

Central Coast Water Authority

**FY 2020-21
Budget**



A CALIFORNIA JOINT POWERS AUTHORITY

Central Coast Water Authority

A CALIFORNIA JOINT POWERS AUTHORITY

Fiscal Year
2020/21 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 1, 2019

Christopher P. Morill

Executive Director

Central Coast Water Authority
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*John Brady explaining the Seismic Joint during Tour of Facilities
June 2019*

Budget Foreword

The Budget Foreword section of the FY 2020/21 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	30.25

Central Coast Water Authority
Reader's Guide
Fiscal Year 2020/21 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 ten (10) 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. **CCWA BOND DEBT** The bond debt section contains information on the Authority's outstanding revenue bonds, security and the project participant debt payment schedule.
- VIII. **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.
- IX. **TEN YEAR FINANCIAL PLAN** The ten year financial plan section of the budget provides the ten year pro forma projections for each project participant.
- X. **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 23, 2020

Board of Directors
Central Coast Water Authority

Dear Members of the Board:

Submitted herewith is the Fiscal Year (FY) 2020/21 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 2020/21.

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-three consecutive years, CCWA has received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation" award." We will also submit the FY 2020/21 Budget for consideration of the GFOA budget award.

AN OVERVIEW OF LAST FISCAL YEAR

The following are some of the major highlights from FY 2019/20:

Water Deliveries

Total deliveries during FY 2019/20 by CCWA to the Santa Barbara and San Luis Obispo County project participants are estimated to be 27,140 acre-feet compared to the actual FY 2018/19 deliveries of 24,891 acre-feet. The graph on the following page shows water deliveries for the last ten fiscal years.

Eric Friedman
Chairman

Ed Andrisek
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

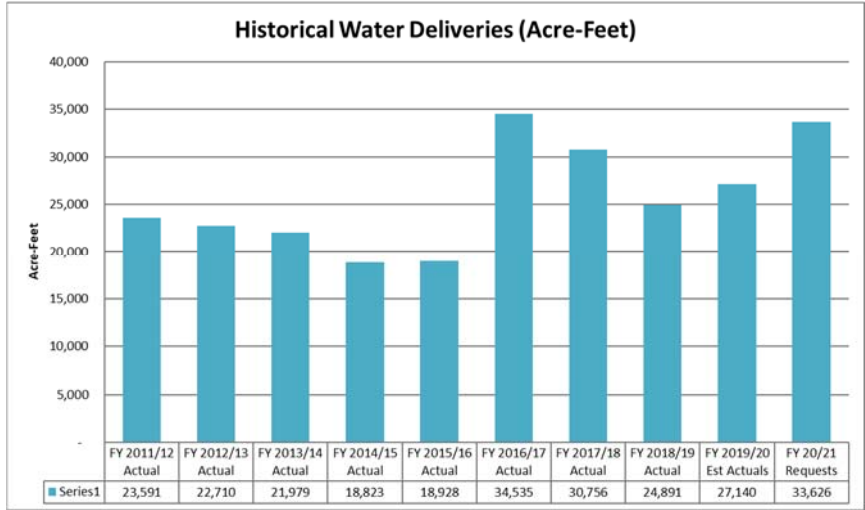
Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company



CCWA Supplemental Water Purchase Program

In response to the continued ongoing drought in California, the CCWA Board of Directors has authorized the development of a Supplemental Water Purchase Program (SWPP) for those CCWA project participants that need additional water supplies to help meet their demand which is not being met with other water supplies beginning in calendar year 2014 and extending through calendar year 2020.

In total, by utilizing the program in 4 of the last 7 years, CCWA has acquired a total of 32,781 acre-feet of water under the SWPP at a total cost of approximately \$13.8 million, or roughly \$422 per acre-foot.

Below is a summary of the total water purchased under the SWPP for calendar years 2014 through 2019.

Project Participant	Water Purchased 2014-2019 (AF)	Cost of Purchased Water
City of Santa Barbara	12,778	\$ 6,100,933
Montecito Water District	12,543	4,620,318
Carpinteria Valley Water District	2,333	678,562
Goleta Water District	4,000	1,626,046
Santa Ynez ID#1 (Solvang)	978	716,520
La Cumbre Mutual Water Co.	150	95,748
Total:	32,781	\$ 13,838,127

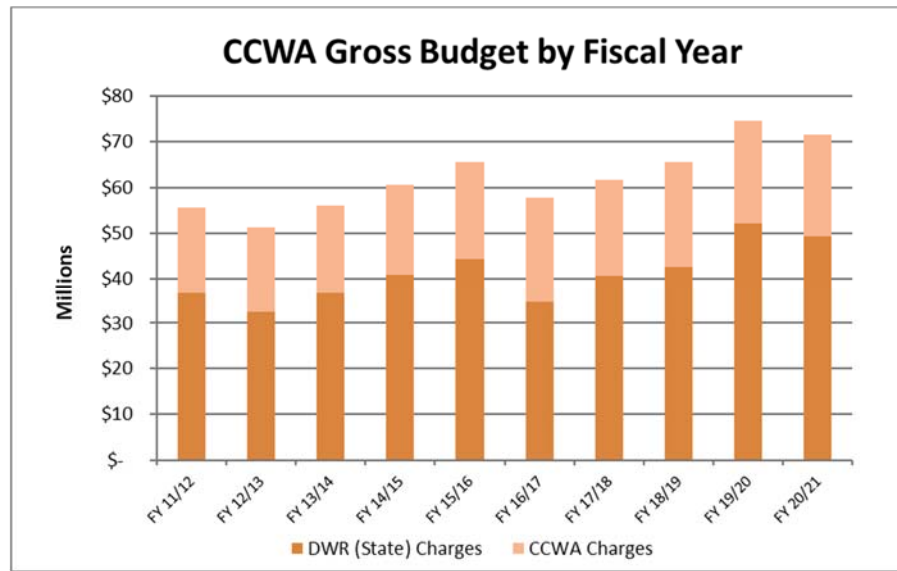
Sources	Water Provided 2014-2019 (AF)
Antelope Valley East Kern WD	19,600
Castaic Lake Water Agency	1,500
Mojave Water Agency	6,633
Biggs/West Gridley	2,390
Vandenberg AFB	1,659
Other	999
TOTAL:	32,781

CCWA Credits

Actual CCWA operating expenses for FY 2019/20 are anticipated to be approximately \$1.2 million less than the budgeted amounts. These unexpended operating assessments will either be returned to the CCWA project participants as a credit in FY 2020/21, 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 2011/12 to FY 2020/21.



Awards and Competitions

Over the past year, CCWA received the GFOA “Distinguished Budget Presentation” award for the FY 2019/20 Budget and the GFOA “Excellence in Financial Reporting” award for the FY 2018/19 Comprehensive Annual Financial Report.

AN OVERVIEW OF THIS FISCAL YEAR

Water Delivery Projections

For calendar years 2020 and 2021, Santa Barbara and San Luis Obispo County project participants have requested State water deliveries of 33,192 and 33,764 acre-feet, respectively.

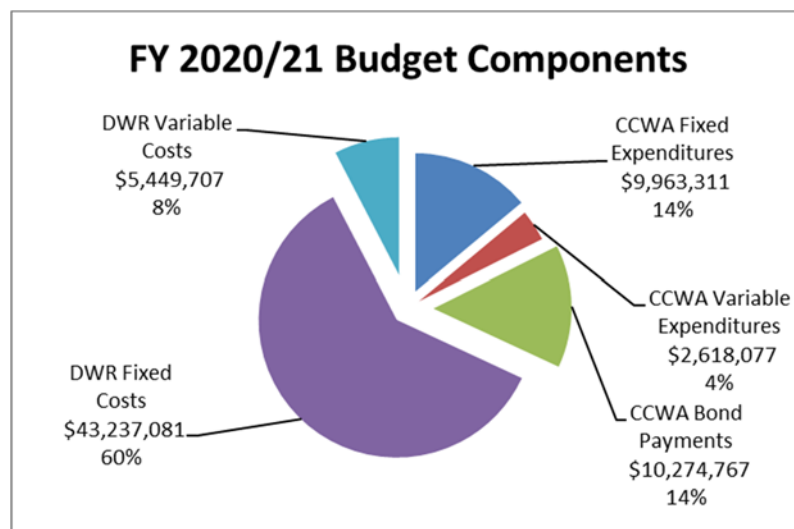
Department of Water Resources Activities and Related Costs

During FY 2020/21, 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 2020/21 BUDGET SUMMARY

The FY 2020/21 budget calls for total project participant payments of \$71 million compared to the FY 2019/20 budget of \$74.2 million, a \$3.1 million decrease. These amounts include \$0.45 million in CCWA credits for FY 2020/21 and \$0.48 million for FY 2019/20. The following graph shows the breakout of the various cost components in the CCWA FY 2020/21 Budget:



The following table compares the total FY 2020/21 Budget and the FY 2019/20 Budget:

Budget Item	Final FY 2019/20 Budget	Final FY 2020/21 Budget	Increase (Decrease)
CCWA Expenses			
CCWA Operating Expenses - Fixed	\$ 7,329,248	\$ 7,467,814	\$ 138,566
CCWA Operating Expenses - Variable	3,259,787	2,618,077	(641,711)
Revenue Bond Debt Service Payments	10,310,248	10,274,767	(35,480)
Capital/Non-Capital Projects	1,719,206	1,956,528	237,322
Total CCWA Expenses:	22,618,490	22,317,186	(301,304)
Pass-Through Expenses			
DWR Fixed Costs	46,608,277	43,237,081	(3,371,196)
DWR Variable Costs	4,747,722	5,449,707	701,985
Warren Act and Trust Fund Payments	710,152	538,969	(171,183)
Total Pass-Through Expenses:	52,066,151	49,225,756	(2,840,395)
Subtotal Gross Budget:	74,684,641	71,542,943	(3,141,698)
CCWA (Credits) Due	(486,666)	(452,559)	34,107
TOTAL:	\$ 74,197,974	\$ 71,090,383	\$ (3,107,591)

CCWA Operating Expense Budget

The FY 2020/21 CCWA operating expense budget total is \$10 million, or approximately 14% of the total CCWA budget. This is \$0.5 million decrease over the FY 2019/20 operating expense budget, a 4.75% decrease.

The following table shows CCWA operating expenses by the expense type for FY 2020/21 and FY 2019/20 and the changes from the prior fiscal year budget along with the allocation between the fixed and variable expenses.

Account Name	FY 2019/20 Budget	FY 2020/21 Budget	Change from	Percent Change
			FY 2019/20 Budget	FY 2019/20 Budget
Personnel Expenses	\$ 5,201,852	\$ 5,221,432	\$ 19,580	0.38%
Office Expenses	20,500	21,300	800	3.90%
Supplies and Equipment	2,297,803	1,845,711	(452,092)	-19.67%
Monitoring Expenses	105,604	106,215	611	0.58%
Repairs and Maintenance	285,620	293,760	8,140	2.85%
Professional Services	432,843	493,223	60,380	13.95%
General and Administrative	309,710	322,412	12,702	4.10%
Utilities	1,331,312	1,143,895	(187,417)	-14.08%
Other Expenses	578,647	612,798	34,151	5.90%
Turnouts	25,144	25,144	-	0.00%
Total Operating Expenses	\$ 10,589,036	\$ 10,085,891	\$ (503,145)	-4.75%
Fixed Operating Expenses ⁽¹⁾	\$ 7,329,248	\$ 7,467,814	\$ 138,566	1.89%
Variable Operating Expenses	3,259,787	2,618,077	(641,711)	-19.69%
Total Operating Expenses	\$ 10,589,036	\$ 10,085,891	\$ (503,145)	-4.75%

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

The largest decreases are in variable expenses for the treatment and delivery of water due to highly variable flows in the California Aqueduct resulting in water quality changes, as well as a reduction in chemical costs and pumping costs. Additional highlights and detailed explanations are available in the operating expenses and departmental sections of the budget.

CCWA Capital Improvement Projects

The FY 2020/21 Budget includes \$1,956,528 for capital improvement and non-capital projects, a \$237,322 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 2020/21 Budget for additional information on the budgeted capital improvement and non-capital projects.

CCWA 2016A Revenue Bond Debt Service

CCWA 2016A revenue bond debt service for FY 2020/21 totals \$10.3 million, or slightly less than the prior year amount.

Warren Act and Trust Fund Payments

The FY 2020/21 Budget includes \$538,969 for Warren Act and Trust Fund MOU payments based on \$58 per acre foot for 9,293 acre feet of water to be delivered to Cachuma Lake.

CCWA Credits

The FY 2020/21 budget includes the following credits:

CCWA O&M Credits (Due)	\$	412,238
O&M Reserve Fund Interest Income		10,848
Rate Coverage Reserve Fund Interest		29,474
Prepayments and Other Credits		-
	\$	<u>452,559</u>

DWR Charges

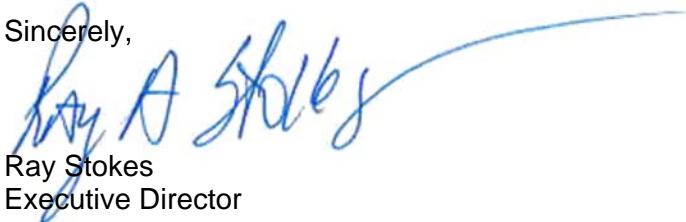
The FY 2020/21 DWR fixed charges total \$43.2 million, which is \$3.3 million less than the FY 2019/20 Budget. The DWR variable charges total \$5.4 million, which is \$0.7 million more than the prior year amount.

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

CONCLUSION

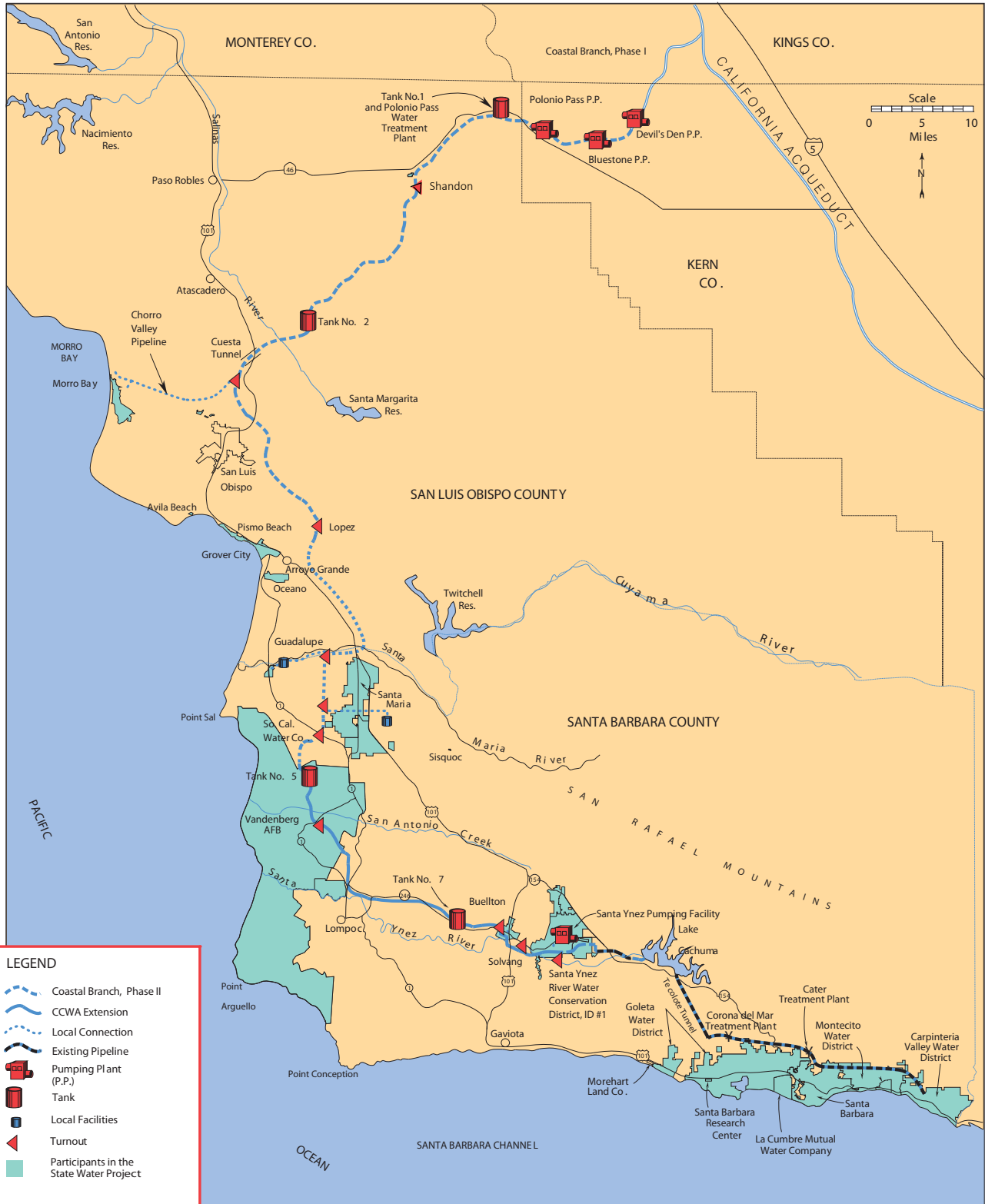
We are proud of the many accomplishments achieved during the past year through the combined efforts of CCWA staff and project participants. We look forward to successfully overcoming the challenges of the upcoming year.

Sincerely,



Ray Stokes
Executive Director

Project Map



LEGEND

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



Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2020/21 Budget

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

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

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

Central Coast Water Authority
Organization Overview, Structure and Staffing
Fiscal Year 2020/21 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 three Authority committees. They consist of the Finance Committee, 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 2020/21 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 Air 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 2020/21 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 2020/21 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.

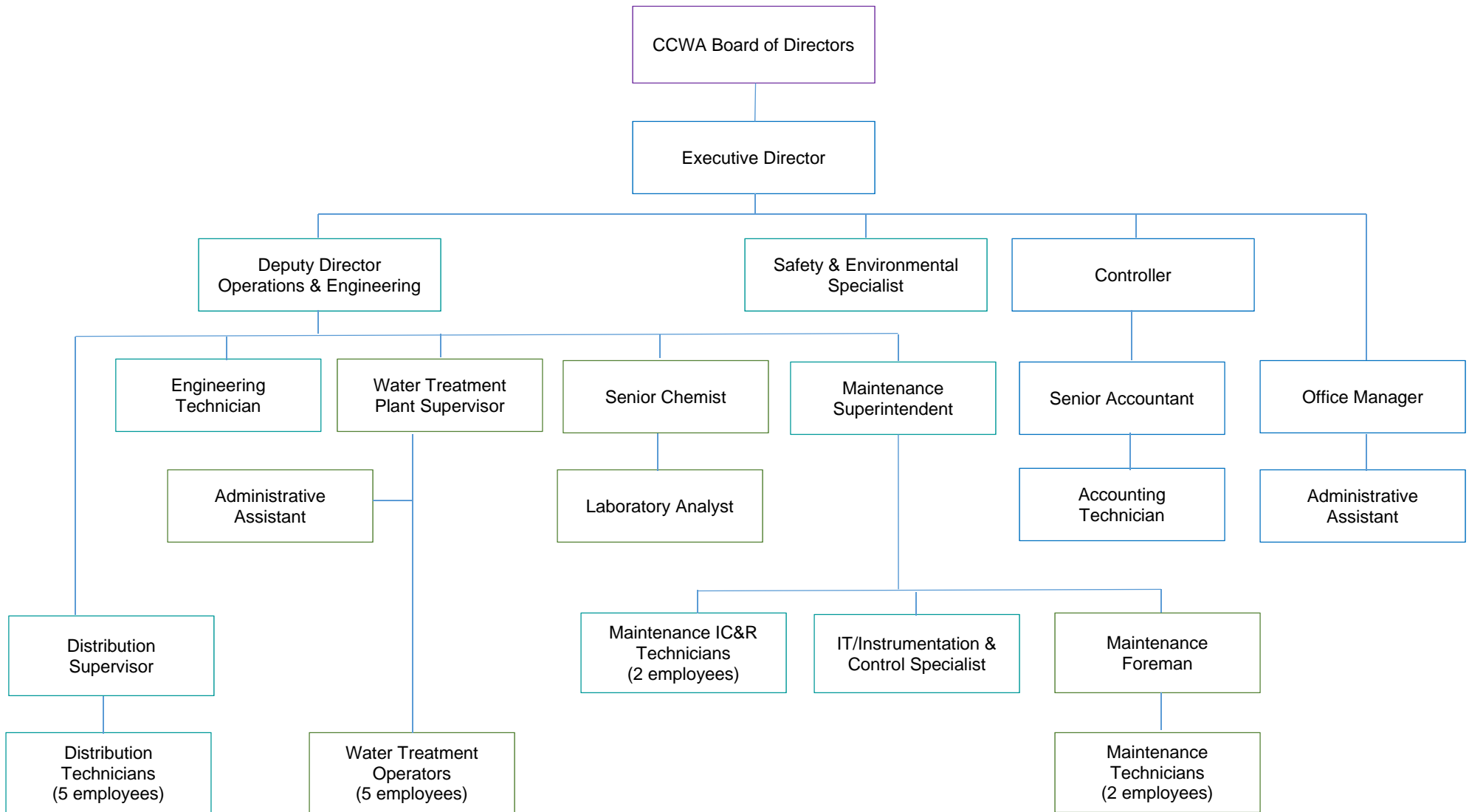
The Coastal Branch Phase II pipeline, which was constructed by DWR between 1995 and 1997 to supply State water to San Luis Obispo and Santa Barbara Counties, runs from the Coastal Branch Phase I terminus over the coastal mountains to and through the County of San Luis Obispo to a terminus in northern 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.

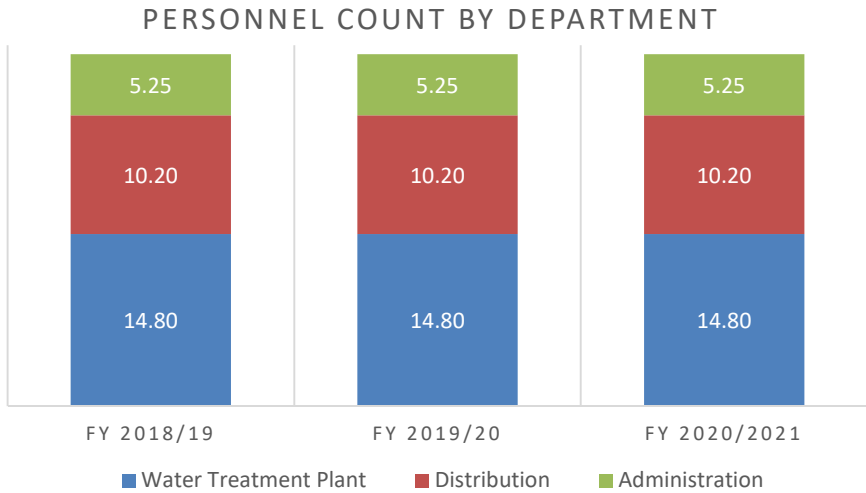


Central Coast Water Authority Organization Chart FY 2020/21



Central Coast Water Authority
Personnel Count Summary
All Departments
 Fiscal Year 2020/2021 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Authorized FY 2018/19	Authorized FY 2019/20	Requested FY 2020/2021	Over FY 2018/19	Over FY 2019/20
Executive Director	1.00	1.00	1.00	-	-
Deputy Director of Operations	1.00	1.00	1.00	-	-
Safety & Environmental Specialist ⁽²⁾	1.00	1.00	1.00	-	-
Controller	1.00	1.00	1.00	-	-
Deputy Controller	1.00	1.00	-	(1.00)	(1.00)
Office Manager	1.00	1.00	1.00	-	-
Administrative Assistant	1.50	1.50	1.50	-	-
Senior Accountant	-	-	1.00	1.00	1.00
Accounting Technician	0.75	0.75	0.75	-	-
WTP Supervisor	1.00	1.00	1.00	-	-
Distribution Supervisor	1.00	1.00	1.00	-	-
Maintenance Superintendent	1.00	1.00	1.00	-	-
Maintenance Foreman	1.00	1.00	1.00	-	-
Senior Chemist	1.00	1.00	1.00	-	-
Laboratory Analyst	1.00	1.00	1.00	-	-
IT/Instrumentation & Control Specialist	1.00	1.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-	-
Maintenance Technician	2.00	2.00	2.00	-	-
Maintenance/IC&R Technician	2.00	2.00	2.00	-	-
WTP Operator	5.00	5.00	5.00	-	-
Distribution Technician	5.00	5.00	5.00	-	-
TOTAL:	30.25	30.25	30.25	-	-



Central Coast Water Authority
Budget Process
Fiscal Year 2020/21 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 3% 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 Finance and Operating Committees each March. Each of these Committees provides input to staff regarding the requested budget. As required by California's Brown Act and

Central Coast Water Authority
Budget Process
Fiscal Year 2020/21 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 2020/21

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 2020/21 Budget

CCWA Budget Planning Schedule
 FY 2020/21 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..4..	1 2 3 4 5 6 71 2 3 4
5..6..7..8..9..10..11	2..3..4..5..6..7..8..	8 9 10 11 12 13 14	5 6 7 8 9 10 11
12..13..14..15..16..17..18	9..10..11..12..13..14..15..	15 16 17 18 19 20 21	12 13 14 15 16 17 18
19..20..21..22..23..24..25	16..17..18..19..20..21..22..	22 23 24 25 26 27 28	19 20 21 22 23 24 25
26..27..28..29..30..31	23..24..25..26..27..28..29	29 30 31	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 21 2 3 4 5 61 2 3 4
3 4 5 6 7 8 9	7 8 9 10 11 12 13	5 6 7 8 9 10 11
10 11 12 13 14 15 16	14 15 16 17 18 19 20	12 13 14 15 16 17 18
17 18 19 20 21 22 23	21 22 23 24 25 26 27	19 20 21 22 23 24 25
24 25 26 27 28 29 30	28 29 30	26 27 28 29 30 31

- | | | |
|-------|--|-------------------------------------|
| | Receive DWR Statement of Charges (for following calendar year) | July 1, 2019 |
| | Prepare Draft Budget | November 1, 2019- February 28, 2020 |
| ★ | Submit Preliminary Budget to Operating Committee | March 12, 2020 |
| ★ | Submit Preliminary Budget to Finance Committee | March 12, 2020 |
| ★ | Submit Preliminary Budget to Board of Directors | March 26, 2020 |
| ★ | Board Approval of Final Budget | April 23, 2020 |
| ★ | Beginning of 2020/21 Budget Expenditure Cycle | July 1, 2020 |

Central Coast Water Authority
Financial Reporting Basis
Fiscal Year 2020/21 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 2020/21 Budget

The Fiscal Year 2020/21 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, debt payment, 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 2020/21 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.
- Bond Coverage Policy - The project participants have covenanted to collect sufficient revenues to maintain net revenues of 125% of all State water payments made to the Central Coast Water Authority. Net revenues are defined as gross revenues minus operating expenses and excluding depreciation. The Authority's staff will assist project participants in guaranteeing compliance with this covenant.
- 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 2016 revenue bond debt service and 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.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2020/21 Budget

- 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.
- 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.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2020/21 Budget

- 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 Finance Committee Chairperson, or alternatively, the CCWA Board Chairperson. Transfer of funds for projects and/or one-time expenditures cannot exceed \$10,000. 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.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2020/21 Budget

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.

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.

Central Coast Water Authority
Budget Policy and Strategy
Fiscal Year 2020/21 Budget

- 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 customer input prior to final adoption of the budget.

- Accounting System - The accounting system will maintain records on a basis consistent with accepted standards for local government accounting. The Authority will submit the Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers' Association (GFOA) annually for consideration of the Certificate of Achievement for Excellence in Financial Reporting from GFOA.

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



*Polonio Pass Water Treatment Plant Air Scour Valve Replacement Project
November 2019*

Budget Summary

The Budget Summary section of the FY 2020/21 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 2020/21 Budget.

Highlights

Budget Summary

• FY 2020/21 Gross Budget	\$ 71,542,942
• FY 2019/20 Gross Budget	<u>\$ 74,684,639</u>
Decrease:	\$ (3,141,697)
• FY 2020/21 CCWA Credits	\$ 452,559
• FY 2019/20 CCWA Credits	<u>\$ 486,666</u>
Decrease:	\$ (34,107)
• FY 2020/21 Net Budget (After CCWA Credits)	\$ 71,090,383
• FY 2019/20 Net Budget (After CCWA Credits)	<u>\$ 74,197,973</u>
Decrease:	\$ (3,107,590)

Significant Budget Changes

- DWR Fixed cost decrease of nearly \$2.8 million due to a stabilization of DWR Transportation Minimum OMP&R costs for prior years
- CCWA Fixed O&M Expense budget increase of \$134,817
- CCWA Variable O&M Expense budget decrease of \$268,179
- CCWA capital improvement projects and non-capital projects combined budget increase of \$237,322
- Warren Act and Trust Fund budget decrease of \$171,183

Central Coast Water Authority
Budget Summary
 Fiscal Year 2020/2021 Budget

	FY 2018/19		FY 2019/20		Change from	Change from
	Actual	Budget	Estimated Actual	Budget	FY 2019/20 Budget	FY 2019/20 Est. Actual
Beginning Cash Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000		
SOURCES OF CASH						
CCWA Operating Expenses ⁽¹⁾	8,995,525	10,589,035	10,589,035	10,085,891	(503,144)	(503,144)
Debt Service Payments	10,349,474	10,310,248	10,310,248	10,274,767	(35,480)	(35,480)
Capital/Non-Capital Projects	981,294	1,719,206	1,719,206	1,956,528	237,322	237,322
Non-Annual Recurring Expenses	-	-	-	-	-	-
Investment Income and Other	324,258	-	302,743	-	-	(302,743)
CCWA (Credits)	-	(486,666)	(486,666)	(452,559)	34,107	34,107
Subtotal Revenues	20,650,552	22,131,822	22,434,565	21,864,627	(267,195)	(569,938)
<i>Pass-Through Expenses</i>						
DWR Fixed Costs	38,889,948	46,608,277	45,972,535	43,237,081	(3,371,196)	(2,735,454)
DWR Variable Costs	2,272,433	4,747,722	4,564,565	5,449,707	701,985	885,142
Warren Act Charges	724,499	710,152	242,696	538,969	(171,183)	296,273
Subtotal Pass-Through Expenses	41,886,880	52,066,151	50,779,796	49,225,756	(2,840,395)	(1,554,040)
TOTAL SOURCES OF CASH	62,537,432	74,197,973	73,214,361	71,090,383	(3,107,590)	(2,123,978)
USES OF CASH						
<i>CCWA Operating Expenses</i>						
Personnel	4,805,870	5,201,852	4,959,325	5,221,432	19,580	262,107
Office Expenses	18,517	20,500	19,046	21,300	800	2,254
Supplies and Equipment	1,026,743	2,297,803	1,561,919	1,845,711	(452,091)	283,793
Monitoring Expenses	86,218	105,604	99,054	106,215	611	7,161
Repairs and Maintenance	269,850	285,620	265,534	293,760	8,140	28,226
Professional Services	335,847	432,843	422,663	493,223	60,380	70,560
General and Administrative	213,275	309,710	264,411	322,412	12,702	58,001
Utilities	882,605	1,331,312	1,287,891	1,143,895	(187,417)	(143,996)
Other Expenses	566,349	603,791	495,423	637,942	34,151	142,519
<i>Total Operating Expenses</i>	8,205,275	10,589,034	9,375,266	10,085,891	(503,144)	710,624
<i>Other Expenditures</i>						
Warren Act Charges	724,499	710,152	710,152	538,969	(171,183)	(171,183)
Capital/Non-Capital Projects ⁽¹⁾	992,965	1,719,206	1,719,206	1,956,528	237,322	237,322
CCWA Credits	-	(486,666)	(486,666)	(452,559)	34,107	34,107
2016 Revenue Bond Debt Service	10,349,474	10,310,248	10,310,248	10,274,767	(35,480)	(35,480)
Unexpended O&M Assessments	1,102,837	-	230,156	-	-	-
<i>Total Other Expenditures</i>	13,169,776	12,252,940	12,483,096	12,317,705	64,765	64,765
<i>Total CCWA Expenditures</i>	21,375,051	22,841,974	21,858,362	22,403,596	(438,378)	775,390
<i>DWR Charges</i>						
Fixed DWR Charges	38,889,948	46,608,277	46,608,277	43,237,081	(3,371,196)	(3,371,196)
Variable DWR Charges	2,272,433	4,747,722	4,747,722	5,449,707	701,985	701,985
<i>Total DWR Charges</i>	41,162,381	51,355,999	51,355,999	48,686,788	(2,669,211)	(2,669,211)
TOTAL USES OF CASH	62,537,432	74,197,973	73,214,361	71,090,383	(3,107,590)	(1,893,822)
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 2020/2021 Budget

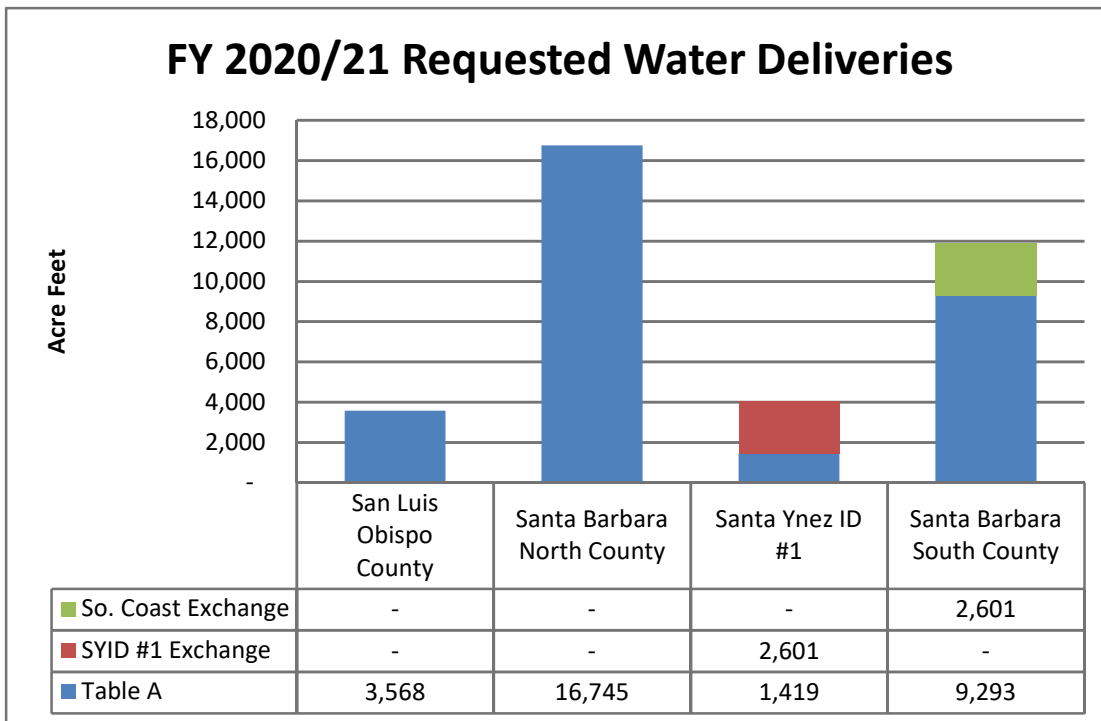
Project Participant	Unadjusted Fixed CCWA Operating Expense ⁽¹⁾	Unadjusted Variable CCWA Operating Expense	Exchange Agreement Adjustment Cap. & Fixed	Exchange Agreement Adjustment Variable	Regional WTP Allocation	Regional WTP Allocation Credit	Adjusted Charge	Warren Act Charges	2016A Revenue Bond Debt Service	Subtotal FY 2020/2021 CCWA	Non-Annual Recurring Expenses	CCWA (Credits) Amount Due	Total FY 2020/2021 CCWA
Guadalupe	\$ 99,191	\$ 31,968	\$ -	\$ -	\$ 36,966	\$ -	\$ 168,126	\$ -	\$ 146,303	\$ 314,429	\$ -	\$ -	\$ 314,429
Santa Maria	2,889,245	643,452	-	-	\$996,641	-	4,529,338	-	-	4,529,338	-	-	4,529,338
Golden State Water	93,423	26,972	-	-	\$32,959	-	153,354	-	-	153,354	-	-	153,354
Vandenberg AFB	1,094,122	128,142	-	-	\$310,445	-	1,532,709	-	-	1,532,709	-	-	1,532,709
Buellton	133,542	21,438	-	-	\$35,089	-	190,069	-	259,139	449,209	-	-	449,209
Santa Ynez (Solvang)	342,399	47,711	-	-	\$88,612	-	478,722	-	796,458	1,275,181	-	-	1,275,181
Santa Ynez	114,999	76,241	448,919	139,748	\$219,473	-	999,379	-	299,113	1,298,491	-	(10,295)	1,288,196
Goleta	1,334,163	240,720	(161,376)	(50,236)	\$197,978	(\$687,860)	873,389	78,328	2,510,356	3,462,073	-	(163,927)	3,298,146
Morehart Land	59,296	6,911	-	-	\$10,662	(\$37,152)	39,718	2,842	115,257	157,817	-	-	157,817
La Cumbre	296,481	114,954	-	-	\$62,779	(\$216,383)	257,831	47,270	551,791	856,891	-	-	856,891
Raytheon	14,824	4,514	-	-	\$2,994	(\$10,349)	11,982	1,856	24,094	37,932	-	-	37,932
Santa Barbara	889,442	408,706	(107,872)	(33,580)	\$161,125	(\$552,806)	765,015	154,254	1,543,194	2,462,463	-	-	2,462,463
Montecito	889,442	408,706	(107,872)	(33,580)	\$161,125	(\$552,806)	765,015	154,254	1,813,398	2,732,667	-	(123,610)	2,609,057
Carpinteria	592,961	265,938	(71,799)	(22,351)	\$106,685	(\$366,178)	505,256	100,164	1,036,774	1,642,195	-	(79,920)	1,562,274
Shandon	14,333	-	-	-	-	-	14,333	-	11,642	25,975	-	-	25,975
Chorro Valley	273,076	119,707	-	-	-	-	392,783	-	927,433	1,320,216	-	(34,889)	1,285,327
Lopez	293,404	71,996	-	-	-	-	365,400	-	239,815	605,215	-	(39,919)	565,296
TOTAL:	\$ 9,424,342	\$ 2,618,077	\$ (0)	\$ 0	\$ 2,423,534	\$ (2,423,534)	\$ 12,042,419	\$ 538,969	\$ 10,274,767	\$ 22,856,155	\$ -	\$ (452,559)	\$ 22,403,596

(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	\$ 272,735	\$ -	\$ -	\$ 224,221	\$ 20,076	\$ 54,031	\$ 571,063	\$ 1,557	\$ 137,937	\$ 139,495	\$ -	\$ 710,558	\$ 1,024,987
Santa Maria	8,006,141	573,748	-	6,611,239	591,336	1,591,640	17,374,105	30,004	2,548,693	2,578,697	-	19,952,802	24,482,141
Golden State Water	247,591	17,708	-	204,283	18,251	49,149	536,982	1,355	123,222	124,576	-	661,558	814,912
Vandenberg AFB	2,717,718	194,791	319,413	2,245,129	200,762	540,310	6,218,124	5,927	659,415	665,342	-	6,883,466	8,416,174
Buellton	286,277	20,471	33,567	236,521	21,098	56,861	654,795	1,073	90,225	91,298	-	746,093	1,195,302
Santa Ynez (Solvang)	733,065	53,125	87,113	599,160	52,087	134,043	1,658,593	2,170	172,368	174,539	-	1,833,132	3,108,313
Santa Ynez	255,371	17,708	29,038	217,968	8,745	62,554	591,384	2,142	247,713	249,856	(7,293)	833,947	2,122,143
Goleta	2,222,911	159,375	261,338	1,837,526	47,506	444,049	4,972,704	-	-	-	(56,778)	4,915,926	8,214,072
Morehart Land	98,651	7,083	11,615	81,535	7,300	19,527	225,712	107	12,024	12,132	-	237,843	395,661
La Cumbre	493,255	35,417	58,075	408,565	36,502	98,298	1,130,112	2,435	158,198	160,633	-	1,290,746	2,147,637
Raytheon	25,144	1,771	2,904	21,020	1,825	4,882	57,546	99	7,615	7,714	-	65,260	103,192
Santa Barbara	1,481,691	106,250	174,225	1,223,717	109,507	294,564	3,389,954	9,469	637,559	647,029	-	4,036,983	6,499,446
Montecito	1,481,691	106,250	174,225	1,223,717	42,454	294,564	3,322,901	8,480	151,241	159,720	(40,786)	3,441,835	6,050,892
Carpinteria	988,436	70,833	116,150	817,128	29,259	196,597	2,218,404	5,726	432,950	438,676	(23,673)	2,633,406	4,195,681
Goleta 2500 AF	33,166	-	-	147,616	41,081	221,369	443,232	-	-	-	-	443,232	443,232
Shandon	-	-	-	-	-	-	-	-	-	-	-	-	25,975
Chorro Valley	-	-	-	-	-	-	-	-	-	-	-	-	1,285,327
Lopez	-	-	-	-	-	-	-	-	-	-	-	-	565,296
TOTAL:	\$ 19,343,843	\$ 1,364,529	\$ 1,267,665	\$ 16,099,347	\$ 1,227,790	\$ 4,062,438	\$ 43,365,611	\$ 70,544	\$ 5,379,162	\$ 5,449,707	\$ (128,530)	\$ 48,686,788	\$ 71,090,383

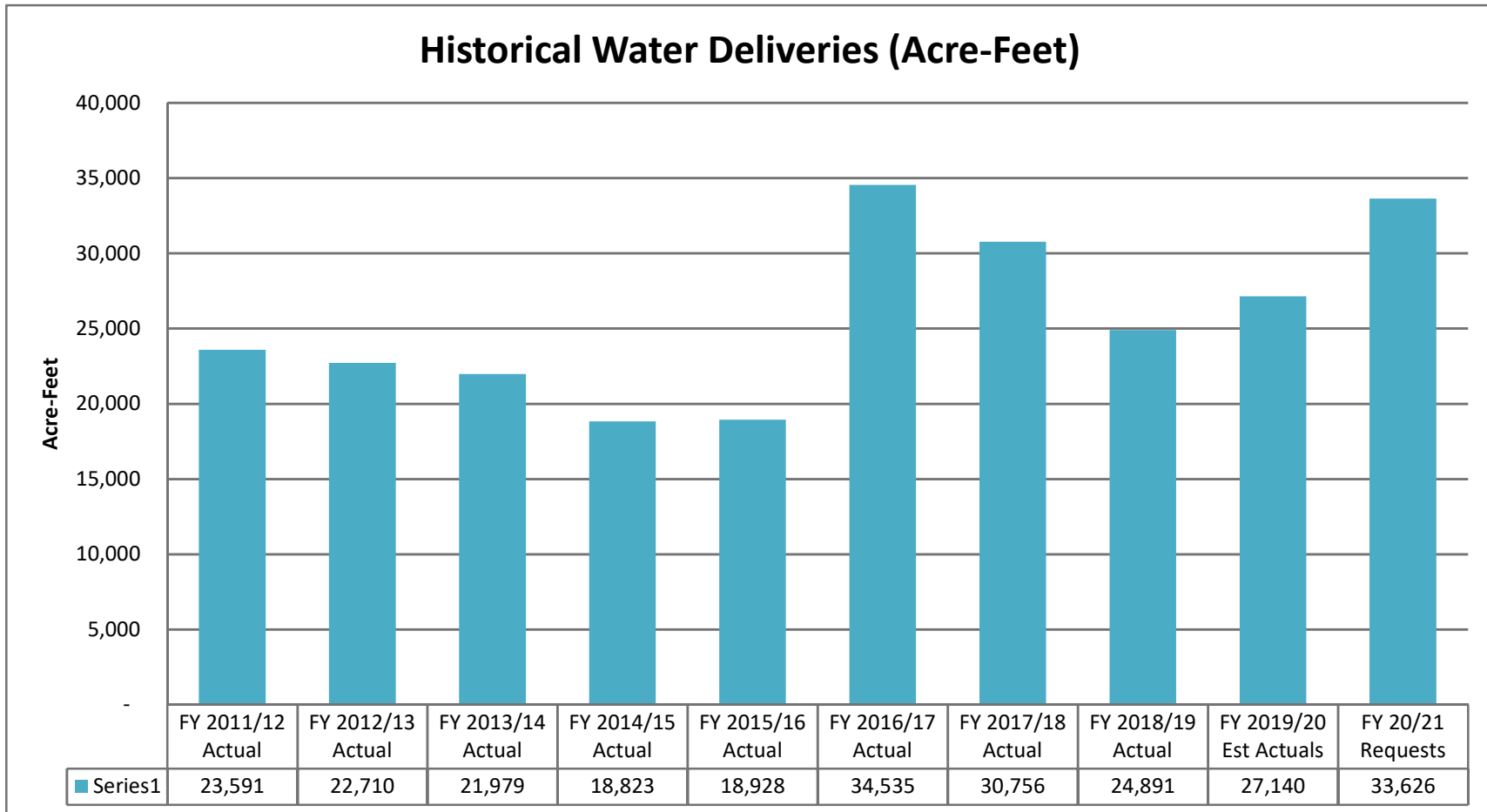
Central Coast Water Authority
FY 2020/21 Delivery Requests (Acre Feet)

Project Participant	Requested Deliveries	Exchange Deliveries	Net Deliveries
Shandon	-	-	-
Lopez	1,340	-	1,340
Chorro Valley	2,228	-	2,228
Guadalupe	595	-	595
Santa Maria	11,976	-	11,976
Golden State Water	502	-	502
VAFB	2,385	-	2,385
Buellton	399	-	399
Solvang	888	-	888
Santa Ynez	1,419	2,601	4,020
Goleta	2,285	(935)	1,350
Morehart	49	-	49
La Cumbre	815	-	815
Raytheon	32	-	32
Santa Barbara	3,285	(625)	2,660
Montecito	3,285	(625)	2,660
Carpinteria	2,143	(416)	1,727
TOTAL:	33,626	-	33,626



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 2020/21 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 2020/21 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	\$ 843,295	\$ 1,533.26
Santa Maria	16,200	21,064,857	1,300.30
Golden State Water Co.	500	655,055	1,310.11
VAFB	5,500	7,583,797	1,378.87
Buellton	578	1,075,596	1,860.89
Santa Ynez (Solvang)	1,500	2,872,556	1,915.04
Santa Ynez ⁽¹⁾	500	1,173,318	2,090.48
Goleta	4,500	8,238,221	1,830.72
Morehart	200	378,513	1,892.56
La Cumbre	1,000	1,900,226	1,900.23
Raytheon	50	92,101	1,842.01
Santa Barbara	3,000	5,568,952	1,856.32
Montecito	3,000	5,731,316	1,910.44
Carpinteria	2,000	3,652,891	1,826.45
TOTAL:	39,078	\$ 60,830,693	

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

Central Coast Water Authority
Cost Per Acre-Foot Analysis
Fiscal Year 2020/21 Budget

Fixed Cost Per Acre-Foot Difference Between Project Participants

As the above shows, there are significant differences between fixed costs per acre-foot for each of the project participants. Explanations for these differences include:

Bond Financing vs Capital Deposits The City of Santa Maria, Golden State Water Company, and Vandenberg Air Force Base all contributed cash for their respective share of the construction costs of the CCWA facilities. As such, their fixed cost per acre-foot is lower because they are not paying the CCWA revenue bond payments.

Location Along the CCWA Pipeline As a general rule, a project participant only pays to get the water to their location, which includes capital facilities necessary to deliver the water to each project participant. Therefore, a project participant which is further upstream of the pipeline will have less capital costs than a project participant located further downstream.

