supply challenge is that the major sources of water are found in northern California while the major urban and agricultural demands are located in central and southern California. To address this challenge, the voters and the Legislature authorized construction of extensive water conservation and delivery systems known as the Central Valley Project in 1930 and the State Water Project (SWP) in 1960.

Since 1963 the State has constructed most of the SWP elements: Oroville Dam, facilities to convey the water from Lake Oroville to the Sacramento Delta, an elaborate system of pumps and other facilities to move water out of the Delta, including 660 miles of canals and pipelines, and a complex of regulating reservoirs (see Figure 1). The State has designed, engineered and constructed all of these facilities, and operates and maintains them, with funds received from its 29 contractors (see Figure 2).

Construction of the SWP was financed in large part by \$1.75 billion of general obligation bonds issued pursuant to the Burns-Porter Act and approved by California voters in 1960. The Act directs the State to enter into water contracts for the sale, delivery or use of SWP water, and 29 such contracts now exist. Prior to the 1960 election, the State published Contracting Principles containing rules for implementing the water contracts required under the Act. The Contracting Principles provide that contract rates should be set so as to return to the State “. . . all costs of project operation, maintenance and replacement, all principal and interest on (1) bonds, (2) expenditures from the California Water Fund and (3) other monies used in the construction of the project works.”

Thus, from the very inception of the SWP, it was the intent of the Legislature that 100% of the costs associated with the purchase of SWP water, including construction costs, be passed through to purchasers of water. The State finances, designs, constructs and owns this extensive system; the water contractors purchase water from the State under "take or pay" contracts under which the State recovers all of its costs.

The State Water Project in Santa Barbara County

The Early Years

In 1963, anticipating a future need for supplemental water supplies, the Santa Barbara County Flood Control and Water Conservation District (Santa Barbara County) entered into a Water Supply Contract (State Contract) with the State. Under the State Contract, water would be delivered to Santa Barbara County through the "Coastal Branch" of the SWP. Phase I of the Coastal Branch, a 15-mile aqueduct branching off the California Aqueduct in northwestern Kern County, was completed in 1968. Construction of the remainder of the Coastal Branch (designated "Phase II") was postponed from 1975 to 1991. This postponement in construction was permitted pursuant to Paragraph 45(e) of the State Contract, which allowed Santa Barbara and San Luis Obispo Counties to delay construction indefinitely.

In March 1979 Santa Barbara County presented its voters with a ballot measure authorizing the issuance of revenue bonds in an amount not to exceed \$102 million to construct local facilities "to import and distribute" SWP water. Rainfall was heavy for several years preceding the vote and, as a result, Lake Cachuma was at or near capacity. For this and other reasons, Santa Barbara County voters defeated that ballot measure.

The 1980's and 1990's

Even though construction of the Coastal Branch Phase II project was delayed under Article 45(e) of the State Contract, during the delay period Santa Barbara County was still obligated to make certain payments to the State related to facilities (such as the Oroville Dam and the California Aqueduct) which had already been built and which would be part of the delivery system that eventually would convey SWP water to the Central Coast. Before and after the 1979 election, many in Santa Barbara County questioned whether Santa Barbara County should continue to make payments under the State Contract. A number of water purveyors concluded it would be prudent for the County to continue to retain its entitlement and make payments to the State. The County was willing to retain the entitlement, but only if the associated costs were shifted from the countywide tax base to the ratepayers in those jurisdictions which wanted to keep the option to join the SWP. Beginning in 1982, Santa Barbara County entered into a series of Water Supply Retention Agreements (WSRAs) with various water purveyors for the purpose of shifting responsibility for such State payments from the County taxpayers to individual purveyors and their ratepayers. The WSRAs included a provision stating that no revenue bond financing for project facilities could be issued unless authorized by a vote of the people within the jurisdiction of each participating purveyor.

In 1983, Santa Barbara County, San Luis Obispo County Flood Control and Water Conservation District (SLO County) and the State commenced joint studies which found that additional water was needed for the two counties. The studies concluded that water use in 1980 exceeded dependable water supply by about 65,000 acre-feet per year in Santa Barbara County and by about 70,000 acre-feet per year in San Luis Obispo County. This shortage was being met by long-term overdraft of local groundwater basins.

The chronic overdraft of the local groundwater basins presented a serious environmental threat. Since many of these groundwater basins are adjacent to the ocean, the risk of saltwater intrusion and permanent damage to groundwater basins weighed on the minds of local water officials. In addition, reports from other areas in California (including some from San Luis Obispo County) indicated that groundwater overdrafting was causing surface soil subsidence. Local water agencies understood the significant environmental benefits that could be derived by reducing groundwater "mining" by diversifying water supplies to include imported water.