Revenue Bond Capitalized Interest Elections During construction of the CCWA project facilities, all financing participants were able to elect to pay for their share of the revenue bond interest expense beyond the initial three years, with revenue bond proceeds, up to a total of five years (also referred to as “capitalized interest” elections). Certain financing participants elected longer capitalized interest elections which increase their total borrowing costs and therefore, they have a higher fixed cost per acre-foot.

Customized Revenue Bond Repayment Elections In order to offset the near-term higher costs of State water during the first ten (10) years of revenue bond repayments, all financing participants were given the option of electing customized revenue bond repayment elections consisting of gradually increasing debt service payments over the first ten years and then level debt service payments afterwards; decreased debt service payments for the first ten years and then a large step-up for the remaining term; or level debt service for the entire revenue bond repayment term. Those financing participants that elected customized (i.e., escalating or step-up) repayment elections have higher debt service payments which is reflected in their higher fixed cost per acre-foot.

Financing of Local Facilities When the CCWA revenue bonds were issued to finance construction of the CCWA project facilities, certain financing participants requested that CCWA also finance certain local facilities to be constructed by individual project participants. Those financing participants that elected to finance their local facilities with the CCWA revenue bonds have higher revenue bond debt service payments which are reflected in their higher fixed cost per acre-foot.

Central Coast Water Authority
 Cost Per Acre-Foot Analysis
 Fiscal Year 2020/21 Budget

FY 2020/21 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 2020/2021 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	595	-	595	\$ 31,968		\$ 9,883		\$ 117,025		\$ 158,876	\$ 267.02
Santa Maria	16,200	11,976	-	11,976	643,452		198,929		2,355,440		3,197,821	267.02
Golden State Water Co.	500	502	-	502	26,972		8,339		98,733		134,044	267.02
VAFB	5,500	2,385	-	2,385	128,142		39,616		469,082		636,841	267.02
Buellton	578	399	-	399	21,438		6,628		78,475		106,541	267.02
Santa Ynez (Solvang)	1,500	888	-	888	47,711		14,750		174,652		237,113	267.02
Santa Ynez ⁽¹⁾	500	1,419	2,601	4,020	68,853		66,775		279,089		414,717	261.81
Goleta	4,500	2,285	(935)	1,350	122,796	117,925	22,432	(72,560)	449,510	78,328	718,431	358.61
Morehart	200	49	-	49	2,633	4,279	814	(2,633)	9,637	2,842	17,572	358.61
La Cumbre	1,000	815	-	815	43,789	71,166	13,538	(43,789)	160,294	47,270	292,268	358.61
Raytheon	50	32	-	32	1,719	2,794	532	(1,719)	6,294	1,856	11,476	358.61
Santa Barbara	3,000	3,285	(625)	2,660	176,474	232,232	44,177	(142,894)	646,006	154,254	1,110,249	358.61
Montecito	3,000	3,285	(625)	2,660	176,474	232,232	44,177	(142,894)	646,006	154,254	1,110,249	358.61
Carpinteria	2,000	2,143	(416)	1,727	115,139	150,799	28,686	(92,788)	421,480	100,164	723,481	358.61
TOTAL:	39,078	30,058	-	30,058	\$ 1,607,559	\$ 811,427	\$ 499,275	\$ (499,275)	\$ 5,911,722	\$ 538,969	\$ 8,869,677	

(1) Santa Ynez fixed cost amounts exclude the fixed and capital 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 2020/21 Budget

FY 2020/21 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 & Capital Exchange	DWR Variable	Total Exchange Costs	Exchange Variable Cost/AF
Guadalupe						
Santa Maria						
Golden State Water Co.						
VAFB						
Buellton						
Santa Ynez (Solvang)						
Santa Ynez	2,601	\$ 139,748	\$ 448,919	\$ -	\$ 588,667	\$ 226.32
Goleta	(935)			183,896	183,896	196.68
Morehart	-			-	-	
La Cumbre	-			-	-	
Raytheon (SBRC)	-			-	-	
Santa Barbara	(625)			122,925	122,925	196.68
Montecito	(625)			122,925	122,925	196.68
Carpinteria	(416)			81,819	81,819	196.68
TOTAL:	-	\$ 139,748	\$ 448,919	\$ 511,565	\$ 1,100,231	

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.



Eye Wash Station at Polonio Pass Water Treatment Plant

Revenues and Sources of Cash

The Revenues and Sources of Cash section of the FY 2020/21 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 2020/21 Budget

The Authority's Revenue budget is comprised of payments made by member agencies and other project participants for Authority operating expenses, debt service on the Authority's revenue bonds, 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.

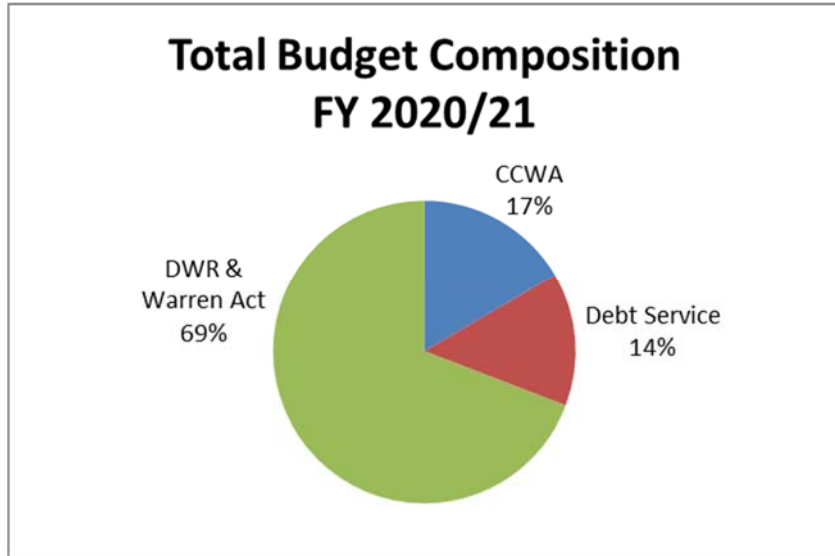
Revenues and Other Sources of Cash

Revenues	FY 2018/19 Actual	FY 2019/20 Estimated Actual	FY 2020/2021 Budget
CCWA Operating Expenses ⁽¹⁾	\$ 8,995,525	\$ 10,589,035	\$ 10,085,891
Debt Service Payments	10,349,474	10,310,248	10,274,767
Capital Improvement Projects (CIP)	981,294	1,719,206	1,956,528
Investment Income	324,258	302,743	-
Subtotal Revenues	20,650,552	22,921,231	22,317,186
<u>Pass-Through Expenses</u>			
DWR Fixed Costs	36,997,554	45,972,535	43,365,611
DWR Variable Costs	2,272,433	4,564,565	5,449,707
DWR Account Interest	1,892,394	-	(128,530)
Warren Act Charges ⁽¹⁾	724,499	242,696	538,969
Subtotal Pass Through Expenses	41,886,880	50,779,796	49,225,756
Gross Budget Before Credits	62,537,432	73,701,027	71,542,943
(Credits) Due and Prepayments	-	(486,666)	(452,559)
TOTAL SOURCES OF CASH	\$ 62,537,432	\$ 73,214,361	\$ 71,090,383

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2020/21 Budget

Revenues and Other Sources of Cash



FY 2019/20 Actual Cash Receipts

The actual cash receipts for FY 2019/20 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 2018/19, (2) interest income for FY 2018/19, 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 2020/21 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 2020/21 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 Cap. and Fixed	Exchange Agreement Adjustment Variable	Adjusted CCWA Operating Expenses
Guadalupe	\$ 99,191	\$ 31,968	\$ 36,966	\$ -	\$ -	\$ -	\$ 168,126
Santa Maria	2,889,245	643,452	996,641	-	-	-	4,529,338
Golden State Water Co.	93,423	26,972	32,959	-	-	-	153,354
Vandenberg AFB	1,094,122	128,142	310,445	-	-	-	1,532,709
Buellton	133,542	21,438	35,089	-	-	-	190,069
Santa Ynez (Solvang)	342,399	47,711	88,612	-	-	-	478,722
Santa Ynez	114,999	76,241	219,473	-	448,919	139,748	999,379
Goleta	1,334,163	240,720	197,978	(687,860)	(161,376)	(50,236)	873,389
Morehart Land	59,296	6,911	10,662	(37,152)	-	-	39,718
La Cumbre	296,481	114,954	62,779	(216,383)	-	-	257,831
Raytheon	14,824	4,514	2,994	(10,349)	-	-	11,982
Santa Barbara	889,442	408,706	161,125	(552,806)	(107,872)	(33,580)	765,015
Montecito	889,442	408,706	161,125	(552,806)	(107,872)	(33,580)	765,015
Carpinteria	592,961	265,938	106,685	(366,178)	(71,799)	(22,351)	505,256
Shandon	14,333	-	-	-	-	-	14,333
Chorro Valley	273,076	119,707	-	-	-	-	392,783
Lopez	293,404	71,996	-	-	-	-	365,400
TOTAL:	\$ 9,424,342	\$ 2,618,077	\$ 2,423,534	\$(2,423,534)	\$ -	\$ -	\$ 12,042,419

The adjusted total CCWA Operating Expense revenues, including capital improvement projects funded with CCWA O&M assessments for Fiscal Year 2020/21, are \$12,042,419.

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 2020/21 Budget

Debt Service Payments

The debt service payments on the 2016 Revenue Bonds issued by the Authority are paid entirely by the financing participants based on their proportional share of the project capital costs. Payments by the financing participants for debt service are treated as revenue by the Authority.

For FY 2020/21, total net revenue for debt service payments will be \$9,064,932 or about \$92,732 than the FY 2019/20 revenues. The following table shows each financing participant's share of the debt service. Please refer to the "CCWA Bond Debt" section of this budget for additional information regarding the debt payments from the CCWA financing participants.

Financing Participant	FY 2020/2021 Debt Service Payments ⁽¹⁾	Local Project Debt Service Payments ⁽²⁾	FY 2020/2021 Net Debt Service Revenue
Avila Beach	\$ 11,758	\$ (2,766)	\$ 8,992
California Men's Colony	102,847	(61,789)	41,058
County of SLO	109,559	(65,895)	43,664
Cuesta College	51,427	(30,898)	20,529
Morro Bay	663,600	(472,662)	190,938
Oceano	85,970	(18,846)	67,124
Pismo Beach	142,087	(31,116)	110,971
Shandon	11,642	(2,226)	9,416
Guadalupe	146,303	(80,360)	65,943
Buellton	259,139	(13,080)	246,059
Santa Ynez (Solvang)	796,458	(34,890)	761,568
Santa Ynez	299,113	(15,461)	283,651
Goleta	2,510,356	(198,641)	2,311,715
Morehart Land	115,257	(915)	114,343
La Cumbre	551,791	(4,573)	547,218
Raytheon	24,094	(1,208)	22,886
Santa Barbara	1,543,194	(43,365)	1,499,829
Montecito	1,813,398	(68,988)	1,744,409
Carpinteria	1,036,774	(62,156)	974,619
TOTAL:	\$ 10,274,767	\$ (1,209,836)	\$ 9,064,932
(1) 2016A revenue bond principal and interest, minus FY 2019/20 debt service account interest income credits plus bond trustee fees.			
(2) Payments from project participants for local facilities financed with CCWA revenue bonds.			

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2020/21 Budget

FY 2020/21 CCWA Credits

The following table shows a summary of the FY 2020/21 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.

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.

Project Participant	CCWA O&M Credits (Due)	O&M Reserve Fund Interest Credits	Rate Coverage Reserve Fund Interest Credit	Prepayments and Miscellaneous Interest Credits	Total CCWA Credits (Due)
Guadalupe	\$ -	\$ -	\$ -	\$ -	\$ -
Santa Maria	-	-	-	-	-
Golden State Water Co.	-	-	-	-	-
Vandenberg AFB ⁽²⁾	-	-	-	-	-
Buellton	-	-	-	-	-
Santa Ynez (Solvang)	-	-	-	-	-
Santa Ynez ⁽¹⁾	-	542	9,754	-	10,295
Goleta ⁽²⁾	159,044	4,882	-	-	163,927
Morehart Land	-	-	-	-	-
La Cumbre	-	-	-	-	-
Raytheon	-	-	-	-	-
Santa Barbara	-	-	-	-	-
Montecito ⁽²⁾	107,839	3,254	12,517	-	123,610
Carpinteria ⁽²⁾	70,547	2,170	7,203	-	79,920
Shandon	-	-	-	-	-
Oceano CSD	-	-	-	-	-
Avila Beach CSD	-	-	-	-	-
Pismo Beach	-	-	-	-	-
Avila Valley Water Co.	-	-	-	-	-
San Miguelito Water Co.	-	-	-	-	-
San Luis School	-	-	-	-	-
Chorro Valley	34,889	-	-	-	34,889
Lopez	39,919	-	-	-	39,919
TOTAL:	\$ 412,238	\$ 10,848	\$ 29,474	\$ -	\$ 452,559

(1) Santa Ynez's total available credits fully funded their DWR Reserve Fund leaving a CCWA O&M credit balance.

(2) Participants opting out of DWR Reserve Fund.

Central Coast Water Authority
Revenues and Sources of Cash
Fiscal Year 2020/21 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.

Debt Service Payments

Payments made by the financing participants for debt service payments on the 2016 Revenue Bonds are held in a separate account and invested in accordance with the Authority's investment policy with investment maturities corresponding to the debt service payment dates. Investment income within this account is allocated to the financing participants based on the proportional amount initially paid.

Investment Income

Investment income associated with the debt service payments and 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 payment 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.

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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 \$15 per acre foot.

The following table shows the calculation of the Warren Act and Trust Fund payments for FY 2020/21.

Warren Act and Trust Fund Charges

Project Participant	Total FY 2020/2021 Deliveries to Lake Cachuma (AF)	Total Warren Act and Trust Fund Payments (\$58/AF)
Goleta	1,350	\$ 78,328
Morehart Land Co.	49	2,842
LaCumbre	815	47,270
Raytheon	32	1,856
Santa Barbara	2,660	154,254
Montecito	2,660	154,254
Carpinteria	1,727	100,164
TOTAL:	9,293	\$ 538,969

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The following table represents the Fiscal Year 2020/21 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 2020/2021 DWR Fixed Charges	FY 2020/2021 DWR Variable Charges	FY 2020/2021 Interest Income	FY 2020/2021 Warren Act Charges ⁽¹⁾	Total Pass-Through Expenses
Guadalupe	\$ 571,063	\$ 139,495	\$ -	\$ -	\$ 710,558
Santa Maria	17,374,105	2,578,697	-	-	19,952,802
Golden State Water Co.	536,982	124,576	-	-	661,558
Vandenberg AFB	6,218,124	665,342	-	-	6,883,466
Buellton	654,795	91,298	-	-	746,093
Santa Ynez (Solvang)	1,658,593	174,539	-	-	1,833,132
Santa Ynez	591,384	249,856	(7,293)	-	833,947
Goleta	5,415,936	-	(56,778)	78,328	5,437,486
Morehart Land	225,712	12,132	-	2,842	240,685
LaCumbre	1,130,112	160,633	-	47,270	1,338,016
Raytheon	57,546	7,714	-	1,856	67,116
Santa Barbara	3,389,954	647,029	-	154,254	4,191,237
Montecito	3,322,901	159,720	(40,786)	154,254	3,596,089
Carpinteria	2,218,404	438,676	(23,673)	100,164	2,733,571
Shandon	N/A	N/A	-	-	-
Chorro Valley	N/A	N/A	-	-	-
Lopez	N/A	N/A	-	-	-
TOTAL:	\$ 43,365,611	\$ 5,449,707	\$ (128,530)	\$ 538,969	\$ 49,225,756
(1) Adjusted for Santa Ynez Exchange Agreement modifications.					

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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 three months in advance on a quarterly basis.

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. These requests are based on the following:

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There are basically two “tracks” that a SWPC can take with regard to delivery requests to DWR.

- (1) The “seller’s track”, which means that any SWPC water that is available to that contractor above their requested amount will be made available for sale through one of the DWR “Turnback pools.” The Turnback pools are a pool of unused water available by individual SWPC for sale to all SWPC and allocated in proportion to the Table A amount for each contractor requesting to buy the Turnback Pool water. The price received for water sold in Turnback pool A is one-half of the Delta Water Charge rate (about \$35/AF for 2019) and one-quarter the delta water rate (about \$17/ for 2020) for Turnback pool B.
- (2) The “storer’s track”, which means the individual contractor wishes to store its unused current year water allocated by DWR in San Luis Reservoir to be used in the next calendar year.

For the past several years, CCWA has been on the storer’s track, which means that CCWA requests delivery of all water that is available to CCWA based on the total Table A amount of all the CCWA project participants times the current year allocation percentage from DWR. Any amounts not used by individual CCWA project participants are then “carried over” in San Luis Reservoir into the next calendar year to be used that year. Generally, this water carried over from the prior year is used first before any of the current Table A water is used, as there is a risk that if San Luis Reservoir fills and spills, the water carried over from the prior year is lost.

SWPC cannot be on both the seller’s and storer’s tracks; it must be one or the other. As such, CCWA as a whole has selected to be on the storer’s track and individual project participants cannot elect to be on the seller’s track, except for the ability to sell water within CCWA.

CCWA project participants DO NOT pay variable costs based on water available to them in that particular year. Rather, the payment of variable costs for water is based on delivery requests based on estimated actual demand (discussed below).

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, one quarter in advance of the quarter for which the costs are intended.

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The basis for the billings to the CCWA project participants is the annual fiscal year budget. The basis for the variable billings is requests from the project participants **based on their estimated demand for the year.** The idea is that project participants should provide delivery requests based on their estimated demand and then CCWA will attempt to meet that demand through the combination of various water sources that are available including, the current DWR Table A allocation, carryover water, dry year water purchase programs, purchases from other CCWA project participants, Turnback pool purchases, and supplemental water purchases and exchanges with other State Water Contractors, etc.

The quarterly variable O&M costs are based on the requested water deliveries from each project participant. **NOTE: The requested water deliveries may be, and many times are, different from the amount of water that is available to the project participant from DWR discussed above.** For example, a project participant may have water available based on the current DWR Table A allocation percentage and/or carryover water from the prior year, but not have the need, or demand for that water. Conversely, the amount of water currently available from the DWR current year allocation may not be sufficient to meet the estimated demand (discussed above), but other sources may be available to meet that demand.

The DWR variable costs and CCWA variable O&M costs (electrical and chemicals cost) are “trued-up” with each quarterly invoice. This means that each quarter, the actual costs incurred based on the actual water deliveries for the prior quarter are reconciled so that any difference, either positive or negative is adjusted on the current quarter’s invoice. Therefore, the DWR variable costs and CCWA variable O&M costs are constantly reconciled for differences between the requested water deliveries in the annual budget and the actual water delivered.

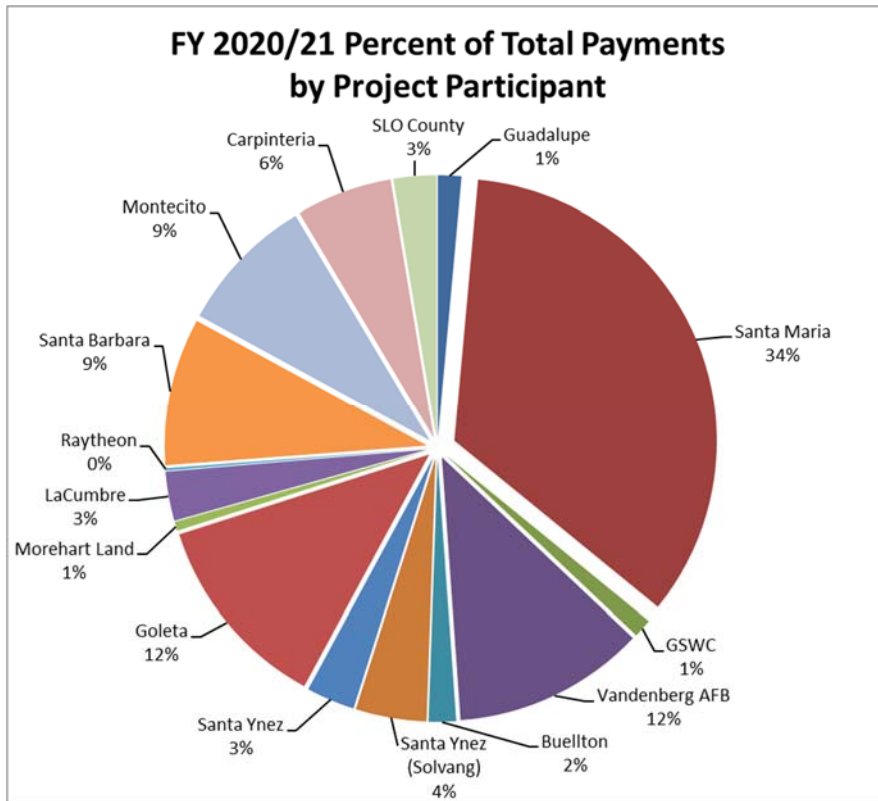
At the end of each fiscal year, a true-up and reconciliation of the entire fiscal year budget is performed. This reconciliation calculates the difference between the amounts billed to each project participant based on the budget and the actual variable costs incurred for the year. The result, either a credit or additional amount due, is provided or collected, usually in October of each year on the October 1st variable billing.

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The following table provides a breakdown of the various revenues and pass-through expenses for Fiscal Year 2020/21 for each project participant.

Project Participant	FY 2020/2021 Operating Expenses ⁽¹⁾	FY 2020/2021 Debt Service Payments	FY 2020/2021 DWR Costs	FY 2020/2021 Warren Act Charges ⁽²⁾	FY 2020/2021 CCWA (Credits) Due	FY 2020/2021 Total Payments
Guadalupe	\$ 168,126	\$ 146,303	\$ 710,558	\$ -	\$ -	\$ 1,024,987
Santa Maria	4,529,338	-	19,952,802	-	-	24,482,141
Golden State Water Co.	153,354	-	661,558	-	-	814,912
Vandenberg AFB	1,532,709	-	6,883,466	-	-	8,416,174
Buellton	190,069	259,139	746,093	-	-	1,195,302
Santa Ynez (Solvang)	478,722	796,458	1,833,132	-	-	3,108,313
Santa Ynez	999,379	299,113	833,947	-	(10,295)	2,122,143
Goleta	873,389	2,510,356	5,359,157	78,328	(163,927)	8,657,304
Morehart Land	39,718	115,257	237,843	2,842	-	395,661
La Cumbre	257,831	551,791	1,290,746	47,270	-	2,147,637
Raytheon	11,982	24,094	65,260	1,856	-	103,192
Santa Barbara	765,015	1,543,194	4,036,983	154,254	-	6,499,446
Montecito	765,015	1,813,398	3,441,835	154,254	(123,610)	6,050,892
Carpinteria	505,256	1,036,774	2,633,406	100,164	(79,920)	4,195,681
Shandon	14,333	11,642	N/A	-	-	25,975
Chorro Valley	392,783	927,433	N/A	-	(34,889)	1,285,327
Lopez	365,400	239,815	N/A	-	(39,919)	565,296
TOTAL:	\$ 12,042,419	\$ 10,274,767	\$ 48,686,788	\$ 538,969	\$ (452,559)	\$ 71,090,383

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



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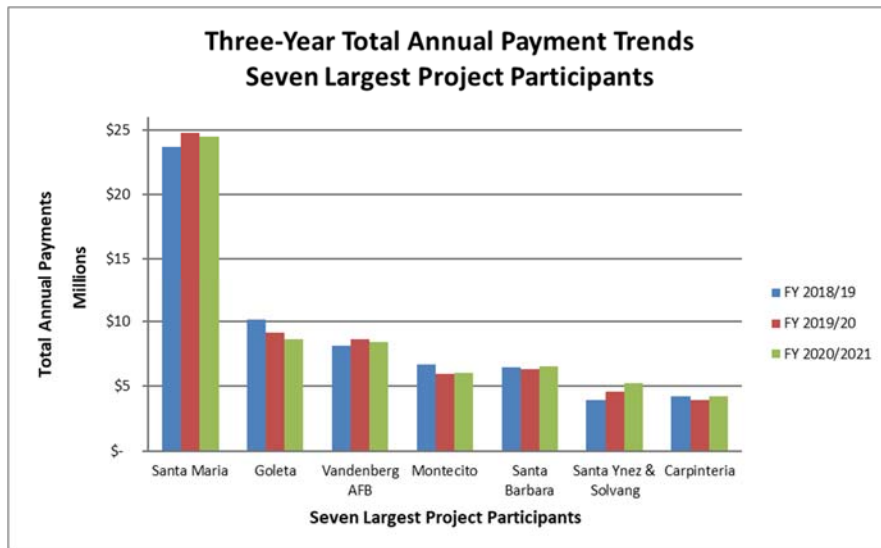
The following table shows the three-year trend in total payments due for each project participant and the corresponding increase or (decrease).

Three-Year Total Payments History by Project Participant

Project Participant	Total	Total	Total	Change	Change
	Payments ⁽¹⁾ FY 2018/19	Payments FY 2019/20	Payments FY 2020/21	FY 2018/19 to FY 2019/20	FY 2019/20 to FY 2020/21
Guadalupe	\$ 994,854	\$ 1,015,478	\$ 1,024,987	\$ 20,624	\$ 9,509
Santa Maria	23,681,596	24,813,581	24,482,141	1,131,985	(331,441)
Golden State Water Co.	706,091	785,484	814,912	79,393	29,428
Vandenberg AFB	8,148,113	8,621,386	8,416,174	473,273	(205,211)
Buellton	1,199,910	1,191,709	1,195,302	(8,200)	3,593
Santa Ynez (Solvang)	3,035,288	3,132,220	3,108,313	96,932	(23,907)
Santa Ynez	907,609	1,414,418	2,122,143	506,809	707,726
Goleta	10,161,181	9,178,432	8,657,304	(982,749)	(521,128)
Morehart Land	375,756	405,393	395,661	29,637	(9,732)
La Cumbre	2,132,889	1,973,223	2,147,637	(159,666)	174,414
Raytheon	98,918	97,312	103,192	(1,606)	5,880
Santa Barbara	6,431,034	6,303,499	6,499,446	(127,535)	195,948
Montecito	6,675,813	5,934,318	6,050,892	(741,495)	116,574
Carpinteria	4,219,778	3,918,939	4,195,681	(300,839)	276,742
Shandon	28,932	1,910,799	25,975	1,881,867	(1,884,824)
Chorro Valley	1,271,501	-	1,285,327	(1,271,501)	1,285,327
Lopez	529,768	-	565,296	(529,768)	565,296
TOTAL:	\$70,599,031	\$ 70,696,191	\$ 71,090,383	\$ 97,160	\$ 394,192

(1) Includes \$6.7 million in payments collected with the FY 2018/19 Supplemental Fixed Assessment for the large increase in DWR's Transportation Minimum OMP&R cost component for the first half of calendar year 2019.

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





*May 29, 2019, San Luis Reservoir's storage is 1,455,336 acre feet, 71 percent of total capacity.
(Photo courtesy DWR)*

Department of Water Resources Charges

The Department of Water Resources (DWR) section of the FY 2020/21 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 2020/21 DWR charges.

Highlights

Total FY 2020/21 DWR Charges **\$ 48,686,788**

- DWR Fixed Charges \$ 43,365,611
- DWR Variable Charges \$ 5,449,707
- Interest credits \$ (128,530)

Fixed Charge Highlights

- Total fixed charge decrease over FY 2019/20 of \$3,360,094.
- DWR Fixed cost decrease of \$3.3 million due to a decrease of \$3.6 million in the Transportation Minimum OMP&R costs for prior years, an increase of \$0.9 million in Coastal Branch Charges, an increase of \$0.8 million in Delta Water Charges, a decrease of \$1.3 million in Water System Revenue Bond, and a decrease of \$0.1 million in Transportation Capital costs over prior year.

Variable Charge Highlights

- DWR Variable cost increase of \$0.7 million over FY 2019/20 due to an increase in the Variable OMP&R rate.
- Estimated Variable OMP&R unit rate for 2019: \$194.11; 2020: \$194.11

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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 2020/21 DWR Charges

The DWR charges for the first half of FY 2020/21 are based on the 2020 Statement of Charges. The DWR charges for the second half of FY 2020/21 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 on page 70 shows fixed and variable DWR costs for each project participant.

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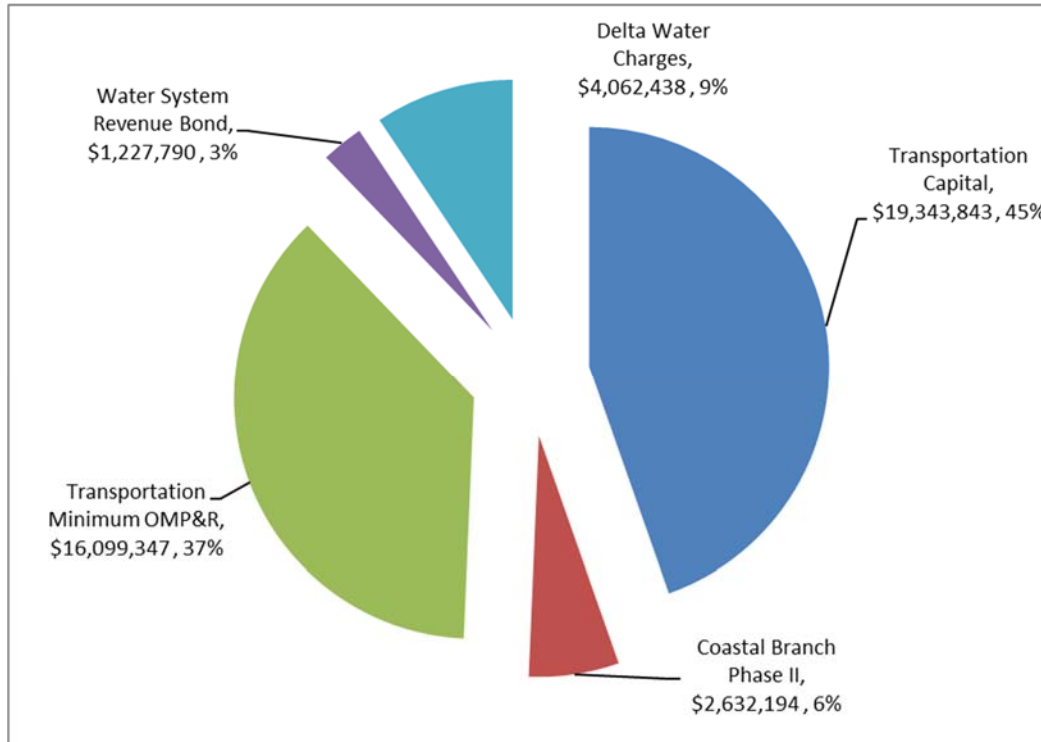
The following table provides a comparison of the FY 2018/19 through the FY 2020/21 DWR charges.

DWR Fixed and Variable Cost Comparison					
Cost Component	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Est. Actual ⁽¹⁾	FY 2020/21 Budget	FY 2020/21 Budget to FY 2019/20 Budget Increase (Decrease)
Transportation Capital	\$ 19,153,113	\$ 19,478,510	\$ 19,091,734	\$19,343,843	\$ (134,667)
Coastal Branch Phase II	2,284,650	1,754,152	1,785,058	2,632,194	878,042
Transportation Minimum OMP&R	17,129,028	19,703,881	19,744,475	16,099,347	(3,604,534)
Water System Revenue Bond	2,040,371	2,513,296	2,040,642	1,227,790	(1,285,506)
Delta Water Charges	3,034,706	3,275,866	3,310,626	4,062,438	786,572
Subtotal Fixed DWR Charges	43,641,868	46,725,705	45,972,535	43,365,611	(3,360,094)
Off-Aqueduct Charges	17,384	17,398	29,530	70,544	53,146
Variable OMP&R	3,102,280	4,730,324	4,535,035	5,379,162	648,838
Subtotal Variable DWR Charges	3,119,664	4,747,722	4,564,565	5,449,707	701,985
DWR Account Investment Income	(135,329)	(117,428)	-	(128,530)	(11,102)
Total DWR Charges	\$ 46,626,203	\$ 51,355,999	\$ 50,537,100	\$48,686,788	\$ (2,669,211)

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

DWR FIXED COSTS

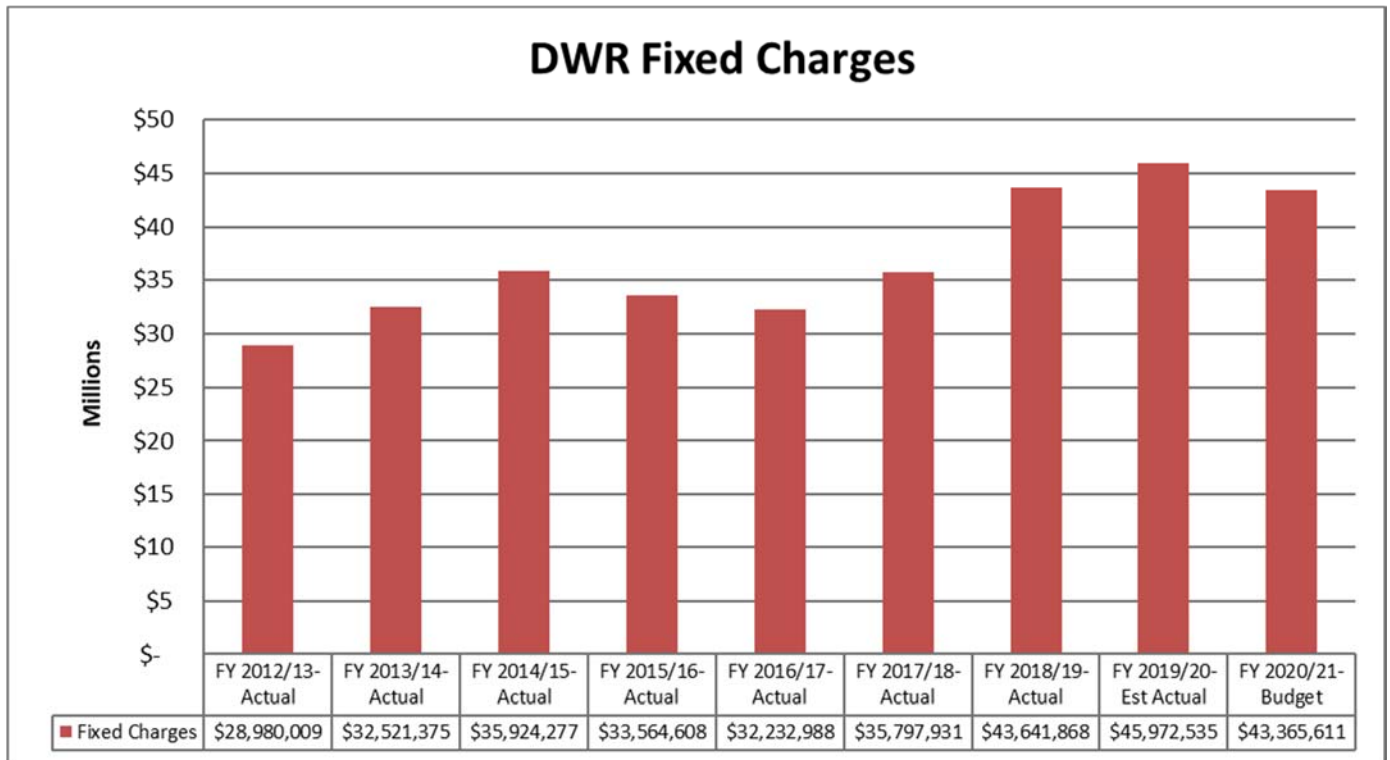
The DWR fixed costs are comprised of the following cost components:



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The FY 2020/21 DWR fixed charges total \$43,365,611, which is \$3,360,094 lower than the FY 2019/20 Budget. The reasons for the cost component variances are described later in this section.

The following graph shows the nine-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 2020/21 Transportation Capital charges to each of the CCWA project participants:

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TRANSPORTATION CAPITAL CHARGES									
Project Participant	Table A	Percentage	Reaches 1 to 35 ⁽¹⁾	One-Shot Adjustment	Rate Management Funds Credit	Prior Year DWR Credits for Overpayments ⁽²⁾	FY 2019/20 Amount Due (Credit)	FY 2020/21 Transportation Capital Charges	
Guadalupe	550	1.41%	\$ 325,046	\$ (284)	\$ (35,366)	\$ (19,133)	\$ 2,472	\$ 272,735	
Santa Maria	16,200	41.46%	9,574,094	(8,378)	(1,041,677)	(563,560)	45,662	8,006,141	
Golden State Water Co.	500	1.28%	295,497	(259)	(32,151)	(17,394)	1,897	247,591	
VAFB	5,500	14.07%	3,250,464	(2,844)	(353,656)	(191,332)	15,086	2,717,718	
Buellton	578	1.48%	341,594	(299)	(37,166)	(20,107)	2,255	286,277	
Santa Ynez (Solvang) ⁽³⁾	1,500	3.84%	877,954	(776)	(95,785)	(51,679)	3,351	733,065	
Santa Ynez ⁽³⁾	500	1.28%	304,033	(259)	(32,817)	(17,896)	2,310	255,371	
Goleta	4,500	11.52%	2,659,471	(2,327)	(289,355)	(156,545)	11,667	2,222,911	
Morehart	200	0.51%	118,199	(103)	(12,860)	(6,958)	373	98,651	
La Cumbre	1,000	2.56%	590,993	(517)	(64,301)	(34,788)	1,867	493,255	
Raytheon	50	0.13%	29,550	(26)	(3,215)	(1,739)	575	25,144	
Santa Barbara	3,000	7.68%	1,772,980	(1,551)	(192,903)	(104,363)	7,528	1,481,691	
Montecito	3,000	7.68%	1,772,980	(1,551)	(192,903)	(104,363)	7,528	1,481,691	
Carpinteria	2,000	5.12%	1,181,987	(1,034)	(128,602)	(69,575)	5,661	988,436	
Subtotal:	39,078	100.00%	\$ 23,094,842	\$ (20,209)	\$ (2,512,755)	\$ (1,359,433)	\$ 108,233	\$ 19,310,678	
Goleta Additional Table A	2,500	5.50%	37,698	-	(2,313)	(2,219)	-	33,166	
CCWA Drought Buffer	3,908	-	-	-	-	-	-	-	
TOTAL:	45,486		\$ 23,132,541	\$ (20,209)	\$ (2,515,069)	\$ (1,361,652)	\$ 108,233	\$ 19,343,843	

(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.

The FY 2020/21 Transportation capital charges are decreasing by \$134,667 due to the following:

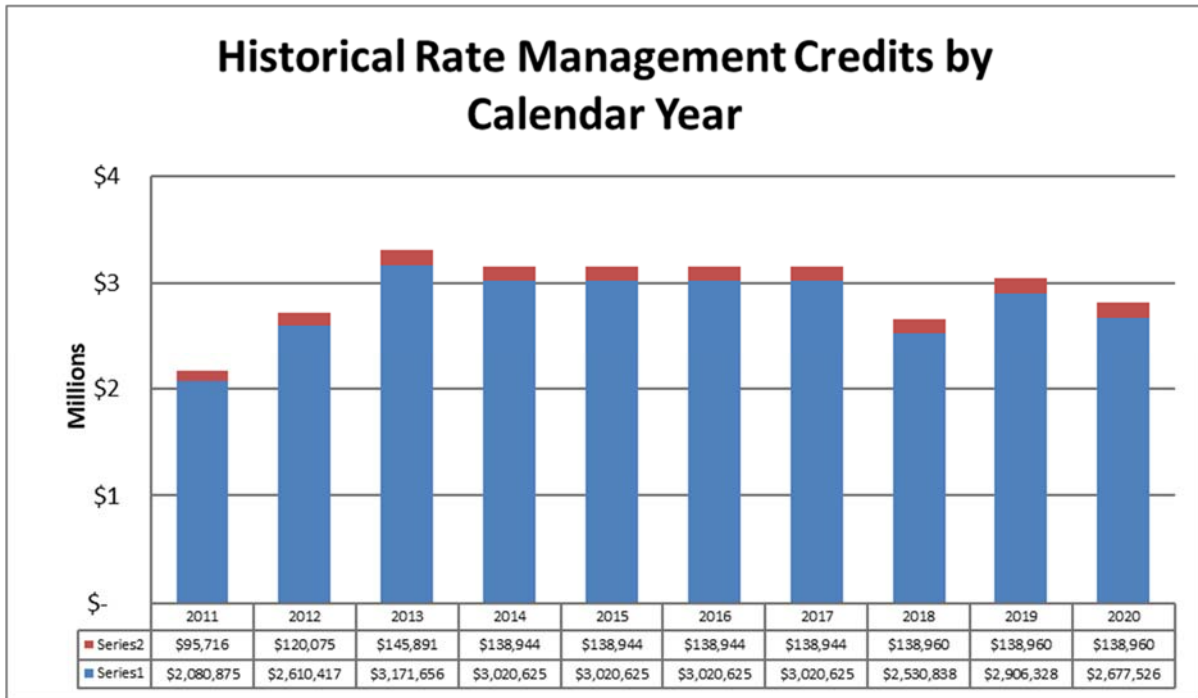
Transportation Capital Budget-to-Budget Changes			
	FY 2019/20	FY 2020/21	Change
Calculated Component	\$ 22,855,214	\$ 23,132,541	\$ 277,327
Rate Management Credits	(2,729,988)	(2,515,069)	214,919
Prior Year amount due	148,035	108,233	(39,802)
Prior Year Overcollection Credit	(786,170)	(1,361,652)	(575,482)
Other Adjustments	(8,581)	(20,209)	(11,628)
Total:	\$ 19,478,510	\$ 19,343,843	\$ (134,667)

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.

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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. There are a number of factors that can impact the revenues available to pay rate management credits, and therefore, the actual credits provided by DWR have been somewhat volatile as can be seen in the following graph showing the actual historical calendar year rate management credits provided by DWR.



It is anticipated that the revenues available for rate management credits in the future will be substantially more stable and therefore not subject to the volatility as has been the case in the past. For 2020 and beyond, CCWA is projecting DWR will continue to have revenues to pay rate management credits each year of approximately \$2.8 million.

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.

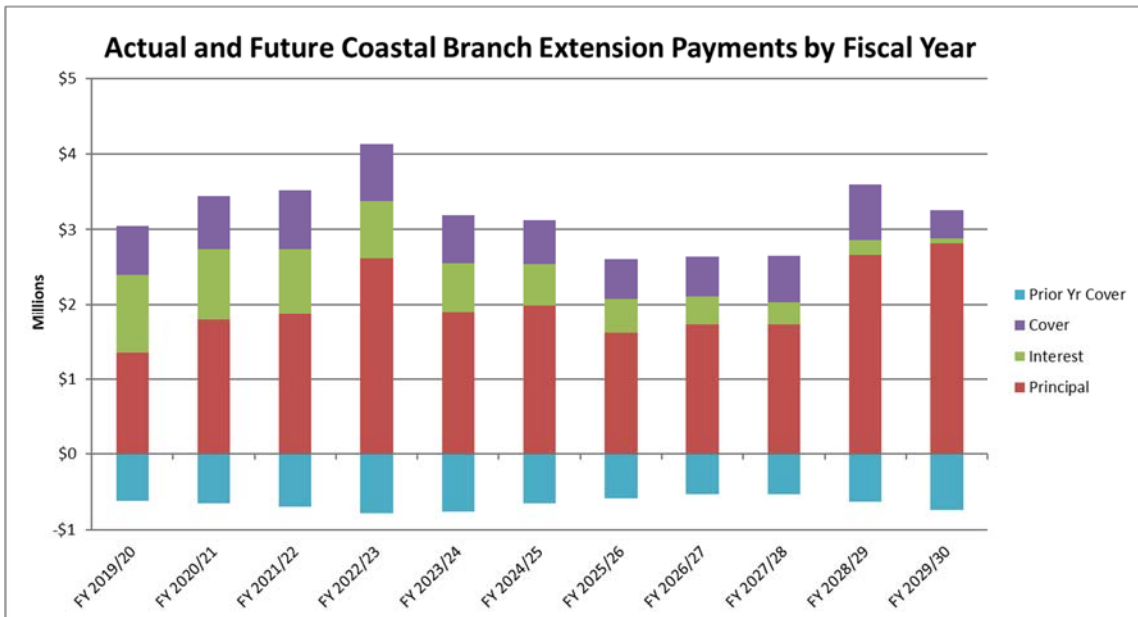
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Coastal Branch Extension debt service payments for FY 2020/21 total \$2,570,334, which is \$317,261 higher than the prior year amount due to the following:

Coastal Branch Extension Debt Service			
	FY 2019/20	FY 2020/21	Change
Principal Payments	\$ 1,350,086	\$ 1,789,404	\$ 439,318
Interest Payments	1,044,472	954,146	(90,326)
Bond Cover	653,554	697,270	43,716
Rate Management Credits	(176,340)	(162,457)	13,883
Return of Prior Year Cover	(618,699)	(653,554)	(34,856)
Prior year amount due (credit)	-	(54,474)	(54,474)
Excess Reserve Fund Credits	-	-	-
One-Time Extraordinary Credits	-	-	-
Total:	\$ 2,253,073	\$ 2,570,334	\$ 317,261

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.

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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 2020/21.

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION					
<i>Reach 37</i>					
Project Participant	Table A	Percentage	Transportation Capital	Reach 37 Credits ⁽¹⁾	Net Reach 37 Transp. Costs
Guadalupe	-	0.00%	\$ -	\$ -	\$ -
Santa Maria	16,200	42.05%	750,007	(164,385)	585,622
Golden State Water Co.	500	1.30%	23,148	(5,074)	18,075
VAFB	5,500	14.28%	254,632	(55,810)	198,822
Buellton	578	1.50%	26,760	(5,865)	20,894
Santa Ynez (Solvang)	1,500	3.89%	69,445	(15,221)	54,224
Santa Ynez	500	1.30%	23,148	(5,074)	18,075
Goleta	4,500	11.68%	208,335	(45,663)	162,673
Morehart	200	0.52%	9,259	(2,029)	7,230
La Cumbre	1,000	2.60%	46,297	(10,147)	36,150
Raytheon	50	0.13%	2,315	(507)	1,807
Santa Barbara	3,000	7.79%	138,890	(30,442)	108,449
Montecito	3,000	7.79%	138,890	(30,442)	108,449
Carpinteria	2,000	5.19%	92,593	(20,294)	72,299
Total:	38,528	100.00%	\$ 1,783,721	\$ (390,952)	\$ 1,392,769

(1) Includes credits for the return of bond cover of \$591,695, Rate Management Funds Credits of \$162,457.