In 1985 the State, in conjunction with Santa Barbara County, completed a major "Alternatives Study" regarding the feasibility and costs of various supplemental sources of water supply for Santa Barbara County. This study determined that supplemental water from an enlarged Lake Cachuma was the preferred alternative for the Santa Ynez Valley and the South Coast, while SWP water was preferred for the cities of Lompoc, Santa Maria and other north County entities.

In 1986 the City of Santa Maria requested Santa Barbara County to ask the State to begin the planning and environmental studies, including preparation of an environmental impact report, needed to build the Coastal Branch Phase II project. In the same year, Santa Ynez River Water Conservation District, Improvement District No. 1 and the South Coast water purveyors asked the State and the United States Bureau of Reclamation to begin a study for enlarging Lake Cachuma. This alternative involved several environmental concerns that raised doubts about its ultimate feasibility.

In June 1990 DWR prepared and circulated a draft environmental impact report (DEIR) on the Coastal Branch Phase II project, pursuant to the California Environmental Quality Act, Public Resources Code Section 21091 (CEQA). Under CEQA, one purpose of a DEIR is to publicly disclose the impact, both environmental and financial, of a proposed project. The Coastal Branch DEIR was the subject of numerous public meetings in Santa Barbara County.

In May 1991 DWR issued the final environmental impact report (FEIR) for the Coastal Branch Phase II project and the Mission Hills Extension. The FEIR was sent to all of the potential participating water purveyors.

On June 4, 1991, during the 1987-1992 drought, the elections required by the WSRAs were held in 14 Santa Barbara County cities, communities and water districts on a State water ballot measure. The measure asked whether voters in each city or district would approve issuance of revenue bonds to finance local facilities needed to treat and distribute SWP water once the State completed construction of the Coastal Branch Phase II project. Voters in eleven cities and districts approved the bond measures.

The Central Coast Water Authority

Early Activities

In September 1991, following the voter authorization to finance revenue bonds, CCWA was formed to construct, manage and operate Santa Barbara County's "local facilities" for distribution and treatment of State water. Upon its formation, CCWA immediately accepted assignment of the WSRA obligations by executing Water Supply Agreements (WSA) with the contractors. As a result, CCWA became obligated to pay all State costs charged to Santa Barbara County under the State Contract. This obligation was clarified in a single document (instead of eleven) when CCWA and Santa Barbara County entered into a Transfer of Financial Responsibility Agreement on November 12, 1991.

During the early months of its existence, CCWA successfully resolved a number of issues of regional significance. For example, the CCWA members agreed on a cost allocation mechanism to equitably apportion the capital and operating costs of the Polonio Pass Water Treatment Plant among those contractors which would take direct deliveries of treated water (such as Santa Maria) and those which would not (such as Santa Barbara, which receives SWP water through Lake Cachuma). They also agreed to save capital costs by acquiring from one of its members an existing water pipeline which had been built in the 1960's to deliver Lake Cachuma water to the Santa Ynez Valley; that acquisition required an exchange of SWP water for Cachuma water to be equitable to all parties. Finally, they agreed on a mechanism to reapportion the costs incurred between 1985 and 1991 by the parties who had paid for environmental and feasibility studies of the Coastal Branch so that they would be equitably shared by all project participants.

At its formation, CCWA was composed of nine member water purveyors. It has identical WSAs with its members and additional WSAs to deliver water to certain other contractors (i.e., Vandenberg Air Force Base, Southern California Water Company, La Cumbre Mutual Water Company and two other private entities). It was originally responsible for construction and operation of the 42 mile buried pipeline from Vandenberg Air Force Base to Lake Cachuma (i.e., the Mission Hills and Santa Ynez Extensions) and the 43 million gallon per day Polonio Pass Water Treatment Plant. The State was originally responsible for construction, management and operation of the 101-mile Coastal Branch

Phase II project, which extends from northwest Kern County to Vandenberg Air Force Base, and for delivering SWP water to the local facilities.

Since SWP water is delivered from sources hundreds of miles away, the largest part of the delivery costs are “fixed” in the form of costs to finance, build and operate the dams, reservoirs, aqueducts and pipelines to conserve and transport the water. As previously noted, the State recoups these costs, whether or not water is actually delivered. Thus, a water purveyor signing up for SWP water must agree to a “take or pay” contract under which certain (i.e., fixed) costs must be paid each year, irrespective of how much water the State can deliver, and how much water the purveyor actually needs in a given year.

Project Financing, Development and Implementation

In May 1992 CCWA issued “Development Notes” in the principal amount of \$23,760,000 for the purpose of securing funds to initiate design, engineering, planning, and related activities. In connection with the note issue, CCWA published an Official Statement containing information about each of the Santa Barbara County public agencies that would be receiving water through the CCWA constructed facilities.

During 1992, CCWA worked closely with the State on the design and engineering of the Coastal Branch Phase II project. This coordination included intensive discussions concerning the location of the Coastal Branch terminus. The 1963 State Contract showed the Coastal Branch terminating at the Santa Maria River, which is the boundary line between Santa Barbara and San Luis Obispo Counties. This terminus location, while geographically logical, turned out to pose problems from an engineering perspective. In light of these practical problems, CCWA and the State agreed that the terminus should be shifted 15 miles south to a location on Vandenberg Air Force Base, approximately 3 miles from the town of Casmalia.

This decision to move the Coastal Branch Phase II terminus was incorporated into a September 21, 1992 amendment to the State Contract, which was approved at public meetings by the CCWA Board of Directors and Santa Barbara County Board of Supervisors. The effect of this change was to shift from CCWA to the State the obligation to build this 15-mile pipeline reach. CCWA believed this decision was financially advantageous to CCWA project participants, since the State would be able to build this

section with State revenue bond funds borrowed at interest rates lower than those available to CCWA and would provide SWP power for a proposed pumping plant in that reach.

In October 1992, CCWA issued \$177,120,000 in revenue bonds for the purpose of securing funds to design and construct the local facilities. In connection with the bond issue, CCWA published an Official Statement containing information about each of the Santa Barbara and San Luis Obispo County public agencies which would be receiving water through those facilities. (In November 1996, CCWA refinanced the 1992 water revenue bond issue resulting in debt service savings of almost \$400,000 per year. The principal amount of the refunding bonds was \$198,015,000.)

On May 27, 1993 CCWA made the necessary determinations and findings to permit final sizing of the facilities. It amended those findings and determinations in 1994, so that the final sizing was based on 42,986 acre-feet of water per year, which consists of 39,078 acre-feet per year of contract allocations and 3,908 acre-feet per year of "drought buffer" (the purpose of drought buffer entitlement is to firm up the reliability of the contract allocations in those years when full SWP deliveries are not available). On March 16, 1993 SLO County made the requisite determinations and findings regarding its participation, and decided to take 4,830 acre-feet of water per year.

In March 1994, the State commenced construction of the Coastal Branch Phase II facilities. CCWA started construction of its facilities a few months later in July 1994. Table 1 contains technical and other data regarding project facilities.

The Coastal Branch Phase II pipeline is a 101-mile long buried pipeline extending from Devils Den to Tank 5 on Vandenberg Air Force Base in Santa Barbara County. The State pipeline consists of 57-inch diameter pipe at Devils Den, reducing to a 42-inch diameter south of the City of Arroyo Grande. There are three 10,500 horsepower pumping plants – the Devils Den, Bluestone and Polonio Pass Pumping Plants – to lift water 1,500 feet in elevation from Devils Den to Tank 1. The project also includes three water tank sites. There were approximately 30 contracts for procurement of materials and construction of the State's portion of the project.

In order to bring water to the residents of the South Coast of Santa Barbara County (including the communities of Carpinteria, Goleta, Montecito and Santa Barbara), it was necessary for CCWA to design and build a 42-mile extension of the Coastal Branch. The 30-39 inch diameter CCWA pipeline starts at Vandenberg Air Force Base, travels past Vandenberg Village and the City of Lompoc, through the cities of Buellton and Solvang and terminates at Lake Cachuma, a reservoir on the Santa Ynez River built in the 1950's by the

federal government to provide drinking water to South Coast and Santa Ynez Valley residents.

CCWA also constructed a 43 million gallon per day water treatment plant at Polonio Pass. The site was chosen because the project planners determined a single water treatment plant near the upstream end of the Coastal Branch would offer economies of scale to the 24 project participants, as compared to building a series of smaller plants serving individual participants.

Avoiding delay was a key goal which CCWA pursued throughout the planning and construction of the project, because CCWA estimated that delay would cost \$60,000 to \$100,000 per day. CCWA avoided delays by maintaining cooperation among construction crews, environmental monitors, construction supervisors and regulatory agencies.