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Project Participant	Reach 38					FY 2020/2021	
	Table A	Percentage	Transportation Capital	Reach 38 Credits ⁽¹⁾	Net Reach 38 Transp. Costs	FY 2019/20 (Credits) Due	Transportation Capital Charges
Guadalupe	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
Santa Maria	-	0.00%	-	-	-	-	585,622
Golden State Water Co.	-	0.00%	-	-	-	-	18,075
VAFB	5,500	25.20%	417,539	(91,515)	326,024	-	524,846
Buellton	578	2.65%	43,880	(9,617)	34,262	-	55,157
Santa Ynez (Solvang)	1,500	6.87%	113,874	(24,959)	88,916	-	143,140
Santa Ynez	500	2.29%	37,958	(8,320)	29,639	(2,600)	45,113
Goleta	4,500	20.62%	341,623	(74,876)	266,747	(24,637)	404,783
Morehart	200	0.92%	15,183	(3,328)	11,855	-	19,085
La Cumbre	1,000	4.58%	75,916	(16,639)	59,277	-	95,427
Raytheon	50	0.23%	3,796	(832)	2,964	-	4,771
Santa Barbara	3,000	13.74%	227,749	(49,917)	177,831	-	286,280
Montecito	3,000	13.74%	227,749	(49,917)	177,831	(16,219)	270,061
Carpinteria	2,000	9.16%	151,832	(33,278)	118,554	(11,018)	179,835
Total:	21,828	100.00%	\$ 1,657,099	\$ (363,199)	\$ 1,293,899	\$ (54,474)	\$ 2,632,194

Transportation Minimum OMP&R

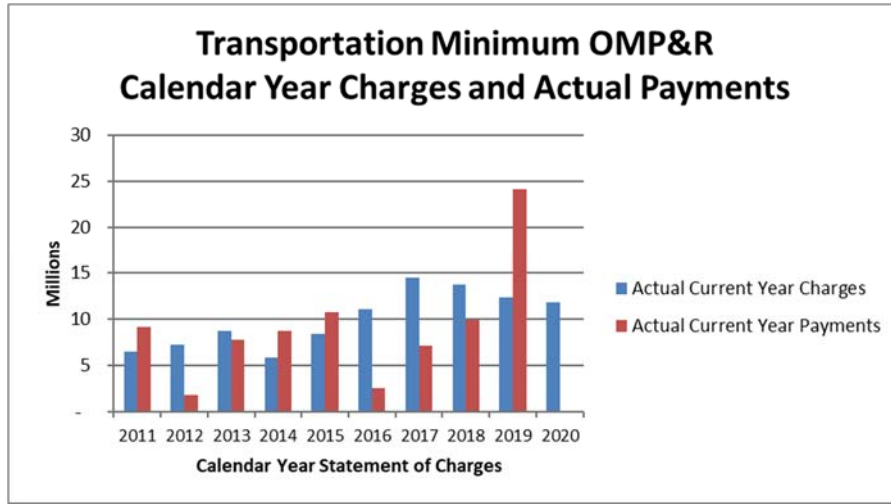
Transportation Minimum OMP&R charges are the operations and maintenance costs incurred by DWR to operate the State Water Project that generally do not depend on or vary with the quantities of water delivered to CCWA.

For FY 2020/21, total Transportation Minimum OMP&R charges are \$16,099,347 which is \$3,604,534 less than the prior year amount due to the following:

Transportation Minimum OMP&R			
	FY 2019/20	FY 2020/21	Change
Calculated Component	\$ 13,344,587	\$ 14,376,734	\$ 1,032,147
Prior Year (Over)/Under Collection	6,359,294	1,701,987	(4,657,307)
Prior Year Amount Due (Credit)	-	20,626	20,626
Total:	\$ 19,703,881	\$ 16,099,347	\$ (3,604,534)

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.

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Bay Delta Conservation Plan Supplemental Funding Agreement

CCWA, along with many other State and Federal water contractors, participated in a funding agreement for a total of \$140 million for initial planning and design work for an alternative conveyance facility and habitat plan in the Sacramento San Joaquin delta referred to as the “Bay Delta Conservation Plan” (BDCP). CCWA’s share of the initial \$140 million was \$744,261.

Subsequent to expenditure of the initial \$140 million, DWR determined it needed an additional \$100 million to complete the initial work, of which CCWA’s share is \$651,495.

The City of Santa Maria agreed to pay the BDCP costs for the City of Santa Barbara, Carpinteria Valley Water District, Montecito Water District and the Goleta Valley Water District.

In total, CCWA has paid \$1,443,725 for the BDCP/DHCCP costs, as shown in the following table by calendar year.

Calendar Year	BDCP Costs paid by CCWA
2008	\$ 38,233
2009	311,342
2010	379,630
2011	57,651
2012	267,916
2013	340,984
2014	47,969
Total:	<u>\$ 1,443,725</u>

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The following table shows the allocation of the FY 2020/21 Transportation Minimum OMP&R charges to each of the CCWA project participants.

TRANSPORTATION MINIMUM OMP&R									
Project Participant	Table A	Percentage	Calculated		DHCCP Costs ⁽²⁾	FY 2019/20 Amount Due (Credit)	FY 2020/2021 Transportation Minimum OMP&R		
			Component FY 2020/2021	Prior Year(s) Undercollections					
Guadalupe	550	1.41%	\$ 200,486	\$ 23,735	\$ -	\$ -	\$ 224,221		
Santa Maria	16,200	41.46%	5,905,237	699,090	-	6,912	6,611,239		
Golden State Water Co.	500	1.28%	182,260	21,577	-	445	204,283		
VAFB	5,500	14.07%	2,004,864	237,345	-	2,919	2,245,129		
Buellton	578	1.48%	210,693	24,943	-	885	236,521		
Santa Ynez (Solvang) ⁽¹⁾	1,500	3.84%	534,627	63,292	-	1,241	599,160		
Santa Ynez ⁽¹⁾	500	1.28%	194,414	23,016	-	538	217,968		
Goleta	4,500	11.52%	1,640,343	194,192	-	2,991	1,837,526		
Morehart	200	0.51%	72,904	8,631	-	-	81,535		
La Cumbre	1,000	2.56%	364,521	43,154	-	891	408,565		
Raytheon	50	0.13%	18,226	2,158	-	636	21,020		
Santa Barbara	3,000	7.68%	1,093,562	129,461	-	694	1,223,717		
Montecito	3,000	7.68%	1,093,562	129,461	-	694	1,223,717		
Carpinteria	2,000	5.12%	729,042	86,307	-	1,779	817,128		
Subtotal:	39,078	100.00%	\$ 14,244,743	\$ 1,686,361	\$ -	\$ 20,626	\$ 15,951,730		
Goleta Additional Table A	2,500	-	131,991	15,626	-	-	\$ 147,616		
CCWA Drought Buffer	3,908	-	-	-	-	-	-		
TOTAL:	45,486		\$ 14,376,734	\$ 1,701,987	\$ -	\$ 20,626	\$ 16,099,347		

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

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 2020/21, the WSRB is \$1,285,506 lower than the prior year amount.

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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⁾	FY 2019/20 WSRB (Credits) Due	FY 2020/21 WSRB Charges
Guadalupe	550	1.41%	\$ 41,854	\$ (21,778)	\$ -	\$ 20,076
Santa Maria	16,200	41.46%	1,232,802	(641,466)	-	591,336
Golden State Water Co.	500	1.28%	38,049	(19,798)	-	18,251
VAFB	5,500	14.07%	418,544	(217,782)	-	200,762
Buellton	578	1.48%	43,985	(22,887)	-	21,098
Santa Ynez (Solvang) ⁽¹⁾	1,500	3.84%	108,587	(56,500)	-	52,087
Santa Ynez ⁽¹⁾	500	1.28%	43,611	(22,694)	(12,172)	8,745
Goleta	4,500	11.52%	342,445	(178,185)	(116,754)	47,506
Morehart	200	0.51%	15,220	(7,919)	-	7,300
La Cumbre	1,000	2.56%	76,099	(39,597)	-	36,502
Raytheon	50	0.13%	3,805	(1,980)	-	1,825
Santa Barbara	3,000	7.68%	228,297	(118,790)	-	109,507
Montecito	3,000	7.68%	228,297	(118,790)	(67,053)	42,454
Carpinteria	2,000	5.12%	152,198	(79,193)	(43,746)	29,259
Subtotal	39,078	100.00%	\$ 2,973,792	\$ (1,547,358)	\$ (239,725)	\$ 1,186,709
Goleta Additional Table A	2,500	-	\$ 85,703	(44,622)	\$ -	\$ 41,081
CCWA Drought Buffer	3,908	-	-	-	-	-
TOTAL:	45,486		\$ 3,059,495	\$ (1,591,980)	\$ (239,725)	\$ 1,227,790

(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 2019 and January 2020 payments.

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 2020/21.

The FY 2020/21 Delta Water Charge totals \$4,062,438, which is \$786,572 higher than the prior year amount for the following reasons.

Delta Water Charge			
	FY 2019/20	FY 2020/21	Change
Rate per acre-foot	\$ 75.07	\$ 91.60	\$ 16.53
Delta Water Charge	3,414,826	4,166,640	751,814
Rate Management Credits	(138,960)	(138,960)	-
Replacement Deposits	-	-	-
Prior year amount due (credit)	-	34,758	34,758
Total:	\$ 3,275,866	\$ 4,062,438	\$ 786,572

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As shown in the previous table, the FY 2020/21 rate per acre-foot totals \$91.60, which is \$16.53/AF higher than the prior year amount.

The FY 2020/21 rate includes an estimated \$20.00/AF increase for calendar year 2020 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 2020/21 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 2019/20 (Credits) Amount Due	FY 2020/2021 Delta Water Charges
	Including Drought Buffer	Percentage				
Guadalupe	605	1.41%	\$ 55,420	(1,842)	\$ 453	\$ 54,031
Santa Maria	17,820	41.46%	1,632,360	(54,250)	13,530	1,591,640
Golden State Water Co.	550	1.28%	50,381	(1,674)	442	49,149
VAFB	6,050	14.07%	554,196	(18,418)	4,532	540,310
Buellton	636	1.48%	58,259	(1,936)	538	56,861
Santa Ynez (Solvang)	1,500	3.49%	137,404	(4,109)	748	134,043
Santa Ynez	700	1.63%	64,122	(3,047)	1,479	62,554
Goleta	4,950	11.52%	453,433	(15,069)	5,685	444,049
Morehart	220	0.51%	20,153	(670)	44	19,527
La Cumbre	1,100	2.56%	100,763	(3,349)	884	98,298
Raytheon	55	0.13%	5,038	(167)	11	4,882
Santa Barbara	3,300	7.68%	302,289	(10,046)	2,322	294,564
Montecito	3,300	7.68%	302,289	(10,046)	2,322	294,564
Carpinteria	2,200	5.12%	201,526	(6,698)	1,769	196,597
Subtotal	42,986	100.00%	\$ 3,937,633	\$ (131,322)	\$ 34,758	\$ 3,841,069
Goleta Additional Table A	2,500	5.50%	\$ 229,007	(7,638)	-	\$ 221,369
TOTAL:	45,486	-	\$ 4,166,640	\$ (138,960)	\$ 34,758	\$ 4,062,438

2020 COST PER AF:	\$ 81.6027
Increase for 2021 SOC per AF /2	\$ 10.0000
Estimated rate for FY 2020/21	\$ 91.6027

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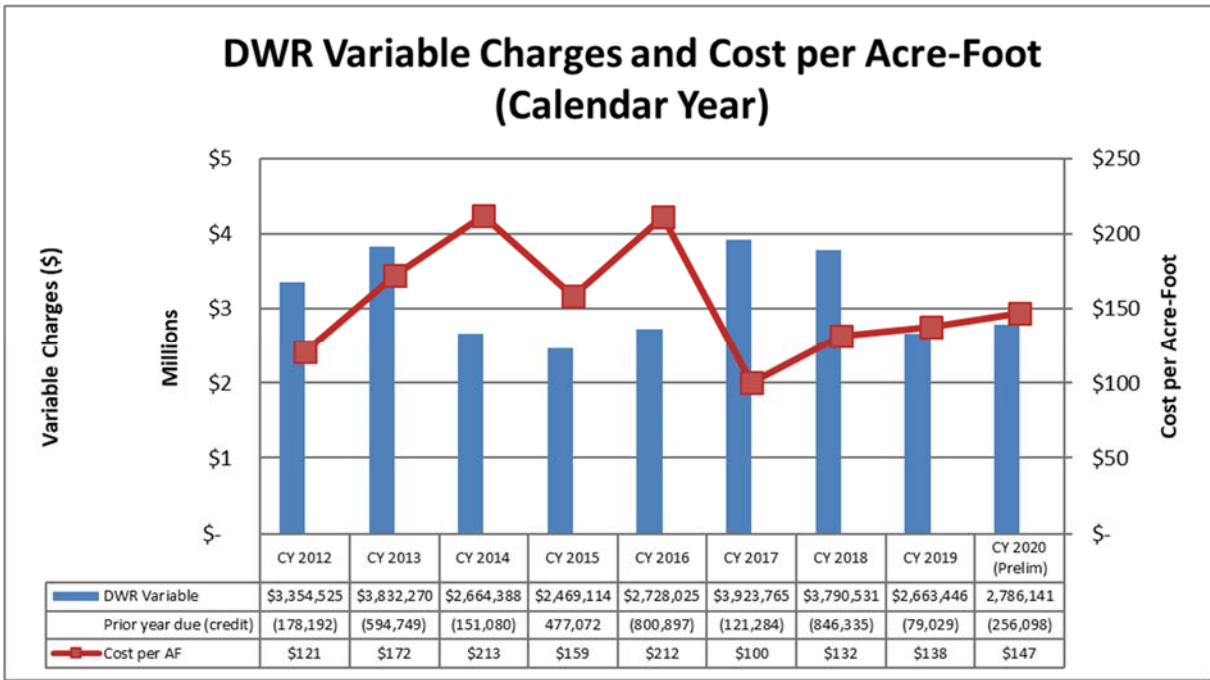
DWR VARIABLE COSTS

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

- Off-Aqueduct Charge
- Variable OMP&R

The following graph shows the nine-year history of the actual and estimated DWR variable costs, adjustment of variable cost component for prior year transportation and cost per acre-foot for each calendar year.

The DWR variable charges for FY 2020/21 total \$5,449,707, which is \$701,985 more than the budgeted FY 2019/20 variable payments.



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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 2020/21, the off-aqueduct charges total \$70,544, which is \$53,146 higher than the prior year budget.

The following table shows the allocation of off-aqueduct charges for FY 2020/21.

Project Participant	OFF-AQUEDUCT CHARGES										FY 2019/20 (Credits) Charges ⁽⁴⁾	TOTAL FY 2020/2021 Off-Aqueduct
	July 2020 to December 2020					January 2021 to June 2021						
	Requested Delivery AF ⁽¹⁾	Delivery Percentage	2020 Off-Aqueduct ^(1 & 2)	2020 Half-Year Charges	2021 Off-Aqueduct ⁽³⁾	2021 Half-Year Charges	Requested Delivery AF ⁽¹⁾	Delivery Percentage	2021 Off-Aqueduct ⁽³⁾	2021 Half-Year Charges		
Guadalupe	292	1.91%	\$ 742	\$ 371	303	2.05%	\$ 2,373	\$ 1,186	\$ -	\$ 1,557		
Santa Maria	6,435	42.13%	16,353	8,176	5,541	37.48%	43,392	21,696	132	30,004		
Golden State Water Co.	231	1.51%	587	294	271	1.83%	2,122	1,061	-	1,355		
VAFB	1,290	8.45%	3,278	1,639	1,095	7.41%	8,575	4,288	-	5,927		
Buellton	185	1.21%	470	235	214	1.45%	1,676	838	-	1,073		
Santa Ynez (Solvang) ⁽⁵⁾	494	3.23%	1,255	628	394	2.67%	3,085	1,543	-	2,170		
Santa Ynez ⁽⁶⁾	723	4.73%	1,837	919	696	4.71%	5,450	2,725	(1,501)	2,142		
Goleta	1,923	12.59%	4,888	2,444	362	2.45%	2,836	1,418	(4,191)	-		
Morehart	32	0.21%	81	41	17	0.11%	133	67	-	107		
La Cumbre	286	1.87%	727	363	529	3.58%	4,143	2,071	-	2,435		
Raytheon	10	0.07%	25	13	22	0.15%	172	86	-	99		
Santa Barbara	1,282	8.39%	3,258	1,629	2,002	13.54%	15,681	7,840	-	9,469		
Montecito	1,282	8.39%	3,258	1,629	2,002	13.54%	15,681	7,840	(990)	8,480		
Carpinteria	808	5.29%	2,054	1,027	1,335	9.03%	10,454	5,227	(528)	5,726		
	15,274	100.00%	\$ 38,814	\$ 19,407	14,784	100.00%	\$ 115,773	\$ 57,887	\$ (7,079)	\$ 70,544		

(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, 2019 for Calendar Year 2020 Statement of Charges.

(3) Source: Attachment #3, July 1, 2019 DWR Invoice for calendar year 2020.

(4) Credits and charges for reconciliations 2019 off-aqueduct charges.

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

(6) 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.

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 2020/21, the variable OMP&R charges total \$5,379,162 which is \$648,838 more than the prior year amount. The budget is based on estimated water deliveries of 30,058 acre-feet.

The cost per acre-foot for water deliveries in the first half of FY 2020/21 is estimated to be \$194.11/AF and \$194.11/AF for the second half of the fiscal year.

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The following table shows the allocation of the FY 2020/21 variable OMP&R costs.

VARIABLE OMP&R CHARGES										
Project Participant	July 1, 2020 to Dec 31, 2020 ⁽¹⁾			\$194.11/AF ⁽²⁾	Jan 1, 2021 to June 30, 2021 ⁽³⁾			\$194.11/AF ⁽⁴⁾	FY 2019/20	TOTAL
	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2020 Var OMP&R	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2021 Var OMP&R	(Credits) Due ⁽⁵⁾	FY 2020/2021 Var. OMP&R
Guadalupe	292	-	292	\$ 56,680	303	-	303	\$ 58,815	\$ 22,443	\$ 137,937
Santa Maria	6,435	-	6,435	1,249,088	5,541	-	5,541	1,075,555	224,050	2,548,693
Golden State Water Co.	231	-	231	44,839	271	-	271	52,603	25,779	123,222
VAFB	1,290	-	1,290	250,400	1,095	-	1,095	212,549	196,467	659,415
Buellton	185	-	185	35,910	214	-	214	41,539	12,776	90,225
Santa Ynez (Solvang)	494	-	494	95,890	394	-	394	76,479	-	172,368
Santa Ynez ⁽⁶⁾	723	1,620	2,343	140,340	696	981	1,677	135,100	(27,727)	247,713
Goleta	1,923	(583)	1,340	373,334	362	(352)	10	70,298	(537,442)	-
Morehart	32	-	32	6,211	17	-	17	3,300	2,513	12,024
La Cumbre	286	-	286	55,515	529	-	529	102,683	-	158,198
Raytheon	10	-	10	1,941	22	-	22	4,270	1,404	7,615
Santa Barbara	1,282	(389)	893	248,889	2,002	(236)	1,766	388,670	-	637,559
Montecito	1,282	(389)	893	248,889	2,002	(236)	1,766	388,670	(486,319)	151,241
Carpinteria	808	(259)	549	156,856	1,335	(157)	1,178	259,113	16,980	432,950
Total	15,274	-	15,274	\$ 2,964,784	14,784	-	14,784	\$ 2,869,645	\$ (549,076)	\$ 5,379,162

(1) 2020 Requested Deliveries based on anticipated actual demand by each project participant without regard to the current DWR delivery allocation percentage.

(2) Source: 2020 IIR-Transportation Variable Plant Rates from DWR dated 1/27/20

(3) 2020 Requested Deliveries based on a 100% delivery allocation.

(4) Source: Estimate of invoice rate for 2021.

(5) Credit or amount due for FY 2019/20 actual deliveries compared to budgeted deliveries and DWR Variable OMP&R credits.

(6) 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.

Other DWR Charges and Credits

Table A Entitlement Reductions: These reductions are the result of elections by certain project participants to temporarily decrease their Table A allocation. This election eliminates the Delta Water Charge associated with the amount of State water Table A that has been reduced. No Table A reductions are assumed for calendar years 2020 or 2021.

Turnback Pool Sales: This represents elections by project participants to “turnback” a portion of their State water in a given year. The initial amount of the turnback water, designated as Pool A, must be submitted for sale by February 15 of each year. The water is then sold by DWR to other State water contractors by March 1. The sellers receive half the Delta Water Rate for each acre-foot of water sold in Pool A. Any water that is not sold in Pool A is placed in Pool B for possible sale, unless the sellers indicate otherwise.

The second “pool” of water to be sold, designated as Pool B, must be submitted for sale by March 15 of each year, and is sold by DWR by April 1. The sellers receive one-fourth of the Delta Water Rate for each acre-foot sold in Pool B. Any water that is not sold in Pool B to other State water contractors or purchased by DWR is sold by DWR to the highest bidder.

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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.

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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	\$ 272,735	\$ -	\$ -	\$ 224,221	\$ 20,076	\$ 54,031	\$ 571,063	\$ 1,557	\$ 137,937	\$ 139,495	\$ -	\$ 710,558
Santa Maria	8,006,141	573,748	-	6,611,239	591,336	1,591,640	17,374,105	30,004	2,548,693	2,578,697	-	19,952,802
Golden State Water Co.	247,591	17,708	-	204,283	18,251	49,149	536,982	1,355	123,222	124,576	-	661,558
Vandenberg AFB	2,717,718	194,791	319,413	2,245,129	200,762	540,310	6,218,124	5,927	659,415	665,342	-	6,883,466
Buellton	286,277	20,471	33,567	236,521	21,098	56,861	654,795	1,073	90,225	91,298	-	746,093
Santa Ynez (Solvang)	733,065	53,125	87,113	599,160	52,087	134,043	1,658,593	2,170	172,368	174,539	-	1,833,132
Santa Ynez	255,371	17,708	29,038	217,968	8,745	62,554	591,384	2,142	247,713	249,856	(7,293)	833,947
Goleta	2,222,911	159,375	261,338	1,837,526	47,506	444,049	4,972,704	-	-	-	(56,778)	4,915,926
Morehart Land	98,651	7,083	11,615	81,535	7,300	19,527	225,712	107	12,024	12,132	-	237,843
La Cumbre	493,255	35,417	58,075	408,565	36,502	98,298	1,130,112	2,435	158,198	160,633	-	1,290,746
Raytheon	25,144	1,771	2,904	21,020	1,825	4,882	57,546	99	7,615	7,714	-	65,260
Santa Barbara	1,481,691	106,250	174,225	1,223,717	109,507	294,564	3,389,954	9,469	637,559	647,029	-	4,036,983
Montecito	1,481,691	106,250	174,225	1,223,717	42,454	294,564	3,322,901	8,480	151,241	159,720	(40,786)	3,441,835
Carpinteria	988,436	70,833	116,150	817,128	29,259	196,597	2,218,404	5,726	432,950	438,676	(23,673)	2,633,406
Goleta 2500 AF	33,166	-	-	147,616	41,081	221,369	443,232	-	-	-	-	443,232
Total	\$ 19,343,843	\$ 1,364,529	\$ 1,267,665	\$ 16,099,347	\$ 1,227,790	\$ 4,062,438	\$ 43,365,611	\$ 70,544	\$ 5,379,162	\$ 5,449,707	\$ (128,530)	\$ 48,686,788



*CCWA Board Tour of the Polonio Pass Water Treatment Plant
June 2019*

Operating Expenses

The Operating Expenses section of the FY 2020/21 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 2020/21 Operating Expenses \$ 10,085,891**
- Fixed expense increase \$ 138,566
- Variable expense decrease \$ (641,711)
- Decrease over FY 2019/20 Budget \$ (503,145)
- Percentage decrease (4.75)%

Significant Operating Expense Changes

- Includes a salary pool for FY 2020/21 of \$123,104, equivalent to a 4.0% increase.
- Variable electric costs are estimated to be \$192,619 less than the FY 2019/20 budget, a decrease of 16.87%.
- Chemical costs are budgeted at \$57.89 an acre-foot (excluding Santa Ynez Pumping facility chemical costs), which is a 3.57% decrease over FY 2019/20 chemical budget.
- Budgeted employee benefits percentage for FY 2020/21: 42.02%

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2020/21 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, debt 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 (25) of the 31 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 2020/21. 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 2020/21 Budget

The Santa Ynez Exchange Agreement modifications for the Fiscal Year 2020/21 budget are as follows:

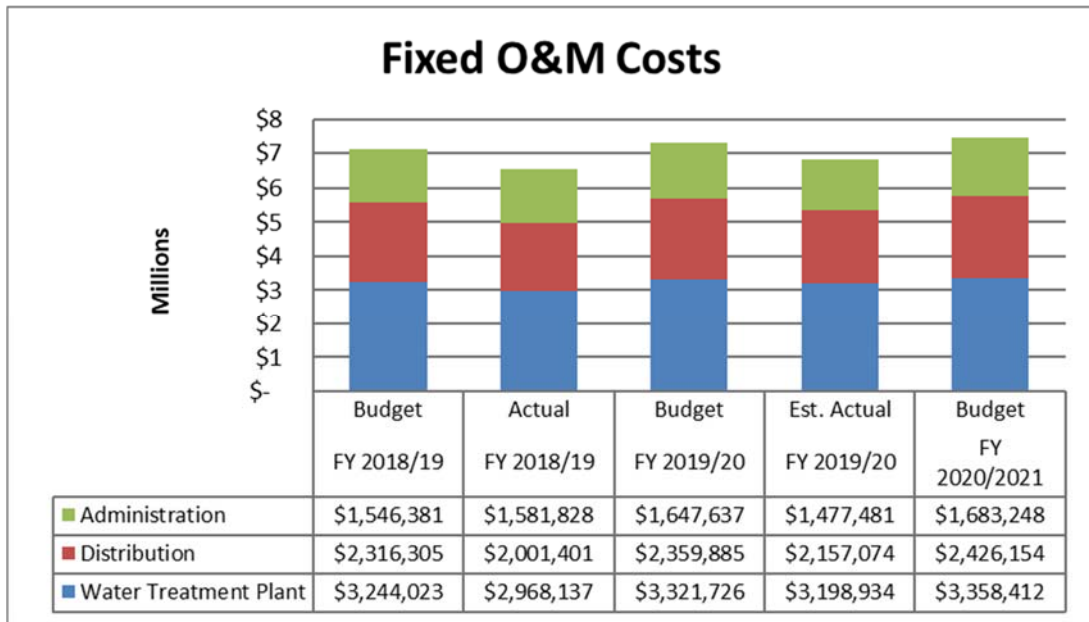
- Decrease in Warren Act and Trust Fund charges of \$171,183 (Warren Act and Trust Fund charges are not included in the Operating Expense budget and are treated as a pass-through expense).

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.

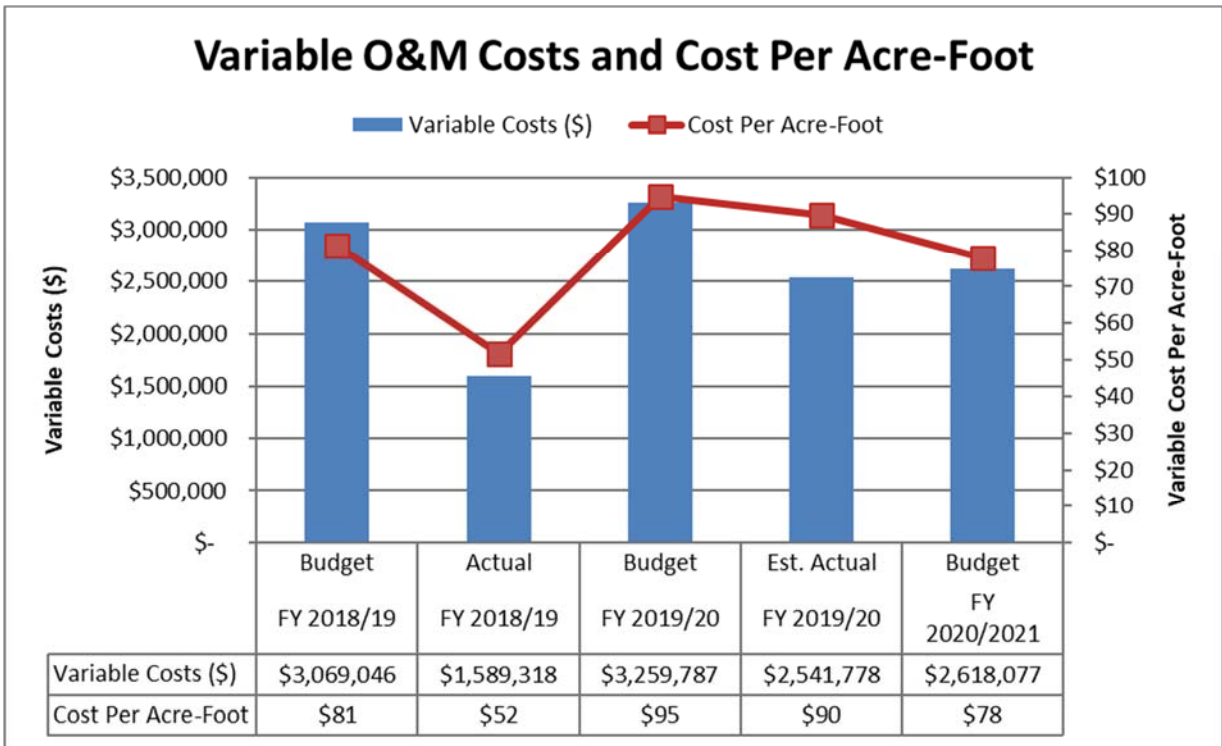
The following chart shows the three-year history of the fixed O&M costs in total and for each of the three departments.



Central Coast Water Authority
 Operating Expense Overview
 Fiscal Year 2020/21 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.



The Fiscal Year 2020/21 Consolidated Departmental Operating Expense Budget totals \$10,455,674 which is \$133,362 lower than the Fiscal Year 2019/20 Budget, a 1.26% decrease. 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 \$19,580 which includes the following changes from the prior year:

- The FY 2020/21 Budget includes the \$123,104 salary pool amount for employee salary increases representing an increase of \$1,479 over the FY 2019/20 budgeted amount of \$121,625. The salary pool percentage for FY 2020/21 is a flat 4% of salaries.

Central Coast Water Authority
Operating Expense Overview
Fiscal Year 2020/21 Budget

The FY 2020/21 total salaries and wages budget for all departments is held to an increase of \$38,453 as compared to the prior fiscal year budget due to the retirements of several employees, with the new employees starting at a lesser starting salaries than the ending salary of those who retired. Also, certain employees reaching the top of their salary range caused actual total salaries on July 1, 2019 to be lower than what was included in the budget for FY 2019/20.

- CalPERS retirement expenses are decreasing by approximately \$9,448. The combined CCWA paid employer, employee and unfunded actuarial liability contribution rates for the FY 2020/21 total 26.729% as compared to the prior year amount of 25.170%, for a combined increase of 1.559%. In FY 2017/18 CCWA employees began paying 50% of the increase in the “normal” PERS employer contribution. Additionally, CCWA now has 6 PEPRA employees, and anticipates hiring additional PEPRA employees by FY 2020/21.
- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are decreasing by about \$19,205 due to retirements as well as realignment of employee benefits and other changes as described below: 1) Effective January 1, 2018, the CCWA cafeteria plan health plan allowance is based on the lowest cost plan available to all CCWA employees; 2) Beginning with calendar year 2018, CCWA employees pay 50% of the increase in costs for the dependent portion of healthcare premiums; 3) The 2020 CalPERS health insurance plan with the lowest premiums decreased by 2.41% over the 2019 premiums, as opposed to the increase of 5% budgeted for the calendar year 2020. The 2020 health allowances have remained at same levels used in 2019; 4) The FY 2020/21 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2021.
- The FY 2020/21 Budget includes a \$161,513 deposit into the Retiree Benefit Trust Program, an increase of \$4,713 for FY 2020/21 over the FY 2019/20 budget amount of \$156,800. This increase 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 2020/21 Budget

Supplies and Equipment

Supplies and equipment are decreasing by \$452,092 based primarily on the reduced 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 \$611 due to a reduced need for additional lab supplies and equipment as identified by the Senior Chemist.

Repairs and Maintenance

Repairs and maintenance costs are increasing by about \$8,140 because of the need to purchase a chlorine header manifold for the WTP and the increase in age related equipment and building repairs and maintenance.

Professional Services

Professional Services are increasing by a total of about \$60,380 for the following reasons: A decrease of \$10,800 in professional services due to removing \$25,000 for PR Services related to CalWaterFix, offset by an increase in costs for Santa Barbara County staff time regarding the assignment of the State Water Project Contract to CCWA; an increase of \$60,000 in legal fees related to the State Water Project Contract Reassignment and reacquisition of Suspended Table A Water; and an increase of \$5,000 for annual audit fees.

General and Administrative

General and Administrative costs are increasing by about \$12,702 due to increased meetings and travel costs related to the State Water Project Contract extension and reassignment, employee training needs, and annual fees for the use of NeoGov for Human Resources and Recruitment needs.

Utilities

Utility expenses are decreasing by about \$187,417 primarily due to reduced electricity costs because of a decrease in requested water deliveries to Cachuma Lake of 2,868 AF when compared to the prior fiscal year.

Central Coast Water Authority
 Operating Expense Overview
 Fiscal Year 2020/21 Budget

Other Expenses

Other expenses are increasing by about \$34,151 due to increased insurance costs and computer expenses.

Approximately 50% of the operating expense budget represents personnel expenses. This is followed by 21% for supplies and equipment, and 11% for utilities and the balance is comprised of other expenses.

The chart on page 79 provides a detailed breakdown of the components of the FY 2020/21 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.

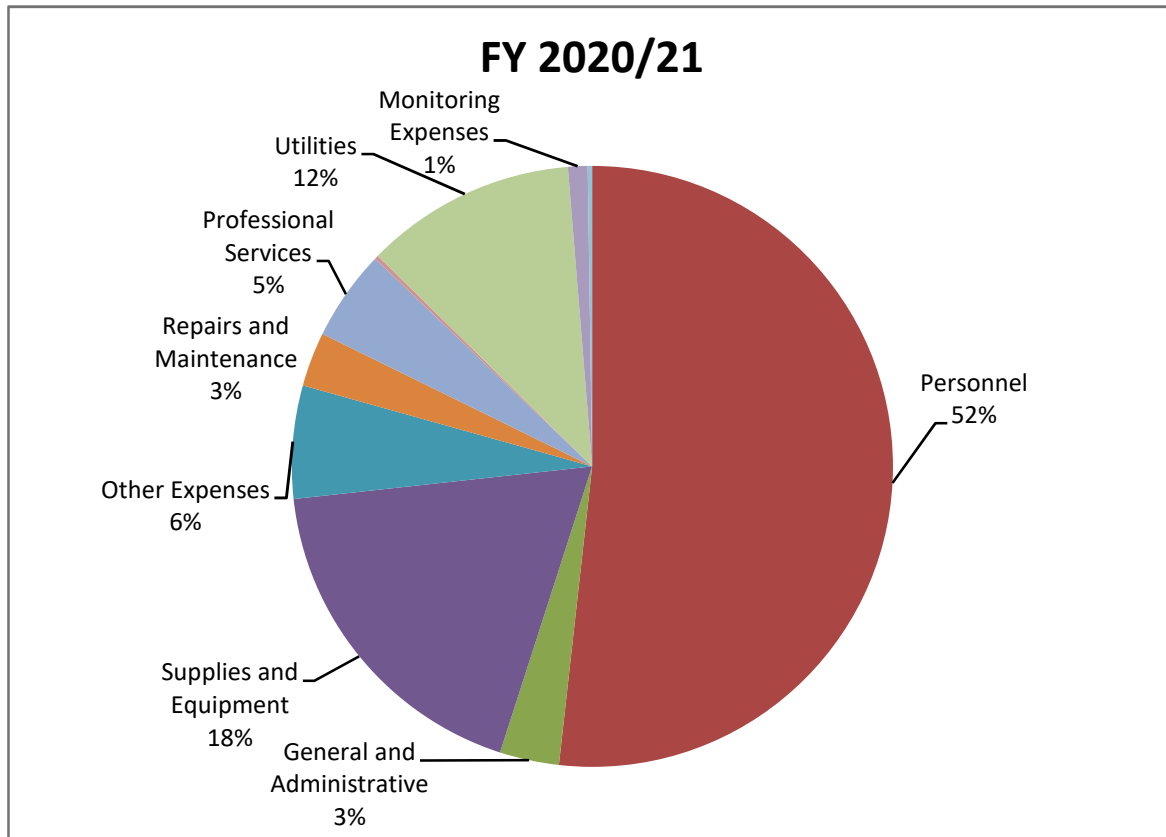
The following table shows the Employee Benefits Percentage calculation for the actual, estimated actual, and budget for the years 2018/19 through 2020/21.

	FY 2018/19 Actual	FY 2019/20 Est. Actual ⁽¹⁾	FY 2020/2021 Budget ⁽¹⁾
Total Regular Salaries	\$ 2,960,244	\$ 3,032,511	\$ 3,200,695
<u>Benefits</u>			
PERS Retirement ⁽¹⁾	639,695	660,467	725,785
Health Insurance	507,787	419,708	393,552
Cafeteria Plan Benefits	49,270	109,777	114,472
Dental/Vision Plan	61,059	68,150	81,592
Long-Term Disability	15,446	15,206	16,267
Life Insurance	12,308	11,854	13,264
Total Benefits:	<u>\$ 1,285,566</u>	<u>\$ 1,285,163</u>	<u>\$ 1,344,931</u>
Employee Benefits Percentage	43.43%	42.38%	42.02%

(1) The PERS Retirement for FY 2018/19 thru FY 2020/21 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 2020/2021 Budget

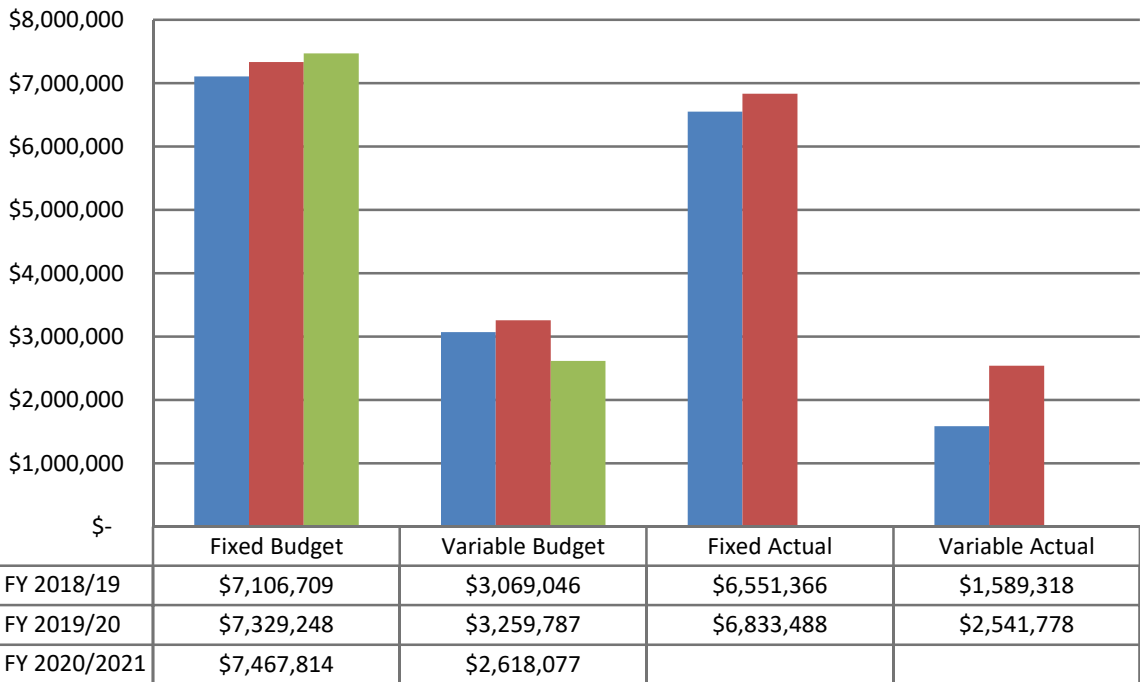
Item	FY 2020/2021 Budget
Personnel	\$ 5,221,432
Office Expenses	21,300
Supplies and Equipment	1,845,711
Monitoring Expenses	106,215
Repairs and Maintenance	293,760
Professional Services	493,223
General and Administrative	322,412
Utilities	1,143,895
Other Expenses	612,798
Turnouts	25,144
TOTAL:	<u>\$ 10,085,891</u>



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget
Personnel	\$ 5,032,011	\$ 4,801,021	\$ 5,201,852	\$ 4,959,325	\$ 5,221,432
Office Expenses	20,500	18,517	20,500	19,046	21,300
Supplies and Equipment	2,115,202	1,026,743	2,297,803	1,561,919	1,845,711
Monitoring Expenses	113,624	86,218	105,604	99,054	106,215
Repairs and Maintenance	279,880	269,850	285,620	265,534	293,760
Professional Services	425,520	335,847	432,843	422,663	493,223
General and Administrative	275,985	213,275	309,710	264,411	322,412
Utilities	1,302,775	882,605	1,331,312	1,287,891	1,143,895
Other Expenses	559,448	446,139	578,647	469,048	612,798
Turnouts	50,809	60,468	25,144	26,375	25,144
Total:	\$ 10,175,755	\$ 8,140,683	\$ 10,589,036	\$ 9,375,266	\$ 10,085,891

**Consolidated Departments Budget and Actual
Fixed and Variable Expenses**



Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 3,065,063	\$ 2,911,517	\$ 3,162,241	\$ 3,032,511	\$ 3,200,695	\$ 38,453	1.22%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	142,673	163,793	146,627	170,263	150,669	4,042	2.76%
5000.40	Standby Pay	57,262	58,078	58,314	54,687	60,085	1,770	3.04%
5000.50	Shift Differential Pay	18,585	17,780	19,256	16,079	19,880	624	3.24%
5100.10	PERS Retirement	806,994	775,942	860,233	785,467	850,785	(9,448)	-1.10%
5100.15	Medicare Taxes	48,005	46,300	50,539	48,578	51,414	875	1.73%
5100.20	Health/Dental/Vision Plans	627,362	438,541	608,820	597,635	589,615	(19,205)	-3.15%
5100.25	Workers' Compensation	66,325	57,644	90,952	59,081	93,246	2,294	2.52%
5100.30	Vehicle Expenses	9,000	9,346	9,000	9,000	9,000	-	0.00%
5100.35	Retiree Medical Future Liability Dep.	152,227	157,249	156,800	152,227	156,803	3	0.00%
5100.50	Long-Term Disability	15,566	14,990	16,067	15,206	16,267	201	1.25%
5100.55	Life Insurance	13,238	11,796	13,293	11,854	13,264	(29)	-0.22%
5100.60	Employee Physicals	900	360	900	200	900	-	0.00%
5000.30	Temporary Services	-	-	-	-	-	-	N/A
5100.80	Employee Incentive Programs	6,560	300	6,560	4,800	6,560	-	0.00%
5100.65	Employee Education Reimbursement	2,250	-	2,250	-	2,250	-	0.00%
5100.86	Benefits Overhead E-Projects	-	4,737	-	1,735	-	-	N/A
Total Personnel Expenses:		5,032,011	4,801,021	5,201,852	4,959,325	5,221,432	19,580	0.38%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	10,000	10,437	10,000	10,025	10,800	800	8.00%
5200.30	Misc. Office Expenses	10,500	8,080	10,500	9,021	10,500	-	0.00%
Total Office Expenses:		20,500	18,517	20,500	19,046	21,300	800	3.90%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	15,660	16,039	16,160	15,188	16,160	-	0.00%
5500.15	Minor Tools and Equipment	10,000	10,612	10,000	9,737	10,000	-	0.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	1,500	1,289	1,500	1,069	1,500	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	1,946,542	891,183	2,117,953	1,420,094	1,668,861	(449,092)	-21.20%
5500.35	Maintenance Supplies/Hardware	26,000	23,865	33,000	25,406	28,000	(5,000)	-15.15%
5500.40	Safety Supplies	14,000	10,278	14,000	12,207	14,000	-	0.00%
5500.45	Fuel and Lubricants	90,000	73,006	93,690	77,866	93,690	-	0.00%
5500.50	Seed/Erosion Control Supplies	11,000	225	11,000	-	13,000	2,000	18.18%
5500.55	Backflow Prevention Supplies	500	245	500	350	500	-	0.00%
Total Supplies and Equipment:		2,115,202	1,026,743	2,297,803	1,561,919	1,845,711	(452,092)	-19.67%
<u>MONITORING EXPENSES</u>								
5600.10	Lab Supplies	66,559	57,332	62,889	63,701	63,500	611	0.97%
5600.20	Lab Tools and Equipment	18,000	11,343	13,650	18,000	13,650	-	0.00%
5600.30	Lab Testing	29,065	17,543	29,065	17,353	29,065	-	0.00%
Total Monitoring Expenses:		113,624	86,218	105,604	99,054	106,215	611	0.58%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	180,500	184,904	185,500	173,450	192,500	7,000	3.77%
5700.20	Vehicle Repairs and Maintenance	17,500	18,561	20,000	17,650	21,500	1,500	7.50%
5700.30	Building Maintenance	68,360	54,230	66,360	62,205	66,000	(360)	-0.54%
5700.40	Landscape Maintenance	13,520	12,156	13,760	12,229	13,760	-	0.00%
Total Repairs and Maintenance:		279,880	269,850	285,620	265,534	293,760	8,140	2.85%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	174,375	103,073	157,203	165,179	146,403	(10,800)	-6.87%
5400.20	Legal Services	100,000	104,082	100,000	104,708	160,000	60,000	60.00%
5400.30	Engineering Services	39,500	16,840	28,500	15,000	30,000	1,500	5.26%
5400.40	Permits	31,500	31,173	39,100	31,406	41,900	2,800	7.16%
5400.50	Non-Contractual Services	3,700	2,064	3,940	3,587	5,620	1,680	42.64%
5400.60	Accounting Services	76,445	78,615	104,100	102,783	109,300	5,200	5.00%
Total Professional Services:		425,520	335,847	432,843	422,663	493,223	60,380	13.95%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meetings and Travel	62,000	50,502	63,000	60,535	70,100	7,100	11.27%
5300.20	Mileage Reimbursement	1,650	1,371	1,650	974	1,650	-	0.00%
5300.30	Dues and Memberships	172,535	128,860	201,086	167,437	204,819	3,733	1.86%
5300.40	Publications	3,250	1,253	3,250	2,068	3,000	(250)	-7.69%
5300.50	Training	20,150	15,737	24,325	20,241	26,444	2,119	8.71%
5300.60	Advertising	5,500	7,562	5,500	3,163	5,500	-	0.00%
5300.70	Printing and Binding	2,000	1,270	2,000	1,916	2,000	-	0.00%
5300.80	Postage	8,900	6,720	8,900	8,078	8,900	-	0.00%
Total General and Administrative:		275,985	213,275	309,710	264,411	322,412	12,702	4.10%
<u>UTILITIES</u>								
5800.20	Natural Gas	8,770	8,239	8,770	4,467	8,770	-	0.00%
5800.30	Electric-Fixed	142,446	153,579	152,080	138,761	155,445	3,365	2.21%
5800.35	Electric-Variable	1,122,504	698,134	1,141,834	1,121,684	949,216	(192,619)	-16.87%
5800.40	Water	4,420	4,293	4,900	4,290	4,900	-	0.00%
5800.50	Telephone	15,026	9,277	11,883	10,131	12,600	717	6.04%
5800.60	Waste Disposal	9,609	9,083	11,845	8,560	12,965	1,120	9.46%
Total Utilities:		1,302,775	882,605	1,331,312	1,287,891	1,143,895	(187,417)	-14.08%

Central Coast Water Authority
Consolidated Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>OTHER EXPENSES</u>								
5900.10	Insurance	140,867	115,365	134,386	132,638	152,375	17,989	13.39%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	72,588	-	80,103	-	-	N/A
5900.40	Equipment Rental	47,040	25,387	47,540	40,120	46,680	(860)	-1.81%
5900.50	Non-Capitalized Equipment	22,500	4,726	22,500	2,500	22,500	-	0.00%
5900.60	Computer Expenses	210,690	204,048	231,004	190,763	245,308	14,305	6.19%
5900.70	Appropriated Contingency	138,351	24,026	143,218	22,924	145,935	2,717	1.90%
Total Other Expenses:		559,448	446,139	578,647	469,048	612,798	34,151	5.90%
Turnout Expenses		50,809	60,468	25,144	26,375	25,144	-	0.00%
TOTAL OPERATING EXPENSES		\$10,175,755	\$ 8,140,683	\$10,589,036	\$ 9,375,266	\$ 10,085,891	\$ (503,145)	-4.75%

(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 2020/2021 Budget

Project Participant	<u>Administration Department</u>			<u>Water Treatment Plant Department Fixed Costs</u>					Total Fixed WTP Costs	Turnout Costs
	Table A	Percentage	Administration Expenses	Table A	Percentage	WTP Fixed	WTP Fixed and Capital Retreatment	Exchange Fixed and Capital Adjustments		
Shandon	-	-	\$ -	100	0.23%	\$ 10,238	-	-	10,238	\$ 2,777
Chorro Valley	-	-	-	2,338	5.32%	239,355	-	-	239,355	2,900
Lopez	-	-	-	2,392	5.45%	244,883	-	-	244,883	2,654
Guadalupe	550	1.41%	27,847	550	1.25%	56,307	27,083	-	83,389	2,188
Santa Maria	16,200	41.46%	820,233	16,200	36.90%	1,658,487	797,712	-	2,456,199	2,556
Golden State Water Co.	500	1.28%	25,316	500	1.14%	51,188	24,621	-	75,809	4,327
VAFB	5,500	14.07%	278,474	5,500	12.53%	563,067	270,828	-	833,895	2,000
Buellton	578	1.48%	29,265	578	1.32%	59,173	28,462	-	87,635	2,338
Santa Ynez (Solvang)	1,500	3.84%	75,948	1,500	3.42%	153,564	73,862	-	227,426	1,903
Santa Ynez	500	1.28%	25,316	500	1.14%	51,188	152,698	448,919	652,805	1,500
Goleta	4,500	11.52%	227,843	4,500	10.25%	460,691	(439,754)	(161,376)	(140,440)	-
Morehart Land	200	0.51%	10,126	200	0.46%	20,475	(24,671)	-	(4,195)	-
La Cumbre	1,000	2.56%	50,632	1,000	2.28%	102,376	(123,353)	-	(20,977)	-
Raytheon (SBRC)	50	0.13%	2,532	50	0.11%	5,119	(6,168)	-	(1,049)	-
Santa Barbara	3,000	7.68%	151,895	3,000	6.83%	307,127	(292,964)	(107,872)	(93,708)	-
Montecito	3,000	7.68%	151,895	3,000	6.83%	307,127	(292,964)	(107,872)	(93,708)	-
Carpinteria	2,000	5.12%	101,263	2,000	4.55%	204,752	(195,392)	(71,799)	(62,439)	-
TOTAL:	39,078	100.00%	\$ 1,978,585	43,908	100.00%	\$ 4,495,114	\$ -	-	\$ 4,495,114	\$ 25,144

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	1,318	-	-	-	-	-	-	-	1,318	14,333
Chorro Valley	30,821	-	-	-	-	-	-	-	30,821	273,076
Lopez	31,533	14,333	-	-	-	-	-	-	45,867	293,404
Guadalupe	7,251	3,296	2,303	-	-	-	-	-	12,849	126,274
Santa Maria	213,562	97,074	67,835	29,498	-	-	-	-	407,969	3,686,957
Golden State Water Co.	6,591	2,996	2,094	910	-	-	-	-	12,592	118,043
VAFB	72,505	32,957	23,030	10,015	28,977	83,096	-	-	250,581	1,364,950
Buellton	7,620	3,463	2,420	1,052	3,045	8,733	16,432	-	42,766	162,004
Santa Ynez (Solvang)	19,774	8,988	6,281	2,731	7,903	22,663	42,645	-	110,985	416,261
Santa Ynez	6,591	2,996	2,094	910	2,634	7,554	14,215	-	36,995	716,615
Goleta	59,323	26,965	18,843	8,194	23,708	67,988	127,934	312,675	645,629	733,032
Morehart Land	2,637	1,198	837	364	1,054	3,022	5,686	13,897	28,695	34,625
La Cumbre	13,183	5,992	4,187	1,821	5,268	15,108	28,430	69,483	143,473	173,127
Raytheon (SBRC)	659	300	209	91	263	755	1,421	3,474	7,174	8,656
Santa Barbara	39,548	17,977	12,562	5,463	15,805	45,325	85,289	208,450	430,419	488,606
Montecito	39,548	17,977	12,562	5,463	15,805	45,325	85,289	208,450	430,419	488,606
Carpinteria	26,366	11,984	8,375	3,642	10,537	30,217	56,860	138,966	286,946	325,770
TOTAL:	578,831	248,496	163,634	70,155	115,000	329,786	464,201	955,395	2,925,498	\$ 9,424,342

Central Coast Water Authority
Operating, Maintenance and Project Expense Allocation by Department
 Fiscal Year 2020/2021 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	\$ -	\$ -				\$ -	\$ -	\$ 14,333	Fixed O&M Costs	
Chorro Valley	-	119,707				119,707	119,707	392,783	Administration	\$ 1,683,248
Lopez	-	71,996				71,996	71,996	365,400	Water Treatment Plant	3,358,412
Guadalupe	-	31,968		9,883		41,852	41,852	168,126	Distribution	2,426,154
Santa Maria	-	643,452		198,929		842,381	842,381	4,529,338	Total Fixed O&M Costs	7,467,814
Golden State Water Co.	-	26,972		8,339		35,310	35,310	153,354	Variable O&M Costs	
VAFB	-	128,142		39,616		167,759	167,759	1,532,709	Water Treatment Plant	1,806,650
Buellton	-	21,438		6,628		28,065	28,065	190,069	Distribution	811,427
Santa Ynez (Solvang)	-	47,711		14,750		62,461	62,461	478,722	Total Variable O&M Costs	2,618,077
Santa Ynez	-	76,241		66,775	139,748	282,763	282,763	999,379	Capital & Non-Capital Projects	1,956,528
Goleta	117,925	122,796	(50,127)	(50,236)		22,432	140,357	873,389	Total O&M and Project Costs:	
Morehart Land	4,279	2,633	(1,819)	-		814	5,093	39,718	\$ 12,042,419	
La Cumbre	71,166	43,789	(30,251)	-		13,538	84,703	257,831		
S.B. Research	2,794	1,719	(1,188)	-		532	3,326	11,982		
Santa Barbara	232,232	176,474	(98,717)	(33,580)		44,177	276,409	765,015		
Montecito	232,232	176,474	(98,717)	(33,580)		44,177	276,409	765,015		
Carpinteria	150,799	115,139	(64,102)	(22,351)		28,686	179,486	505,256		
TOTAL:	\$ 811,427	\$ 1,806,650	\$ (0)	-		1,806,650	2,618,077	\$ 12,042,419		



Ray Stokes making a presentation to the Santa Barbara County Board of Supervisors

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 5.25
- Number of Board members 8
- Number of Authority Committees 3
- Board of Directors meetings Fourth Thursday of each month
- Operating Committee meetings Second Thursday, quarterly
- Finance Committee meetings Fourth Thursday, quarterly
- Other Committee meetings As needed

Budget Information

- Total FY 2020/21 O&M Budget \$ 1,683,248
- O&M Budget increase over FY 2019/20 \$ 35,611
- Percentage increase over FY 2019/20 2.16%

Significant Accomplishments During 2019/20

- Completed the Risk and Resilience Assessment as required by the American Water Infrastructure Act of 2018
- Quickly implemented the CCWA Pandemic Response Plan with no impact to the mission of CCWA.