In late 1994, the State determined that a proposed power plant in the vicinity of the city of San Luis Obispo was uneconomical in light of an updated construction cost estimate. This finding led to a cooperative effort between the State and CCWA to redesign a portion of the Coastal Branch Phase II pipeline, which resulted in eliminating the San Luis Obispo Power Plant, Tank 4 and the Casmalia Pumping Plant. (Tank 3 was also eliminated when the State decided to tunnel through a mountain rather than trenching and laying pipe over it.)

In early 1995, the State delegated design and construction of a 28-mile stretch of the Coastal Branch Phase II pipeline and Tank 5 to CCWA. Its decision was based on project schedule analyses that indicated the State was falling behind schedule to complete construction of its facilities, which threatened to delay the start of water deliveries.

Overall project construction was completed in the summer of 1997. Initial deliveries to turnouts along the pipeline commenced on August 11, 1997 and to Lake Cachuma on November 20, 1997. On June 25, 1998 the CCWA Board of Directors took formal action to declare the CCWA project complete. The estimated cost of the overall project is \$595 million, which is comprised of \$481 million for the Coastal Branch Phase II project and \$114 million for the CCWA facilities (\$43 million for the Polonio Pass Water Treatment Plant and \$71 million for the CCWA pipeline). In addition, CCWA provided \$27 million financing for project participants' turnouts and local projects and miscellaneous other project related costs.

By working cooperatively with the State and San Luis Obispo County, CCWA's efforts to implement a project that met three principal goals associated with quality, cost and schedule resulted in a number of unique and unprecedented accomplishments. The

change in the location of the Coastal Branch Phase II terminus was one such accomplishment. Others were:

- CCWA's Polonio Pass Water Treatment Plant was sited at the State's Tank 1 site, 90 miles from the downstream terminus of the SWP Coastal Branch. As previously mentioned, by siting the plant at this location, only one treatment plant is necessary to most cost effectively treat all the State water for two State water contractors (San Luis Obispo County and CCWA).
- As previously mentioned CCWA recommended and the State implemented major design changes which eliminated a power plant, a tank site and a pumping plant from the Coastal Branch Phase II project. Simplifying the overall project design in this manner helped to preserve the project schedule and enhance operational flexibility. There were a number of other benefits as well. Both capital costs and operating and maintenance (O&M) costs were reduced. Environmental impacts associated with the surface features were eliminated. Property owner issues in San Luis Obispo County were simplified because acquiring fee title for the surface features was no longer necessary.
- In early 1995 CCWA determined that internal State staff resources were being stretched as a growing number of project components were moving from the permitting and design phases into the bid and construction phases. The State's Design and Construction Division was struggling to meet its deadlines and keep the project on schedule. As a result CCWA proposed to the State that it contract with CCWA to provide engineering services and to construct a 28-mile stretch of pipeline and Tank 5 on Vandenberg Air Force Base. The State agreed and entered into a joint powers agreement with CCWA to construct the facilities financed by the State. CCWA redesigned the facilities using industry standards, which resulted in capital cost savings. CCWA and the State successfully defended a lawsuit seeking to invalidate this agreement brought by a group of State engineers.

Under this agreement CCWA provided additional assistance to the State for (1) acquiring Coastal Branch Phase II right of way, (2) reconstructing an 800-foot portion of the partially constructed State pipeline which was damaged by a landslide resulting

from heavy rains, (3) constructing a 3,500 foot portion of the State pipeline near the city of San Luis Obispo, (4) constructing the Lopez and Chorro Valley turnouts in San Luis Obispo County and (5) resolving its outstanding construction contract claims.

- On October 1, 1996 the State entered into an agreement with CCWA to have CCWA operate and maintain all of the Coastal Branch facilities downstream of the Polonio Pass Water Treatment Plant. This action provides significant O&M cost savings to SLO County and CCWA and avoids State overhead costs. It also provides greater efficiency by having a single agency – CCWA – exercise responsibility for all Coastal Branch facilities involved in the conveyance and treatment of SWP water.
- In the early stages of project development, the State appointed a Coastal Branch Project Manager to oversee the various State departments working on the project. This action resulted in improved coordination and cooperation among the various State divisions and numerous individuals. It also greatly facilitated CCWA input on Coastal Branch Phase II project financing, planning, design, construction and O&M issues.
- As a result of experience gained on the Coastal Branch Phase II project and its dealings with CCWA, the State has made unprecedented changes in its staffing, organization and approach to implementing projects. The State's Division of Design and Construction was reorganized and staffing was significantly reduced. The State now seeks State water contractor input on design criteria and project designs. The State has recognized that its existence as a design, construction and O&M organization is dependent on how well it responds to and meets the needs of its customers, the State water contractors.

The reorganization of the State's Design and Construction Division (now known as the Engineering Division) was the result of a personnel consultant study authorized by State management, principally due to CCWA's experiences on the Coastal Branch Phase II project. Since then State management has conducted similar studies for its Planning and O&M Divisions.

A Commitment to Environmental Protection

Throughout the planning and construction of the project, CCWA worked very hard to build the project with a true commitment to environmental protection. CCWA formed a project team of CCWA staff, engineers, environmental consultants and attorneys charged with coordinating their respective skills and objectives to design and build a project that treated environmental protection with the same priority given technical and financial issues. Project plans incorporated environmental mitigation from inception. The project team conducted regular meetings to maintain clear lines of communication and reporting and to create peer pressure so that each team member took personal responsibility for completing tasks properly and timely, resolving little problems before they grew and staying ahead of issues to prevent problems from developing.

Before project planning began, the team met with every regulatory agency that might have had jurisdiction over the project to discuss potential resource issues that needed to be addressed and to establish a dialogue that encouraged the resource agencies to call if problems were identified as the project progressed.

CCWA and its project participants complied with both CEQA and the National Environmental Protection Act and prepared three EIRs with Supplemental EIRs, an Environmental Assessment and a number of Negative Declarations. CCWA and its consultants coordinated closely with the California Department of Fish & Game, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, U.S. Bureau of Reclamation and local Native American groups to formulate and implement a mitigation and monitoring program to (1) protect sensitive species and their habitats, (2) avoid impact to cultural resources, (3) restore disturbed areas to their prior condition to the extent feasible and (4) provide offsite mitigation for those areas that could not be restored, (e.g., large trees cannot be grown over the pipeline, and above ground valve vaults and similar facilities occupy surface areas which must remain clear in perpetuity).

CCWA's approach to the project provides an example of how to build a large project which crosses multiple riparian and other sensitive habitats that, without a sincere environmental commitment, could be adversely affected by construction activity. Project planning and construction included the following measures:

- The construction right of way and access roads were selected by CCWA staff, engineers, cultural experts and biologists to avoid sensitive resources wherever possible and, where avoidance was infeasible, to minimize environmental damage. Routes were field verified before construction to confirm they were the least environmentally impacting and most feasible routes. Access routes generally followed existing roads and the pipeline corridor to reduce new scarring.
- The right of way was narrowed where feasible to avoid environmental damage.
- The construction plans depicted sensitive areas to be avoided and mapped trees or habitat to be removed. Contractors received a pre-agreed bonus for saving vegetation marked for removal. It was a three-way "win-win" – contractors worked hard to earn the bonus; CCWA saved hefty revegetation costs; the natural environment was preserved and protected.
- The construction specifications required a "double lift" during pipeline trenching, whereby contractors would first remove topsoil, then remove subsoil and keep them separated during construction (topsoil with its valuable native seed bank was protected from wind and rain). The topsoil and subsoil were then restored in the proper order. This enhanced revegetation by using the natural seed bank and nutrients.
- Native seed and native plants grown from seed gathered from the local area were used for revegetation to preserve local genetic integrity and to avoid importing foreign stock that might carry pests and disease.
- CCWA required environmental training for all personnel entering the project site.
- Independent environmental monitors, with authority to halt construction to protect environmental resources, ensured that ground activities complied with the protective measures integrated into the plans and specifications. Monitors marked exclusion zones with bright tape to protect sensitive resources and scouted for previously unknown cultural sites, directing construction away from discovered sites so CCWA's cultural experts could study the sites, report them to the state and federal agencies and then mitigate.

- Biological surveys conducted shortly before construction located sensitive resources and identified the "before" condition of the habitat so post-construction restoration could be completed accurately, and the site restored to its pre-project condition.
- On-site pipe sections were "capped" at the ends to prevent wildlife from crawling inside. Monitors also checked the trench routinely to remove trapped animals.
- Upon completion of construction in each area, CCWA installed erosion controls such as water bars, straw bales and silt fencing to reduce erosion during the rainy season. Sites were monitored closely and erosion control devices repaired and replaced as needed. Revegetated areas are monitored regularly and monitoring will continue for five years.