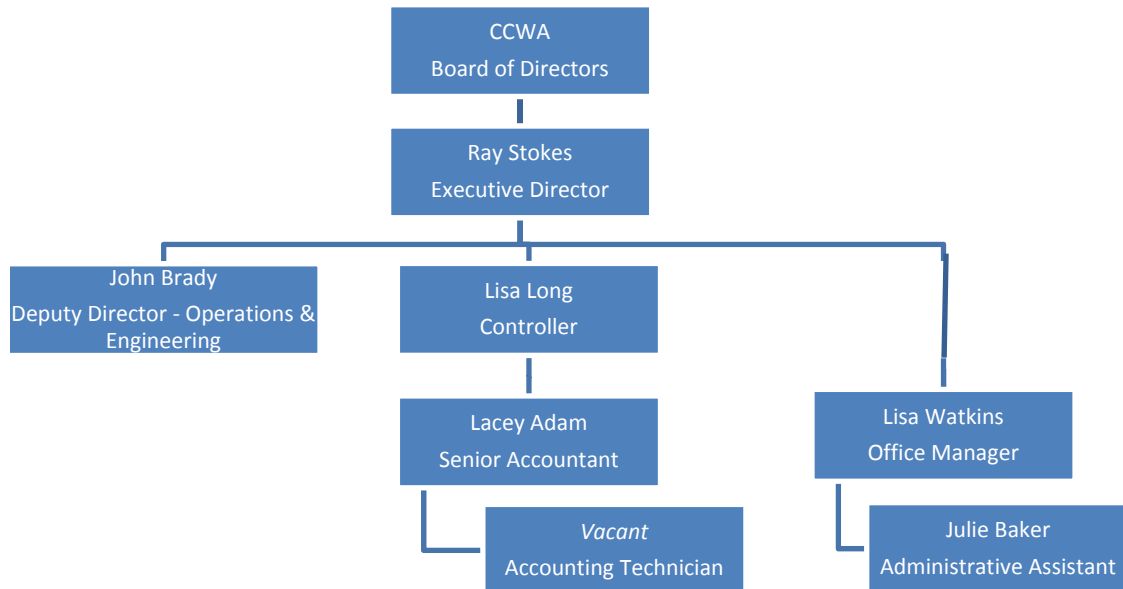
Significant Goals for FY 2020/21

- Complete the development of water management strategies as well as complete the 2020 Urban Water Management Plan and CCWA Emergency Response Plan Update.
- Continue to pursue assignment of the State Water Project contract from Santa Barbara County Flood Control and Water Conservation District to CCWA
- Complete reacquisition of the 12,214 AF of suspended Table A water
- In consultation with water management consultants, identify and explore ways in which CCWA, in coordination with San Luis Obispo County Flood Control and Water Conservation District, can maximize our respective State Water allocations on a long-term basis.
- Execute State Water Project Contract amendments for: Extension of the Term of the State Water Project Contract; Water Management Tools Amendment and the Delta Conveyance Project Contract Amendment.

Central Coast Water Authority
Administration Department
Fiscal Year 2020/21 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 2020/21 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 preparation of the monthly financial and quarterly investment reports for the Board of Directors, preparation of the Continuing Disclosure report, 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 2020/21 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 2020/21 is increasing by about \$35,611 or 2.16% when compared to the FY 2019/20 Budget. The total FY 2020/21 budget is \$1,683,248 compared to the FY 2019/20 budget of \$1,647,637. The following items represent the major changes in the Administration Department budget.

Personnel Expenses Total personnel expenses are decreasing by approximately \$36,585 due to the following:

- The FY 2019/20 Administration Department Budget includes a \$23,437 salary pool for employee salary increases which represents a decrease of \$1,182 in FY 2020/21 salary pool amount over the FY 2019/20 budgeted amount of \$24,619. The salary pool percentage for FY 2020/21 is a flat 4% of salaries.

The FY 2020/21 total salaries and wages budget for the Administration Department decreased by \$30,736 when compared to the prior fiscal year budget, largely due to the retirements with new staff starting at a lower salary than the retired employee.

- CalPERS retirement expenses are decreasing by about \$7,554 over the prior fiscal year. The decrease in part is attributed to an increase in the actuarial calculation referred to as the “unfunded actuarial liability” (UAL) contribution, which is an employer required contribution, offset by a decrease in retirement expenses due to the Controller’s retirement. The balance of the change is due to the changes in contribution rates (explained below) combined with the change in salaries.

The CCWA employer paid portion for “Classic” members in FY 2020/21 is 26.729% as compared to the prior year amount of 25.170%, for a 1.559% increase. CCWA “Classic” member employees began paying 50% of the increase in the “normal” PERS employer contribution in FY 2017/18. As of FY 2019/20 the Administration Department has no CalPERS PEPRA member employees, however is anticipating the 1st PEPRA employee to be hired by FY 2020/21. The PEPRA employer contribution rate in FY 2020/21 increased from 7.383% in FY 2019/20 to 8.706% in FY 2020/21 for an increase in employer paid PEPRA contribution rate of 1.323%. Currently, the Administration Department does not have any 2nd tier member employees.

Central Coast Water Authority
Administration Department
Fiscal Year 2020/21 Budget

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about \$2,631 due to the realignment of employee benefits and other changes as described:
1) Effective January 1, 2018, the CCWA cafeteria plan health plan allowance is based on the lowest cost plan available to all CCWA employees; 2) Beginning with calendar year 2018, CCWA employees pay 50% of the increase in costs for the dependent portion of healthcare premiums; 3) The 2020 CalPERS health insurance plan with the lowest premiums decreased by 2.41% over the 2019 premiums, as opposed to the increase of 5% budgeted for the calendar year 2020. The 2020 health allowances have remained at same levels used in 2019; 4) The FY 2020/21 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2021. The health plan estimates are based on the elections of each employee at the time the budget is prepared.

- The FY 2020/21 Budget includes a \$35,053 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.

Professional/Legal Services Professional Services are increasing by about \$51,880 due primarily to a decrease of \$25,000 for PR Services related to CalWaterFix, offset by an increase \$10,000 budgeted for Santa Barbara County staff time regarding the assignment of the State Water Project Contract to CCWA, an increase of \$5,000 for the annual financial audit, and an increase of about \$60,000 for legal services related to the assignment of the State Water Project Contract to CCWA and the reacquisition of Suspended Table A Water.

General and Administrative General and administrative expenses are increasing in total by about \$9,702 due to the increase in State Water Contractor Dues, as well as additional travel requirements related to State Water Contractors meetings.

Other Expenses Other expenses are increasing in total by about \$7,753 due to increased computer expenses and a slight increase in insurance expenses.

Central Coast Water Authority
Personnel Services Summary
Administration Department
 Fiscal Year 2020/2021 Budget

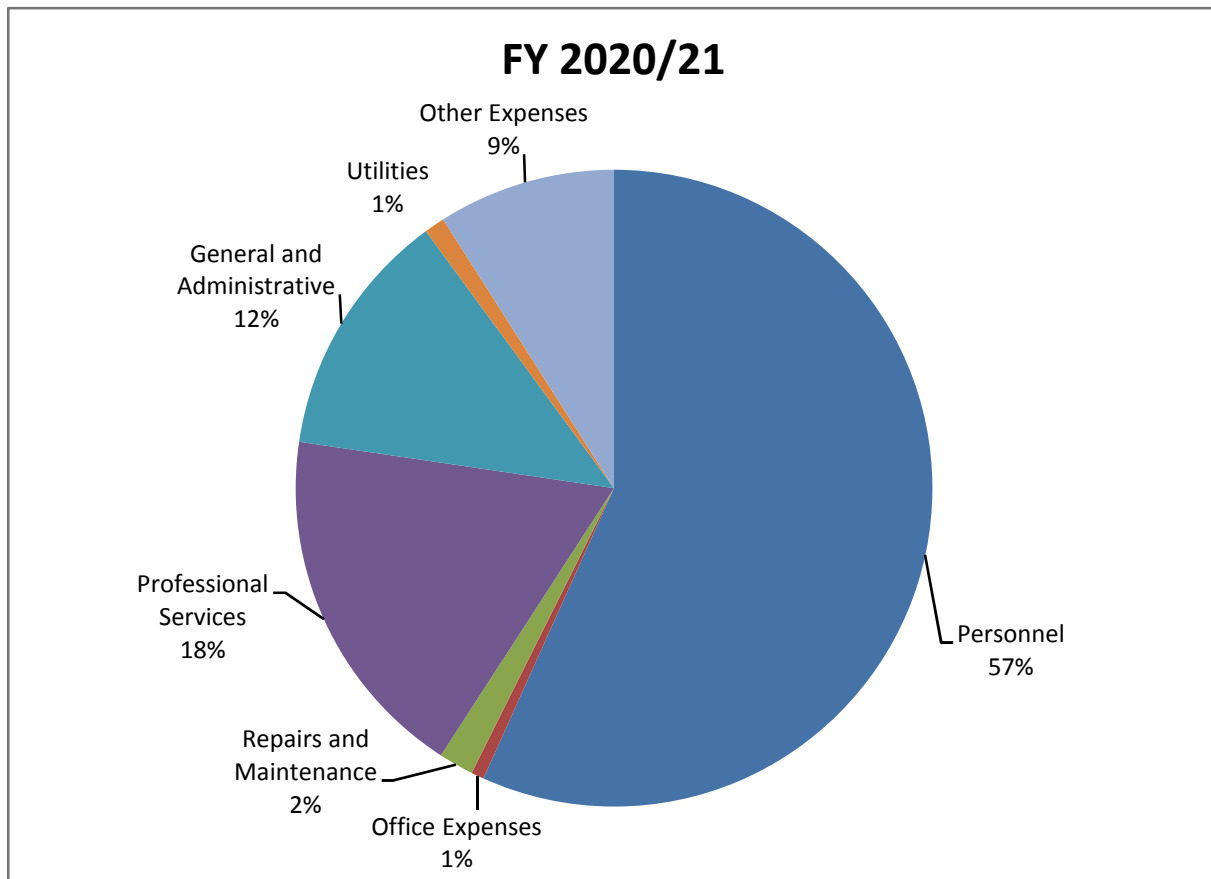
PERSONNEL COUNT SUMMARY					
Position Title	Number Auth. FY 2018/19	Number Auth. FY 2019/20	Number Requested FY 2020/2021	Change Over FY 2018/19	Change Over FY 2019/20
Executive Director ⁽¹⁾	0.50	0.50	0.50	-	-
Deputy Director of Operations ⁽¹⁾	0.25	0.25	0.25	-	-
Controller	1.00	1.00	1.00	-	-
Deputy Controller	1.00	1.00	-	(1.00)	(1.00)
Senior Accountant	-	-	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00	-	-
Accounting Technician	0.75	0.75	0.75	-	-
Administrative Assistant	0.75	0.75	0.75	-	-
TOTAL:	5.25	5.25	5.25	-	-

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2019/20 Total Annual Salary	Allocation to Admin Department
Executive Director ⁽¹⁾	1	N/A	N/A	N/A	\$ 274,944	\$ 137,472
Deputy Director of Operations ⁽¹⁾	1	N/A	N/A	N/A	\$ 192,324	\$ 48,081
Controller	1	43	\$ 10,238	\$ 12,490	\$ 119,325	\$ 119,325
Deputy Controller	0	33	\$ -	\$ -	\$ -	\$ -
Senior Accountant	1	25	\$ 6,957	\$ 8,487	\$ 81,079	\$ 81,079
Office Manager	1	31	\$ 7,913	\$ 9,654	\$ 99,032	\$ 99,032
Accounting Technician	1	12	\$ 5,263	\$ 6,420	\$ 46,001	\$ 46,001
Administrative Assistant	1	11	\$ 5,151	\$ 6,284	\$ 54,929	\$ 54,929
FY 2020/21 Salary Pool						\$ 23,437
TOTAL:						\$ 609,356

(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
 The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).

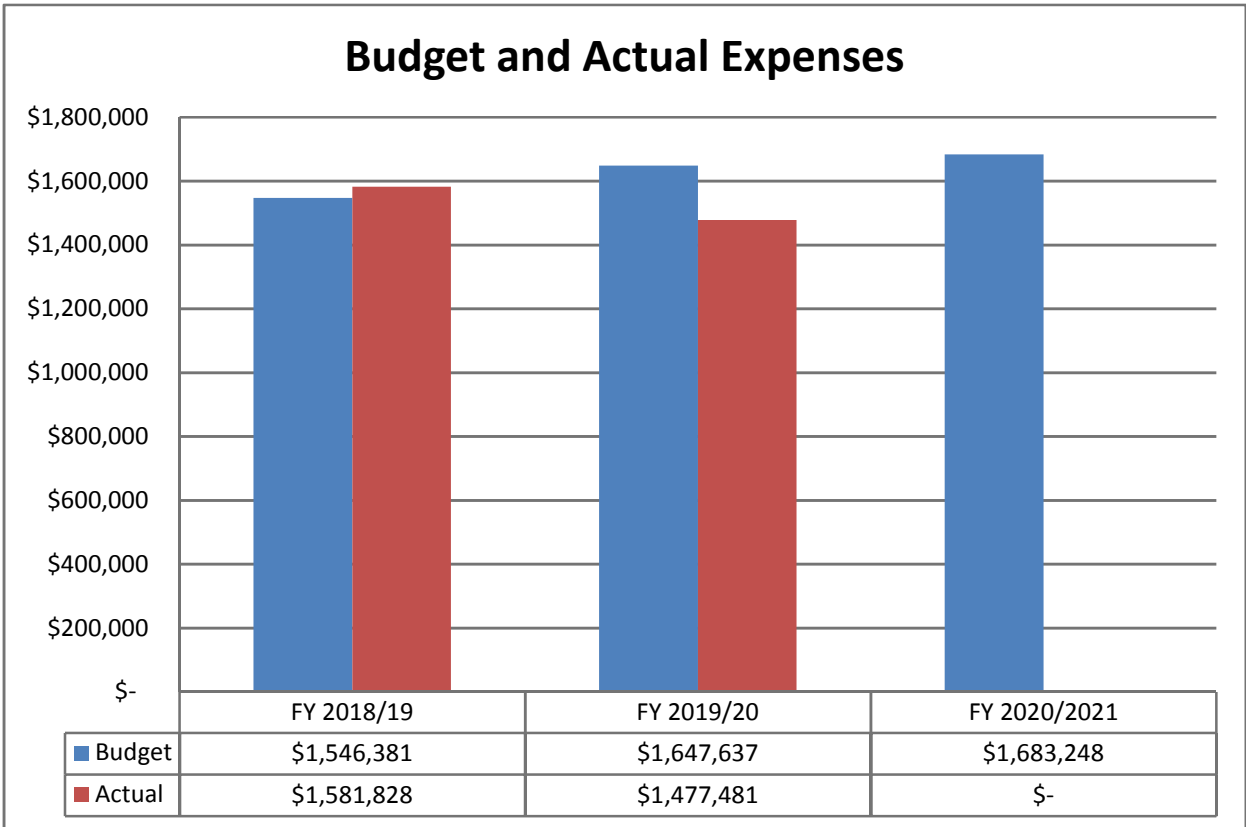
Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2020/2021 Budget
Personnel	\$ 954,884
Office Expenses	10,800
Repairs and Maintenance	29,960
Professional Services	306,051
General and Administrative	212,162
Utilities	17,738
Other Expenses	151,652
TOTAL:	<u><u>\$ 1,683,248</u></u>



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget
Personnel	\$ 946,918	\$ 1,075,448	\$ 991,469	\$ 882,891	\$ 954,884
Office Expenses	10,500	11,137	10,500	9,556	10,800
Supplies and Equipment	-	-	-	-	-
Repairs and Maintenance	31,695	23,844	29,935	27,133	29,960
Professional Services	215,748	197,996	254,171	254,728	306,051
General and Administration	192,185	151,195	202,460	183,397	212,162
Utilities	16,316	13,883	15,203	15,494	17,738
Other Expenses	133,018	108,325	143,899	104,281	151,652
TOTAL:	\$ 1,546,381	\$ 1,581,828	\$ 1,647,637	\$ 1,477,481	\$ 1,683,248



Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 615,389	\$ 626,046	\$ 640,092	\$ 547,921	\$ 609,356	\$ (30,736)	-4.80%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	5,000	201	5,000	4,089	5,000	-	0.00%
5000.40	Standby Pay	-	-	-	-	-	-	N/A
5000.50	Shift Differential Pay	-	-	-	-	-	-	N/A
5100.10	PERS Retirement	172,469	173,518	191,479	184,381	183,924	(7,554)	-3.95%
5100.15	Medicare Taxes	9,246	11,256	9,782	8,254	9,300	(482)	-4.93%
5100.20	Health/Dental/Vision Plans	91,107	55,469	88,842	84,822	91,473	2,631	2.96%
5100.25	Workers' Compensation	3,586	3,579	4,974	3,657	4,741	(233)	-4.68%
5100.30	Vehicle Expenses	9,000	9,346	9,000	9,000	9,000	-	0.00%
5100.35	Retiree Medical Future Liability Dep.	34,030	155,485	35,052	34,030	35,053	1	0.00%
5100.50	Long-Term Disability	3,200	3,291	3,328	3,262	3,169	(160)	-4.80%
5100.55	Life Insurance	2,360	2,273	2,390	2,290	2,339	(50)	-2.11%
5100.60	Employee Physicals	-	-	-	-	-	-	N/A
5000.30	Temporary Services	-	-	-	-	-	-	N/A
5100.80	Employee Incentive Programs	1,280	100	1,280	1,000	1,280	-	0.00%
5100.65	Employee Education Reimbursement	250	-	250	-	250	-	0.00%
5100.86	Benefits Overhead E-Projects	-	64	-	183	-	-	N/A
Total Personnel Expenses:		946,918	1,075,448	991,469	882,891	954,884	(36,585)	-3.69%

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	6,000	6,652	6,000	6,103	6,300	300	5.00%
5200.30	Miscellaneous Office Expenses	4,500	4,485	4,500	3,453	4,500	-	0.00%
Total Office Expenses:		10,500	11,137	10,500	9,556	10,800	300	2.86%
<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 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	5,500	2,443	5,500	3,450	5,500	-	0.00%
5700.20	Vehicle Repairs and Maintenance	-	-	-	-	-	-	N/A
5700.30	Building Maintenance	22,175	17,705	20,175	19,914	20,200	25	0.12%
5700.40	Landscape Maintenance	4,020	3,696	4,260	3,769	4,260	-	0.00%
Total Repairs and Maintenance:		31,695	23,844	29,935	27,133	29,960	25	0.08%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	35,603	13,405	46,131	43,990	31,131	(15,000)	-32.52%
5400.20	Legal Services	100,000	103,912	100,000	104,368	160,000	60,000	60.00%
5400.30	Engineering Services	-	-	-	-	-	-	N/A
5400.40	Permits	-	-	-	-	-	-	N/A
5400.50	Non-Contractual Services	3,700	2,064	3,940	3,587	5,620	1,680	42.64%
5400.60	Accounting Services	76,445	78,615	104,100	102,783	109,300	5,200	5.00%
Total Professional Services:		215,748	197,996	254,171	254,728	306,051	51,880	20.41%
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	24,000	20,847	25,000	22,806	31,100	6,100	24.40%
5300.20	Mileage Reimbursement	1,000	1,271	1,000	974	1,000	-	0.00%
5300.30	Dues and Memberships	154,635	120,129	163,736	150,355	167,469	3,733	2.28%
5300.40	Publications	1,500	219	1,500	882	1,250	(250)	-16.67%
5300.50	Training	3,250	3,517	3,425	3,455	3,544	119	3.48%
5300.60	Advertising	2,500	1,591	2,500	-	2,500	-	0.00%
5300.70	Printing and Binding	2,000	1,188	2,000	1,916	2,000	-	0.00%
5300.80	Postage	3,300	2,433	3,300	3,010	3,300	-	0.00%
Total General and Administrative:		192,185	151,195	202,460	183,397	212,162	9,702	4.79%

Central Coast Water Authority
Administration Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>UTILITIES</u>								
5800.20	Natural Gas	450	530	450	439	450	-	0.00%
5800.30	Electric-Fixed	7,638	5,192	7,668	6,456	7,668	-	0.00%
5800.35	Electric-Variable	-	-	-	-	-	-	N/A
5800.40	Water	1,920	2,299	2,400	2,129	2,400	-	0.00%
5800.50	Telephone	3,744	3,026	1,485	3,438	3,600	2,115	142.41%
5800.60	Waste Disposal	2,564	2,836	3,200	3,032	3,620	420	13.13%
Total Utilities:		16,316	13,883	15,203	15,494	17,738	2,535	16.67%
<u>OTHER EXPENSES</u>								
5900.10	Insurance	20,674	18,337	19,395	20,794	19,913	518	2.67%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	11,493	-	5,000	-	-	N/A
5900.40	Equipment Rental	5,340	4,357	5,340	5,051	5,340	-	0.00%
5900.50	Non-Capitalized Equipment	2,500	-	2,500	2,500	2,500	-	0.00%
5900.60	Computer Expenses	74,183	74,138	84,357	70,937	90,894	6,537	7.75%
5900.70	Appropriated Contingency	30,321	-	32,307	-	33,005	698	2.16%
Total Other Expenses:		133,018	108,325	143,899	104,281	151,652	7,753	5.39%
TOTAL OPERATING EXPENSES		\$ 1,546,381	\$ 1,581,828	\$ 1,647,637	\$ 1,477,481	\$ 1,683,248	\$ 35,611	2.16%

(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 2020/2021 BUDGET**

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

Description: Funds for the Administration Department regular employees. Includes \$23,437 for the FY 2019/20 salary pool.

FY 20/21 Requested Budget	609,356
FY 19/20 Estimated Actual	547,921
Increase (Decrease)	61,434

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

Description: Overtime expenses for non-exempt Administration employees.

FY 20/21 Requested Budget	5,000
FY 19/20 Estimated Actual	4,089
Increase (Decrease)	911

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

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 25.170% contribution rate for FY 2019/20, which includes the required Unfunded Accrued Liability (UAL) payment.

FY 20/21 Requested Budget	183,924
FY 19/20 Estimated Actual	184,381
Increase (Decrease)	(457)

Required Contributions	\$ 102,886	17.652%
UAL current fiscal year	52,542	9.077%
UAL additional payment	28,497	fixed
TOTAL	\$ 183,924	

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 20/21 Requested Budget	9,300
FY 19/20 Estimated Actual	8,254
Increase (Decrease)	1,046

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 BUDGET**

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

Description: Funds for employer paid portion of health insurance for Administration employees. Based on employee 2020 Caf  Plan elections and dependent status. Includes an estimated 5% increase in 2021 plan rates.

FY 20/21 Requested Budget	51,330
FY 19/20 Estimated Actual	55,743
Increase (Decrease)	(4,413)

	2020 Allowance		2021 Allowance Est
Family	\$ 20,729	\$	21,247
Emp + 1	15,586		15,976
Employee only	7,857		8,053

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 96%. Based on a 3% premium increase over FY 2019/20.

FY 20/21 Requested Budget	4,741
FY 19/20 Estimated Actual	3,657
Increase (Decrease)	1,083

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

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

FY 20/21 Requested Budget	9,000
FY 19/20 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 20/21 Requested Budget	35,053
FY 19/20 Estimated Actual	34,030
Increase (Decrease)	1,023

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 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 20/21 Requested Budget	27,019
FY 19/20 Estimated Actual	17,251
Increase (Decrease)	9,768

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

Description: Funds for the self-funded dental/vision plan. The plan provides \$3,684 per year per family for dental and vision expenses. Budgeted amount is \$2,763 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

FY 20/21 Requested Budget	13,124
FY 19/20 Estimated Actual	11,828
Increase (Decrease)	1,296

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 20/21 Requested Budget	3,169
FY 19/20 Estimated Actual	3,262
Increase (Decrease)	(94)

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 \$100,000.

FY 20/21 Requested Budget	2,339
FY 19/20 Estimated Actual	2,290
Increase (Decrease)	49

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 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 20/21 Requested Budget	250
FY 19/20 Estimated Actual	-
Increase (Decrease)	250

ACCOUNT NUMBER: 5100.80 **ACCOUNT TITLE:** Employee Incentive Programs

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

FY 20/21 Requested Budget	1,280
FY 19/20 Estimated Actual	1,000
Increase (Decrease)	280

EAAP	\$	1,280
TOTAL:	\$	1,280

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 20/21 Requested Budget	6,300
FY 19/20 Estimated Actual	6,103
Increase (Decrease)	197

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

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

FY 20/21 Requested Budget	4,500
FY 19/20 Estimated Actual	3,453
Increase (Decrease)	1,047

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 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 20/21 Requested Budget	31,100
FY 19/20 Estimated Actual	22,806
Increase (Decrease)	8,294

\$	2,000	ACWA Conferences
	21,600	SWC Meetings (\$1,800 per month)
	2,500	DWR/Sacramento/MWQI
	5,000	Other miscellaneous meetings
\$	31,100	TOTAL

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

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

FY 20/21 Requested Budget	1,000
FY 19/20 Estimated Actual	974
Increase (Decrease)	26

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

Description: Funds for professional dues.

FY 20/21 Requested Budget	167,469
FY 19/20 Estimated Actual	150,355
Increase (Decrease)	17,114

\$	128,282	SWC Dues
	23,304	ACWA
	5,000	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
\$	167,469	TOTAL

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

Description: Funds for publications received by CCWA

FY 20/21 Requested Budget	1,250
FY 19/20 Estimated Actual	882
Increase (Decrease)	368

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

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 BUDGET**

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

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

FY 20/21 Requested Budget	3,544
FY 19/20 Estimated Actual	3,455
Increase (Decrease)	89

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

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

FY 20/21 Requested Budget	2,500
FY 19/20 Estimated Actual	-
Increase (Decrease)	2,500

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
Comprehensive Annual Financial Report (CAFR).

FY 20/21 Requested Budget	2,000
FY 19/20 Estimated Actual	1,916
Increase (Decrease)	84

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

Description: Funds for all postal and mail expenses.

	\$	3,000	Postage meter expenses (\$250 per month)
		300	Overnight and shipping svcs (\$25 per month)
FY 20/21 Requested Budget		3,300	
FY 19/20 Estimated Actual	\$	3,010	TOTAL
Increase (Decrease)		290	

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 BUDGET**

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

Description: Funds for miscellaneous consultants and other services.

FY 20/21 Requested Budget	31,131	\$	3,528	BAO office alarm system, DMV monitoring fee
FY 19/20 Estimated Actual	43,990		25,000	SB County staff costs for CCWA related work
Increase (Decrease)	(12,859)		2,603	Personnel Team Building
		\$	31,131	TOTAL

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

Description: Funds for CCWA legal services.

FY 20/21 Requested Budget	160,000	\$	150,000	Brownstein Hyatt Farber General Counsel
FY 19/20 Estimated Actual	104,368		10,000	Stradling Yocca Carlsen Personnel Counsel
Increase (Decrease)	55,632	\$	160,000	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 20/21 Requested Budget	5,620	\$	1,620	IRC 125 Plan administration fees (\$135 per mo)
FY 19/20 Estimated Actual	3,587		3,000	Employee Assistance Program
Increase (Decrease)	2,033		1,000	Other miscellaneous
		\$	5,620	TOTAL

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

Description: Funds for the annual audit of the FY 2018/19 Financial Statements and DWR Statement of Charges (SOC)

FY 20/21 Requested Budget	109,300	\$	30,000	Annual Audit
FY 19/20 Estimated Actual	102,783		15,000	Ernst & Young - SWC SOC Audit
Increase (Decrease)	6,517		50,000	Ernst & Young - CCWA SOC Audit
			14,300	Bartel Assoc - Pension/OPEB Actuarial Reports
		\$	109,300	TOTAL

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 BUDGET**

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

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

FY 20/21 Requested Budget	5,500
FY 19/20 Estimated Actual	3,450
Increase (Decrease)	2,050

\$	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 20/21 Requested Budget	20,200
FY 19/20 Estimated Actual	19,914
Increase (Decrease)	286

\$	1,200	Monthly Pest Control
	15,000	Janitorial services and supplies
	2,500	Building repairs
	1,500	HVAC quarterly maintenance
\$	20,200	TOTAL

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

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

FY 20/21 Requested Budget	4,260
FY 19/20 Estimated Actual	3,769
Increase (Decrease)	491

\$	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 20/21 Requested Budget	450
FY 19/20 Estimated Actual	439
Increase (Decrease)	11

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 BUDGET**

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

Description: Funds for electrical service to the Administration building (\$639 per month).

FY 20/21 Requested Budget	7,668
FY 19/20 Estimated Actual	6,456
Increase (Decrease)	1,212

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

Description: Funds for water and sewer service for the Administration building (\$200 per month).

FY 20/21 Requested Budget	2,400
FY 19/20 Estimated Actual	2,129
Increase (Decrease)	271

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

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

FY 20/21 Requested Budget	3,600
FY 19/20 Estimated Actual	3,438
Increase (Decrease)	162

\$	180	Long distance and 800# (\$15 per month)
	600	Cell phones and airtime (\$50 per month)
	900	Conference calls (\$75 per month)
	1,920	Local Long Distance (\$160 per month)
\$	3,600	TOTAL

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

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

FY 20/21 Requested Budget	3,620
FY 19/20 Estimated Actual	3,032
Increase (Decrease)	588

\$	3,420	Waste Disposal service (\$285 per month)
	200	Hazardous Waste Disposal
\$	3,620	TOTAL

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 BUDGET**

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

Description: Funds for insurance related expenses.

FY 20/21 Requested Budget	19,913	\$	1,637	Property and auto insurance based on
FY 19/20 Estimated Actual	20,794			allocation provided by JPIA
Increase (Decrease)	(881)	\$	14,942	General Liability and E&O apportioned by
				payroll percentages
		\$	3,334	Employee fidelity bond \$5 million limit
		\$	19,913	TOTAL

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

Description: Funds for rental of equipment.

FY 20/21 Requested Budget	5,340	\$	1,780	Postage meter (\$445 per quarter)
FY 19/20 Estimated Actual	5,051		3,060	Copier lease (\$255 per month)
Increase (Decrease)	289		500	Other
		\$	5,340	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 20/21 Requested Budget	2,500
FY 19/20 Estimated Actual	2,500
Increase (Decrease)	-

**CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2020/2021 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 20/21 Requested Budget	90,894
FY 19/20 Estimated Actual	70,937
Increase (Decrease)	19,957

\$	90,894	<u>CompuVision, Annual Service Agreements and Software Subscriptions</u>
\$	-	<u>Software and other computer services</u>
\$	90,894	TOTAL

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

Description: 2.0% of operating expenses

FY 20/21 Requested Budget	33,005
FY 19/20 Estimated Actual	-
Increase (Decrease)	33,005



Water Treatment Plant Clarifier Valve Replacement 2019

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 14.80
- Polonio Pass Water Treatment Plant capacity 50 million gallons per day
- FY 2020/21 requested water deliveries 33,626-feet

Budget Information

- Total FY 2020/21 O&M Budget \$ 5,165,062
- O&M Budget decrease over FY 2019/20 \$ (355,641)
 - Fixed cost increase over FY 2019/20 \$ 36,686
 - Variable cost decrease over FY 2019/20 \$ (392,327)
- Percentage decrease (6.44%)
- Fixed O&M Expenses \$ 3,358,412
- Variable O&M Expenses \$ 1,806,650
- FY 2020/21 budgeted chemical cost \$ 57.89 per acre-foot
- Regional Water Treatment Plant Cost Per AF:
 - Fixed and Capital \$ 49.24
 - Variable \$ 16.61
- Exchange Agreement Modifications Per AF:
 - Fixed and Capital \$ 172.59
 - Variable \$ 53.73

Significant Accomplishments During FY 2019/20

- Successfully completed the last phase of the filter media change out. Based on monitoring data, staff estimates that the media change out frequency for individual filters is now in the 15 to 20 years range.
- WTP staff contributed towards a detailed Risk and Resiliency Assessment of the CCWA operation.
- WTP Staff conducted detailed research and testing to assess the potential of biofilm within the aqueduct.

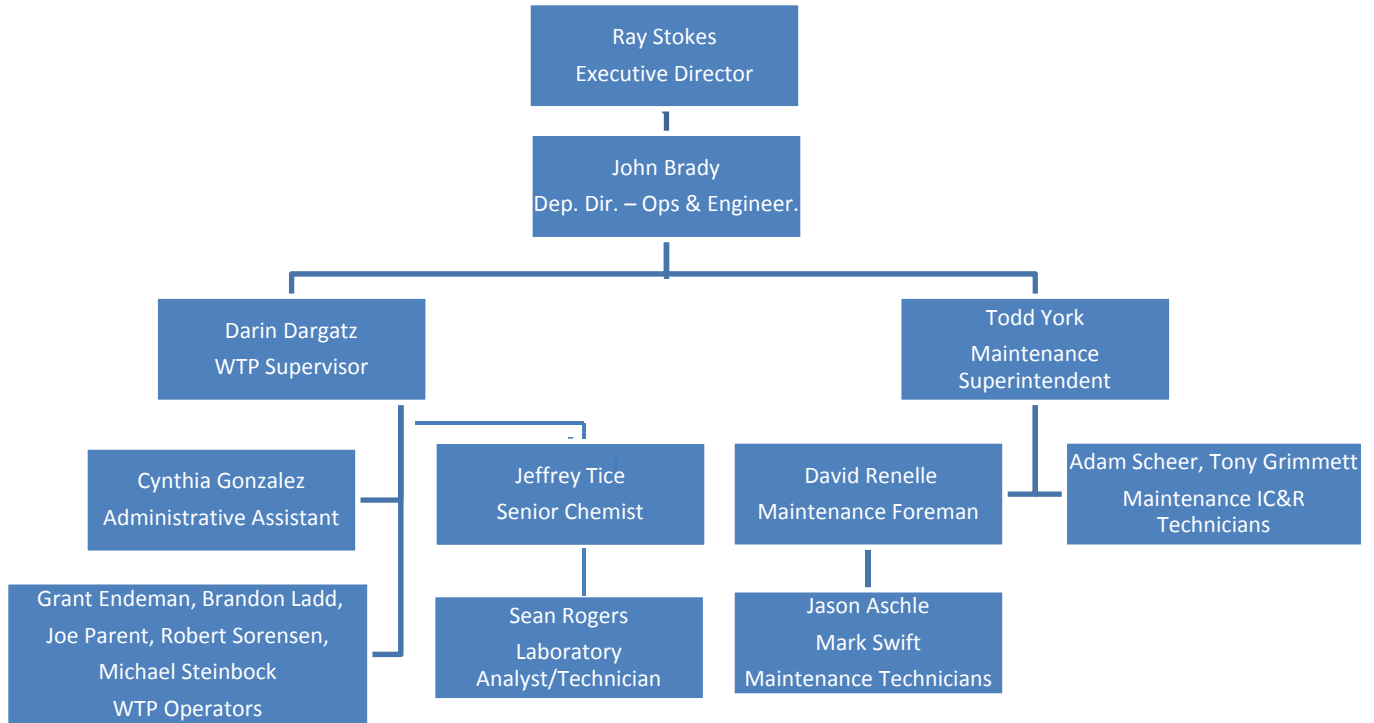
Significant Goals for FY 2020/21

- WTP staff will manage and actively participate in the Process Logic Controller Upgrade Project.
- Complete development of a biofilm assessment, monitoring and abatement program as a way to control nitrification. One major effort is to implement both bulk water and biofilm sampling and analysis.
- Implement the Cyanotoxin monitoring program through conducting in-house analysis.

Central Coast Water Authority
 Water Treatment Plant Department
 Fiscal Year 2020/21 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 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 Maintenance Superintendent oversees plant maintenance and supervises the two (2) Maintenance/IC&R Technicians and the Maintenance Foreman. Together with available operations staff, they keep the treatment plant in full operation.

The Maintenance Foreman is responsible for the daily plant maintenance and supervises 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

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2020/21 Budget

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.

The goals for the Water Treatment Plant Department will be discussed at an upcoming meeting of the CCWA Board of Directors.

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.

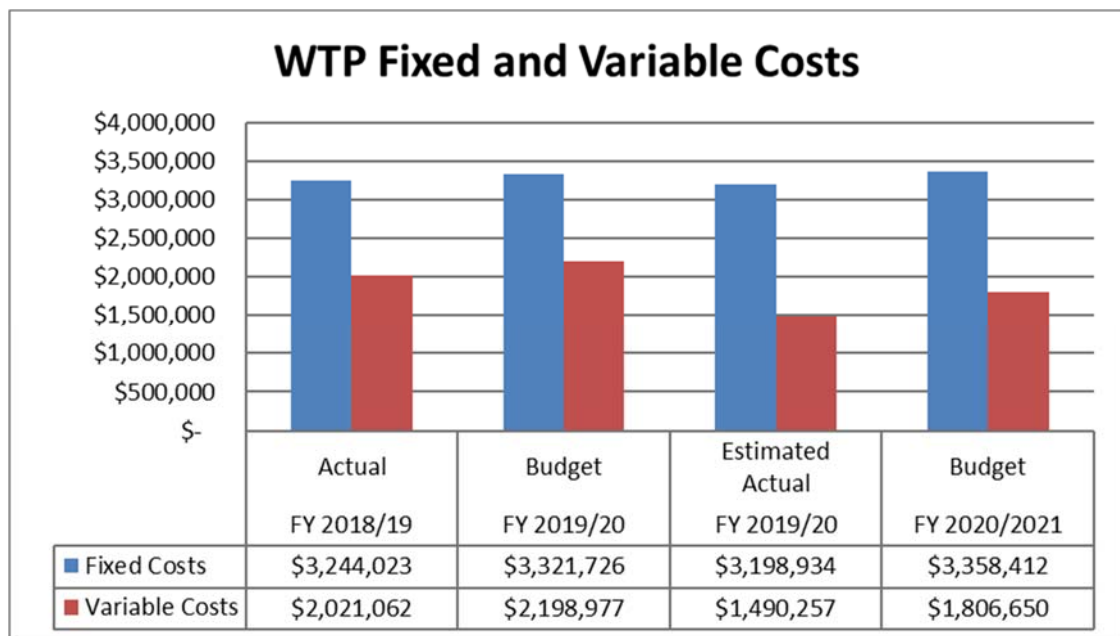
For FY 2020/21, the Water Treatment Plant fixed O&M costs total \$3,358,412 or \$36,686 more than the FY 2019/20 budget.

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 2020/21 Budget

For FY 2020/21, the Water Treatment Plant variable O&M costs total \$1,806,650 which is a decrease of \$392,327 from the FY 2019/20 budget. The FY 2020/21 variable O&M budget is comprised of \$1,668,861 for chemical expenses and \$137,789 for electrical costs based on treatment and delivery of 33,626 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 2020/21 Operating Expense Budget

The FY 2020/21 Water Treatment Plant operating expense budget is \$5,165,062 which is \$355,641 less than the previous year's budget of \$5,520,703, a 6.44% decrease.

The personnel expense section of the Water Treatment Plant budget represents approximately 45% of the budget. Supplies and equipment comprise 34% 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 on page 121 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 2020/21 Budget

Personnel Expenses Total personnel expenses are increasing by about \$4,814 when compared to the FY 2019/20 budget for the following reasons.

- The FY 2020/21 Water Treatment Plant Department Budget includes a \$58,455 salary pool amount for employee salary increases representing an increase of \$1,397 over the FY 2019/20 budgeted amount of \$57,058. The salary pool percentage for FY 2020/21 is a flat 4% of salaries.

The FY 2020/21 total salaries and wages budget for the Water Treatment Plant Department is held to an increase of just \$36,333 when compared to the prior fiscal year budget due to certain employees reaching the top of their salary range which caused actual salaries on July 1, 2019 to be lower than what was included in the budget for FY 2019/20.

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are decreasing by about \$22,743 due to the realignment of employee benefits and other changes as described: 1) Effective January 1, 2018, the CCWA cafeteria plan health plan allowance is based on the lowest cost plan available to all CCWA employees; 2) Beginning with calendar year 2018, CCWA employees pay 50% of the increase in costs for the dependent portion of healthcare premiums; 3) The 2020 CalPERS health insurance plan with the lowest premiums decreased by 2.41% over the 2019 premiums, as opposed to the increase of 5% budgeted for the calendar year 2020. The 2020 health allowances have remained at same levels used in 2019; 4) The FY 2020/21 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2021. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- CalPERS retirement expenses are decreasing by about \$14,524 over the prior fiscal year. The decrease is due to the changes in contribution rates (explained below).

The CCWA employer paid portion for “Classic” members in FY 2020/21 is 26.729% as compared to the prior year amount of 25.170%, for a 1.559% increase. CCWA “Classic” member employees began paying 50% of the increase in the “normal” PERS employer contribution in FY 2017/18. As of FY 2019/20 the WTP Department has 5 CalPERS PEPRA member employees and is anticipating a 6th PEPRA employee to be hired by FY 2020/21. The PEPRA employer contribution rate in FY 2020/21 increased from 7.383% in FY 2019/20 to 8.706% in FY 2020/21 for an increase in employer paid PEPRA contribution rate of 1.323%. Currently, the WTP Department does not have any 2nd tier member employees.