CCWA's commitment to environmental protection resulted in a project which was virtually undetectable to the public just one year after completion because revegetation was so successful. In addition, CCWA's project management resulted in saving 323 oak trees (90% of those located in or near the pipeline right of way), rescuing 101 animals, preserving and curating 61 cultural artifacts and replanting from seed or seedling 450 oaks, 240 willows, and 60 acres of other native vegetation. Moreover, far fewer acres of sensitive habitat were impacted by the project, compared to the pre-construction impact estimates, thereby resulting in significantly lower mitigation efforts after completion. As a result, the costs of environmental mitigation were lower than expected, disruptive project delays were avoided and CCWA enjoys a good working relationship with the regulatory agencies.

Certain state-of-the-art engineering and construction techniques used on the project were necessary more for environmental than technical reasons. CCWA utilized microtunnel technology to cross under San Antonio Creek (Vandenberg Air Force Base) and the Santa Ynez River and the State utilized directional drilling technology to cross San Juan Creek in San Luis Obispo to avoid impacts to certain endangered species and sensitive habitat. In addition CCWA utilized "jack and bore" technology to install the pipeline under existing oak groves adjacent to Vandenberg Village (Santa Barbara County) and the City of San Luis Obispo, as well as for more traditional purposes such as railroad and freeway crossings.

When the CCWA Board of Directors approved construction of the 42-mile CCWA pipeline, it included a number of conditions. One condition was to require each of the CCWA project participants to commit that its SWP water entitlement will be used first to offset its proportionate share of groundwater overdraft and then to improve water quality for its consumers. (Any remaining water would be used for future growth consonant with community general plans.) Thus, SWP water is providing the "ultimate" environmental benefit by reducing groundwater overdraft in a number of areas throughout the county.

Water Supply Reliability

The availability of SWP water supplies varies with hydrologic cycles and overall SWP demand. During wet years the SWP is able to deliver sufficient water to meet most or all SWP delivery requests. During extended dry year conditions, the SWP can deliver only a portion of requested deliveries.

In June 1993 CCWA retained an additional 3,908 acre-foot "drought buffer" entitlement to partially firm up the reliability of the 39,078 acre-feet of SWP entitlement for which CCWA (Santa Barbara County) project participants contracted. During those years that availability of SWP water exceeds project participants' demand, project participants can store drought buffer water (and unused WSA entitlement allocations) either directly into a groundwater basin or on an in-lieu basis (i.e., by taking delivery of the drought buffer and reducing groundwater pumping by an equal amount). During dry years when availability of SWP water is less than CCWA project participants' demand, stored drought buffer water (and stored entitlement water) can be used to augment SWP deliveries. On a long-term average basis, this results in the equivalent of 80% delivery of full annual entitlement (i.e., the 39,078 acre feet) year in and year out. In the meantime, the reliability of requested deliveries by CCWA project participants is much higher – virtually 100% – because their current total demand is significantly less than 39,078 acre feet per year.

Other mechanisms that CCWA can use to fill project participant delivery requests during shortages in SWP supplies are:

- Acquiring water from the State "Turnback Pool," which is an internal SWP mechanism that pools unused SWP supplies early in the year for purchase by other SWP contractors at a set price. In addition, CCWA has established its own Turnback Pool Program whereby CCWA project participants can buy and sell excess entitlement

among themselves before submitting it for sale in the State turnback pool program. The turnback pool mechanism is only for one-year sales of water.

- Acquiring water from the State Water Bank during those years the bank is implemented by the State to market water that it purchases on the open market (i.e., non-SWP water). The bank was first implemented in 1991 as the State Drought Water Bank and has since been utilized during certain dry years when additional water is needed by SWP contractors. The water bank also is only for one-year sales of water.
- Term water purchases and sales of SWP entitlement by CCWA project participants in accordance with the CCWA Water Transfer Procedures adopted in March 1996. The procedures typically cover multi-year temporary and permanent sales of SWP entitlement.

Possible future actions that would further enhance SWP entitlement reliability include (1) the State building additional SWP facilities, (2) the State (and federal government) implementing water supply and reliability enhancements resulting from the CALFED process and (3) CCWA instituting a new or participating in an existing groundwater banking program on behalf of its project participants.

The Future

The most significant current challenge to CCWA project participants is financial. Consequently, CCWA continues to strive to ensure the cost effectiveness of both its and the State's operations. With time, the affordability of State water will improve due to the fixed nature of the majority of SWP costs.