- The FY 2020/21 Budget includes \$74,686 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

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2020/21 Budget

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 decreasing by about \$452,092 because of decreased cost of chemicals needed due to the highly variable flows in the California Aqueduct resulting in lesser water quality. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality, which is expected to be a challenge in FY 2020/21 due to the anticipated changing water conditions as seen in the preceding fiscal years.

Monitoring Expenses Monitoring expenses are increasing nominally due to a reduced need for additional lab supplies and equipment as identified by the Senior Chemist for FY 2020/21.

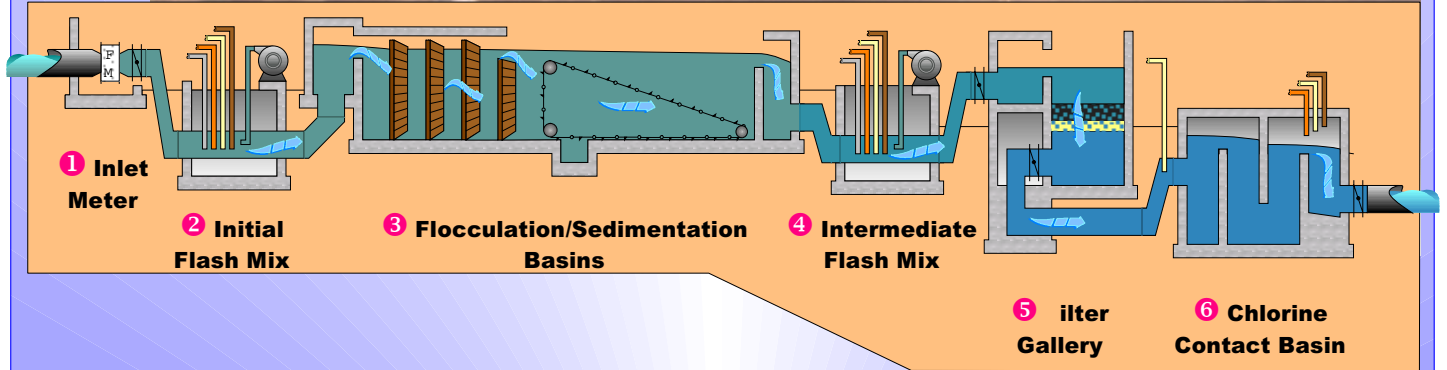
Repairs and Maintenance Repairs and Maintenance expenses are increasing by \$5,615 over the prior year due to increased costs for engineering, calibration and inspection services.

Professional Services Professional service expenses are increasing by about \$8,200 over the prior year due to increased costs for engineering, calibration and inspection services.

General and Administrative General and administrative expenses increased about \$3,000 due to increased training costs when a new I&C technician is hired.

Utilities Utility expenses are increasing by approximately \$56,516 due to an increase in electric costs.

Other Expenses Other expenses are increasing by approximately \$17,195 due to an increase in insurance costs and computer expenses.



Polonio Pass Water Treatment Plant

Central Coast Water Authority

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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.

In order to properly allocate the capital cost component of the water treatment plant for those project participants that did not participate in the bond financing (Santa Maria, Golden State Water Company, and Vandenberg Air Force Base), an imputed debt service schedule has been prepared which allocates treatment plant debt service as though all Santa Barbara County participants shared in the financing in proportion to their entitlement allocation. The current budgeted capital component of the Regional Water Treatment Plant Allocation and Credit is based on a remaining principal balance of \$14,808,507 for constructing the Polonio Pass Water Treatment Plant at an interest cost of 1.355% for 5 years. These terms match the terms of the Authority’s outstanding 2016A refunding revenue bonds.

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 2020/21 Regional Water Treatment Plant Allocation and Credit.

Central Coast Water Authority
Regional Water Treatment Plant Allocation and Credit
FY 2020/2021 Budget

Project Participant	Allocated Table A ⁽¹⁾				Unadjusted Fixed & Capital			Adjusted Fixed & Capital ⁽⁴⁾			Fixed & Capital Retirement Charge ⁽⁵⁾		
	Table A Amount	Exchange Deliveries	Allocated Table A	Allocated Table A Percentage	WTP Fixed Operating Costs ⁽²⁾	Imputed WTP Debt Service Costs ⁽³⁾	Total Unadjusted Fixed & Cap.	Capital Retirement Adjustment	Fixed O&M Retirement Adjustment	Total Adjusted Fixed & Capital	Allocated Table A % SB County	Fixed & Capital Retirement Adjustments	Cost Per AF of Allocated Table A Amount
Guadalupe	550		550	1.25%	\$ 56,307	\$ 38,620	\$ 94,927	\$ 49,639	\$ 72,371	\$ 122,010	1.41%	27,083	\$ 49.24
Santa Maria	16,200		16,200	36.90%	1,658,487	1,137,547	2,796,035	1,462,091	2,131,656	3,593,747	41.46%	797,712	49.24
Golden State Water	500		500	1.14%	51,188	35,109	86,297	45,126	65,792	110,918	1.28%	24,621	49.24
VAFB	5,500		5,500	12.53%	563,067	386,204	949,271	496,389	723,710	1,220,099	14.07%	270,828	49.24
Buellton	578		578	1.32%	59,173	40,587	99,760	52,166	76,055	128,221	1.48%	28,462	49.24
Santa Ynez (Solvang)	1,500		1,500	3.42%	153,564	105,328	258,892	135,379	197,376	332,754	3.84%	73,862	49.24
Santa Ynez	500	2,601	3,101	7.06%	317,467	35,109	352,577	279,873	408,041	687,914	7.94%	152,698	49.24
Goleta	4,500	(935)	3,565	8.12%	364,970	315,985	680,955	321,750	469,096	790,846	9.12%	175,546	49.24
Morehart	200	-	200	0.46%	20,475	14,044	34,519	18,051	26,317	44,367	0.51%	9,848	49.24
La Cumbre	1,000	-	1,000	2.28%	102,376	70,219	172,595	90,253	131,584	221,836	2.56%	49,241	49.24
Raytheon	50	-	50	0.11%	5,119	3,511	8,630	4,513	6,579	11,092	0.13%	2,462	49.24
Santa Barbara	3,000	(625)	2,375	5.41%	243,142	210,657	453,799	214,350	312,511	526,861	6.08%	116,949	49.24
Montecito	3,000	(625)	2,375	5.41%	243,142	210,657	453,799	214,350	312,511	526,861	6.08%	116,949	49.24
Carpinteria	2,000	(416)	1,584	3.61%	162,163	140,438	302,601	142,960	208,429	351,389	4.05%	77,999	49.24
SB County Subtotal:	39,078	-	39,078	89.00%	4,000,640	2,744,017	6,744,657	3,526,888	5,142,027	8,668,915	100.00%	1,924,259	49.24
SLO County	4,830	-	4,830	11.00%	494,475	339,158	833,633	-	-	-	-	-	-
TOTAL:	43,908		43,908	100.00%	\$ 4,495,114	\$ 3,083,175	\$ 7,578,289	\$ 3,526,888	\$ 5,142,027	\$ 8,668,915	100.00%	1,924,259	

Fixed & Capital Retirement Allocation Factor

Total South Coast Table A	11,149	Total Adjusted Fixed & Capital Costs (SB County)	\$ 8,668,915
Total SB County Table A	39,078	Total Unadjusted Fixed & Capital Costs (SB County)	6,744,657
Subtotal:	50,227	Fixed & Capital WTP Allocation Amount	<u>\$ 1,924,259</u>
South Coast Retreated %	1.29		

Project Participant	South Coast Fixed & Capital Retirement Credits ⁽⁶⁾			
	South Coast Allocated Table A	South Coast Allocated Table A %	South Coast Fixed & Cap. Credit	Credit/AF On Allocated Table A
Guadalupe				
Santa Maria				
Golden State Water				
VAFB				
Buellton				
Santa Ynez (Solvang)				
Santa Ynez				
Goleta	3,565	31.98%	(615,300)	(172.59)
Morehart	200	1.79%	(34,519)	(172.59)
La Cumbre	1,000	8.97%	(172,595)	(172.59)
Raytheon	50	0.45%	(8,630)	(172.59)
Santa Barbara	2,375	21.30%	(409,912)	(172.59)
Montecito	2,375	21.30%	(409,912)	(172.59)
Carpinteria	1,584	14.21%	(273,390)	(172.59)
SB County Subtotal:	11,149	100.00%	(1,924,259)	
SLO County	-	0.00%	-	
TOTAL:	11,149	100.00%	(1,924,259)	

- (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.
- (3) Imputed WTP Debt Service Costs represents the cost to repay the construction costs of the WTP based on an unpaid balance of \$14,808,507 at 1.355% interest for 5 years, which corresponds to the CCWA 2016A revenue bonds.
- (4) Adjusted Fixed and Capital amounts represents the unadjusted WTP fixed and capital costs times the Fixed and Capital Retirement Allocation Factor.
- (5) Fixed and Capital Retirement Charge represents the difference between the unadjusted fixed and capital costs and the adjusted fixed and capital costs, allocated in proportion to the Santa Barbara County allocated Table A percentage.
- (6) South Coast Fixed and Capital Retirement Credits represents the fixed and capital 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 2020/2021 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, Capital & Variable Retreatment	Fixed, Capital & Variable Credits
Guadalupe	595		595	\$ 31,968	41,852	9,883	16.61					\$ 36,966	
Santa Maria	11,976		11,976	643,452	842,381	198,929	16.61					996,641	
Golden State Water	502		502	26,972	35,310	8,339	16.61					32,959	
VAFB	2,385		2,385	128,142	167,759	39,616	16.61					310,445	
Buellton	399		399	21,438	28,065	6,628	16.61					35,089	
Santa Ynez (Solvang)	888		888	47,711	62,461	14,750	16.61					88,612	
Santa Ynez	1,419	2,601	4,020	215,988	282,763	66,775	16.61					219,473	
Goleta	2,285	(935)	1,350	72,560	94,992	22,432	16.61	1,350	14.53%	\$ (72,560)	(53.73)	197,978	\$ (687,860)
Morehart	49	-	49	2,633	3,447	814	16.61	49	0.53%	(2,633)	(53.73)	10,662	(37,152)
La Cumbre	815	-	815	43,789	57,326	13,538	16.61	815	8.77%	(43,789)	(53.73)	62,779	(216,383)
Raytheon	32	-	32	1,719	2,251	532	16.61	32	0.34%	(1,719)	(53.73)	2,994	(10,349)
Santa Barbara	3,285	(625)	2,660	142,894	187,070	44,177	16.61	2,660	28.62%	(142,894)	(53.73)	161,125	(552,806)
Montecito	3,285	(625)	2,660	142,894	187,070	44,177	16.61	2,660	28.62%	(142,894)	(53.73)	161,125	(552,806)
Carpinteria	2,143	(416)	1,727	92,788	121,474	28,686	16.61	1,727	18.58%	(92,788)	(53.73)	106,685	(366,178)
SB County Subtotal:	30,058	-	30,058	1,614,947	2,114,222	499,275	16.61	9,293	100.00%	(499,275)		2,423,534	(2,423,534)
SLO County	3,568		3,568	191,703	-			-	0.00%	-		-	-
TOTAL:	33,626	-	33,626	\$ 1,806,650	\$ 2,114,222	\$ 499,275		9,293	100.00%	\$ (499,275)		\$ 2,423,534	\$ (2,423,534)

Variable Retreatment Allocation Factor

Total South Coast Deliveries	9,293
Total SB County Deliveries	<u>30,058</u>
Subtotal:	<u>39,350</u>

Central Coast Water Authority
Water Treatment Plant Department
Fiscal Year 2020/21 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 2020/21 Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority
Santa Ynez Exchange Agreement Modifications
FY 2020/2021 Budget

Project Participant	Table A Amounts			WTP Fixed O&M Exchange Modifications			WTP Capital Exchange Modifications			Total Fixed & Capital 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%	\$ 56,307	\$ 102	\$ -	\$ 38,620	\$ 70	\$ -	\$ -
Santa Maria	16,200		36.90%	1,658,487	102	-	1,137,547	70	-	-
Golden State Water	500		1.14%	51,188	102	-	35,109	70	-	-
VAFB	5,500		12.53%	563,067	102	-	386,204	70	-	-
Buellton	578		1.32%	59,173	102	-	40,587	70	-	-
Santa Ynez (Solvang)	1,500		3.42%	153,564	102	-	105,328	70	-	-
Santa Ynez	500	2,601	1.14%	51,188	102	266,279	35,109	70	182,640	448,919
Goleta	4,500	(935)	10.25%	460,691	102	(95,721)	315,985	70	(65,655)	(161,376)
Morehart	200	-	0.46%	20,475	102	-	14,044	70	-	-
La Cumbre	1,000	-	2.28%	102,376	102	-	70,219	70	-	-
Raytheon	50	-	0.11%	5,119	102	-	3,511	70	-	-
Santa Barbara	3,000	(625)	6.83%	307,127	102	(63,985)	210,657	70	(43,887)	(107,872)
Montecito	3,000	(625)	6.83%	307,127	102	(63,985)	210,657	70	(43,887)	(107,872)
Carpinteria	2,000	(416)	4.55%	204,752	102	(42,588)	140,438	70	(29,211)	(71,799)
SB County Subtotal:	39,078	-	89.00%	4,000,640		-	2,744,017		-	-
SLO County	4,830	-	11.00%	494,475			339,158			
TOTAL:	43,908		100.00%	\$ 4,495,114		\$ -	\$ 3,083,175			\$ -

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	595		595	\$ 31,968	\$ 53.73	-	-	-
Santa Maria	11,976		11,976	643,452	53.73	-	-	-
Golden State Water	502		502	26,972	53.73	-	-	-
VAFB	2,385		2,385	128,142	53.73	-	-	-
Buellton	399		399	21,438	53.73	-	-	-
Santa Ynez (Solvang)	888		888	47,711	53.73	-	-	-
Santa Ynez	1,419	2,601	4,020	76,241	53.73	\$ 139,748	588,667	\$ 226
Goleta	2,285	(935)	1,350	122,796	53.73	(50,236)	(211,612)	(226)
Morehart	49	-	49	2,633	53.73	-	-	-
La Cumbre	815	-	815	43,789	53.73	-	-	-
Raytheon	32	-	32	1,719	53.73	-	-	-
Santa Barbara	3,285	(625)	2,660	176,474	53.73	(33,580)	(141,452)	(226)
Montecito	3,285	(625)	2,660	176,474	53.73	(33,580)	(141,452)	(226)
Carpinteria	2,143	(416)	1,727	115,139	53.73	(22,351)	(94,150)	(226)
SB County Subtotal:	30,058	-	30,058	1,614,947		-		
SLO County	3,568		3,568	191,703		-		
TOTAL:	33,626	-	33,626	\$ 1,806,650		\$ -		\$ -

Central Coast Water Authority
Personnel Services Summary
Water Treatment Plant Department
 Fiscal Year 2020/2021 Budget

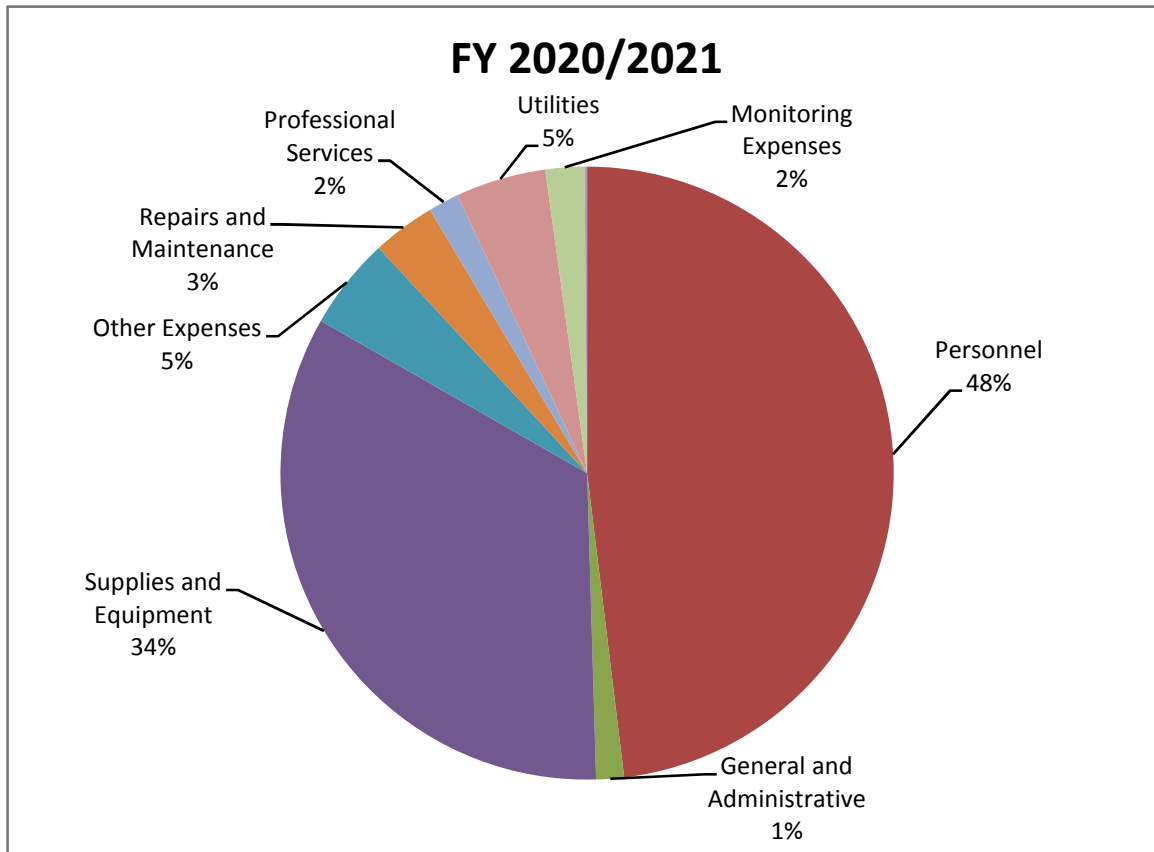
PERSONNEL COUNT SUMMARY					
Position Title	Number Auth. FY 2018/19	Number Auth. FY 2019/20	Number Requested FY 2020/2021	Change Over FY 2018/19	Change Over FY 2019/20
Executive Director ⁽¹⁾	0.25	0.25	0.25	-	-
Deputy Director of Operations ⁽²⁾	0.35	0.35	0.35	-	-
WTP Supervisor	1.00	1.00	1.00	-	-
Maintenance Superintendent ⁽³⁾	0.60	0.60	0.60	-	-
Maintenance Foreman	1.00	1.00	1.00	-	-
Safety & Environmental Specialist ⁽⁴⁾	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 ⁽⁵⁾	1.60	1.60	1.60	-	-
WTP Operators	5.00	5.00	5.00	-	-
Laboratory Analyst	1.00	1.00	1.00	-	-
Administrative Assistant	0.75	0.75	0.75	-	-
TOTAL:	14.80	14.80	14.80	-	-

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2019/20 Total Annual Salary	Allocation to WTP Dept.
Executive Director ⁽¹⁾	1	N/A	N/A	N/A	\$ 274,944	\$ 68,736
Deputy Director of Operations ⁽²⁾	1	N/A	N/A	N/A	\$ 192,324	\$ 67,313
WTP Supervisor	1	37	\$ 9,001	\$ 10,981	\$ 127,982	\$ 127,982
Maintenance Superintendent ⁽³⁾	1	35	\$ 8,622	\$ 10,519	\$ 117,000	\$ 70,200
Maintenance Foreman	1	26	\$ 7,108	\$ 8,671	\$ 101,063	\$ 101,063
Safety & Environmental Specialist ⁽⁴⁾	1	29	\$ 7,580	\$ 9,248	\$ 107,786	\$ 26,947
Senior Chemist	1	29	\$ 7,580	\$ 9,248	\$ 107,786	\$ 107,786
Maintenance Technicians	2	19	\$ 6,116	\$ 7,461	\$ 172,128	\$ 172,128
Maintenance, IC&R Technicians ⁽⁵⁾	2	26	\$ 7,108	\$ 8,671	\$ 182,798	\$ 146,239
WTP Operators	5	21	\$ 6,384	\$ 7,789	\$ 453,885	\$ 453,885
Laboratory Analyst	1	14	\$ 5,493	\$ 6,702	\$ 71,074	\$ 71,074
Administrative Assistant	1	11	\$ 5,151	\$ 6,284	\$ 48,028	\$ 48,028
FY 2020/21 Salary Pool						\$ 58,455
TOTAL:						\$ 1,519,836

- (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 Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
 (4) The Safety & Environmental Specialist (previous title Regulatory Spec.) is allocated to Water Treatment Plant (25%) and Distribution (75%).
 (5) The two Maintenance, IC&R Techs are allocated to Water Treatment Plant (80%) and Distribution (20%).

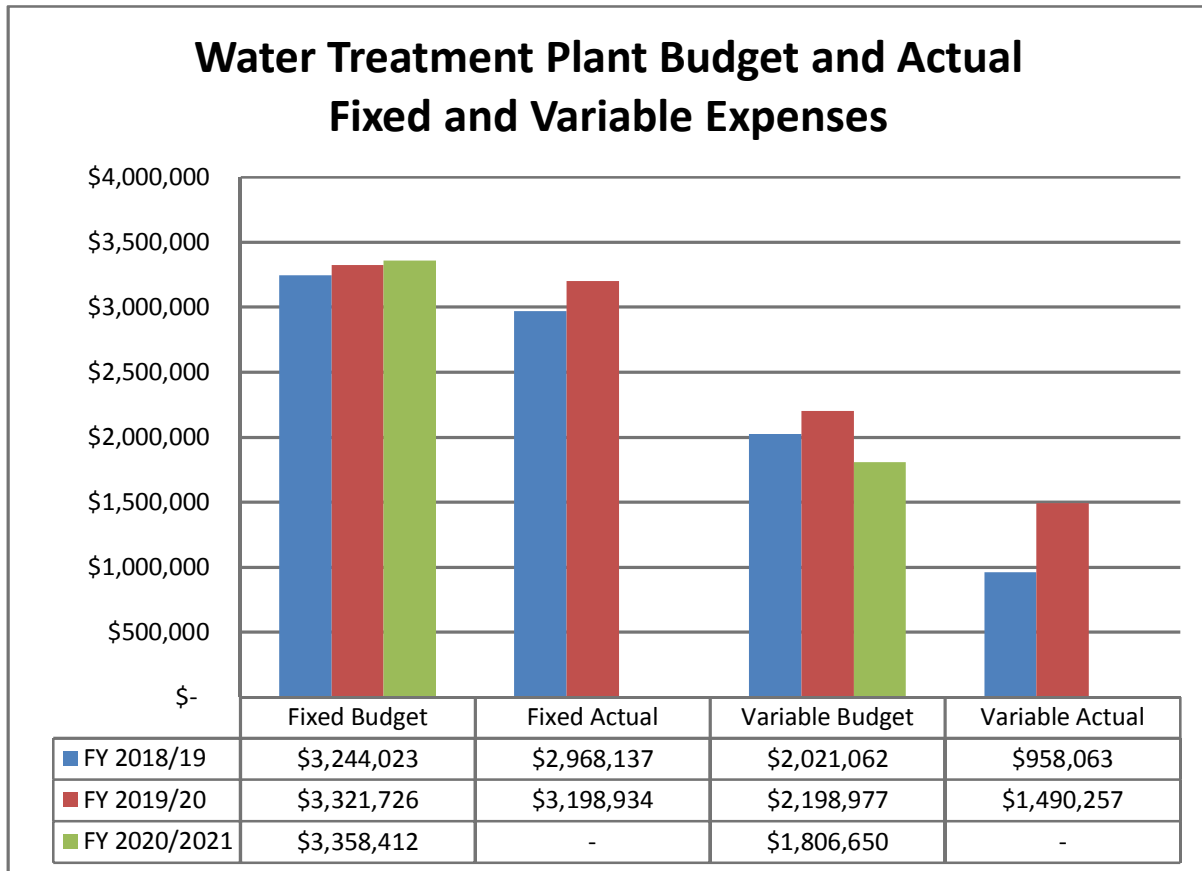
Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2020/2021 Budget
Personnel	\$ 2,482,041
Office Expenses	6,500
Supplies and Equipment	1,742,800
Monitoring Expenses	106,215
Repairs and Maintenance	172,100
Professional Services	83,439
General and Administrative	76,000
Utilities	245,317
Other Expenses	250,650
TOTAL:	\$ 5,165,062



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget
Personnel	\$ 2,399,833	\$ 2,205,594	\$ 2,477,227	\$ 2,424,335	\$ 2,482,041
Office Expenses	6,000	5,507	6,000	5,969	6,500
Supplies and Equipment	2,012,791	949,257	2,194,892	1,482,594	1,742,800
Monitoring Expenses	113,624	86,218	105,604	99,054	106,215
Repairs and Maintenance	166,485	159,009	166,485	159,929	172,100
Professional Services	96,739	82,431	75,239	74,047	83,439
General and Administrative	51,550	38,611	73,000	49,817	76,000
Utilities	178,809	167,926	188,801	167,726	245,317
Other Expenses	239,253	231,648	233,455	225,719	250,650
Total:	\$ 5,265,085	\$ 3,926,200	\$ 5,520,703	\$ 4,689,191	\$ 5,165,062



Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 1,438,976	\$ 1,349,198	\$ 1,483,503	\$ 1,445,943	\$ 1,519,836	\$ 36,333	2.45%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	71,949	87,595	74,175	96,612	75,992	1,817	2.45%
5000.40	Standby Pay	32,218	30,930	32,879	29,668	33,801	922	2.81%
5000.50	Shift Differential Pay	18,585	17,780	19,256	16,079	19,880	624	3.24%
5100.10	PERS Retirement	377,224	359,209	397,827	370,772	383,303	(14,524)	-3.65%
5100.15	Medicare Taxes	22,785	20,879	23,841	23,865	24,600	759	3.18%
5100.20	Health/Dental/Vision Plans	310,187	229,198	301,447	319,772	278,704	(22,743)	-7.54%
5100.25	Workers' Compensation	37,436	32,190	51,398	32,964	52,819	1,421	2.77%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	72,506	1,764	74,685	72,507	74,686	1	0.00%
5100.50	Long-Term Disability	7,406	7,199	7,635	7,419	7,825	190	2.49%
5100.55	Life Insurance	6,430	5,822	6,451	5,919	6,464	13	0.20%
5100.60	Employee Physicals	450	108	450	200	450	-	0.00%
5000.30	Temporary Services	-	-	-	-	-	-	N/A
5100.80	Employee Incentive Programs	2,680	100	2,680	2,000	2,680	-	0.00%
5100.65	Employee Education Reimbursement	1,000	-	1,000	-	1,000	-	0.00%
5100.86	Benefits-Non-Capitalized Projects	-	2,212	-	614	-	-	N/A
Total Personnel Expenses:		2,399,833	2,205,594	2,477,227	2,424,335	2,482,041	4,814	0.19%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	2,500	2,766	2,500	2,500	3,000	500	20.00%
5200.30	Miscellaneous Office Expenses	3,500	2,741	3,500	3,469	3,500	-	0.00%
Total Office Expenses:		6,000	5,507	6,000	5,969	6,500	500	8.33%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	8,739	9,553	8,739	8,605	8,739	-	0.00%
5500.15	Minor Tools and Equipment	5,000	4,577	5,000	5,000	5,000	-	0.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	500	326	500	500	500	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	1,946,542	891,183	2,117,953	1,420,094	1,668,861	(449,092)	-21.20%
5500.35	Maintenance Supplies/Hardware	16,000	16,208	23,000	16,000	18,000	(5,000)	-21.74%
5500.40	Safety Supplies	7,000	5,274	7,000	6,924	7,000	-	0.00%
5500.45	Fuel and Lubricants	26,010	22,136	29,700	25,471	29,700	-	0.00%
5500.50	Seed/Erosion Control Supplies	3,000	-	3,000	-	5,000	2,000	66.67%
5500.55	Backflow Prevention Supplies	-	-	-	-	-	-	N/A
Total Supplies and Equipment:		2,012,791	949,257	2,194,892	1,482,594	1,742,800	(452,092)	-20.60%
<u>MONITORING EXPENSES</u>								
5600.10	Lab Supplies	66,559	57,332	62,889	63,701	63,500	611	0.97%
5600.20	Lab Tools and Equipment	18,000	11,343	13,650	18,000	13,650	-	0.00%
5600.30	Lab Testing	29,065	17,543	29,065	17,353	29,065	-	0.00%
Total Monitoring Expenses:		113,624	86,218	105,604	99,054	106,215	611	0.58%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	125,000	121,875	125,000	120,000	132,000	7,000	5.60%
5700.20	Vehicle Repairs and Maintenance	5,000	5,364	5,000	5,000	6,500	1,500	30.00%
5700.30	Building Maintenance	31,485	27,810	31,485	30,969	28,600	(2,885)	-9.16%
5700.40	Landscape Maintenance	5,000	3,960	5,000	3,960	5,000	-	0.00%
Total Repairs and Maintenance:		166,485	159,009	166,485	159,929	172,100	5,615	3.37%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	56,439	55,377	27,739	47,491	31,639	3,900	14.06%
5400.20	Legal Services	-	-	-	-	-	-	N/A
5400.30	Engineering Services	13,500	2,608	13,500	-	15,000	1,500	11.11%
5400.40	Permits	26,800	24,446	34,000	26,556	36,800	2,800	8.24%
5400.50	Non-Contractual Services	-	-	-	-	-	-	N/A
5400.60	Accounting Services	-	-	-	-	-	-	N/A
Total Professional Services:		96,739	82,431	75,239	74,047	83,439	8,200	10.90%
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	18,000	14,715	18,000	18,000	19,000	1,000	5.56%
5300.20	Mileage Reimbursement	500	50	500	-	500	-	0.00%
5300.30	Dues and Memberships	15,400	7,129	34,850	14,459	34,850	-	0.00%
5300.40	Publications	750	411	750	189	750	-	0.00%
5300.50	Training	10,400	7,925	12,400	10,574	14,400	2,000	16.13%
5300.60	Advertising	1,500	4,369	1,500	1,850	1,500	-	0.00%
5300.70	Printing and Binding	-	-	-	-	-	-	N/A
5300.80	Postage	5,000	4,013	5,000	4,745	5,000	-	0.00%
Total General and Administrative:		51,550	38,611	73,000	49,817	76,000	3,000	4.11%

Central Coast Water Authority
Water Treatment Plant Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>UTILITIES</u>								
5800.20	Natural Gas	7,310	7,302	7,310	3,460	7,310	-	0.00%
5800.30	Electric-Fixed	88,053	88,056	90,874	88,056	90,874	(0)	0.00%
5800.31	Electric-Variable	74,520	66,880	81,024	70,163	137,789	56,765	70.06%
5800.40	Water	-	-	-	-	-	-	N/A
5800.50	Telephone	4,782	2,061	4,348	2,924	3,500	(848)	-19.50%
5800.60	Waste Disposal	4,145	3,627	5,245	3,123	5,845	600	11.44%
Total Utilities:		178,809	167,926	188,801	167,726	245,317	56,516	29.93%
<u>OTHER EXPENSES</u>								
5900.10	Insurance	73,641	59,167	70,659	68,596	81,458	10,799	15.28%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	61,095	-	44,744	-	-	N/A
5900.40	Equipment Rental	18,200	9,400	18,200	16,466	17,240	(960)	-5.27%
5900.50	Non-Capitalized Equipment	10,000	-	10,000	-	10,000	-	0.00%
5900.60	Computer Expenses	73,804	77,960	69,464	72,989	76,101	6,637	9.55%
5900.70	Appropriated Contingency	63,608	24,026	65,132	22,924	65,851	719	1.10%
Total Other Expenses:		239,253	231,648	233,455	225,719	250,650	17,195	7.37%
TOTAL OPERATING EXPENSES		\$ 5,265,085	\$ 3,926,200	\$ 5,520,703	\$ 4,689,191	\$ 5,165,062	\$ (355,641)	-6.44%

(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 2020/2021 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the WTP staff salaries.
Includes \$58,455 for the FY 2020/21 salary pool.

FY 20/21 Requested Budget	1,519,836
FY 19/20 Estimated Actual	1,445,943
Increase (Decrease)	73,893

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 20/21 Requested Budget	75,992
FY 19/20 Estimated Actual	96,612
Increase (Decrease)	(20,620)

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 \$2.27 per hour (5% of average hourly rate) for 8,760 hours for WTP operators, and 8,760 hours at \$2.38 per hour for Instrumentation and Control employee stand-by pay (2/3 to WTP and 1/3 to Distribution).

FY 20/21 Requested Budget	33,801
FY 19/20 Estimated Actual	29,668
Increase (Decrease)	4,133

ACCOUNT NUMBER: 5000.50

ACCOUNT TITLE: Shift Differential Pay

Description: Funds for shift employee pay for WTP operators is based on \$2.27 per hour (5% of average hourly rate) for 8,760 hours of shift pay.

FY 20/21 Requested Budget	19,880
FY 19/20 Estimated Actual	16,079
Increase (Decrease)	3,801

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5100.10

ACCOUNT TITLE: PERS Retirement

FY 20/21 Requested Budget	383,303
FY 19/20 Estimated Actual	370,772
Increase (Decrease)	12,531

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 26.729% contribution rate for FY 2020/21 which includes the required Unfunded Accrued Liability (UAL) payment.

Required Contributions	\$ 225,499	17.652%
UAL current fiscal year	102,877	9.077%
UAL additional payment	54,927	fixed
TOTAL \$	383,303	

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

FY 20/21 Requested Budget	24,600
FY 19/20 Estimated Actual	23,865
Increase (Decrease)	735

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 20/21 Requested Budget	190,059
FY 19/20 Estimated Actual	228,875
Increase (Decrease)	(38,817)

Description: Funds for employer paid portion of health insurance for WTP employees. Based on employee 2020 Café Plan elections. Includes an estimated 5% premium increase in 2021 plan rates.

	2020 Allowance	2021 Allowance Est
Family	\$ 20,729	\$ 21,247
Emp + 1	15,586	15,976
Employee only	7,857	8,053

ACCOUNT NUMBER: 5100.25

ACCOUNT TITLE: Workers' Compensation Insurance

FY 20/21 Requested Budget	52,819
FY 19/20 Estimated Actual	32,964
Increase (Decrease)	19,855

Description: Funds for Workers' Compensation insurance for the WTP Department. Based on an X-Mod rate of 96%. Based on a 3% premium increase over FY 2019/20.

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5100.35

ACCOUNT TITLE: Retiree Medical Future Liability Deposit

FY 20/21 Requested Budget	74,686
FY 19/20 Estimated Actual	72,507
Increase (Decrease)	2,179

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 20/21 Requested Budget	47,063
FY 19/20 Estimated Actual	57,554
Increase (Decrease)	(10,491)

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 20/21 Requested Budget	41,582
FY 19/20 Estimated Actual	33,343
Increase (Decrease)	8,239

Description: Funds for the self-funded dental/vision plan. The plan provides \$3,684 per year per family for dental and vision expenses. Budgeted amount is \$2,763 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 20/21 Requested Budget	7,825
FY 19/20 Estimated Actual	7,419
Increase (Decrease)	406

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 2020/2021 BUDGET**

ACCOUNT NUMBER: 5100.55

ACCOUNT TITLE: Life Insurance

FY 20/21 Requested Budget	6,464
FY 19/20 Estimated Actual	5,919
Increase (Decrease)	545

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 \$100,000.

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

FY 20/21 Requested Budget	450
FY 19/20 Estimated Actual	200
Increase (Decrease)	250

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

\$ 450 3 physicals @ \$150 each

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

FY 20/21 Requested Budget	1,000
FY 19/20 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 Incentive Programs

FY 20/21 Requested Budget	2,680
FY 19/20 Estimated Actual	2,000
Increase (Decrease)	680

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

EAAP \$ 2,680

TOTAL: \$ 2,680

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 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 20/21 Requested Budget	-
FY 19/20 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 20/21 Requested Budget	3,000
FY 19/20 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 20/21 Requested Budget	3,500
FY 19/20 Estimated Actual	3,469
Increase (Decrease)	31

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 20/21 Requested Budget	19,000
FY 19/20 Estimated Actual	18,000
Increase (Decrease)	1,000

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 20/21 Requested Budget	500
FY 19/20 Estimated Actual	-
Increase (Decrease)	500

ACCOUNT NUMBER: 5300.30

ACCOUNT TITLE: Dues and Memberships

Description: Funds for professional dues.

FY 20/21 Requested Budget	34,850
FY 19/20 Estimated Actual	14,459
Increase (Decrease)	20,391

\$	400	AWWA dues
	29,000	Water Research Foundation dues
	1,200	Certification
	3,250	Urban Water Consv Fee
	1,000	CWEA
\$	34,850	TOTAL

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the WTP.

FY 20/21 Requested Budget	750
FY 19/20 Estimated Actual	189
Increase (Decrease)	561

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

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

FY 20/21 Requested Budget	14,400
FY 19/20 Estimated Actual	10,574
Increase (Decrease)	3,826

\$	14,400	Employee training, including safety
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**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

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

FY 20/21 Requested Budget	1,500
FY 19/20 Estimated Actual	1,850
Increase (Decrease)	(350)

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 20/21 Requested Budget	5,000
FY 19/20 Estimated Actual	4,745
Increase (Decrease)	255

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description: Outside professional services including:

FY 20/21 Requested Budget	31,639
FY 19/20 Estimated Actual	47,491
Increase (Decrease)	(15,852)

\$	4,000	Fire system/extinguisher inspection
	5,400	Security
	4,500	Crane inspection
	1,400	Oil, coolant and diesel analysis
	4,000	Emergency generator/forklift service
	5,000	Equipment Calibration
	7,339	Personnel Team Building
\$	31,639	TOTAL

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

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

FY 20/21 Requested Budget	15,000
FY 19/20 Estimated Actual	-
Increase (Decrease)	15,000

\$	10,000	General Engineering
	5,000	Cathodic Protection
\$	15,000	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required WTP permits.

FY 20/21 Requested Budget	36,800
FY 19/20 Estimated Actual	26,556
Increase (Decrease)	10,244

\$ 2,500	RWQCB NPDES
22,000	Drinking Water Program
6,500	ELAP Lab Accreditation
1,600	Emergency Generator Permit
4,200	Hazardous Materials Fees
\$ 36,800	TOTAL

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

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

FY 20/21 Requested Budget	8,739
FY 19/20 Estimated Actual	8,605
Increase (Decrease)	134

\$ 5,364	Uniform Service (\$447 per month)
1,350	Blue jean pants (\$150/yr emp allowance)
1,575	Boots (\$175/yr employee allowance)
450	Misc. uniform requirements (jackets, etc.)
\$ 8,739	TOTAL

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

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

FY 20/21 Requested Budget	5,000
FY 19/20 Estimated Actual	5,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Supplies

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

FY 20/21 Requested Budget	500
FY 19/20 Estimated Actual	500
Increase (Decrease)	-

\$ 500	Herbicide

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5500.31

ACCOUNT TITLE: Chemicals-Variable

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

FY 20/21 Requested Budget	1,668,861
FY 19/20 Estimated Actual	1,420,094
Increase (Decrease)	248,767

- (1) WTP Plant: \$47.07 per acre foot and 33,626 acre feet of requests
- (2) Santa Ynez Pumping Station: \$3.07/af for 6,641 AF pumped water
- (3) Tank 5 and 7 Chlorination at \$3.83/af for 16,985 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 20/21 Requested Budget	18,000
FY 19/20 Estimated Actual	16,000
Increase (Decrease)	2,000

\$ 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 20/21 Requested Budget	7,000
FY 19/20 Estimated Actual	6,924
Increase (Decrease)	76

ACCOUNT NUMBER: 5500.50

ACCOUNT TITLE: Seed/Plants/Erosion Control Supplies

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

FY 20/21 Requested Budget	5,000
FY 19/20 Estimated Actual	-
Increase (Decrease)	5,000

\$ 5,000 Erosion maintenance

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5500.45

ACCOUNT TITLE: Fuel and Lubricants

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

FY 20/21 Requested Budget	29,700
FY 19/20 Estimated Actual	25,471
Increase (Decrease)	4,229

ACCOUNT NUMBER: 5600.10

ACCOUNT TITLE: Laboratory Supplies

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

FY 20/21 Requested Budget	63,500
FY 19/20 Estimated Actual	63,701
Increase (Decrease)	(201)

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 20/21 Requested Budget	13,650
FY 19/20 Estimated Actual	18,000
Increase (Decrease)	(4,350)

ACCOUNT NUMBER: 5600.30

ACCOUNT TITLE: Lab Testing

Description: Funds for outside lab services.

FY 20/21 Requested Budget	29,065
FY 19/20 Estimated Actual	17,353
Increase (Decrease)	11,712

\$	15,000	MIB and Microcystin Monitoring
	7,340	Annual Compliance Monitoring
	530	Monthly Compliance Monitoring
	3,840	DBP
	1,880	Cryptosporidium, Giardia and LT2
	475	DI Water Testing
\$	29,065	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

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 20/21 Requested Budget	132,000
FY 19/20 Estimated Actual	120,000
Increase (Decrease)	12,000

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

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

FY 20/21 Requested Budget	6,500
FY 19/20 Estimated Actual	5,000
Increase (Decrease)	1,500

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

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

FY 20/21 Requested Budget	28,600
FY 19/20 Estimated Actual	30,969
Increase (Decrease)	(2,369)

\$	1,000	Miscellaneous repairs
	3,200	Site improvements (includes painting)
	16,000	Janitorial service
	4,500	HVAC
	3,900	Janitorial Supplies
\$	28,600	TOTAL

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

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

FY 20/21 Requested Budget	5,000
FY 19/20 Estimated Actual	3,960
Increase (Decrease)	1,040

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for propane gas service to the WTP.

FY 20/21 Requested Budget	7,310
FY 19/20 Estimated Actual	3,460
Increase (Decrease)	3,850

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service to the WTP.

FY 20/21 Requested Budget	90,874
FY 19/20 Estimated Actual	88,056
Increase (Decrease)	2,818

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

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

FY 20/21 Requested Budget	137,789
FY 19/20 Estimated Actual	70,163
Increase (Decrease)	67,626

\$	4.10	\$/AF
\$	33,626	AF
\$	137,789	TOTAL

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

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

FY 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

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

FY 20/21 Requested Budget	3,500
FY 19/20 Estimated Actual	2,924
Increase (Decrease)	576

ACCOUNT NUMBER: 5800.60

ACCOUNT TITLE: Waste Disposal

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

FY 20/21 Requested Budget	5,845
FY 19/20 Estimated Actual	3,123
Increase (Decrease)	2,722

\$	2,415	Garbage
	630	Bulk Dumpster
	2,200	Waste Oil/Solvent
	600	Light Bulbs
\$	5,845	TOTAL

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

FY 20/21 Requested Budget	81,458
FY 19/20 Estimated Actual	68,596
Increase (Decrease)	12,862

\$	44,190	Property and auto coverage based on the apportionment provided by JPIA.
\$	37,268	General liability and E&O based on salary proportions.
\$	81,458	TOTAL

ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the WTP.

FY 20/21 Requested Budget	17,240
FY 19/20 Estimated Actual	16,466
Increase (Decrease)	774

\$	2,940	Copier lease (\$245 per month)
	10,100	Motorized equipment
	4,200	Lagoon cleaning
\$	17,240	TOTAL

**CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2020/2021 BUDGET**

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 20/21 Requested Budget	10,000
FY 19/20 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 20/21 Requested Budget	76,101
FY 19/20 Estimated Actual	72,989
Increase (Decrease)	3,112

\$ 72,951	CompuVision, Annual Service Agreements and Software Subscriptions
\$ 3,150	Software, New Computers and other computer services.
\$ 76,101	TOTAL

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

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

FY 20/21 Requested Budget	65,851
FY 19/20 Estimated Actual	22,924
Increase (Decrease)	42,927



*Bypass Pipeline Installation at Bradbury Dam
January 2020*

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 10.20
- 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 2020/21 O&M Budget \$ 3,237,580
- O&M Budget decrease over FY 2019/20 \$ (183,115)
 - Fixed cost increase over FY 2019/20 66,269
 - Variable cost decrease over FY 2019/20 \$ (249,384)
- Percentage decrease (5.35%)
- Fixed O&M expenses \$ 2,426,154
- Variable O&M expenses \$ 811,427
- FY 2020/21 budgeted electrical cost \$87.32 per acre-foot

Significant Accomplishments During FY 2019/20

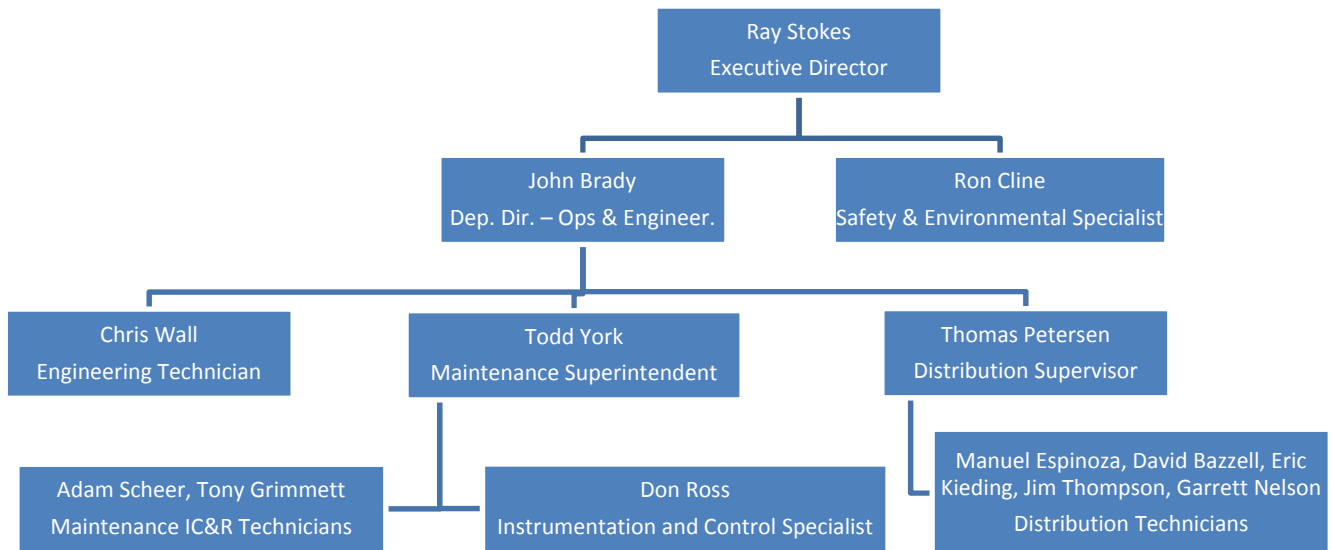
- Following Bureau approval of the design, staff successfully constructed a new alignment of the Bradbury Bypass Pipeline over the top of the Dam. Both design and construction were completed by CCWA staff.
- Distribution staff contributed towards a detailed Risk and Resiliency Assessment of the CCWA operation.
- Staff conducted detailed research and testing to assess the potential of biofilm within the aqueduct.

Significant Goals for FY 2020/21

- Complete development of a biofilm assessment, monitoring and abatement program as a way to control nitrification. One major effort will be to utilize bio-dispersants and chlorine disinfection of a portion of the pipeline in Winter Shutdown.
- Complete the switchgear replacement project at Santa Ynez Pumping Plant, while minimizing downtime.
- Manage the servicing and repair of corroded pipe risers of the air-vacuum/release valves downstream of Tank 5 during Winter Shutdown.

Central Coast Water Authority
Distribution Department
Fiscal Year 2020/21 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, who provide long term planning and establish priorities.