As each project participant's demand for State water approaches its entitlement allocation, supply reliability will become CCWA's most significant challenge. The magnitude of this challenge is increased by the fact that demand by other urban State water contractors is also increasing with time. Methods of enhancing the reliability of CCWA's SWP entitlement were previously discussed in the section entitled "Water Supply Reliability."

CCWA staff currently monitor water quality parameters at the Polonio Pass Water Treatment Plant and at each turnout and tank site along the pipeline. As a wholesaler and

service provider, CCWA monitors all parameters requested by its project participants, as well as those mandated by state and federal regulators. New water quality analyses currently being conducted by CCWA but not yet regulated include Giardia, Cryptosporidium, total organic carbon (along with its uv-254 surrogate) and haloacetic acids.

CCWA will continually strive to secure maximum performance from the Polonio Pass Water Treatment Plant as state and federal regulations are added and permissible contaminant levels change. The plant's ability to utilize enhanced coagulation, the granular activated carbon filter beds and the post-filtration chlorine contactor will play an important role in meeting the next generation of regulations. The treatment plant can also accommodate the addition of a settled water ozone contactor or other new treatment processes should they ever become necessary.

Environmental protection has been built into every level of CCWA operations. The CCWA O&M manual requires using special balloon-tired vehicles in sensitive areas, utilizing portable dechloramination units whenever potable water is released from the pipeline, having environmental specialists review any earth disturbing activities, restoring and revegetating all disturbed sites, maintaining erosion control along the right of way and conducting aerial surveys when land-based vehicles are inappropriate for use.

The future issues noted above illustrate the continued viability of the vision first expressed in 1993 when the CCWA Board of Directors adopted its Mission Statement and Objectives. CCWA has built both the organization and infrastructure that will support this vision well into the future.