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

Central Coast Water Authority
Distribution Department
Fiscal Year 2020/21 Budget

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 2020/21 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 on page 157 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

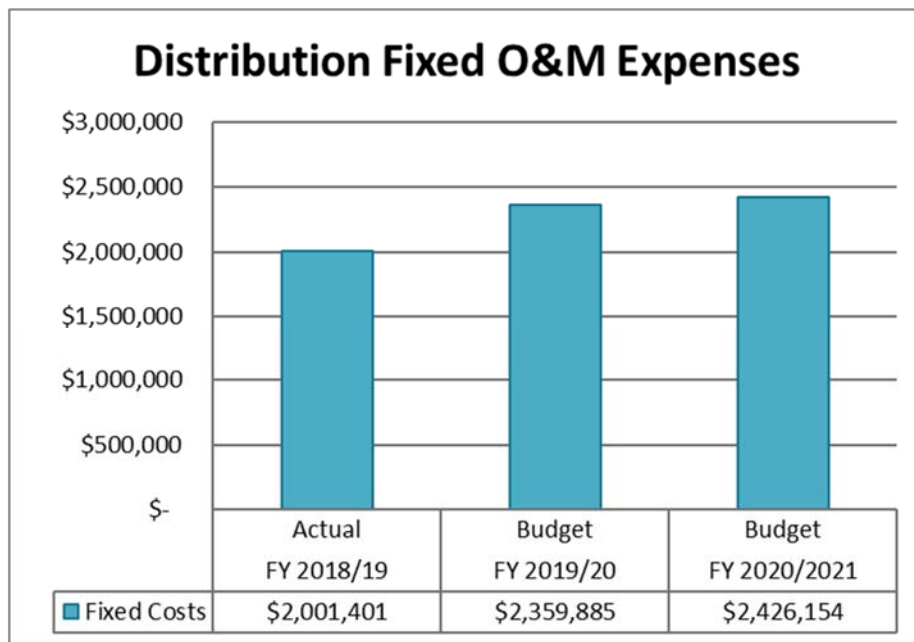
The Distribution Department operating expenses are allocated among the financial reaches listed above based on allocation percentages established by the Authority. These percentages are based on the FY 2018/19 actual operating expenses for each reach. The financial reach allocation percentages are adjusted 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 2020/21 Budget

Distribution Department Financial Reach Allocation			
Financial Reach	FY 2020/2021 Allocation Percentage	FY 2019/20 Allocation Percentage	Increase (Decrease)
Reach 33B	19.97%	21.75%	-1.78%
Reach 34	9.66%	9.35%	0.31%
Reach 35	6.36%	3.44%	2.92%
Reach 37	2.73%	2.37%	0.36%
Reach 38	4.47%	3.84%	0.63%
Mission Hills II	12.82%	10.51%	2.31%
Santa Ynez I	18.05%	16.12%	1.93%
Santa Ynez II	25.92%	32.61%	-6.69%
TOTAL:	100.00%	100.00%	0.00%

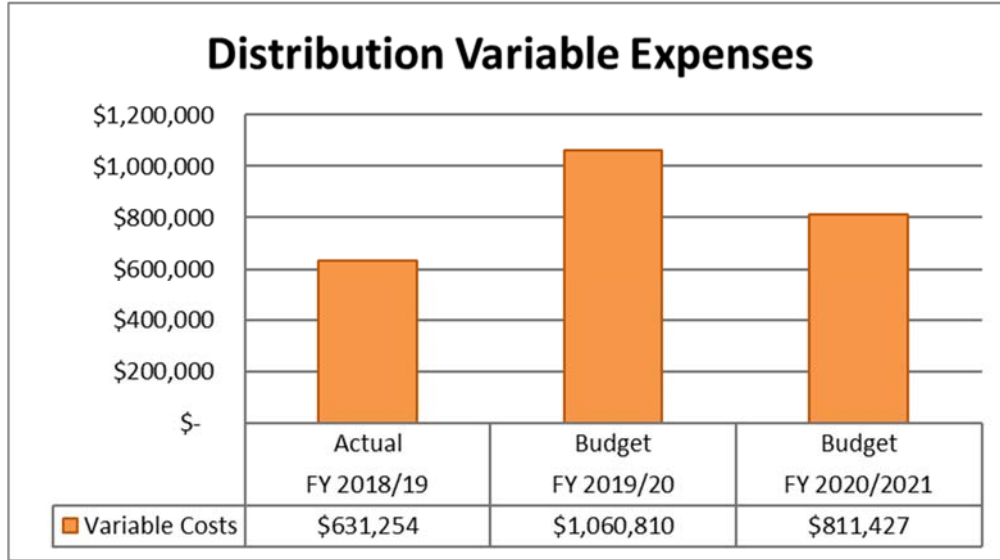
The expenses associated with the Distribution Department are divided into fixed and variable O&M costs.

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 2020/21 fixed O&M costs are \$66,269 higher than the prior year budget amount.



Central Coast Water Authority
Distribution Department
Fiscal Year 2020/21 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 2020/21 variable O&M costs are \$249,384 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 2020/21 Budget.

Distribution Department Electrical Costs

Project Participant	Requested Table A Deliveries ⁽¹⁾	Distribution Electrical Costs at \$87.32/AF
Goleta	1,350	\$ 117,925
Morehart	49	4,279
La Cumbre	815	71,166
Raytheon	32	2,794
Santa Barbara	2,660	232,232
Montecito	2,660	232,232
Carpinteria	1,727	150,799
Total South Coast:	9,293	\$ 811,427
(1) Excludes water deliveries exchanged with Santa Ynez ID#1.		

Central Coast Water Authority
Distribution Department
Fiscal Year 2020/21 Budget

Fiscal Year 2020/21 Operating Expense Budget

The Fiscal Year 2020/21 Distribution Department operating expense budget is \$3,237,580, which is \$183,115 lower than the previous year's budget of \$3,420,696, a decrease of 5.35%. The personnel expense section of the Distribution Department budget represents approximately 55% of the budget. Utilities comprise 27%, with other expenses making up the balance of the budget. The chart on page 158 shows percentage of the various components of the Distribution Department operating expense budget. Variable O&M costs are included in the supplies and equipment and utilities categories.

Personnel Expenses Personnel expenses are increasing by about \$51,351 attributed to the following:

- The FY 2020/21 Distribution Department Budget includes a \$41,212 salary pool for employee salary increases which represents an increase of \$1,264 over the FY 2019/20 budgeted amount of \$39,948. The salary pool percentage for FY 2020/21 is a flat 4% of salaries.

The FY 2020/21 total Distribution Department salaries and wages budget is held to an increase of only \$32,856 when compared to the prior fiscal year budget due to certain employees reaching the top of their salary range which caused actual salaries on July 1, 2019 to be lower than what was included in the budget for FY 2019/20.

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by \$908 due to the prior realignment of employee benefits and other changes as described: 1) Effective January 1, 2018, the CCWA cafeteria plan health plan allowance is based on the lowest cost plan available to all CCWA employees; 2) Beginning with calendar year 2018, CCWA employees pay 50% of the increase in costs for the dependent portion of healthcare premiums; 3) The 2020 CalPERS health insurance plan with the lowest premiums decreased by 2.41% over the 2019 premiums, as opposed to the increase of 5% budgeted for the calendar year 2020. The 2020 health allowances have remained at same levels used in 2019; 4) The FY 2020/21 Budget also includes an estimated 5% increase in the health insurance premiums effective January 1, 2021. The health plan estimates are based on the elections of each employee at the time the budget is prepared.
- CalPERS retirement expenses are increasing by \$12,630 over the prior fiscal year. The increase is primarily attributed to an actuarial calculation referred to as the "unfunded actuarial liability" (UAL) contribution, which is an employer required contribution. This resulted in a \$5,465 increase in FY 2020/21 over 2019/20 UAL for the Distribution department. The balance of the increase is due to the changes in contribution rates (explained below) combined with the change in salaries.

Central Coast Water Authority
Distribution Department
Fiscal Year 2020/21 Budget

The CCWA employer paid portion for “Classic” members in FY 2020/21 is 26.729% as compared to the prior year amount of 25.170%, for a 1.559% increase. CCWA “Classic” member employees began paying 50% of the increase in the “normal” PERS employer contribution in FY 2017/18. As of FY 2019/20 the Distribution Department has 4 CalPERS PEPRA member employees and is anticipating a 5th PEPRA employee to be hired by FY 2020/21. The PEPRA employer contribution rate in FY 2020/21 increased from 7.383% in FY 2019/20 to 8.706% in FY 2020/21 for an increase in employer paid PEPRA contribution rate of 1.323%. Currently, the Distribution Department does not have any 2nd tier member employees.

- The FY 2020/21 Budget includes a \$47,063 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.

Repairs and Maintenance Repairs and maintenance costs are increasing by about \$2,500 because of an increase in age-related equipment and vehicle repairs and maintenance.

Professional Services Professional Services costs are remaining nearly flat with only a \$300 increase FY 2020/21.

General and Administrative General and Administrative costs are remaining flat with no increase for FY 2020/21.

Utility Expenses Utility expenses are decreasing by \$246,468 attributed to a decrease of 2,868 acre feet in water deliveries to Cachuma Lake.

Other Expenses Other expenses are increasing by approximately \$9,202 largely due to anticipated increase in insurance costs.

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 2020/21 Budget

The following table shows the FY 2019/20 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	\$ 688	\$ 1,000	\$ -	\$ 500	\$ 2,188	\$ -	\$ 2,188
Santa Maria	556	1,500	-	500	2,556	-	2,556
Golden State Water Co.	827	3,000	-	500	4,327	-	4,327
Vandenberg Air Force Base	-	1,500	-	500	2,000	-	2,000
Buellton	338	1,500	-	500	2,338	-	2,338
Santa Ynez (Solvang)	403	1,000	-	500	1,903	-	1,903
Santa Ynez	-	1,000	-	500	1,500	-	1,500
Shandon	1,277	1,000	-	500	2,777	-	2,777
Chorro Valley	-	1,500	900	500	2,900	-	2,900
Lopez	654	1,500	-	500	2,654	-	2,654
TOTAL:	\$ 4,744	\$ 14,500	\$ 900	\$ 5,000	\$ 25,144	\$ -	\$ 25,144

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

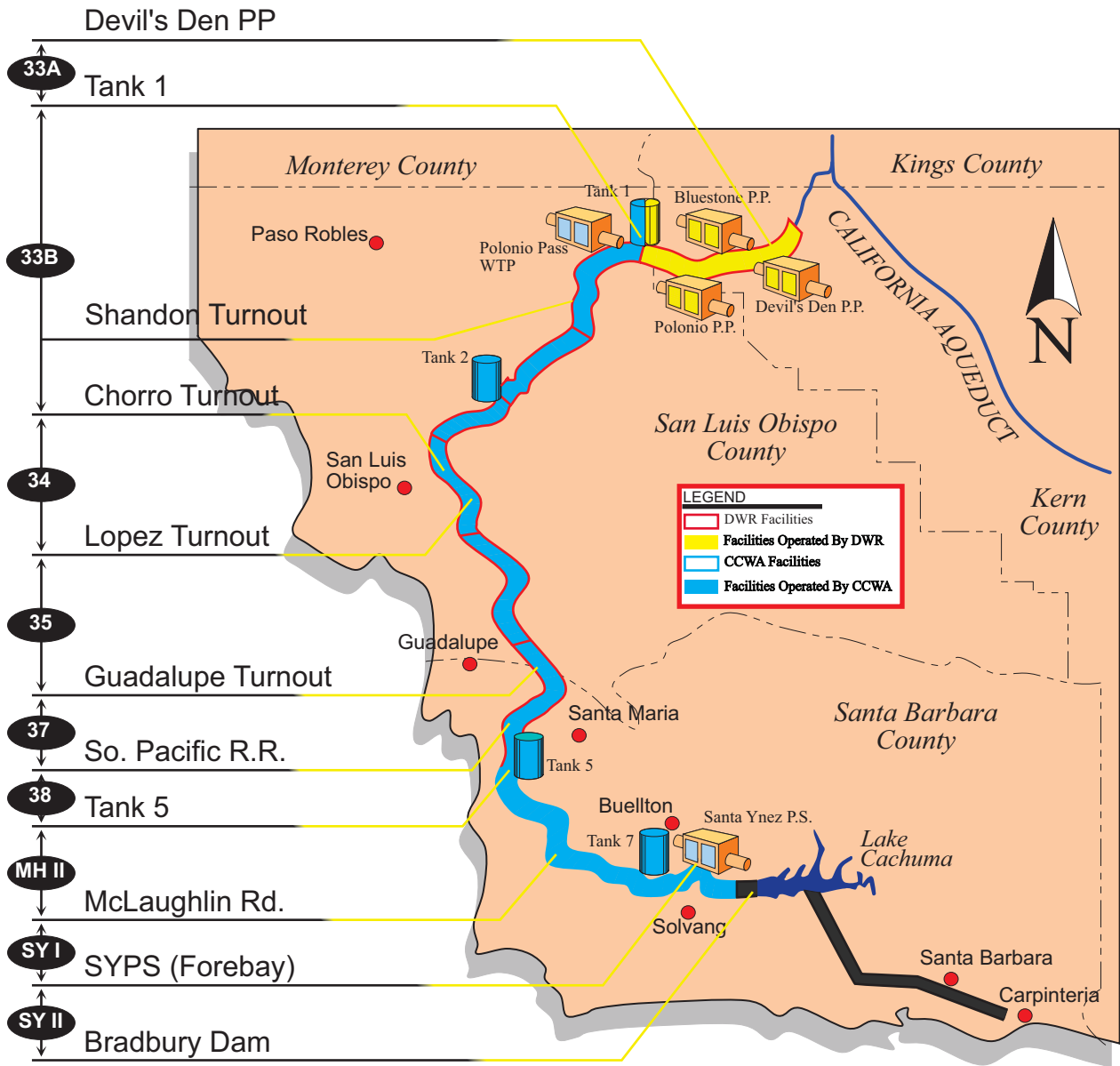
Central Coast Water Authority
Personnel Services Summary
Distribution Department
Fiscal Year 2020/2021 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number	Number	Number	Change	Change
	Auth. FY 2018/19	Auth. FY 2019/20	Requested FY 2020/2021	Over FY 2018/19	Over FY 2019/20
Executive Director ⁽¹⁾	0.25	0.25	0.25	-	-
Deputy Director of Operations ⁽²⁾	0.40	0.40	0.40	-	-
Safety & Environmental Specialist ⁽³⁾	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 ⁽⁴⁾	0.40	0.40	0.40	-	-
Maintenance/IC&R Technicians ⁽⁵⁾	0.40	0.40	0.40	-	-
Distribution Technician	5.00	5.00	5.00	-	-
TOTAL:	10.20	10.20	10.20	-	-

PERSONNEL WAGE SUMMARY						
Position Title	No.	Position Classification	Minimum	Maximum	FY 2019/20	Allocation
	of Emp.		Monthly Salary	Monthly Salary	Total Annual Salary	to Dist. Dept.
Executive Director ⁽¹⁾	1	N/A	N/A	N/A	\$ 274,944	\$ 68,736
Deputy Director of Operations ⁽²⁾	1	N/A	N/A	N/A	\$ 192,324	\$ 76,930
Safety & Environmental Specialist ⁽³⁾	1	29	\$ 7,580	\$ 9,248	\$ 107,786	\$ 80,840
Distribution Supervisor	1	30	\$ 7,745	\$ 9,449	\$ 110,125	\$ 110,125
Engineering Technician	1	21	\$ 6,384	\$ 7,789	\$ 87,789	\$ 87,789
Instrumentation & Control Specialist	1	27	\$ 7,262	\$ 8,859	\$ 103,256	\$ 103,256
Maintenance Superintendent ⁽⁴⁾	1	35	\$ 8,622	\$ 10,519	\$ 117,000	\$ 46,800
Maintenance/IC&R Technicians ⁽⁵⁾	2	26	\$ 7,108	\$ 8,671	\$ 182,798	\$ 36,560
Distribution Technicians	5	19	\$ 6,116	\$ 7,461	\$ 419,256	\$ 419,256
FY 2020/21 Salary Pool						\$ 41,212
TOTAL:						\$ 1,071,503

- (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 Safety/Environmental Specialist (previously Regulatory Spec.) is allocated to Water Treatment Plant (25%) and Distribution (75%).
(4) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
(5) The two Maintenance IC&R Technicians are allocated to Water Treatment Plant (80%) and Distribution (20%).

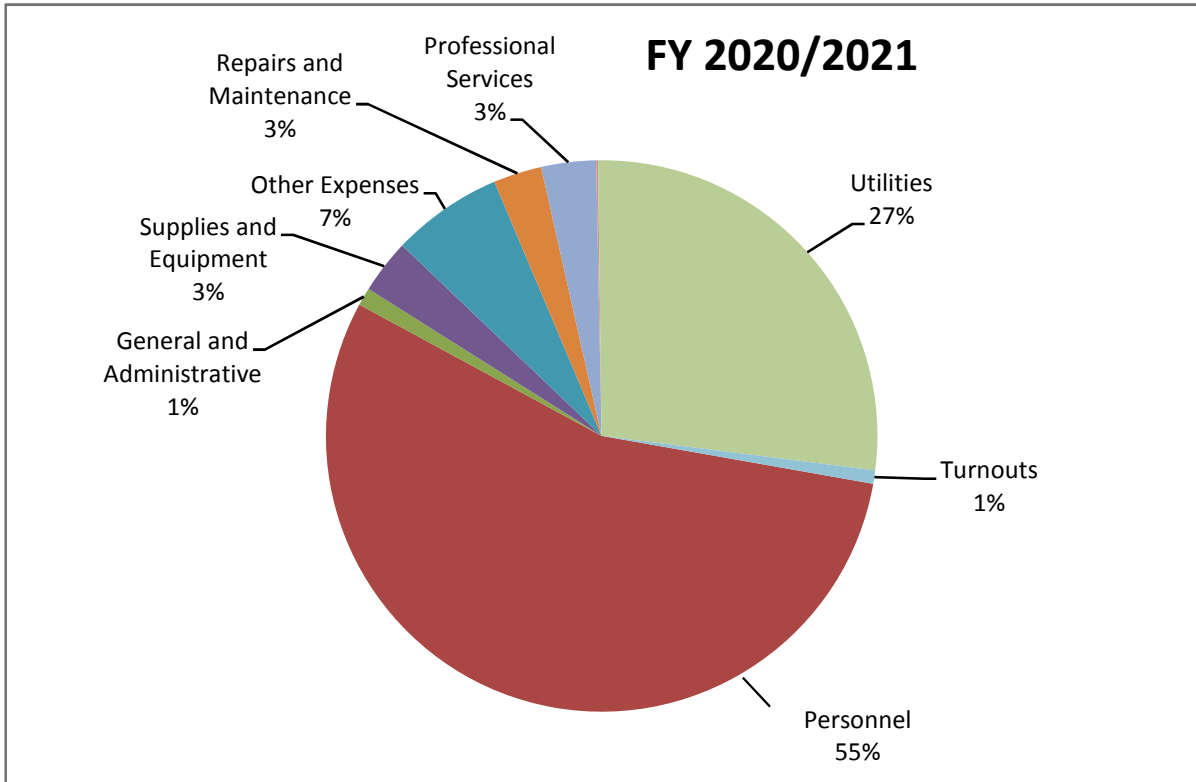
COASTAL BRANCH FINANCIAL REACHES



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

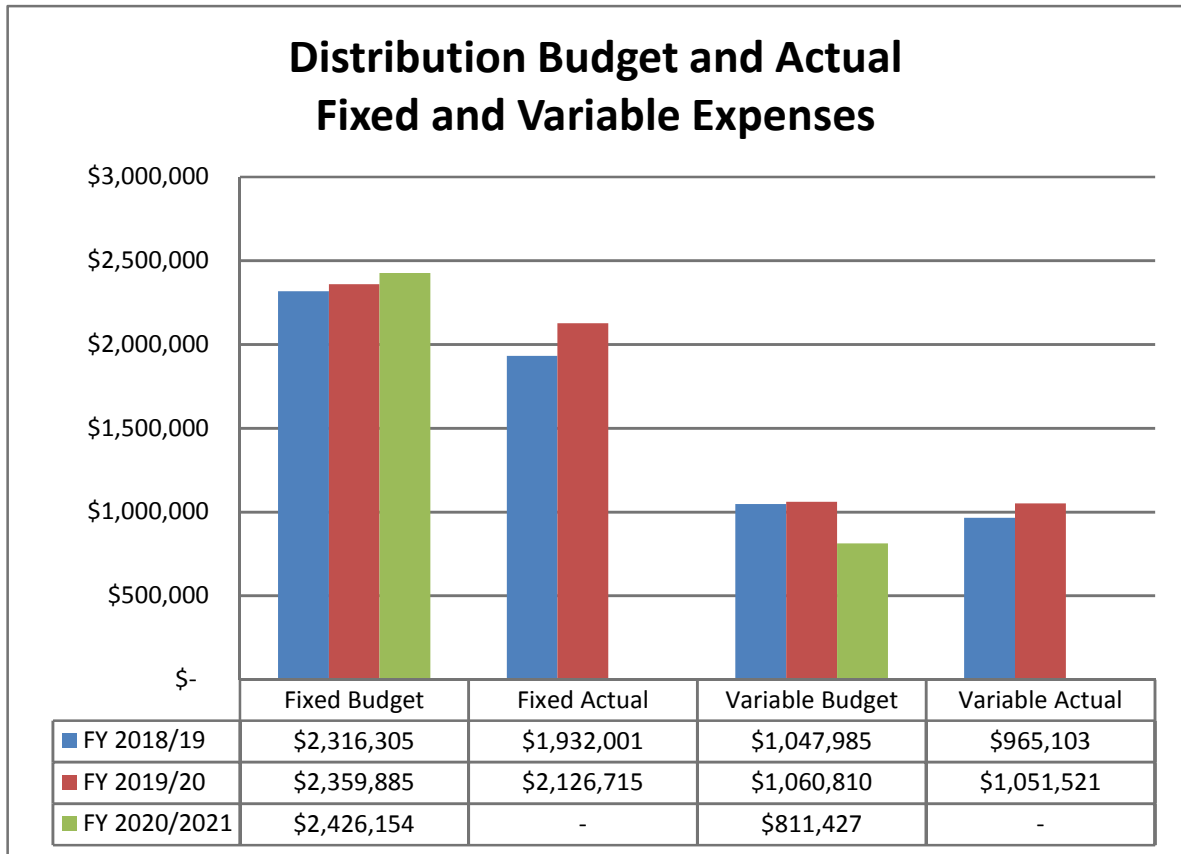
Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2020/2021 Budget
Personnel	\$ 1,784,507
Office Expenses	4,000
Supplies and Equipment	102,911
Monitoring Expenses	-
Repairs and Maintenance	91,700
Professional Services	103,733
General and Administrative	34,250
Utilities	880,839
Other Expenses	210,496
Turnouts	25,144
TOTAL:	\$ 3,237,580



Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2020/2021 Budget

Item	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget
Personnel	\$ 1,685,260	\$ 1,519,978	\$ 1,733,156	\$ 1,652,099	\$ 1,784,507
Office Expenses	4,000	1,873	4,000	3,521	4,000
Supplies and Equipment	102,411	77,487	102,911	79,325	102,911
Monitoring Expenses	-	-	-	-	-
Repairs and Maintenance	81,700	86,997	89,200	78,472	91,700
Professional Services	113,033	55,420	103,433	93,887	103,733
General and Administrative	32,250	23,469	34,250	31,197	34,250
Utilities	1,107,650	700,797	1,127,308	1,104,671	880,839
Other Expenses	187,177	106,166	201,293	139,047	210,496
Turnouts	50,809	60,468	25,144	26,375	25,144
TOTAL:	\$ 3,364,289	\$ 2,632,655	\$ 3,420,696	\$ 3,208,594	\$ 3,237,580



Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>PERSONNEL EXPENSES</u>								
5000.10	Full-Time Regular Wages	\$ 1,010,698	\$ 936,272	\$ 1,038,647	\$ 1,038,647	\$ 1,071,503	\$ 32,856	3.16%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	65,724	75,996	67,452	69,562	69,677	2,225	3.30%
5000.40	Standby Pay	25,044	27,148	25,435	25,019	26,283	848	3.33%
5000.50	Shift Differential Pay	-	-	-	-	-	-	N/A
5100.10	PERS Retirement	257,301	243,215	270,928	230,314	283,558	12,630	4.66%
5100.15	Medicare Taxes	15,975	14,165	16,916	16,459	17,514	598	3.54%
5100.20	Health/Dental/Vision Plans	226,068	153,874	218,531	193,041	219,439	908	0.42%
5100.25	Workers' Compensation	25,303	21,875	34,580	22,460	35,686	1,106	3.20%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	45,690	-	47,063	45,690	47,063	1	0.00%
5100.40	Cafeteria Plan Benefits	-	18,516	-	-	-	-	N/A
5100.45	Dental/Vision Plan	-	17,905	-	-	-	-	N/A
5100.50	Long-Term Disability	4,960	4,500	5,103	4,524	5,274	171	3.34%
5100.55	Life Insurance	4,448	3,701	4,452	3,645	4,460	8	0.19%
5100.60	Employee Physicals	450	252	450	-	450	-	0.00%
5000.30	Temporary Services	-	-	-	-	-	-	N/A
5100.80	Employee Incentive Programs	2,600	100	2,600	1,800	2,600	-	0.00%
5100.65	Employee Education Reimbursement	1,000	-	1,000	-	1,000	-	0.00%
5100.86	Benefits-Non-Capitalized Projects	-	2,461	-	938	-	-	N/A
1300.60	Capitalized Employee Benefits	-	-	-	-	-	-	N/A
Total Personnel Expenses:		1,685,260	1,519,978	1,733,156	1,652,099	1,784,507	51,351	2.96%

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>OFFICE EXPENSES</u>								
5200.20	Office Supplies	1,500	1,019	1,500	1,422	1,500	-	0.00%
5200.30	Miscellaneous Office Expenses	2,500	854	2,500	2,099	2,500	-	0.00%
Total Office Expenses:		4,000	1,873	4,000	3,521	4,000	-	0.00%
<u>SUPPLIES AND EQUIPMENT</u>								
5500.10	Uniform Expenses	6,921	6,486	7,421	6,584	7,421	-	0.00%
5500.15	Minor Tools and Equipment	5,000	6,035	5,000	4,737	5,000	-	0.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	1,000	963	1,000	569	1,000	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	-	-	-	-	-	-	N/A
5500.35	Maintenance Supplies/Hardware	10,000	7,657	10,000	9,406	10,000	-	0.00%
5500.40	Safety Supplies	7,000	5,005	7,000	5,283	7,000	-	0.00%
5500.45	Fuel and Lubricants	63,990	50,870	63,990	52,395	63,990	-	0.00%
5500.50	Seed/Erosion Control Supplies	8,000	225	8,000	-	8,000	-	0.00%
5500.55	Backflow Prevention Supplies	500	245	500	350	500	-	0.00%
Total Supplies and Equipment:		102,411	77,487	102,911	79,325	102,911	-	0.00%
<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 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>REPAIRS AND MAINTENANCE</u>								
5700.10	Equipment Repairs and Maintenance	50,000	60,586	55,000	50,000	55,000	-	0.00%
5700.20	Vehicle Repairs and Maintenance	12,500	13,196	15,000	12,650	15,000	-	0.00%
5700.30	Building Maintenance	14,700	8,715	14,700	11,322	17,200	2,500	17.01%
5700.40	Landscape Maintenance	4,500	4,500	4,500	4,500	4,500	-	0.00%
Total Repairs and Maintenance:		81,700	86,997	89,200	78,472	91,700	2,500	2.80%
<u>PROFESSIONAL SERVICES</u>								
5400.10	Professional Services	82,333	34,291	83,333	73,697	83,633	300	0.36%
5400.20	Legal Services	-	170	-	340	-	-	N/A
5400.30	Engineering Services	26,000	14,232	15,000	15,000	15,000	-	0.00%
5400.40	Permits	4,700	6,727	5,100	4,850	5,100	-	0.00%
5400.50	Non-Contractual Services	-	-	-	-	-	-	N/A
5400.60	Accounting Services	-	-	-	-	-	-	N/A
Total Professional Services:		113,033	55,420	103,433	93,887	103,733	300	0.29%
<u>GENERAL AND ADMINISTRATIVE</u>								
5300.10	Meeting and Travel	20,000	14,940	20,000	19,729	20,000	-	0.00%
5300.20	Mileage Reimbursement	150	50	150	-	150	-	0.00%
5300.30	Dues and Memberships	2,500	1,602	2,500	2,623	2,500	-	0.00%
5300.40	Publications	1,000	623	1,000	997	1,000	-	0.00%
5300.50	Training	6,500	4,295	8,500	6,212	8,500	-	0.00%
5300.60	Advertising	1,500	1,602	1,500	1,313	1,500	-	0.00%
5300.70	Printing and Binding	-	82	-	-	-	-	N/A
5300.80	Postage	600	275	600	323	600	-	0.00%
Total General and Administrative:		32,250	23,469	34,250	31,197	34,250	-	0.00%

Central Coast Water Authority
Distribution Department Operating Expenses
 Fiscal Year 2020/2021 Administration/O&M Budget

Account Number	Account Name	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget	FY 2019/20 Estimated Actual	FY 2020/2021 Budget	Change from FY 2019/20 Budget	Percent Change FY 2019/20 Budget
<u>UTILITIES</u>								
5800.20	Natural Gas	1,010	408	1,010	567	1,010	-	0.00%
5800.30	Electric Fixed	46,755	60,332	53,538	44,249	56,903	3,365	6.28%
5800.31	Electric-Variable	1,047,985	631,254	1,060,810	1,051,521	811,427	(249,384)	-23.51%
5800.40	Water	2,500	1,994	2,500	2,161	2,500	-	0.00%
5800.50	Telephone	6,500	4,190	6,049	3,769	5,500	(549)	-9.08%
5800.60	Waste Disposal	2,900	2,619	3,400	2,405	3,500	100	2.94%
Total Utilities:		1,107,650	700,797	1,127,308	1,104,671	880,839	(246,468)	-21.86%
<u>OTHER EXPENSES</u>								
5900.10	Insurance	46,552	37,860	44,332	43,248	51,004	6,673	15.05%
5900.30	Non-Capitalized Projects ⁽¹⁾	-	-	-	30,359	-	-	N/A
5900.40	Equipment Rental	23,500	11,630	24,000	18,603	24,100	100	0.42%
5900.50	Non-Capitalized Equipment	10,000	4,726	10,000	-	10,000	-	0.00%
5900.60	Computer Expenses	62,704	51,949	77,182	46,837	78,313	1,130	1.46%
5900.70	Appropriated Contingency	44,421	-	45,779	-	47,079	1,299	2.84%
Total Other Expenses:		187,177	106,166	201,293	139,047	210,496	9,202	4.57%
	Turnouts	50,809	60,468	25,144	26,375	25,144	-	0.00%
TOTAL OPERATING EXPENSES		\$ 3,364,289	\$ 2,632,655	\$ 3,420,696	\$ 3,208,594	\$ 3,237,580	(183,115)	-5.35%

(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 2020/2021 BUDGET**

ACCOUNT NUMBER: 5000.10

ACCOUNT TITLE: Full-Time Regular Salaries

Description: Funds for the Distribution regular full-time employees. Includes \$41,212 for FY 2019/20 salary pool.

FY 20/21 Requested Budget	1,071,503
FY 19/20 Estimated Actual	1,038,647
Increase (Decrease)	32,856

ACCOUNT NUMBER: 5000.20

ACCOUNT TITLE: Overtime

Description: Funds for overtime expenses for non-exempt Distribution employees.

FY 20/21 Requested Budget	69,677
FY 19/20 Estimated Actual	69,562
Increase (Decrease)	116

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 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5000.30

ACCOUNT TITLE: Temporary Services

Description: Temporary services:

FY 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5000.40

ACCOUNT TITLE: Stand-by Pay

FY 20/21 Requested Budget	26,283
FY 19/20 Estimated Actual	25,019
Increase (Decrease)	1,264

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 \$2.21 per hour for a Distribution employee. Instrumentation and Control employee hourly rate is \$2.38 (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 20/21 Requested Budget	283,558
FY 19/20 Estimated Actual	230,314
Increase (Decrease)	53,244

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 26.729% contribution rate for FY 2020/210, which includes the required Unfunded Accrued Liability (UAL) payment.

Required Contributions	\$	164,476	17.652%
UAL current fiscal year		77,506	9.077%
UAL additional payment		41,577	fixed amount
	\$	283,558	

ACCOUNT NUMBER: 5100.15

ACCOUNT TITLE: Medicare

FY 20/21 Requested Budget	17,514
FY 19/20 Estimated Actual	16,459
Increase (Decrease)	1,055

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 20/21 Requested Budget	150,867
FY 19/20 Estimated Actual	135,090
Increase (Decrease)	15,777

Description: Funds for the employer paid portion of health insurance for Distribution employees. Based on employee 2020 Caf  Plan elections. Includes an estimated 5% premium increase in 2020 rates.

		2019 Allowance		2020 Allowance Est.
Family	\$	20,729	\$	21,247
Emp + 1		15,586		15,976
Employee only		7,857		8,053

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 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 96%. Based on a 3% premium increase over FY 2019/20.

FY 20/21 Requested Budget	35,686
FY 19/20 Estimated Actual	22,460
Increase (Decrease)	13,226

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 20/21 Requested Budget	47,063
FY 19/20 Estimated Actual	45,690
Increase (Decrease)	1,373

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 20/21 Requested Budget	40,390
FY 19/20 Estimated Actual	34,971
Increase (Decrease)	5,419

ACCOUNT NUMBER: 5100.45

ACCOUNT TITLE: Dental/Vision Plan

Description: Funds for the self-funded dental/vision plan. The plan provides \$3,684 per year per family for dental and vision expenses. Budgeted amount is \$2,763 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

FY 20/21 Requested Budget	28,182
FY 19/20 Estimated Actual	22,980
Increase (Decrease)	5,202

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 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 20/21 Requested Budget	5,274
FY 19/20 Estimated Actual	4,524
Increase (Decrease)	749

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 \$100,000.

FY 20/21 Requested Budget	4,460
FY 19/20 Estimated Actual	3,645
Increase (Decrease)	815

ACCOUNT NUMBER: 5100.60

ACCOUNT TITLE: Employee Physicals

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

FY 20/21 Requested Budget	450
FY 19/20 Estimated Actual	-
Increase (Decrease)	450

ACCOUNT NUMBER: 5100.65

ACCOUNT TITLE: Employee Education Reimbursement

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

FY 20/21 Requested Budget	1,000
FY 19/20 Estimated Actual	-
Increase (Decrease)	1,000

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5100.80

ACCOUNT TITLE: Employee Incentive Programs

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

FY 20/21 Requested Budget	2,600
FY 19/20 Estimated Actual	1,800
Increase (Decrease)	800

\$	2,600	EAAP
\$	2,600	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 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5200.20

ACCOUNT TITLE: Office Supplies

Description: Funds for office supplies for the Distribution Department.

FY 20/21 Requested Budget	1,500
FY 19/20 Estimated Actual	1,422
Increase (Decrease)	78

ACCOUNT NUMBER: 5200.30

ACCOUNT TITLE: Miscellaneous Office Expenses

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

FY 20/21 Requested Budget	2,500
FY 19/20 Estimated Actual	2,099
Increase (Decrease)	401

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 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 20/21 Requested Budget	20,000
FY 19/20 Estimated Actual	19,729
Increase (Decrease)	271

ACCOUNT NUMBER: 5300.20

ACCOUNT TITLE: Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 20/21 Requested Budget	150
FY 19/20 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 20/21 Requested Budget	2,500
FY 19/20 Estimated Actual	2,623
Increase (Decrease)	(123)

ACCOUNT NUMBER: 5300.40

ACCOUNT TITLE: Publications

Description: Funds for publications received by the Distribution Department.

FY 20/21 Requested Budget	1,000
FY 19/20 Estimated Actual	997
Increase (Decrease)	3

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5300.50

ACCOUNT TITLE: Training

Description: Funds for training Distribution Department staff.
Does not include educational reimbursement.

FY 20/21 Requested Budget	8,500
FY 19/20 Estimated Actual	6,212
Increase (Decrease)	2,288

\$ 8,500 Employee Training, including safety

ACCOUNT NUMBER: 5300.60

ACCOUNT TITLE: Advertising

Description: Funds for public relations materials
for the Distribution Department including open position advertising.

FY 20/21 Requested Budget	1,500
FY 19/20 Estimated Actual	1,313
Increase (Decrease)	187

ACCOUNT NUMBER: 5300.80

ACCOUNT TITLE: Postage

Description: Funds for all postal and mail expenses
for the Distribution Department.

FY 20/21 Requested Budget	600
FY 19/20 Estimated Actual	323
Increase (Decrease)	277

ACCOUNT NUMBER: 5400.10

ACCOUNT TITLE: Professional Services

Description:

\$ 50,000	Environmental Services, Required by Reg Agency
16,000	Cathodic protection, Crane inspections
3,400	Emergency generator and forklift service
1,600	Hydraulic package oil analysis
3,375	Fire extinguisher and SCBA inspections
5,058	Personnel Team Building
4,200	Security
\$ 83,633	TOTAL

FY 20/21 Requested Budget	83,633
FY 19/20 Estimated Actual	73,697
Increase (Decrease)	9,936

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5400.20

ACCOUNT TITLE: Legal Services

Description: Not funded for current fiscal year.

FY 20/21 Requested Budget	-
FY 19/20 Estimated Actual	340
Increase (Decrease)	(340)

ACCOUNT NUMBER: 5400.30

ACCOUNT TITLE: Engineering Services

Description: Funds for all non-capitalized engineering services.

FY 20/21 Requested Budget	15,000
FY 19/20 Estimated Actual	15,000
Increase (Decrease)	-

\$ 15,000 General Services (SCADA, GIS, etc)

ACCOUNT NUMBER: 5400.40

ACCOUNT TITLE: Permits

Description: Funds for all required permits for the Distribution Department.

FY 20/21 Requested Budget	5,100
FY 19/20 Estimated Actual	4,850
Increase (Decrease)	250

\$ 2,500 Low Threat Discharge Permit

1,300 Diesel Permit

1,300 SYPP, Tank 7 and 5 Business Plan

\$ 5,100 TOTAL

ACCOUNT NUMBER: 5400.50

ACCOUNT TITLE: Non-Contractual Services

Description: Funds for miscellaneous non-contractual services. Not funded this year.

FY 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5500.10

ACCOUNT TITLE: Uniform Expenses

Description: Funds for employer provided uniforms including reimbursement of uniform expenses to employees.

FY 20/21 Requested Budget	7,421
FY 19/20 Estimated Actual	6,584
Increase (Decrease)	837

\$	3,576	Uniform Service (\$298 month)
	1,350	Blue jean pants (\$150/year employee allowance)
	1,575	Boots (\$175/year employee allowance)
	920	Misc. uniform requirements (jackets, etc.)
\$	7,421	TOTAL

ACCOUNT NUMBER: 5500.15

ACCOUNT TITLE: Minor Tools and Equipment

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

FY 20/21 Requested Budget	5,000
FY 19/20 Estimated Actual	4,737
Increase (Decrease)	263

ACCOUNT NUMBER: 5500.20

ACCOUNT TITLE: Spare Parts

Description: Not funded.

FY 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.25

ACCOUNT TITLE: Landscape Equipment and Supplies

Description: Funds for the purchase of equipment and supplies for landscape maintenance at the pump station.

FY 20/21 Requested Budget	1,000
FY 19/20 Estimated Actual	569
Increase (Decrease)	431

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5500.30

ACCOUNT TITLE: Chemicals-Fixed

Description: Not funded.

FY 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

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 20/21 Requested Budget	10,000
FY 19/20 Estimated Actual	9,406
Increase (Decrease)	594

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 20/21 Requested Budget	7,000
FY 19/20 Estimated Actual	5,283
Increase (Decrease)	1,717

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 20/21 Requested Budget	63,990
FY 19/20 Estimated Actual	52,395
Increase (Decrease)	11,595

\$	55,782	Vehicles
	2,137	Emergency Generator Sets
	3,934	Lubricants
	2,137	Miscellaneous
\$	63,990	TOTAL

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5500.50

ACCOUNT TITLE: Seed/Plants/Erosion Control Supplies

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

FY 20/21 Requested Budget	8,000
FY 19/20 Estimated Actual	-
Increase (Decrease)	8,000

\$	1,000	Seed
	1,000	Plants and materials
	6,000	Erosion control
\$	8,000	TOTAL

ACCOUNT NUMBER: 5500.55

ACCOUNT TITLE: Backflow Prevention Supplies

Description: Funds for backflow prevention.

FY 20/21 Requested Budget	500
FY 19/20 Estimated Actual	350
Increase (Decrease)	150

ACCOUNT NUMBER: 5700.10

ACCOUNT TITLE: Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of Distribution Department equipment.

FY 20/21 Requested Budget	55,000
FY 19/20 Estimated Actual	50,000
Increase (Decrease)	5,000

ACCOUNT NUMBER: 5700.20

ACCOUNT TITLE: Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance of Distribution Department vehicles.

FY 20/21 Requested Budget	15,000
FY 19/20 Estimated Actual	12,650
Increase (Decrease)	2,350

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5700.30

ACCOUNT TITLE: Building Maintenance

Description: Funds for the repair and maintenance of the Santa Ynez Pumping Facility.

FY 20/21 Requested Budget	17,200
FY 19/20 Estimated Actual	11,322
Increase (Decrease)	5,878

\$	3,500	Janitorial Service
	1,700	Pest Control
	7,000	HVAC, includes quarterly inspection
	5,000	Minor building repairs
\$	17,200	TOTAL

ACCOUNT NUMBER: 5700.40

ACCOUNT TITLE: Landscape Maintenance

Description: Funds for the maintenance of the Santa Ynez Pumping Facility (SYPF).

FY 20/21 Requested Budget	4,500
FY 19/20 Estimated Actual	4,500
Increase (Decrease)	-

\$	4,500	SYPF (\$375 month avg)
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ACCOUNT NUMBER: 5800.20

ACCOUNT TITLE: Natural Gas Service

Description: Funds for natural gas service for the Distribution Department.

FY 20/21 Requested Budget	1,010
FY 19/20 Estimated Actual	567
Increase (Decrease)	443

ACCOUNT NUMBER: 5800.30

ACCOUNT TITLE: Electric Service-Fixed

Description: Funds for electrical service for the Distribution Dept.

FY 20/21 Requested Budget	56,903
FY 19/20 Estimated Actual	44,249
Increase (Decrease)	12,654

\$	17,764	Suite B & C	\$ 1,434/month
	2,276	ISO vaults (2)	\$ 93/month
	11,776	Tanks (3)	\$ 740/month
	2,836	Rectifiers (11)	\$ 227/month
	4,682	EDV	\$ 343/month
	17,569	SYPF	\$ 1,450/month
\$	56,903	TOTAL	

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5800.31

ACCOUNT TITLE: Electric Service-Variable

Description: Funds for electrical service for the
Distribution Department.

FY 20/21 Requested Budget	811,427
FY 19/20 Estimated Actual	1,051,521
Increase (Decrease)	(240,094)

Acre feet pumped	9,293
Cost per acre foot	\$87.32
TOTAL	\$811,427

ACCOUNT NUMBER: 5800.40

ACCOUNT TITLE: Water/Sewer

Description: Funds for water and sewer service to
the Distribution Department.

FY 20/21 Requested Budget	2,500
FY 19/20 Estimated Actual	2,161
Increase (Decrease)	339

ACCOUNT NUMBER: 5800.50

ACCOUNT TITLE: Telephone

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

FY 20/21 Requested Budget	5,500
FY 19/20 Estimated Actual	3,769
Increase (Decrease)	1,731

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 20/21 Requested Budget	3,500
FY 19/20 Estimated Actual	2,405
Increase (Decrease)	1,095

\$	2,600	Trash service
	900	Hazardous waste removal
\$	3,500	TOTAL

**CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2020/2021 BUDGET**

ACCOUNT NUMBER: 5900.10

ACCOUNT TITLE: Insurance

Description: Funds for insurance coverage.

FY 20/21 Requested Budget	51,004
FY 19/20 Estimated Actual	43,248
Increase (Decrease)	7,756

\$	24,730	Property and Auto Insurance as apportioned by JPIA.
\$	26,274	General liability and E&O insurance pro rated by salary percentages.
\$	51,004	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 20/21 Requested Budget	-
FY 19/20 Estimated Actual	-
Increase (Decrease)	-

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ACCOUNT NUMBER: 5900.40

ACCOUNT TITLE: Equipment Rental

Description: Funds for rental of equipment for the Distribution Department.

FY 20/21 Requested Budget	24,100
FY 19/20 Estimated Actual	18,603
Increase (Decrease)	5,497

\$	4,000	Portable toilets (4) \$1,000/year each
	7,500	General equipment rental
	2,600	Mowing
	10,000	Cachuma Lake bypass pipeline
\$	24,100	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 20/21 Requested Budget	10,000
FY 19/20 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 20/21 Requested Budget	78,313
FY 19/20 Estimated Actual	46,837
Increase (Decrease)	31,476

\$ 70,144	CompuVision, Annual Service Agreements, and Software Subscriptions
\$ 8,169	Software, New Computers, DSL Allowance and other computer services.
\$ 78,313	TOTAL

ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

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

FY 20/21 Requested Budget	47,079
FY 19/20 Estimated Actual	-
Increase (Decrease)	47,079



*Facility Fencing Project prior to completion
September 2019*

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

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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 2020/21 is \$1,956,528 and consists of 19 Capital Improvement Projects representing \$1,641,549 of the budget, and a budget of \$314,979 for 9 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 2019/20 into FY 2020/21.

Funding of Capital Improvements (CIP) and Non-Capital Projects (NCP)

The FY 2020/21 CIP and NCP expenditures are entirely funded from Project Participant Assessments.

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The following table shows the allocation of the FY 2020/21 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 2020/2021 Capital Improvement Projects (CIP)							
Capital Projects	Specific		Water Treatment				Total
	Financial Reach	Administration	Plant	Distribution	Turnouts		
PLC Upgrade WTP - Phase 2 of 3	WTP	\$ -	\$ 210,000	\$ -	\$ -		\$ 210,000
Lining of Chlorine Contact Basin - Phase 1 of 3	WTP	-	393,750	-	-		393,750
Spare Parts for Chain and Flight of Sludge Rem Sys	WTP	-	28,350	-	-		28,350
Phase 2 of Chlorine Scrubber System	WTP	-	126,000	-	-		126,000
Phase 2 of WTP Modular Office Building	WTP	-	79,590	-	-		79,590
CyberLock Replacement and Door Service	WTP	-	39,690	-	-		39,690
Water Quality Instrumentation	WTP	-	85,050	-	-		85,050
Carport	WTP	-	36,750	-	-		36,750
Ion Chromatograph	WTP	-	45,360	-	-		45,360
Air Vacuum Air Release (AVAR) Valve Riser Repair							
Phase 2 of 3	SYII	-	-	236,250	-		236,250
Rectifier Replacement	DIST	-	-	28,350	-		28,350
Locator and Toning Packages	DIST	-	-	34,020	-		34,020
Remote PLC Panel (RPP) Electrical Upgrade	DIST	-	-	56,700	-		56,700
Phase 2 Seismic Joint Pipe Spools and Parts	33B	-	-	56,700	-		56,700
Phase 2 SYPP Surge Tank Pedestal Repair	SYII	-	-	52,500	-		52,500
Boardroom Furnishing and Carpet	ADM	32,697	-	-	-		32,697
WTP Supervisor Sedan - Replace Vehicle T019	WTP	-	31,752	-	-		31,752
Instrumentation Sup-Replace Vehicle T022	WTP	-	34,020	-	-		34,020
Distribution Spare - Replace D060	DIST	-	-	34,020	-		34,020
Total Capital Projects:		\$ 32,697	\$ 1,110,312	\$ 498,540	\$ -		\$ 1,641,549
FY 2020/2021 Non-Capital Projects (NCP)							
Maintenance, Repairs & Equipment Projects	Financial Reach	ADM	WTP	DIST	Turnouts	Total	
Painting	WTP	\$ -	\$ 15,750	\$ -	\$ -		\$ 15,750
Trailer for Tractor	DIST	-	-	8,505	-		8,505
Carport	SYII	-	-	6,804	-		6,804
Cybersecurity and Network P&P Document	ADMIN/DIST/WTP	8,750	8,750	8,750	-		26,250
Switch Infrastructure Inventory	ADMIN/DIST/WTP	1,890	1,890	1,890	-		5,670
Urban Water Management Plan	ADMIN	78,750	-	-	-		78,750
Emergency Response Plan	ADMIN	78,750	-	-	-		78,750
Water Management Strategies	ADMIN	78,750	-	-	-		78,750
CCWA Website Redesign	ADMIN	15,750	-	-	-		15,750
Total Maintenance, Repair & Equipment Projects:		\$ 262,640	\$ 26,390	\$ 25,949	\$ -		\$ 314,979
TOTAL CAPITAL and NON-CAPITAL PROJECTS:		\$ 295,337	\$ 1,136,702	\$ 524,489	\$ -		\$ 1,956,528

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 Capital, Non-Capital & Extraordinary Projects
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The following tables provide details for each of the Capital Improvement Projects.

Description:	PLC Upgrade WTP – Phase 2 of 3
Department:	WTP
Expanded Description	This is a continuation of a three phase project to update the legacy Process Logic Controllers (PLC) equipment throughout the Water Treatment Plant. The existing PLC system is no longer supported by the manufacturer and this project will upgrade the existing PLC systems to current technology. This phase will fund the completion of the design and the procurement of the long lead items. The testing and installation of the new PLC system is scheduled to occur in winter shutdown 2021 (FY 21/22).
Estimated Charge - Contractor	\$200,000
Contingency (5%)	<u>10,000</u>
Subtotal without CCWA Labor	\$210,000
CCWA Labor	<u>42,663</u>
Total Cost	\$252,663
Operating Budget Impact:	The PLC provides the heart and soul of the control functions for the WTP. Consequently, these units are important to keep in good functioning condition at all times. When the manufacturer advances the PLC equipment to a more advanced level, the technical support and repair parts from the manufacturer will eventually become unavailable. To avoid loss of continuous automated control of the WTP, migration to the advanced product is necessary. If postponed, the chances of extended outages of the PLC unit will increase due to fewer available repair parts and no technical support, which will translate to higher operational costs.

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Description:	Lining of Chlorine Contact Basin – Phase 1 of 3
Department:	WTP
Expanded Description	CCWA staff have been monitoring the interior concrete surfaces of the Chlorine Contact Basin (CCB) for the past ten years. It has been documented that the hardness of the surfaces have been softening with time. The lining project will protect the concrete surfaces of the CCB before irreversible damage can occur. Installation of a polyurethane lining system will prevent chlorine penetration and resulting spalling associated with corroding steel reinforcement bars. The selected lining system has been applied at several locations within the WTP and has an excellent performance records, as observed through CCWA staff's routine monitoring and inspection of the WTP interior.
Estimated Charge - Contractor	\$375,000
Contingency (5%)	<u>18,750</u>
Subtotal without CCWA Labor	\$393,750
CCWA Labor	<u>20,107</u>
Total Cost	\$413,857
Operating Budget Impact:	The CCB is a massive concrete structure that is further strengthen with steel reinforcement bars. If the concrete becomes compromised and salts within the treated water begin to migrate into the concrete and towards the steel reinforcement bars, the bars will corrode. As steel reinforcement bars corrode, they expand in volume, causing the adjacent concrete to spall or pop off, which further exposes more length of the steel reinforcement bars to the salt content of the treated water. This can lead to extensive damage of the CCB structure and require expensive repair. The purpose of this project is to significantly increase the service life of the CCB through preventing corrosion of the steel reinforcement bars within the CCB concrete structure.

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Description:	Spare Parts for Chain and Flight of Sludge Removal System
Department:	WTP
Expanded Description	This project is to purchase spare parts for the Sedimentation Basin Sludge Removal System. These parts require a minimum of six weeks to fabricate and ship by the manufacturer. Purchasing these parts will prevent As a result of damage arising from severe weather at the WTP
Estimated Charge - Material	\$25,000
Tax (8%)	2,000
Contingency (5%)	<u>1,350</u>
Subtotal without CCWA Labor	\$28,350
CCWA Labor	<u>1,175</u>
Total Cost	\$29,525
Operating Budget Impact:	Based on past experience, the procurement of the Chain and Flight of the Sludge Removal System requires 6 to 8 weeks from order to delivery. The Chain and Flight is required for the operation of the Sludge Removal System. In addition, conventional surface water treatment continuously produces sludge, which must be removed to allow the treatment process to proceed. Consequently, if the Chain and Flight were to fail, the water treatment production rate would be significantly impaired and may even lead to the complete shutdown of treatment operations. This project will reduce the potential of a complete shutdown of water treatment operations through procuring a spare Chain and Flight in advance of a break-down event.

Description:	Phase 2 of Chlorine Scrubber System
Department:	WTP
Expanded Description	A budget was established to purchase a Chlorine Gas Scrubber System to replace the existing system at the WTP. However, due to the complexities of competitively bidding for a replacement unit and the details of interfacing with existing conduits, controls and power, the best path forward is to procure the replacement as a contractor performance bid. The project will involve retaining an engineering firm to prepare a performance bid document for the procurement and installation of a chlorine scrubber unit to replace the existing unit.
Estimated Charge - Contractor	\$120,000
Contingency (5%)	<u>6,000</u>
Subtotal without CCWA Labor	\$126,000
CCWA Labor	<u>13,490</u>
Total Cost	\$139,490
Operating Budget Impact:	The existing Chlorine Scrubber System has exceeded its anticipated service life and is in need of replacement. Replacement is required because (1) the cost of repair and servicing has increased each year and (2) the most recent engineering inspection of the existing scrubber resulted in a recommendation to replace the existing system with a new system.

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Description:	Phase 2 of WTP Modular Office Building
Department:	WTP
Expanded Description	This project was initiated to procure and install a modular office building to house four WTP employees. Engineering support was needed to ensure the proper grading, foundation, utility connections and building installation are completed effectively. Phase 2 of the project will provide the funding to complete this project.
Estimated Charge - Contractor	\$65,000
Estimated Charge - Material	10,000
Tax (8%)	800
Contingency (5%)	<u>3,790</u>
Subtotal without CCWA Labor	\$79,590
CCWA Labor	<u>10,305</u>
Total Cost	\$89,895
Operating Budget Impact:	This project addressed a shortage of work space for staff and to bring the existing work locations into compliance with the American with Disabilities Act.

Description:	CyberLock Replacement and Door Service
Department:	WTP
Expanded Description	The WTP is equipped with a security system where each door is equipped with a cyber lock. The keys that open the cyber lock require activation every 24 hours using an employee password through an operator interface. This system was installed over 15 years ago and is becoming increasingly difficult to maintain and operate. This project will update the door lock system with a similar system using current technology. In addition, the door thresholds and other related accouterment will be serviced.
Estimated Charge - Material	\$35,000
Tax (8%)	2,800
Contingency (5%)	<u>1,890</u>
Subtotal without CCWA Labor	\$39,690
CCWA Labor	<u>10,790</u>
Total Cost	\$50,480
Operating Budget Impact:	The existing Cyber lock system is increasingly in need of repair and service and is approaching the end of its service life. To ensure that critical areas, which are protected by the cyber lock system, can remain accessible by authorized staff, the system needs to be replaced with a newer system.

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Description:	Water Quality Instrumentation
Department:	WTP
Expanded Description	The WTP has numerous water quality instruments that are approaching the end of their service life. These instruments include ten Turbidity Meters, six Chlorine Meters and two pH meters. This project will replace these instruments.
Estimated Charge - Material	\$75,000
Tax (8%)	6,000
Contingency (5%)	<u>4,050</u>
Subtotal without CCWA Labor	\$85,050
CCWA Labor	<u>11,294</u>
Total Cost	\$96,344
Operating Budget Impact:	Water Treatment Plants require reliable water quality instrumentation for both regulatory and best practice purposes. Replacement of instruments reaching the end of their services life will help ensure regulatory compliance and efficient treatment process.

Description:	Carport
Department:	WTP
Expanded Description	The WTP currently stores several pieces of equipment in a parking area, near the chemical containment structure. This equipment includes the asphalt crack sealer, the vacuum trailer, among others similar equipment. Currently, there is no protection from the sun while this equipment is stored. This project will installed a carport to protect this valuable and useful equipment from ultraviolet light degradation.
Estimated Charge - Contractor	\$35,000
Contingency (5%)	<u>1,750</u>
Subtotal without CCWA Labor	\$36,750
CCWA Labor	<u>4,410</u>
Total Cost	\$41,160
Operating Budget Impact:	Through protecting valuable equipment and materials from the elements, their respective service lives are extended and remain available for use when needed.

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Description:	Ion Chromatograph
Department:	WTP
Expanded Description	To enhance CCWA's ability to monitor nitrates and nitrites, an ion chromatograph is needed. In terms of accuracy and precision, an ion chromatograph will provide an order of magnitude improvement over the existing analytical protocol utilized by the CCWA laboratory. This project will procure one ion chromatograph and related training.
Estimated Charge - Material	\$40,000
Tax (8%)	3,200
Contingency (5%)	<u>2,160</u>
Subtotal without CCWA Labor	\$45,360
CCWA Labor	<u>4,695</u>
Total Cost	\$50,055
Operating Budget Impact:	The nitrification control program requires consistent, accurate and quick analysis of water quality samples to help guide critical response actions. The procurement of an ion chromatograph will address this need. Accurate analytical results in a short time frame will optimize the nitrification response actions and avoid a shutdown in water delivery operations

Description:	Air Vacuum Air Release (AVAR) Valve Riser Repair Phase 2 of 3
Department:	SYI
Expanded Description	This is a three phase project to repair corroded riser piping of identified AVAR valves along the pipeline. The corrosion was investigated by CCWA staff and CCWA's engineering consultant. A design was prepared for the repair and pilot repair was completed during Winter Shutdown 2019. This phase of the project is to complete all of the required repairs.
Estimated Charge - Contractor	\$225,000
Contingency (5%)	<u>11,250</u>
Subtotal without CCWA Labor	\$236,250
CCWA Labor	<u>19,015</u>
Total Cost	\$255,265
Operating Budget Impact:	AVAR Valves are an important components of a 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:	Rectifier Replacement
Department:	DIST
Expanded Description	The CCWA pipeline is equipped with an impressed current cathodic protection (CP) system designed to prevent the exterior metallic components from corrosion. One element of this system is a rectifier, which is the device to convey electrical current to the pipeline. The CCWA CP system includes 15 rectifiers and 11 have been in place since original construction. This project will replace four existing rectifiers with new ones. The plan is to replace 4 rectifiers per year until all original rectifiers have been replaced.
Estimated Charge - Material	\$25,000
Tax (8%)	2,000
Contingency (5%)	<u>1,350</u>
Subtotal without CCWA Labor	\$28,350
CCWA Labor	<u>11,891</u>
Total Cost	\$40,241
Operating Budget Impact:	The toning package will provide the ability to locate the fiber optic cable in the field with a sensing device. This will reduce the time and effort associated with locating the fiber optic cable through pot-hole investigations. A typical pot-hole investigation can cost in the range of \$3,500 or more, which includes using equipment for excavation and labor for hand excavation when the pot-hole is within 2 feet of the fiber optic cable. Through using a sensing element in conjunction with a toning package, the labor associated with pot-hole investigation can be minimized. In addition, the fiber optic cable is a critical element of the CCWA network communication system. Damage to this cable would significantly impact the pipeline operation, as it would reduce the ability of the receiving the signals from pipeline instrumentation. This would require an increase in labor to visit the critical pipeline facilities for manual reading and adjustment.

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Description:	Locator and Toning Packages
Department:	DIST
Expanded Description	The CCWA pipeline is equipped with a toning package that transmits a signal through the fiber optic cable. This signal allows CCWA staff to locate the fiber optic cable in the field through the use of a locator device capable of detecting the signal transmitted by the toning package. This project procures existing equipment that have reach the end of their service life.
Estimated Charge - Material	\$30,000
Tax (8%)	2,400
Contingency (5%)	<u>1,620</u>
Subtotal without CCWA Labor	\$34,020
CCWA Labor	<u>635</u>
Total Cost	\$34,655
Operating Budget Impact:	The toning package will provide the ability to locate the fiber optic cable in the field with a sensing device. This will reduce the time and effort associated with locating the fiber optic cable through pot-hole investigations. A typical pot-hole investigation can cost in the range of \$3,500 or more, which includes using equipment for excavation and labor for hand excavation when the pot-hole is within 2 feet of the fiber optic cable. Through using a sensing element in conjunction with a toning package, the labor associated with pot-hole investigation can be minimized. In addition, the fiber optic cable is a critical element of the CCWA network communication system. Damage to this cable would significantly impact the pipeline operation, as it would reduce the ability of the receiving the signals from pipeline instrumentation. This would require an increase in labor to visit the critical pipeline facilities for manual reading and adjustment.

Description:	RPP Electrical Upgrade
Department:	DIST
Expanded Description	The RPPs located at all major CCWA pipeline facilities require a number of upgrades to replace failing equipment and to increase operational reliability. The RPP electrical system requires battery replacement, the installation of transfer switches to facilitate use of a portable electrical generator as well as the purchase of a portable electrical generator.
Estimated Charge - Material	\$50,000
Tax (8%)	4,000
Contingency (5%)	<u>2,700</u>
Subtotal without CCWA Labor	\$56,700
CCWA Labor	<u>4,519</u>
Total Cost	\$61,219
Operating Budget Impact:	Through routine monitoring as well as through power outage events, the power backup batteries of the RPPs are beginning to fail. Through battery replacement and upgrading the RPPs so that a portable electrical generator can also be used for backup power, the operational reliability of the RPPs will be significantly enhanced

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Description:	Phase 2 Seismic Joint Pipe Spools and Parts
Department:	DIST
Expanded Description	This project will procure "long lead" spare parts that will allow for the quick repair of the Seismic Joint if it were to be pulled apart during an earthquake event.
Estimated Charge - Contractor	\$50,000
Tax (8%)	4,000
Contingency (5%)	<u>2,700</u>
Subtotal without CCWA Labor	\$56,700
CCWA Labor	<u>6,871</u>
Total Cost	\$63,571
Operating Budget Impact:	During drought conditions, CCWA Participants have spent millions of dollars in purchasing supplemental water supplies to meet basic water supply needs. Consequently, it is vital to avoid unnecessary delays in treating and delivering water arising from a major pipe break. By purchasing the additional pipe segments in advance, the long lead time in purchasing the pipe will be avoided during a breakdown event. Having the pipe in inventory will result in a cost effective and repaid respond to a pipeline break event. Which will reduce response costs considerably.

Description:	Phase 2 Santa Ynez Pumping Plant Surge Tank Pedestal Repair
Department:	SYII
Expanded Description	This project will repair a failing concrete pedestal which supports the Santa Ynez Pumping Plant Surge Tank. A detailed engineering evaluation was conducted and a repair method was identified. Subsequently, a detailed design was developed and is ready to be used to solicit competitive contractor bids. This project was originally scheduled to be completed in 2014, however, due to the drought at that time, an opportunity to implement the project was not available. This Phase of the project is to supplement funding to cover engineering services during the construction of the pedestal as well as to ensure sufficient funds are available for construction costs.
Estimated Charge - Material	\$50,000
Tax (8%)	0
Contingency (5%)	<u>2,500</u>
Subtotal without CCWA Labor	\$52,500
CCWA Labor	<u>1,051</u>
Total Cost	\$53,551
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. Pressure transients have the potential of causing significant damage to the pipeline if they are not mitigated through the use of a surge tank. 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:	Boardroom Furnishing and Carpet
Department:	ADM
Expanded Description	The chairs for the Board of Directors are over 20 years old and in need of replacement. In addition, the carpet in Suite A of the CCWA Administration Building has been in place for approximately 15 years and is in need of replacement as well. This project will procure 9 Directors Chair (\$6,000), 4 Staff Chairs (\$2,000), approximately 3500 square feet of carpet (\$17,500) and labor for moving furniture (\$5,000).
Estimated Charge - Contractor	\$22,500
Estimated Charge - Material	8,000
Tax (8%)	640
Contingency (5%)	<u>1,557</u>
Subtotal without CCWA Labor	\$32,697
CCWA Labor	<u>2,328</u>
Total Cost	\$35,025
Operating Budget Impact:	The existing furnishings and carpeting of the Boardroom are well beyond their anticipated services life.

Description:	WTP Supervisor Sedan
Department:	WTP
Expanded Description	Replace Vehicle T019
Estimated Charge - Material	\$28,000
Tax (8%)	2,240
Contingency (5%)	<u>1,512</u>
Subtotal without CCWA Labor	\$31,752
CCWA Labor	<u>586</u>
Total Cost	\$32,338
Operating Budget Impact:	CCWA has extended the replacement frequency to 150,000 miles for sedans. This vehicle will have approximately 160,000 at start of FY 20/21

Description:	Instrumentation Superintendent Truck
Department:	WTP
Expanded Description	Replace Vehicle T022
Estimated Charge - Material	\$30,000
Tax (8%)	2,400
Contingency (5%)	<u>1,620</u>
Subtotal without CCWA Labor	\$34,020
CCWA Labor	<u>586</u>
Total Cost	\$34,606
Operating Budget Impact:	CCWA has extended the replacement frequency to 130,000 miles. This vehicle will have approximately 130,000 at start of FY 20/21

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Description:	Distribution Spare Truck
Department:	DIST
Expanded Description	Replace Vehicle D060
Estimated Charge - Material	\$30,000
Tax (8%)	2,400
Contingency (5%)	<u>1,620</u>
Subtotal without CCWA Labor	\$34,020
CCWA Labor	<u>586</u>
Total Cost	\$34,606
Operating Budget Impact:	CCWA has extended the replacement frequency to 130,000 miles. This vehicle will have approximately 130,000 at start of FY 20/21

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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:	Painting
Department:	WTP
Expanded Description	CCWA staff conducts an annual assessment of painted surfaces within the WTP to identify areas that have been degraded by the elements. This project will fund the painting of components of the WTP identified as requiring new paint.
Estimated Charge - Contractor	\$15,000
Contingency (5%)	<u>750</u>
Subtotal without CCWA Labor	\$15,750
CCWA Labor	<u>2,201</u>
Total Cost	\$17,951
Operating Budget Impact:	Paint is an important measure to reduce the effects of weather and corrosion in above ground piping and other structures. Through maintaining a painted surface, the underlying material is protected, which will result in an extended service life.

Description:	Trailer for Tractor
Department:	DIST
Expanded Description	Distribution staff mows the pipeline right-of-way as a fire prevention measure on an annual basis. This project is to purchase a trailer to transport the tractor to mowing locations along the pipeline.
Estimated Charge - Material	\$7,500
Tax (8%)	600
Contingency (5%)	<u>405</u>
Subtotal without CCWA Labor	\$8,505
CCWA Labor	<u>635</u>
Total Cost	\$9,140
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.

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Description:	Carport
Department:	SYII
Expanded Description	The Santa Ynez Pumping Plant currently stores several pieces of equipment. This equipment includes the de-chlorination trailers and the fiber optic cable repair trailer, among others similar equipment. Currently, there is no protection from the sun while this equipment is stored. This project will installed a carport to protect this valuable and useful equipment from ultraviolet light degradation.
Estimated Charge - Material	\$6,000
Tax (8%)	480
Contingency (5%)	<u>324</u>
Subtotal without CCWA Labor	\$6,804
CCWA Labor	<u>1,588</u>
Total Cost	\$8,392
Operating Budget Impact:	Through protecting valuable equipment and materials from the elements, their respective service lives are extended and remain available for use when needed.

Description:	Cybersecurity and Network Policy and Procedure Document
Department:	ADM/ALL/WTP
Expanded Description	CCWA's Policy on Information Security needs to updated to reflect current best practices for network operations. This project will produce a recommended Policy for the design and operation of the CCWA network operation. CCWA's network consultant will draft a Policy for the CCWA Board of Directors consideration.
Estimated Charge - Contractor	\$25,000
Contingency (5%)	<u>1,250</u>
Subtotal without CCWA Labor	\$26,250
CCWA Labor	<u>298</u>
Total Cost	\$26,548
Operating Budget Impact:	A Policy approved by the CCWA Board of Directors will provide clear direction over the future development of the CCWA network. It will also ensure best practices are implemented.

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Description:	Switch Infrastructure Inventory
Department:	ADM/ALL/WTP
Expanded Description	This project will purchase two network switches for use as emergency spares.
Estimated Charge - Material	\$5,000
Tax (8%)	400
Contingency (5%)	<u>270</u>
Subtotal without CCWA Labor	\$5,670
CCWA Labor	<u>298</u>
Total Cost	\$5,968
Operating Budget Impact:	Through procuring a spare switch, the CCWA network will minimize the amount of downtime in the event of a switch failure.

Description:	Urban Water Management Plan
Department:	ADM
Expanded Description	The Urban Water Management Plan for CCWA must be updated by July 1, 2021. This project will utilize a consultant to prepare the required document.
Estimated Charge - Contractor	\$75,000
Contingency (5%)	<u>3,750</u>
Subtotal without CCWA Labor	\$78,750
CCWA Labor	<u>0</u>
Total Cost	\$78,750
Operating Budget Impact:	Every five years, CCWA is required to prepare a new Urban Water Management Plan. Through preparation and adoption of this plan, CCWA becomes eligible for grant opportunities from the State of California.

Description:	Emergency Response Plan
Department:	ADM
Expanded Description	As part of the American Water Infrastructure Act of 2018, CCWA is required to complete a Risk and Resiliency Assessment of the CCWA System by March 31, 2020. Following completion of the RRA, CCWA must updated its Emergency Response Plan to incorporate the findings of the RRA. This project will utilize a consultant to prepare the updated Emergency Response Plan.
Estimated Charge - Contractor	\$75,000
Contingency (5%)	<u>3,750</u>
Subtotal without CCWA Labor	\$78,750
CCWA Labor	<u>5,253</u>
Total Cost	\$84,003
Operating Budget Impact:	The CCWA Emergency Response Plan (ERP) is required to be updated with data developed through the preparation of the CCWA System Risk and Resilience Assessment (RRA). Both the RRA and ERP update are required by the American Water Infrastructure Act of 2018

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Description:	Water Management Strategies
Department:	ADM
Expanded Description	The State Water Supply Agreement is currently being amended to include new water management rules related to water transfers and exchanges. This project will retain an experienced consultant to review the new rules and other applicable rules to develop sound water management strategies to optimize the yield from the State Water Project.
Estimated Charge - Contractor	\$75,000
Contingency (5%)	3,750
Subtotal without CCWA Labor	\$78,750
CCWA Labor	12,121
Total Cost	\$90,871
Operating Budget Impact:	Poor management of State Water Project water can lead to a loss of supply due to spill events or water not being available during times of drought. To avoid unnecessary loss of water and to ensure water is available during times of drought, an optimal water management strategy needs to be developed and actively implemented.

Description:	CCWA Website Redesign
Department:	ADM
Expanded Description	The existing website requires an update to ensure full compliance with ADA, informational archiving and government transparency requirements. The services of a consultant will be procured to perform this update.
Estimated Charge – Material	\$ 15,000
Contingency (5%)	750
Subtotal without CCWA Labor	\$15,750
CCWA Labor	1,051
Total Cost	\$16,801
Operating Budget Impact:	This project is required to achieve compliance with applicable laws and regulations dealing with public agency website design.

State Water Project Construction Project

The facilities constructed by the Authority generally include a water treatment plant located at Polonio Pass in northeastern San Luis Obispo County to serve Santa Barbara County project participants and San Luis Obispo County water purchasers and a transmission system to serve Santa Barbara County project participants consisting of: (1) the Mission Hills II Extension, a buried pipeline approximately 12.3 miles long running from the terminus of the Coastal Branch Phase II on Vandenberg Air Force Base in Santa Barbara County southerly to the vicinity of the Lompoc Valley and (2) the Santa Ynez Extension, a buried

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pipeline approximately 29.3 miles long running from the terminus of the Mission Hills Extension easterly through the Santa Ynez Valley to a terminus at Cachuma Lake and which includes a pumping plant near Santa Ynez and a storage tank west of Buellton. Water is conveyed from that point to the South Coast of Santa Barbara County through existing Cachuma Project facilities, which traverse the Santa Ynez Mountains.

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FORMAL EXTRAORDINARY PROJECT PROGRAM

CCWA staff and an experienced engineering consultant worked together to develop a formal Extraordinary Project Program (EPP). As the various facilities and systems that are operated and maintained by CCWA age, there will be a need for projects to replace, refurbish and improve those facilities and systems. Not only will the number of these kinds of projects increase but their magnitude in both costs and potential impact on operations will increase as well. In addition, the Board may find that the CCWA System can be improved or modified to provide additional benefits to CCWA Participants. Consequently, there is a need to carefully consider what specific projects are needed or desired by the Board and to plan and schedule their implementation. The project identification, planning, prioritization and scheduling steps were foundational in the preparation of the formal EPP.

Another important purpose of a formal EPP is that it provides a format in which to communicate to the Board a more comprehensive long range plan for the CCWA system operation and development. In the past, Staff presented projects to the Board through the annual budgeting process. All projects were funded on a current year basis and included in the Authority's draft budget, which was submitted to the Board of Directors for approval. Because this process did not provide a full view of multi-year projects nor provide a definitive long term plan, in Fiscal Year 2017/18 Staff developed the formal EPP to adequately communicate to the Board the current work of careful planning and prioritizing of projects.

As with all EPPs, the basic elements include the following:

- Identification of Projects. Since the purpose of a formal EPP is to communicate the long term development plans for the CCWA System, it is important to identify the size of the projects to bring to the Board's attention. For the purposes of initial evaluation, CCWA staff has used \$75,000 as the threshold level in which to include a project in the EPP. The Board may decide to increase or decrease this threshold level.

In terms of identifying projects, there are two kinds of projects: (1) projects identified through routine facility assessments and (2) projects that improve the CCWA system and provide additional benefits to CCWA Participants, such as expanding the water treatment plant.

- Identify Funding for Projects. For the CCWA operation, all funding of projects occurs through the annual budgeting process for the CCWA operation. However, for large projects, the Board may decide to direct staff to pursue grant funding opportunities. Since applying for grants is a project in itself and may require an extended timeframe to secure a grant, this may be the first step in developing a project.

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- 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 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 publically 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

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updates to the Board and may also potentially request modifications of the work underway.

- o 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.

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 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31
Network											
PLC Upgrade WTP - 2 Phase	\$400,000	\$150,000									
SCADA Upgrade - 2Yr	\$400,000			\$200,000	\$200,000						
Distribution General											
AVAR Riser Repair - 3 Phase	\$400,000	\$150,000									
Pavement Overlays	\$150,000				\$150,000						
Tank 7 Access Road Overlay	\$95,000	\$95,000									
Water Treatment Plant											
Granular Activated Carbon -4 phase	\$1,100,000					\$275,000	\$275,000	\$275,000	\$275,000		
Permanent Install of PAC System - 1 Yr	\$650,000		\$650,000								
West Slope Drainage Improvements - 1 Yr	\$350,000			\$350,000							
Sludge Collector System - 3 year	\$675,000					\$225,000	\$225,000	\$225,000			
Lining of Chlorine Contact Basin - 1 Yr	\$750,000	\$375,000									
Lining of Filters - 4 Yr	\$920,000							\$230,000	\$230,000	\$230,000	230,000
Slurry Seal Access Road - 1 Yr	\$125,000				\$125,000						
EDV											
Hydraulic Package Refurbishment - 1 Yr	\$125,000			\$125,000							
Estimated Yearly Totals		\$770,000	\$650,000	\$675,000	\$475,000	\$500,000	\$500,000	\$730,000	\$505,000	\$230,000	230,000



*COVID - 19 Safety Posters at CCWA Offices
June 2020*

CCWA Bond Debt

The CCWA Bond Debt section of the FY 2020/21 Budget contains information on the Authority's outstanding revenue bonds including the Authority's authorization to issue debt, security for the bonds, bond coverage covenant, and the project participant debt payment schedule.

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Authorization to Issue Debt

The Authority is authorized pursuant to state law including, but not limited to, Section 6588(c) of the Government Code of the State of California, pursuant to ordinances approved by the voters in the service areas of certain Project Members and pursuant to Section 5(j) of the Authority Joint Exercise of Powers Agreement, to incur indebtedness to finance Authority facilities and is authorized pursuant to state law including, but not limited to, Section 6588(m) of the Government Code, Section 24 of the Water Supply Agreements and Section 18 of the Master Water Treatment Agreement, to assign and pledge to the repayment of such indebtedness amounts payable by the financing participants to the Authority.

The Authority is also authorized pursuant to Section 6586 of the California Government Code to issue refunding bonds in that the Authority has determined that there is a demonstrable net present value savings.

CCWA Debt Limit

There is no specific provision within the California Government Code that limits the amount of debt that may be issued by the Authority as a Joint Powers Authority within the State of California. However, there are certain limitations contained in each financing participant's Water Supply Agreement that limit the amount of debt that may be issued by CCWA on behalf of the financing participant.

General Discussion

In October 1992, the Authority sold \$177,120,000 in revenue bonds at a true interest cost of 6.64% to enable the Authority to finance a portion of the costs of constructing a water treatment plant to treat State water for use by various participating water purveyors and users within Santa Barbara and San Luis Obispo Counties, a transmission system to deliver such water to the participating water purveyors and users within Santa Barbara County, and certain local improvements to the water systems of some of the participating purveyors.

In November 1996, the Authority sold \$198,015,000 of revenue bonds at a true interest cost of 5.55% to defease the Authority's \$177,120,000 1992 revenue bonds and to pay certain costs of issuing the bonds. The 1996 bonds were issued in two series: Series A of \$173,015,000 and Series B of \$25,000,000. All outstanding Series B bonds were redeemed on October 1, 1998 pursuant to the call provisions in the Indenture of Trust. The Series B bonds were called with amounts transferred from the Construction Fund and the Reserve Fund.

In September 2006, the Authority issued Series 2006A refunding revenue bonds in the amount of \$123,190,000 which refunded the outstanding \$142,985,000 Series 1996 A revenue bonds. The 2006A revenue bonds were issued at a true interest cost of 4.24% and were issued to reduce the Authority's total debt service payments and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$3.4 million.

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Series 2016A Refunding Revenue Bonds

On June 28, 2016, the Authority issued Series 2016A refunding revenue bonds in the amount of \$45,470,000 which refunded the Authority's \$59,645,000 outstanding aggregate principal amount of Refunding Revenue Bonds (State Water Project Regional Facilities), Series 2006A. The 2016A refunding revenue bonds were issued for the purpose of reducing the Authority's total debt service payments over the next 5 years by \$5.6 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$5.4 million. The Authority also realized the benefits of lower interest rates, which were issued at a true interest cost of 1.355% compared to the 4.24% true interest costs of the 2006A bonds. The bond refunding transaction reduced the Authority's debt service payments by \$1.1 million per year through the final maturity of the bonds in 2021, and was completed at the close of escrow on July 21, 2016.

Security for the Bonds

Each Santa Barbara County project participant has entered into a Water Supply Agreement with the Authority pursuant to which the Santa Barbara County project participant is obligated to make certain payments to the Authority with respect to the project. Such payments, when received by or on behalf of the Authority, will constitute revenues pledged to secure the payment of the principal of and interest on the bonds.

The San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD) has entered into a Master Water Treatment Agreement with the Authority pursuant to which SLOCFCWCD is obligated to make certain payments with respect to the water treatment plant and local projects for certain San Luis Obispo County project participants.

The bonds are not debts of the financing participants of the Authority, the State of California or any political subdivision of the State of California. The bonds are strictly a liability of the Authority.

The Bonds

The bonds are dated June 28, 2016 with interest payable on April 1 and principal and interest payable on October 1 of each year (*see the "2016A Revenue Bond Debt Service Schedule" in this section*).

Bond Coverage Covenant

Each Santa Barbara County project participant and each San Luis Obispo County water purchaser has agreed in its Water Supply Agreement or Local Water Treatment Agreement to comply with the bond coverage covenant. This covenant requires each project participant to fix, prescribe and collect rates and charges for its water system which will be at least sufficient to yield net water system revenues

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equal to 125% of the sum of the contract payments required to be made by each participant and purchaser in each fiscal year pursuant to its Water Supply Agreement or Local Water Treatment Agreement plus debt service.

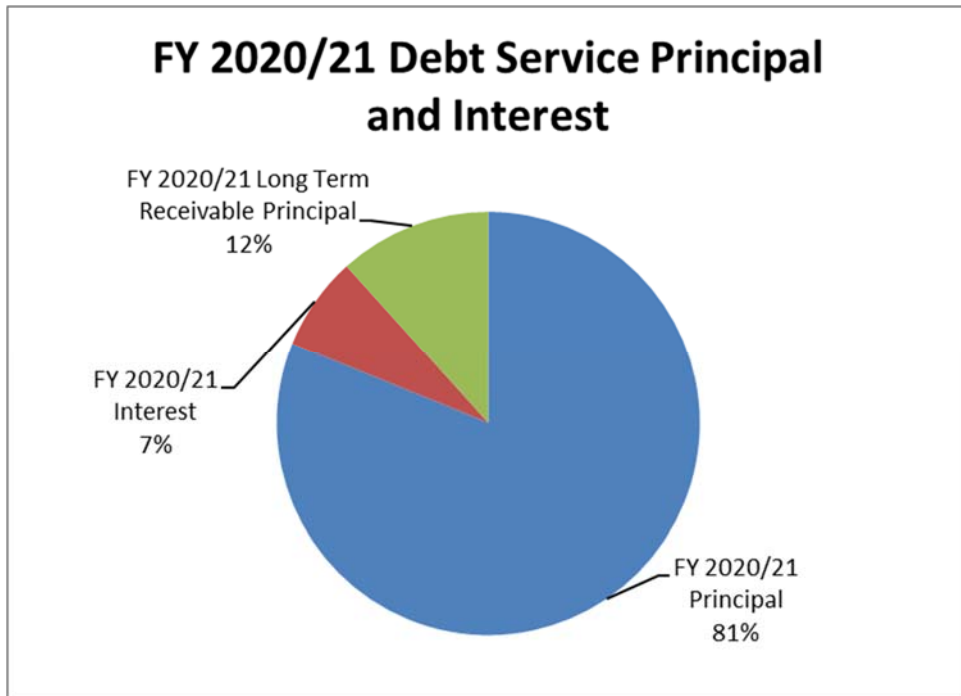
Fiscal Year 2020/21 Debt Service Budget

For FY 2020/21, total 2016A principal payments are \$ 9,615,000 and total interest payments due are \$745,125. Additionally, Bond Trustee fees in the amount of \$2,700 are included in the debt service assessment.

The following are adjustments to the CCWA 2016A revenue bond debt service payments:

- Debt Service Account Interest Income - Payments from the financing participants are invested in accordance with the CCWA Investment Policy. Investments are purchased which correspond to the debt service payment dates on the bonds. Total estimated investment income is \$88,058.

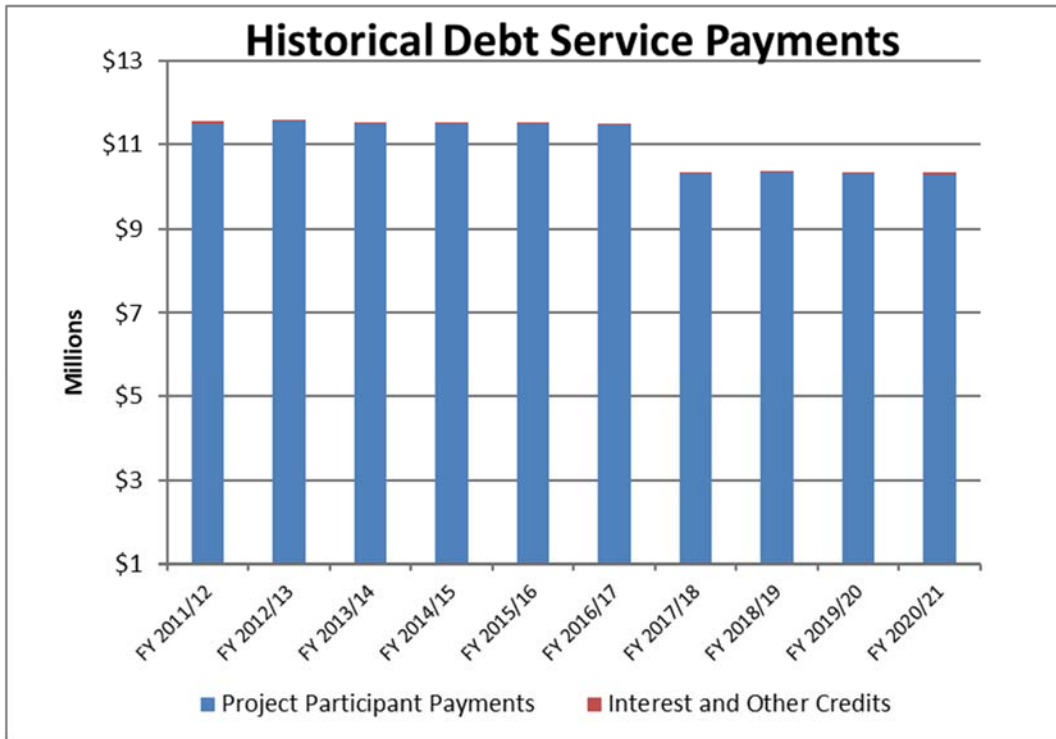
The following chart shows the total principal and interest payments for the 2016A revenue bonds for FY 2020/21.



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 CCWA Bond Debt
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Historical CCWA Revenue Bond Debt Service Payments

The following graph shows the composition of the source of funds for payment of the CCWA revenue bond debt service payments for the past 10 years.



Project Participant Financing of Local Facilities

When the Authority’s facilities were constructed and financed with the original 1992 Revenue bond proceeds, certain financing participants elected to finance local facilities and costs with proceeds from the CCWA revenue bond issue. Since CCWA does not own these facilities, the financed costs are shown as a long-term receivable on the CCWA financial statements.

A portion of each principal payment paid by the financing participants who financed local facilities reduces the long-term receivable balance of the local facilities, and repayment of the long-term receivable is in direct proportion to the annual payment of principal on the outstanding CCWA 2016A revenue bonds.

The following table shows the original long-term receivable balance, payments against the long-term receivable prior to FY 2020/21 and the portion of the FY 2020/21 revenue bond principal payments allocated to repayment of the long-term receivable balance and corresponding ending balance.

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Bond Principal Payment Allocated to Financed Local Facilities				
Financing Participant	Original Financed Local Facilities	Principal Payments Prior to FY 2020/2021	FY 2020/2021 Bond Principal Allocated to Local Facilities	Long Term Receivable Balance
Avila Beach	\$ 41,348	\$ (35,677)	\$ (2,766)	\$ 2,904
California Men's Colony	915,568	(788,905)	(61,789)	64,874
County of SLO	976,433	(841,354)	(65,895)	69,184
Cuesta College	457,835	(394,497)	(30,898)	32,441
Morro Bay	7,036,800	(6,067,879)	(472,662)	496,258
Oceano	281,692	(243,059)	(18,846)	19,787
Pismo Beach	465,088	(401,303)	(31,116)	32,669
Shandon	33,276	(28,712)	(2,226)	2,337
Guadalupe	1,201,137	(1,036,404)	(80,360)	84,372
Buellton	195,505	(168,692)	(13,080)	13,733
Santa Ynez (Solvang)	446,517	(374,994)	(34,890)	36,632
Santa Ynez	192,758	(161,063)	(15,461)	16,233
Goleta	2,969,066	(2,561,868)	(198,641)	208,558
Morehart Land	12,390	(10,515)	(915)	960
La Cumbre	61,948	(52,574)	(4,573)	4,801
Raytheon	18,052	(15,576)	(1,208)	1,268
Santa Barbara	648,172	(559,277)	(43,365)	45,530
Montecito	934,625	(793,205)	(68,988)	72,432
Carpinteria	929,035	(801,621)	(62,156)	65,259
TOTAL:	\$ 17,817,245	\$ (15,337,175)	\$ (1,209,836)	\$ 1,270,233

Central Coast Water Authority
 CCWA Bond Debt
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Financing Participant	Allocation Percentage	FY 2020/2021	FY 2020/2021	FY 2020/2021	Trustee Expenses	Debt Service	FY 2020/2021
		Series A (10/1/20) Principal Payment	Series A (10/1/20) Interest Payment	Series A (4/1/21) Interest Payment		Account Interest & Credits ⁽¹⁾	
Avila Beach	0.11449%	\$ 11,008	\$ 564	\$ 289	\$ 3	\$ (106)	\$ 11,758
California Men's Colony	1.00140%	96,285	4,934	2,527	27	(927)	102,847
County of SLO	1.06675%	102,568	5,256	2,692	29	(987)	109,559
Cuesta College	0.50074%	48,146	2,467	1,264	14	(463)	51,427
Morro Bay	6.46135%	621,259	31,838	16,307	174	(5,978)	663,600
Oceano	0.83707%	80,485	4,125	2,113	23	(774)	85,970
Pismo Beach	1.38347%	133,021	6,817	3,492	37	(1,280)	142,087
Shandon	0.11336%	10,899	559	286	3	(105)	11,642
Guadalupe	1.42469%	136,984	7,020	3,596	38	(1,335)	146,303
Buellton	2.52375%	242,659	12,436	6,369	68	(2,393)	259,139
Santa Ynez (Solvang)	7.75040%	745,201	38,190	19,560	209	(6,702)	796,458
Santa Ynez	2.91069%	279,863	14,342	7,346	79	(2,517)	299,113
Goleta	24.42782%	2,348,734	120,368	61,650	660	(21,056)	2,510,356
Morehart Land	1.12175%	107,856	5,527	2,831	30	(988)	115,257
La Cumbre	5.37046%	516,370	26,463	13,554	145	(4,741)	551,791
Raytheon	0.23482%	22,578	1,157	593	6	(240)	24,094
Santa Barbara	15.01654%	1,443,840	73,994	37,898	405	(12,944)	1,543,194
Montecito	17.65001%	1,697,049	86,970	44,544	477	(15,642)	1,813,398
Carpinteria	10.09044%	970,196	49,721	25,466	272	(8,880)	1,036,774
TOTAL:	100.00000%	\$ 9,615,000	\$ 492,750	\$ 252,375	\$ 2,700	\$ (88,058)	\$ 10,274,767

(1) Represents interest on the financing participant debt service payments for FY 2019/20.

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Central Coast Water Authority
Series 2016A Revenue Bond Debt Service Schedule
Dated July 21, 2016

Debt Service Date	Interest Rate	Serial Maturity	Interest Due	Principal Outstanding	Fiscal Year Debt Service (Cash)
4/1/2017			1,578,819	45,470,000	1,578,819
10/1/2017	5.000%	7,880,000	1,136,750	37,590,000	
4/1/2018			939,750	37,590,000	9,956,500
10/1/2018	5.000%	8,720,000	939,750	28,870,000	
4/1/2019			721,750	28,870,000	10,381,500
10/1/2019	5.000%	9,160,000	721,750	19,710,000	
4/1/2020			492,750	19,710,000	10,374,500
10/1/2020	5.000%	9,615,000	492,750	10,095,000	
4/1/2021			252,375	10,095,000	10,360,125 FY 2020/21
10/1/2021	5.000%	10,095,000	252,375	-	10,347,375
		\$ 45,470,000	\$ 7,528,819	\$ -	\$ 52,998,819



Dewatering site below the Santa Ynez Mission prior to Winter Shutdown 2019

Reserves and Cash Management

The Reserves and Cash Management section of the 2020/21 Budget includes information regarding the Authority's O&M Reserve Fund, Rate Coverage Reserve Fund and cash management information.

Highlights

FY 20/21 Total Reserve Balances

\$12,970,729

- O&M Reserve Fund \$ 2,000,000
- Rate Coverage Reserve Fund \$ 9,404,656
- DWR Reserve Fund \$ 1,566,073

Central Coast Water Authority
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.

Central Coast Water Authority
Reserves and Cash Management
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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 Air Force Base	5,500	14.07%	281,488
TOTAL	39,078	100.00%	\$ 2,000,000

Central Coast Water Authority
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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.

Central Coast Water Authority
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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, 2018. Participation in the fund for FY 2019/20 is not yet known. Prior to June 30, 2019, each project participant will be notified of the allowable deposit in the Rate Coverage Reserve Fund for FY 2019/20.

FY 2019/20 Rate Coverage Reserve Fund

Project Participant	FY 2019/20 Deposit
City of Buellton	\$ 279,365
Carpinteria Valley Water District	853,009
City of Guadalupe	194,131
La Cumbre Mutual Water Company	406,888
Montecito Water District	1,482,183
City of Santa Maria	5,083,232
Santa Ynez, RWCD, I.D. #1 (Solvang)	621,897
Santa Ynez, RWCD, I.D. #1	468,496
County of San Luis Obispo (Shandon)	15,455
TOTAL:	\$ 9,404,656

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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.

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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, 2019, the estimated transfer for FY 2019/20 and the balance remaining to fully fund the DWR Reserve Fund by project participant:

DWR Reserve Fund Target and Fund Balance

Project Participant	DWR Reserve Fund			DWR Reserve Fund	Estimated	Remaining
	Table A Amount	% of Table A	Target ⁽¹⁾	Balance ⁽²⁾	Transfer for FY 2019/20	Funds to Meet Target
Guadalupe	550	1.41%	\$ 140,744	\$ 23,927	\$ 13,241	\$ 103,576
Santa Maria	16,200	41.46%	4,145,555	932,194	395,055	2,818,306
Golden State Water Co.	500	1.28%	127,949	37,191	12,254	78,504
Vandenberg AFB ⁽³⁾	5,500	14.07%	-	-	-	-
Buellton	578	1.48%	147,909	45,076	16,224	86,610
Santa Ynez (Solvang)	1,500	3.84%	383,848	123,537	40,176	220,135
Santa Ynez	500	1.28%	127,949	129,041	-	(1,092)
Goleta ⁽³⁾	4,500	11.52%	-	-	-	-
Morehart Land	200	0.51%	51,180	18,821	6,711	25,648
La Cumbre	1,000	2.56%	255,898	68,557	27,663	159,678
Raytheon	50	0.13%	12,795	4,902	1,823	6,070
Santa Barbara	3,000	7.68%	767,695	182,827	83,272	501,597
Montecito ⁽³⁾	3,000	7.68%	-	-	-	-
Carpinteria ⁽³⁾	2,000	5.12%	-	-	-	-
TOTAL	39,078	100.00%	\$ 6,161,523	1,566,073	\$ 596,419	\$ 3,999,031

(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 June 30, 2019 transferred to the DWR Reserve Fund and the estimated amount to be transferred on June 30, 2020 from the following sources: CCWA O&M credits and interest earnings on all reserve and deposit accounts.

(3) Project participants opting out of participating in the DWR Reserve Fund.

Central Coast Water Authority
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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.