July 1998

Figure 1 – State Water Project Facilities



**Figure 2 – State Water Project Contracting Agencies
(and year of initial water delivery)**

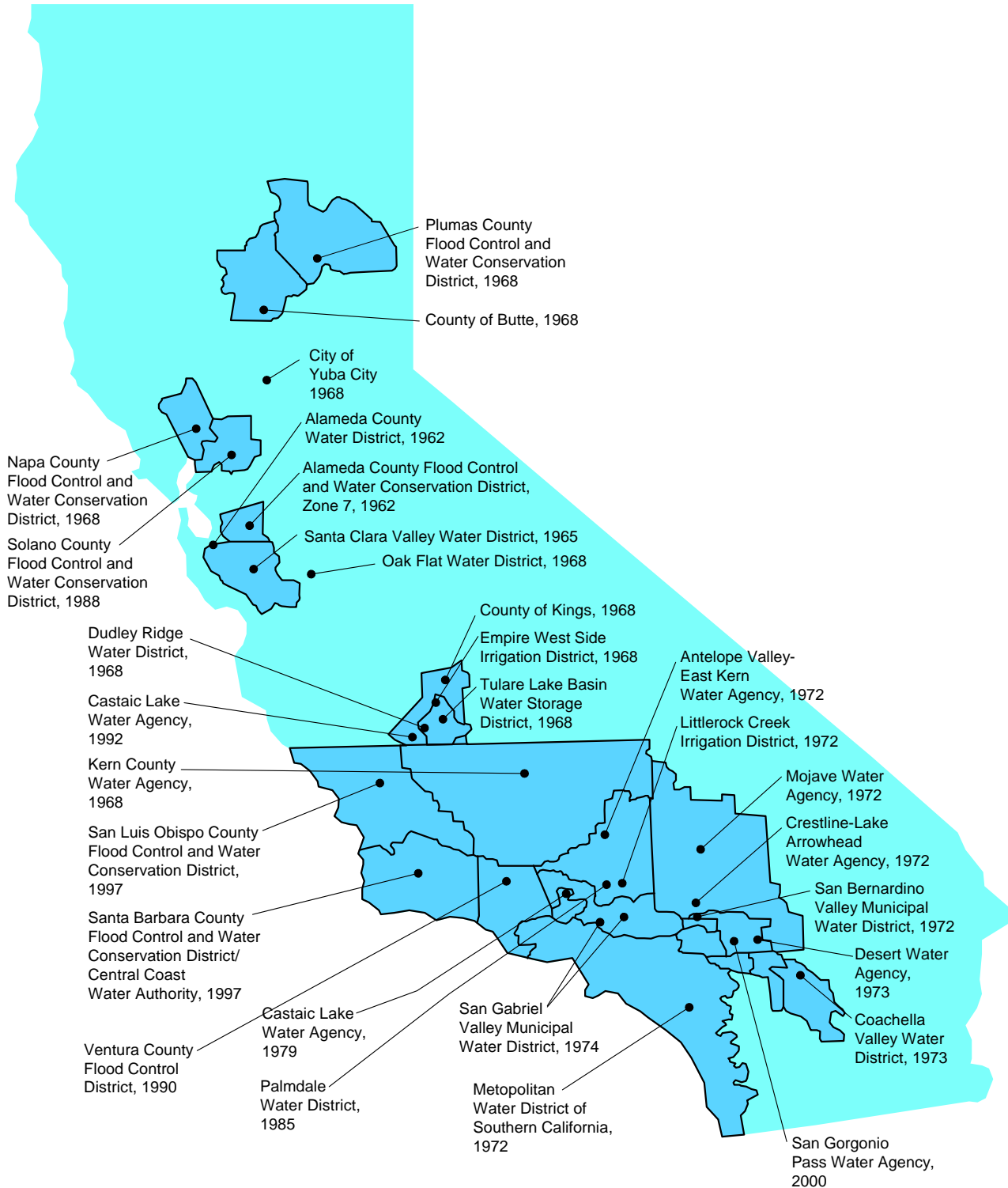


Table 1

COASTAL BRANCH PHASE II PROJECT DATA *

| Tank Sites* | 1 | 1 | 2 | 5 | 7 |
|----------------------------------|-----------|---------------|---------------|---------------|---------------|
| | raw water | treated water | treated water | treated water | treated water |
| # of tanks | 3 | 2 | 2 | 2 | 1 |
| total capacity (million gallons) | 24.2 | 9.8 | 6.4 | 5 | 2.5 |

* Tank sites 3, 4 and 6 were eliminated during design of the facilities.

| | |
|---|---|
| Polonio Pass Water Treatment Plant | 43 million gallon per day capacity (disinfection process uses combination of chlorine and ammonia - chloramination) |
|---|---|

| Pipeline | | |
|---|-----------------------------------|-------------------------|
| <u>Location (from/to)</u> | <u>Pipeline Diameter (inches)</u> | <u>Distance (miles)</u> |
| Devils Den Pumping Plant/Tank1 | 57 | 13.0 |
| Tank1/Salinas River | 48 | 33.0 |
| Salinas River/Cuesta Tunnel | 51 | 7.1 |
| Cuesta Tunnel/Tank 5 | 42 | 47.5 |
| Tank 5/Purisima Road | 39 | 13.3 |
| Purisima Road/Santa Ynez Pumping Facility | 36 | 21.2 |
| Santa Ynez P.F./Lake Cachuma | 30 | 8.0 |
| Total Pipeline >>> | | 143.1 |

| Pump Plants | <u>Flow Rate (cfs)</u> | <u>Horsepower (each pump)</u> | <u># of Pumps</u> | <u>Lift (ft)</u> |
|------------------------------------|------------------------|-------------------------------|-------------------|------------------|
| Devils Den Pumping Plant (DWR) | 100 | 1760 | 6 | 550 |
| Bluestone Pumping Plant (DWR) | 100 | 1760 | 6 | 550 |
| Polonio Pass Pumping Plant (DWR) | 100 | 1760 | 6 | 550 |
| Santa Ynez Pumping Facility (CCWA) | 22 | 300 | 5 | 250 |

| Turnouts | |
|--|---|
| <u>Location</u> | <u>Agencies Served</u> |
| Chorro Valley (SLO County) | California Mens Colony, Cuesta College, County of SLO Operations Center, City of Morro Bay |
| Lopez (SLO County) | Oceano CSD, City of Pismo Beach, San Miguelito Mutual Water Company, Avila Beach CSD, San Luis Coastal Unified School District, Avila Valley Mutual Water Company |
| Guadalupe | Guadalupe |
| Santa Maria | Santa Maria |
| Southern California Water Company (Orcutt) | California Cities Water Company |
| Vandenberg AFB | VAFB |
| Buellton | Buellton |
| Solvang | Solvang |
| Santa Ynez | Santa Ynez |
| Lake Cachuma* | Goleta WD, City of Santa Barbara, Montecito WD, Carpinteria Valley WD, Morehart Land Company, Santa Barbara Research Center, La Cumbre Mutual Water Co. |

* Water discharged to Lake Cachuma is dechloraminated and then retreated on the South Coast.