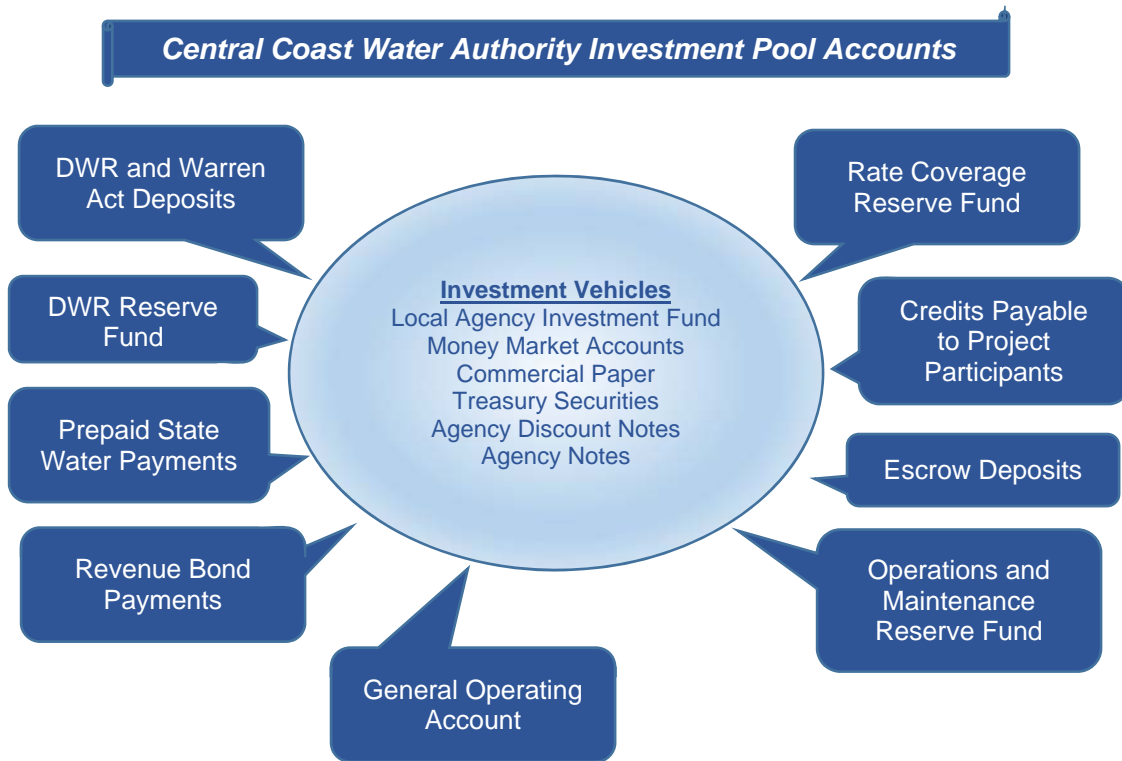
CCWA Investment Pool

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 other than those funds held by the Authority’s Revenue bond trustee 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.
- Revenue Bond Payments – funds paid by those project participants who participated in the CCWA revenue bonds. Deposits in this account represent annual debt service payments on the outstanding revenue bonds [refer to the “CCWA Bond Debt” section of this budget].
- 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.



*Staff accessing vault for inspection
2019*

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 2020/21 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*).

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Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	8,098	8,157	8,157	8,157	8,157	8,157	8,157	8,157	8,157	8,157
Table A Water Deliveries-2nd Quarter	7,296	7,375	7,375	7,375	7,375	7,375	7,375	7,375	7,375	7,375
Table A Water Deliveries-3rd Quarter	7,445	7,445	7,445	7,445	7,445	7,445	7,445	7,445	7,445	7,445
Table A Water Deliveries-4th Quarter	8,186	8,186	8,186	8,186	8,186	8,186	8,186	8,186	8,186	8,186
Total FY Table A Deliveries (acre-feet)	31,025	31,163	31,163	31,163	31,163	31,163	31,163	31,163	31,163	31,163

Exchange Deliveries-1st Quarter	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405
Exchange Deliveries-2nd Quarter	215	215	215	215	215	215	215	215	215	215
Exchange Deliveries-3rd Quarter	75	75	75	75	75	75	75	75	75	75
Exchange Deliveries-4th Quarter	906	906	906	906	906	906	906	906	906	906
Total FY Exchange Deliveries (acre-feet)	2,601	2,601	2,601	2,601	2,601	2,601	2,601	2,601	2,601	2,601

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 9,424,342	\$ 9,707,072	\$ 9,998,284	\$ 10,298,233	\$ 10,607,180	\$ 10,925,395	\$ 11,253,157	\$ 11,590,752	\$ 11,938,474	\$ 12,296,629
CCWA Variable O&M Costs ⁽⁵⁾	2,618,077	2,756,766	2,894,604	3,039,334	3,191,301	3,350,866	3,518,409	3,694,330	3,879,046	4,072,999
CCWA Revenue Bond Payments ⁽⁹⁾	9,822,208	10,287,375	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	538,969	538,969	538,969	538,969	538,969	538,969	538,969	538,969	538,969	538,969
Subtotal: CCWA Costs	22,403,596	23,290,182	13,431,857	13,876,536	14,337,450	14,815,230	15,310,535	15,824,051	16,356,490	16,908,596

DWR Costs ⁽⁷⁾										
Transportation Capital	19,343,843	19,444,267	19,617,394	19,876,117	20,027,048	20,030,321	20,033,374	20,036,904	20,037,504	20,024,022
Coastal Branch Extension	2,632,194	2,705,574	2,756,815	3,332,980	2,425,595	2,475,219	2,023,843	2,118,328	2,122,167	3,013,217
Water System Revenue Bond Surcharge	1,227,790	2,608,446	2,270,501	2,219,349	2,373,340	2,214,298	2,074,820	1,979,706	2,241,662	1,685,485
Transportation Minimum OMP&R	16,099,347	11,837,666	12,429,550	13,051,027	13,703,579	14,388,757	15,108,195	15,863,605	16,656,785	17,489,625
Delta Water Charge	4,062,438	4,236,012	4,454,760	4,684,446	4,925,617	5,178,845	5,444,736	5,723,921	6,017,065	6,324,866
DWR Variable Costs ⁽⁵⁾	5,321,176	6,207,309	6,517,674	6,843,558	7,185,736	7,545,022	7,922,273	8,318,387	8,734,306	9,171,022
Subtotal: DWR Costs	\$ 48,686,788	\$ 47,039,273	\$ 48,046,695	\$ 50,007,477	\$ 50,640,913	\$ 51,832,463	\$ 52,607,241	\$ 54,040,851	\$ 55,809,490	\$ 57,708,236

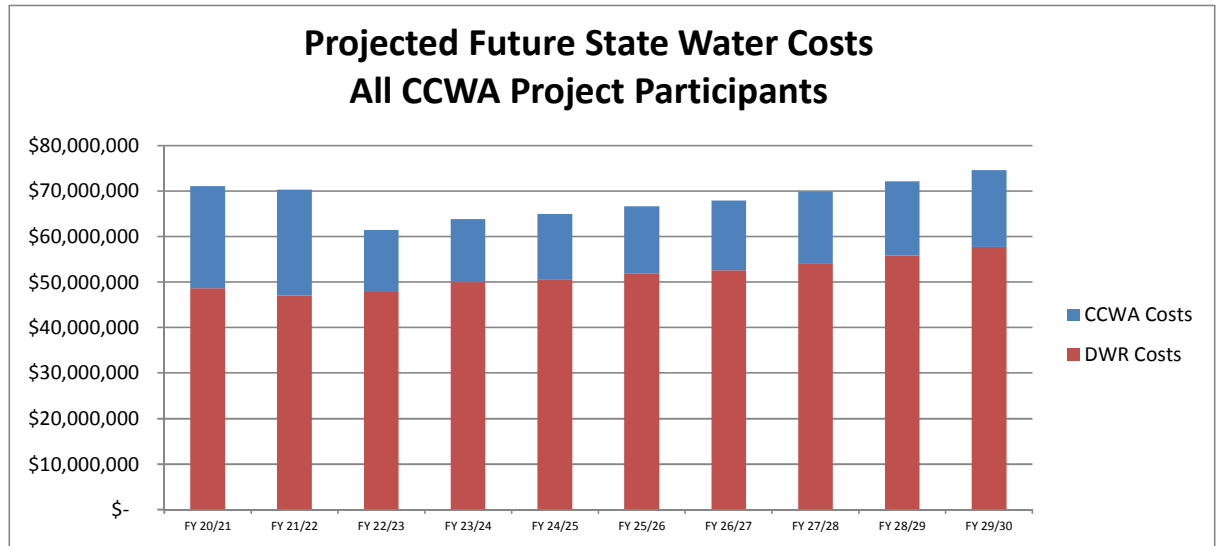
Total Projected State Water Costs	\$ 71,090,383	\$ 70,329,455	\$ 61,478,552	\$ 63,884,013	\$ 64,978,363	\$ 66,647,693	\$ 67,917,776	\$ 69,864,901	\$ 72,165,979	\$ 74,616,832
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Central Coast Water Authority
ALL PROJECT PARTICIPANTS
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<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 62,483,631	\$ 60,826,412	\$ 51,527,305	\$ 53,462,152	\$ 54,062,358	\$ 55,212,836	\$ 55,938,125	\$ 57,313,216	\$ 59,013,658	\$ 60,833,843
April 1st Variable Payment ⁽⁴⁾	2,451,708	2,711,555	2,840,856	2,976,622	3,119,176	3,268,857	3,426,023	3,591,047	3,764,323	3,946,262
July 1st Variable Payment	1,816,705	2,081,639	2,179,840	2,282,952	2,391,220	2,504,900	2,624,265	2,749,598	2,881,198	3,019,378
October 1st Variable Payment	1,957,195	2,117,497	2,215,687	2,318,788	2,427,044	2,540,712	2,660,064	2,785,383	2,916,968	3,055,133
January 1st Variable Payment	2,381,145	2,592,353	2,714,863	2,843,499	2,978,566	3,120,387	3,269,300	3,425,657	3,589,833	3,762,217

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service



Central Coast Water Authority
City of Guadalupe
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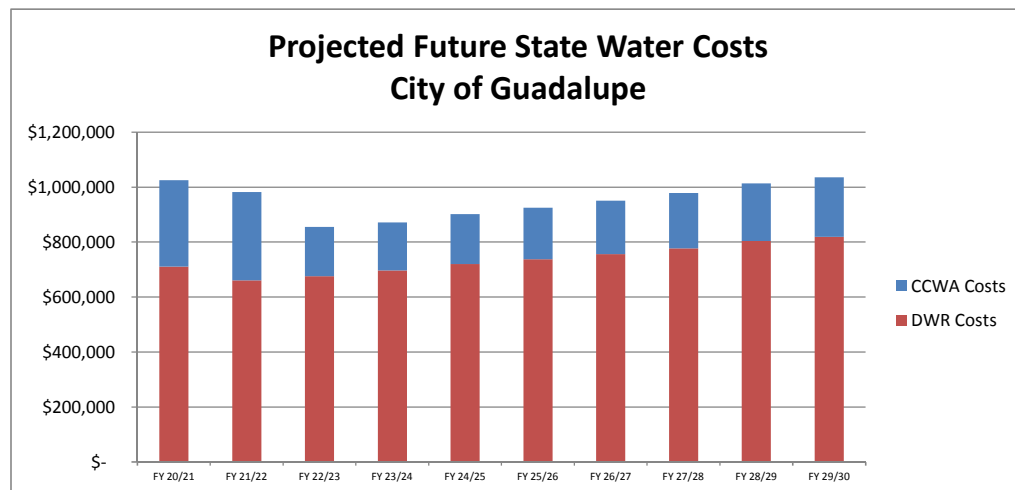
<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Water Deliveries-1st Quarter	140	140	140	140	140	140	140	140	140	140
Water Deliveries-2nd Quarter	152	152	152	152	152	152	152	152	152	152
Water Deliveries-3rd Quarter	139	139	139	139	139	139	139	139	139	139
Water Deliveries-4th Quarter	164	164	164	164	164	164	164	164	164	164
Total FY Water Deliveries (acre-feet)	595	595	595	595	595	595	595	595	595	595
CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305
<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 126,274	\$ 130,062	\$ 133,964	\$ 126,965	\$ 130,774	\$ 134,697	\$ 138,738	\$ 142,900	\$ 147,187	\$ 151,603
CCWA Variable O&M Costs ⁽⁵⁾	41,852	43,944	46,142	48,449	50,871	53,415	56,085	58,890	61,834	64,926
CCWA Bond Payments & O&M Credits ⁽⁸⁾	146,303	146,563	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	314,429	320,570	180,106	175,413	181,645	188,112	194,823	201,790	209,021	216,528
<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	272,735	274,151	276,592	280,240	282,368	282,414	282,457	282,507	282,515	282,325
Coastal Branch Extension	-	-	-	-	-	-	-	-	-	-
Water System Revenue Bond Surcharge	20,076	42,652	37,126	36,290	38,808	36,207	33,926	32,371	36,655	27,560
Transportation Minimum OMP&R	224,221	165,079	173,333	181,999	191,099	200,654	210,687	221,221	232,282	243,896
Delta Water Charge	54,031	56,342	59,252	62,307	65,515	68,883	72,419	76,133	80,032	84,126
DWR Variable Costs ^{(5) (6)}	139,495	122,876	129,020	135,471	142,244	149,356	156,824	164,665	172,899	181,544
Subtotal: DWR Costs	\$ 710,558	\$ 661,100	\$ 675,322	\$ 696,306	\$ 720,034	\$ 737,514	\$ 756,314	\$ 776,897	\$ 804,383	\$ 819,451
Total Projected State Water Costs	\$ 1,024,987	\$ 981,670	\$ 855,428	\$ 871,720	\$ 901,678	\$ 925,626	\$ 951,137	\$ 978,687	\$ 1,013,404	\$ 1,035,980

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<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	843,641	\$	814,850	\$	680,267	\$	687,800	\$	708,563	\$	722,855	\$	738,227	\$	755,132	\$	778,671	\$	789,510
April 1st Variable Payment ⁽⁴⁾		42,670		39,252		41,214		43,275		45,439		47,711		50,096		52,601		55,231		57,993
July 1st Variable Payment		46,327		42,616		44,747		46,984		49,334		51,800		54,390		57,110		59,965		62,964
October 1st Variable Payment		42,365		38,971		40,920		42,966		45,114		47,370		49,739		52,225		54,837		57,579
January 1st Variable Payment		49,985		45,981		48,280		50,694		53,228		55,890		58,684		61,619		64,699		67,934

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
City of Santa Maria
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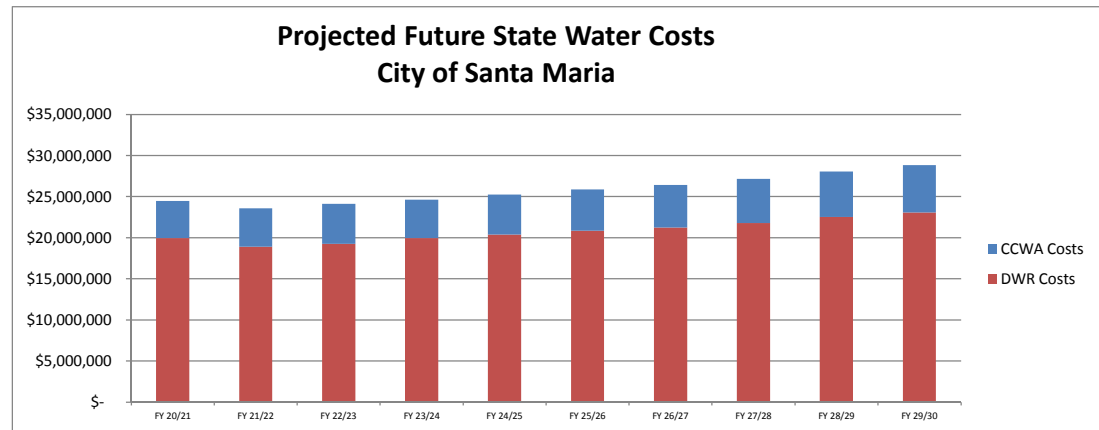
<u>Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾</u>	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Water Deliveries-1st Quarter	3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678	3,678
Water Deliveries-2nd Quarter	2,757	2,757	2,757	2,757	2,757	2,757	2,757	2,757	2,757	2,757
Water Deliveries-3rd Quarter	2,361	2,361	2,361	2,361	2,361	2,361	2,361	2,361	2,361	2,361
Water Deliveries-4th Quarter	3,180	3,180	3,180	3,180	3,180	3,180	3,180	3,180	3,180	3,180
Total FY Water Deliveries (acre-feet)	11,976	11,976	11,976	11,976	11,976	11,976	11,976	11,976	11,976	11,976
CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305
<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 3,686,957	\$ 3,797,566	\$ 3,911,493	\$ 3,704,294	\$ 3,815,423	\$ 3,929,886	\$ 4,047,782	\$ 4,169,216	\$ 4,294,292	\$ 4,423,121
CCWA Variable O&M Costs ⁽⁵⁾	842,381	884,500	928,725	975,161	1,023,919	1,075,115	1,128,871	1,185,315	1,244,580	1,306,809
CCWA Bond Payments & O&M Credits	-	-	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	4,529,338	4,682,066	4,840,218	4,679,456	4,839,342	5,005,001	5,176,653	5,354,531	5,538,873	5,729,931
<u>DWR Costs ⁽⁷⁾</u>										
Transportation Capital	8,006,141	8,047,705	8,119,360	8,226,442	8,288,910	8,290,265	8,291,528	8,292,989	8,293,238	8,287,658
Coastal Branch Extension	573,748	601,948	613,348	741,536	539,657	550,698	450,274	471,295	472,149	670,394
Water System Revenue Bond Surcharge	591,336	1,256,297	1,093,534	1,068,897	1,143,063	1,066,464	999,288	953,479	1,079,644	811,774
Transportation Minimum OMP&R	6,611,239	4,862,316	5,105,432	5,360,703	5,628,738	5,910,175	6,205,684	6,515,968	6,841,767	7,183,855
Delta Water Charge	1,591,640	1,659,538	1,745,237	1,835,220	1,929,703	2,028,911	2,133,078	2,242,454	2,357,299	2,477,886
DWR Variable Costs ⁽⁵⁾⁽⁶⁾	2,578,697	2,473,212	2,596,872	2,726,716	2,863,052	3,006,204	3,156,515	3,314,340	3,480,057	3,654,060
Subtotal: DWR Costs	\$ 19,952,802	\$ 18,901,015	\$ 19,273,783	\$ 19,959,515	\$ 20,393,124	\$ 20,852,717	\$ 21,236,367	\$ 21,790,526	\$ 22,524,153	\$ 23,085,627
Total Projected State Water Costs	\$ 24,482,141	\$ 23,583,082	\$ 24,114,001	\$ 24,638,971	\$ 25,232,466	\$ 25,857,718	\$ 26,413,020	\$ 27,145,056	\$ 28,063,026	\$ 28,815,557

Central Coast Water Authority
City of Santa Maria
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>											
June 1st Fixed Payment ⁽³⁾	\$ 21,061,062	\$ 20,225,370	\$ 20,588,403	\$ 20,937,093	\$ 21,345,495	\$ 21,776,399	\$ 22,127,634	\$ 22,645,401	\$ 23,338,388	\$ 23,854,687	
April 1st Variable Payment ⁽⁴⁾	1,050,662	1,031,201	1,082,761	1,136,899	1,193,744	1,253,431	1,316,103	1,381,908	1,451,004	1,523,554	
July 1st Variable Payment	787,568	772,980	811,629	852,211	894,821	939,562	986,540	1,035,868	1,087,661	1,142,044	
October 1st Variable Payment	674,446	661,954	695,051	729,804	766,294	804,609	844,839	887,081	931,435	978,007	
January 1st Variable Payment	908,403	891,577	936,156	982,963	1,032,112	1,083,717	1,137,903	1,194,798	1,254,538	1,317,265	

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Golden State Water Company
State Water Cost Ten-Year Projections
Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Water Deliveries-1st Quarter	111	111	111	111	111	111	111	111	111	111
Water Deliveries-2nd Quarter	120	120	120	120	120	120	120	120	120	120
Water Deliveries-3rd Quarter	90	90	90	90	90	90	90	90	90	90
Water Deliveries-4th Quarter	181	181	181	181	181	181	181	181	181	181
Total FY Water Deliveries (acre-feet)	502	502	502	502	502	502	502	502	502	502

CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 118,043	\$ 121,585	\$ 125,232	\$ 118,972	\$ 122,542	\$ 126,218	\$ 130,004	\$ 133,905	\$ 137,922	\$ 142,059
CCWA Variable O&M Costs ⁽⁵⁾	35,310	37,076	38,930	40,876	42,920	45,066	47,319	49,685	52,169	54,778
CCWA Bond Payments & O&M Credits	-	-	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	153,354	158,661	164,162	159,848	165,461	171,284	177,324	183,590	190,091	196,837

DWR Costs ⁽⁷⁾										
Transportation Capital	247,591	248,876	251,092	254,404	256,335	256,377	256,416	256,462	256,469	256,297
Coastal Branch Extension	17,708	18,579	18,931	22,887	16,656	16,997	13,897	14,546	14,573	20,691
Water System Revenue Bond Surcharge	18,251	38,775	33,751	32,991	35,280	32,916	30,842	29,428	33,322	25,055
Transportation Minimum OMP&R	204,283	150,071	157,575	165,454	173,726	182,413	191,533	201,110	211,166	221,724
Delta Water Charge	49,149	51,220	53,865	56,643	59,559	62,621	65,836	69,212	72,756	76,478
DWR Variable Costs ^{(5) (6)}	124,576	103,670	108,854	114,296	120,011	126,012	132,312	138,928	145,874	153,168
Subtotal: DWR Costs	\$ 661,558	\$ 611,191	\$ 624,068	\$ 646,674	\$ 661,567	\$ 677,335	\$ 690,837	\$ 709,686	\$ 734,160	\$ 753,412

Total Projected State Water Costs	\$ 814,912	\$ 769,852	\$ 788,229	\$ 806,522	\$ 827,029	\$ 848,619	\$ 868,161	\$ 893,275	\$ 924,251	\$ 950,249
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Central Coast Water Authority
Golden State Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	655,026	\$	629,106	\$	640,446	\$	651,350	\$	664,098	\$	677,541	\$	688,530	\$	704,662	\$	726,208	\$	742,304
April 1st Variable Payment ⁽⁴⁾		35,353		31,121		32,677		34,311		36,027		37,828		39,719		41,705		43,790		45,980
July 1st Variable Payment		38,220		33,644		35,327		37,093		38,948		40,895		42,940		45,087		47,341		49,708
October 1st Variable Payment		28,665		25,233		26,495		27,820		29,211		30,671		32,205		33,815		35,506		37,281
January 1st Variable Payment		57,648		50,747		53,284		55,949		58,746		61,683		64,767		68,006		71,406		74,976

NOTES

(1) Actual water delivery requests for the first four years and delivery estimates thereafter.

(2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).

(4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.

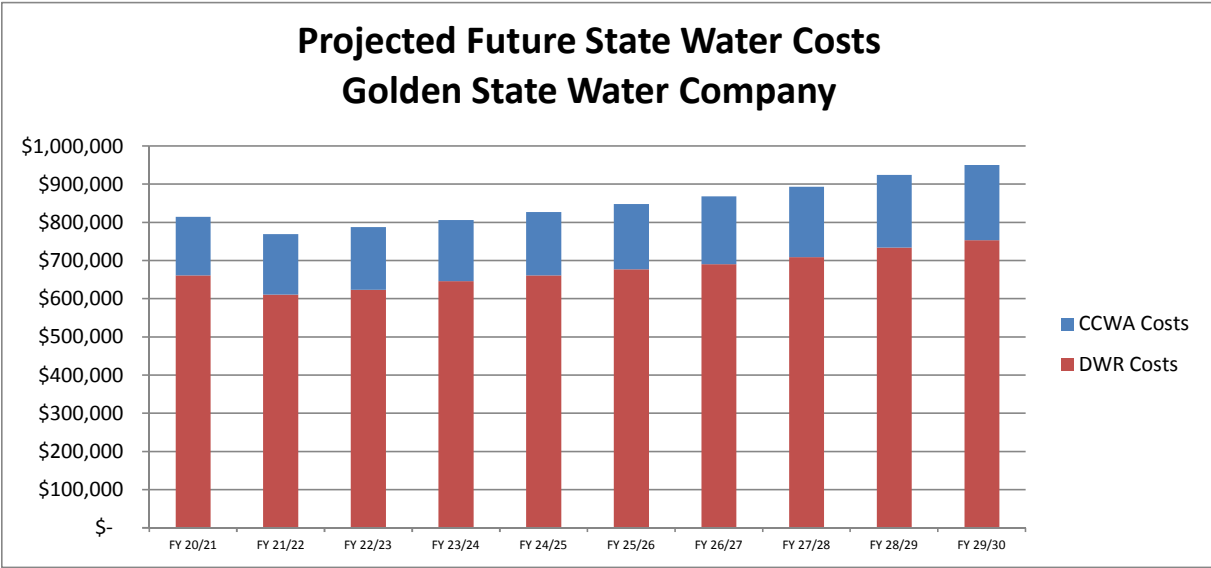
(5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.

(6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.

(7) The source for DWR costs is DWR's 2020 Statement of Charges dated July 1, 2019.

(8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.

(9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Vandenberg AFB
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

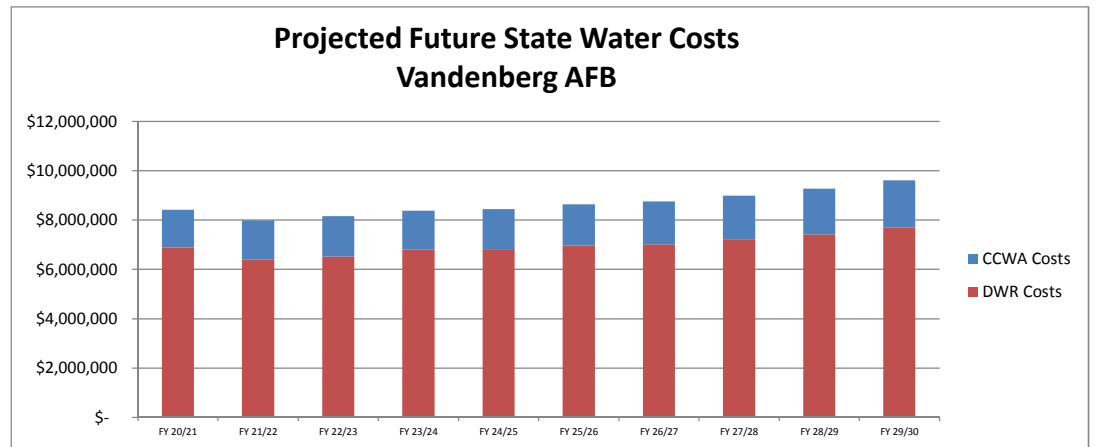
<u>Water Deliveries-Fiscal Year Basis (AF)</u> ⁽¹⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Water Deliveries-1st Quarter	752	752	752	752	752	752	752	752	752	752
Water Deliveries-2nd Quarter	538	538	538	538	538	538	538	538	538	538
Water Deliveries-3rd Quarter	487	487	487	487	487	487	487	487	487	487
Water Deliveries-4th Quarter	608	608	608	608	608	608	608	608	608	608
Total FY Water Deliveries (acre-feet)	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385
CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305
<u>CCWA Costs</u>										
CCWA Fixed O&M Costs ⁽²⁾	\$ 1,364,950	\$ 1,405,898	\$ 1,448,075	\$ 1,381,333	\$ 1,422,773	\$ 1,465,456	\$ 1,509,420	\$ 1,554,702	\$ 1,601,343	\$ 1,649,384
CCWA Variable O&M Costs ⁽⁵⁾	167,759	176,147	184,954	194,202	203,912	214,107	224,813	236,053	247,856	260,249
CCWA Bond Payments & O&M Credits	-	-	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	1,532,709	1,582,045	1,633,029	1,575,535	1,626,685	1,679,563	1,734,233	1,790,756	1,849,199	1,909,633
<u>DWR Costs</u> ⁽⁷⁾										
Transportation Capital	2,717,718	2,731,827	2,756,151	2,792,500	2,813,705	2,814,165	2,814,594	2,815,090	2,815,174	2,813,280
Coastal Branch Extension	514,204	539,478	549,695	664,579	483,651	493,546	403,544	422,384	423,149	600,820
Water System Revenue Bond Surcharge	200,762	426,520	371,261	362,897	388,077	362,071	339,264	323,712	366,546	275,602
Transportation Minimum OMP&R	2,245,129	1,650,786	1,733,326	1,819,992	1,910,991	2,006,541	2,106,868	2,212,211	2,322,822	2,438,963
Delta Water Charge	540,310	563,423	592,519	623,069	655,146	688,828	724,193	761,327	800,317	841,257
DWR Variable Costs ^{(5) (6)}	665,342	492,536	517,163	543,021	570,172	598,681	628,615	660,045	693,048	727,700
Subtotal: DWR Costs	\$ 6,883,466	\$ 6,404,571	\$ 6,520,114	\$ 6,806,058	\$ 6,821,743	\$ 6,963,832	\$ 7,017,078	\$ 7,194,769	\$ 7,421,056	\$ 7,697,623
Total Projected State Water Costs	\$ 8,416,174	\$ 7,986,616	\$ 8,153,143	\$ 8,381,592	\$ 8,448,428	\$ 8,643,395	\$ 8,751,311	\$ 8,985,525	\$ 9,270,256	\$ 9,607,256

Central Coast Water Authority
Vandenberg AFB
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	7,583,073	\$	7,317,933	\$	7,451,026	\$	7,644,370	\$	7,674,344	\$	7,830,607	\$	7,897,883	\$	8,089,426	\$	8,329,352	\$	8,619,307
April 1st Variable Payment ⁽⁴⁾		262,680		210,838		221,380		232,449		244,072		256,275		269,089		282,543		296,671		311,504
July 1st Variable Payment		187,928		150,839		158,381		166,300		174,615		183,346		192,513		202,139		212,246		222,858
October 1st Variable Payment		170,113		136,540		143,367		150,536		158,062		165,965		174,264		182,977		192,126		201,732
January 1st Variable Payment		212,380		170,465		178,988		187,938		197,335		207,201		217,561		228,439		239,861		251,854

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
City of Buellton
State Water Cost Ten-Year Projections
Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽²⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Water Deliveries-1st Quarter	90	90	90	90	90	90	90	90	90	90
Water Deliveries-2nd Quarter	95	95	95	95	95	95	95	95	95	95
Water Deliveries-3rd Quarter	105	105	105	105	105	105	105	105	105	105
Water Deliveries-4th Quarter	109	109	109	109	109	109	109	109	109	109
Total FY Water Deliveries (acre-feet)	399	399	399	399	399	399	399	399	399	399

CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 162,004	\$ 166,864	\$ 171,870	\$ 165,447	\$ 170,410	\$ 175,522	\$ 180,788	\$ 186,212	\$ 191,798	\$ 197,552
CCWA Variable O&M Costs ⁽⁵⁾	28,065	29,469	30,942	32,489	34,114	35,819	37,610	39,491	41,465	43,538
CCWA Bond Payments & O&M Credits ⁽⁸⁾	259,139	259,628	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	449,209	455,960	202,812	197,936	204,524	211,342	218,398	225,702	233,263	241,091

DWR Costs ⁽⁷⁾										
Transportation Capital	286,277	287,763	290,325	294,154	296,388	296,436	296,481	296,533	296,542	296,343
Coastal Branch Extension	54,038	56,694	57,768	69,841	50,827	51,867	42,409	44,389	44,469	63,141
Water System Revenue Bond Surcharge	21,098	44,823	39,016	38,137	40,783	38,050	35,654	34,019	38,521	28,963
Transportation Minimum OMP&R	236,521	173,483	182,157	191,265	200,828	210,869	221,413	232,483	244,107	256,313
Delta Water Charge	56,861	59,229	62,288	65,499	68,872	72,412	76,130	80,034	84,133	88,436
DWR Variable Costs ^{(5) (6)}	91,298	82,399	86,519	90,845	95,387	100,157	105,164	110,423	115,944	121,741
Subtotal: DWR Costs	\$ 746,093	\$ 704,391	\$ 718,073	\$ 749,741	\$ 753,085	\$ 769,792	\$ 777,251	\$ 797,881	\$ 823,716	\$ 854,937

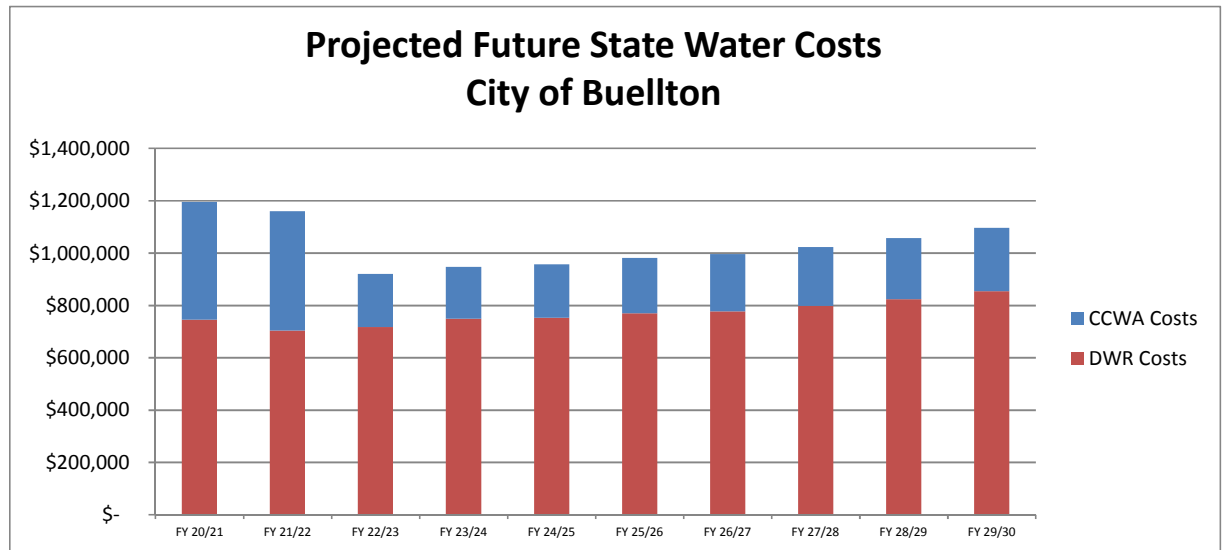
Total Projected State Water Costs	\$ 1,195,302	\$ 1,160,352	\$ 920,885	\$ 947,677	\$ 957,609	\$ 981,133	\$ 995,649	\$ 1,023,583	\$ 1,056,979	\$ 1,096,028
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Central Coast Water Authority
City of Buellton
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>											
June 1st Fixed Payment ⁽³⁾	\$ 1,075,938	\$ 1,048,484	\$ 803,424	\$ 824,343	\$ 828,108	\$ 845,158	\$ 852,874	\$ 873,670	\$ 899,570	\$ 930,748	
April 1st Variable Payment ⁽⁴⁾	26,924	25,233	26,495	27,820	29,211	30,671	32,205	33,815	35,506	37,281	
July 1st Variable Payment	28,420	26,635	27,967	29,365	30,834	32,375	33,994	35,694	37,478	39,352	
October 1st Variable Payment	31,411	29,439	30,911	32,456	34,079	35,783	37,572	39,451	41,423	43,495	
January 1st Variable Payment	32,608	30,560	32,088	33,693	35,377	37,146	39,004	40,954	43,001	45,152	

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
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- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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.
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- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service



Central Coast Water Authority
Santa Ynez ID#1 (Solvang)
State Water Cost Ten-Year Projections
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Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Water Deliveries-1st Quarter	342	342	342	342	342	342	342	342	342	342
Water Deliveries-2nd Quarter	152	152	152	152	152	152	152	152	152	152
Water Deliveries-3rd Quarter	146	146	146	146	146	146	146	146	146	146
Water Deliveries-4th Quarter	248	248	248	248	248	248	248	248	248	248
Total FY Water Deliveries (acre-feet)	888	888	888	888	888	888	888	888	888	888

CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 416,261	\$ 428,749	\$ 441,612	\$ 424,810	\$ 437,554	\$ 450,680	\$ 464,201	\$ 478,127	\$ 492,471	\$ 507,245
CCWA Variable O&M Costs ⁽⁵⁾	62,461	65,584	68,863	72,307	75,922	79,718	83,704	87,889	92,284	96,898
CCWA Bond Payments & O&M Credits ⁽⁸⁾	796,458	797,313	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	1,275,181	1,291,646	510,475	497,116	513,476	530,398	547,905	566,016	584,754	604,143

DWR Costs ⁽⁷⁾										
Transportation Capital	733,065	736,871	743,432	753,236	758,956	759,080	759,196	759,330	759,352	758,842
Coastal Branch Extension	140,238	147,130	149,917	181,249	131,905	134,603	110,057	115,196	115,404	163,860
Water System Revenue Bond Surcharge	52,087	110,660	96,323	94,153	100,685	93,938	88,021	83,986	95,099	71,504
Transportation Minimum OMP&R	599,160	440,207	462,217	485,328	509,595	535,075	561,828	589,920	619,416	650,386
Delta Water Charge	134,043	139,692	146,905	154,480	162,433	170,784	179,552	188,759	198,426	208,576
DWR Variable Costs ^{(5) (6)}	174,539	183,384	192,554	202,181	212,290	222,905	234,050	245,753	258,040	270,942
Subtotal: DWR Costs	\$ 1,833,132	\$ 1,757,944	\$ 1,791,348	\$ 1,870,628	\$ 1,875,865	\$ 1,916,385	\$ 1,932,705	\$ 1,982,943	\$ 2,045,738	\$ 2,124,111

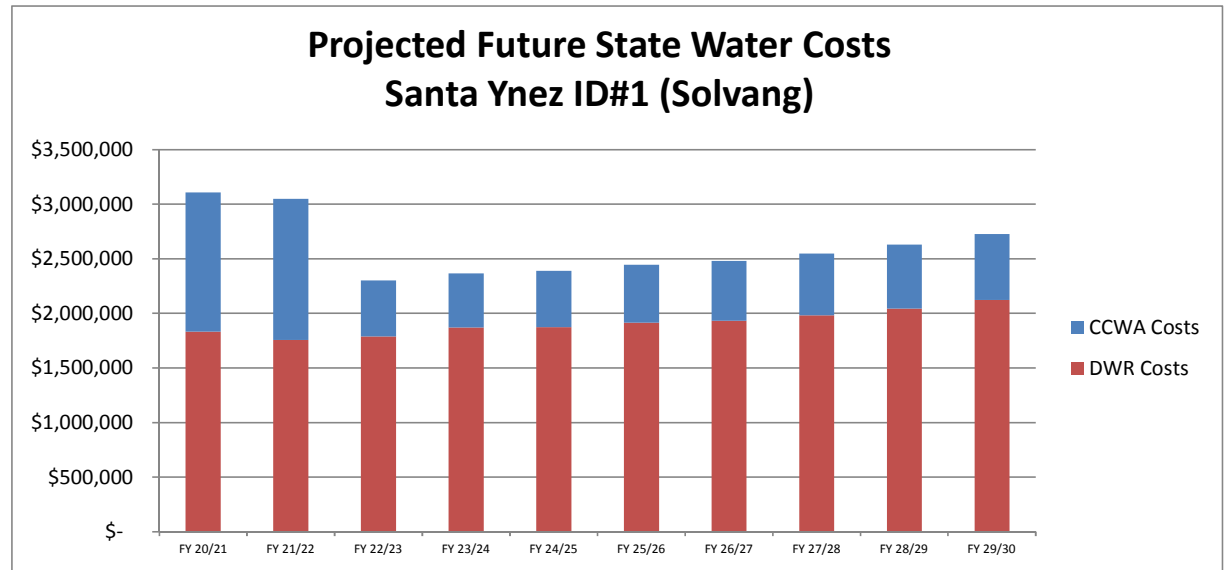
Total Projected State Water Costs	\$ 3,108,313	\$ 3,049,590	\$ 2,301,823	\$ 2,367,744	\$ 2,389,340	\$ 2,446,784	\$ 2,480,610	\$ 2,548,959	\$ 2,630,492	\$ 2,728,253
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Central Coast Water Authority
Santa Ynez ID#1 (Solvang)
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 2,871,313	\$ 2,800,621	\$ 2,040,406	\$ 2,093,256	\$ 2,101,128	\$ 2,144,161	\$ 2,162,856	\$ 2,215,317	\$ 2,280,168	\$ 2,360,413
April 1st Variable Payment ⁽⁴⁾	91,277	95,887	100,681	105,715	111,001	116,551	122,378	128,497	134,922	141,668
July 1st Variable Payment	40,568	42,616	44,747	46,984	49,334	51,800	54,390	57,110	59,965	62,964
October 1st Variable Payment	38,966	40,934	42,981	45,130	47,386	49,756	52,243	54,856	57,598	60,478
January 1st Variable Payment	66,189	69,532	73,008	76,659	80,492	84,516	88,742	93,179	97,838	102,730

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



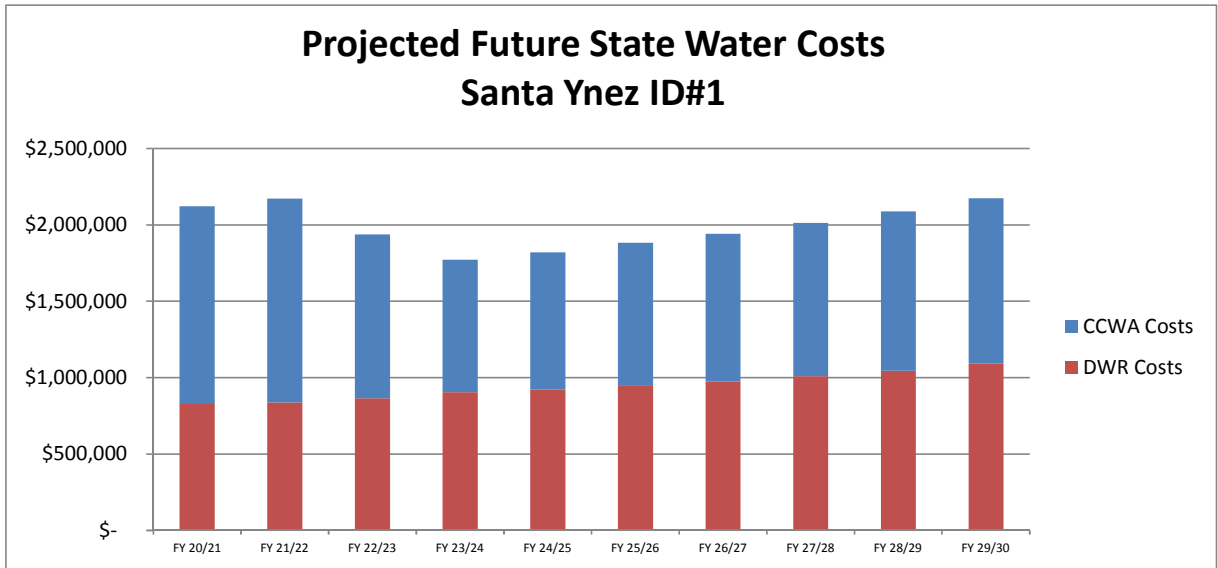
Central Coast Water Authority
Santa Ynez ID#1
State Water Cost Ten-Year Projections
Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	554	554	554	554	554	554	554	554	554	554
Table A Water Deliveries-2nd Quarter	169	169	169	169	169	169	169	169	169	169
Table A Water Deliveries-3rd Quarter	81	81	81	81	81	81	81	81	81	81
Table A Water Deliveries-4th Quarter	615	615	615	615	615	615	615	615	615	615
Total FY Table A Deliveries (acre-feet)	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Exchange Deliveries-1st Quarter	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405	1,405
Exchange Deliveries-2nd Quarter	215	215	215	215	215	215	215	215	215	215
Exchange Deliveries-3rd Quarter	75	75	75	75	75	75	75	75	75	75
Exchange Deliveries-4th Quarter	906	906	906	906	906	906	906	906	906	906
Total FY Exchange Deliveries (acre-feet)	2,601	2,601	2,601	2,601	2,601	2,601	2,601	2,601	2,601	2,601
CCWA Variable Cost per AF Assumptions	\$ 70	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94	\$ 99	\$ 104	\$ 109
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305
CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 716,615	\$ 738,114	\$ 760,257	\$ 538,301	\$ 554,450	\$ 571,084	\$ 588,216	\$ 605,863	\$ 624,039	\$ 642,760
CCWA Variable O&M Costs ⁽⁵⁾	282,763	296,901	311,746	327,334	343,700	360,885	378,930	397,876	417,770	438,658
CCWA Bond Payments & O&M Credits ⁽⁸⁾	288,818	299,434	-	-	-	-	-	-	-	-
Subtotal: CCWA Costs	1,288,196	1,334,449	1,072,004	865,635	898,151	931,969	967,146	1,003,739	1,041,809	1,081,418
DWR Costs ⁽⁷⁾										
Transportation Capital	255,371	256,697	258,983	262,398	264,391	264,434	264,474	264,521	264,529	264,351
Coastal Branch Extension	46,746	46,371	47,249	57,124	41,572	42,423	34,686	36,306	36,372	51,643
Water System Revenue Bond Surcharge	8,745	18,580	16,172	15,808	16,905	15,772	14,779	14,101	15,967	12,005
Transportation Minimum OMP&R	217,968	160,079	168,083	176,487	185,311	194,577	204,306	214,521	225,247	236,509
Delta Water Charge	62,554	65,189	68,556	72,091	75,802	79,699	83,791	88,087	92,599	97,336
DWR Variable Costs ^{(5) (6)}	242,563	293,043	307,696	323,080	339,234	356,196	374,006	392,706	412,341	432,959
Subtotal: DWR Costs	\$ 833,947	\$ 839,959	\$ 866,738	\$ 906,988	\$ 923,215	\$ 953,100	\$ 976,042	\$ 1,010,242	\$ 1,047,054	\$ 1,094,803
Total Projected State Water Costs	\$ 2,122,143	\$ 2,174,407	\$ 1,938,742	\$ 1,772,623	\$ 1,821,366	\$ 1,885,070	\$ 1,943,188	\$ 2,013,981	\$ 2,088,863	\$ 2,176,221

Central Coast Water Authority
Santa Ynez ID#1
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 1,589,524	\$ 1,584,463	\$ 1,319,300	\$ 1,122,209	\$ 1,138,431	\$ 1,167,988	\$ 1,190,252	\$ 1,223,399	\$ 1,258,752	\$ 1,304,604
April 1st Variable Payment ⁽⁴⁾	259,552	259,093	272,047	285,650	299,932	314,929	330,675	347,209	364,570	382,798
July 1st Variable Payment	50,877	63,262	66,425	69,746	73,233	76,895	80,740	84,777	89,015	93,466
October 1st Variable Payment	20,669	28,249	29,662	31,145	32,702	34,337	36,054	37,857	39,749	41,737
January 1st Variable Payment	201,521	239,341	251,308	263,874	277,067	290,921	305,467	320,740	336,777	353,616

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
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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 2020/21 fixed payment is paid on June 1, 2020).
 - (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
 - (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Goleta Water District
State Water Cost Ten-Year Projections
Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	495	495	495	495	495	495	495	495	495	495
Table A Water Deliveries-2nd Quarter	845	845	845	845	845	845	845	845	845	845
Table A Water Deliveries-3rd Quarter	9	9	9	9	9	9	9	9	9	9
Table A Water Deliveries-4th Quarter	1	1	1	1	1	1	1	1	1	1
Total FY Table A Deliveries (acre-feet)	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350

Small 1 and 2 acre-feet amounts are due to rounding differences.

Exchange Deliveries-1st Quarter	506	506	506	506	506	506	506	506	506	506
Exchange Deliveries-2nd Quarter	77	77	77	77	77	77	77	77	77	77
Exchange Deliveries-3rd Quarter	27	27	27	27	27	27	27	27	27	27
Exchange Deliveries-4th Quarter	325	325	325	325	325	325	325	325	325	325
Total FY Exchange Deliveries (acre-feet)	935	935	935	935	935	935	935	935	935	935
CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 733,032	\$ 755,023	\$ 777,674	\$ 1,045,570	\$ 1,076,937	\$ 1,109,245	\$ 1,142,522	\$ 1,176,798	\$ 1,212,102	\$ 1,248,465
CCWA Variable O&M Costs ⁽⁵⁾	140,357	147,375	154,744	162,481	170,605	179,135	188,092	197,496	207,371	217,740
CCWA Bond Payments & O&M Credits ⁽⁹⁾	2,346,429	2,512,981	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	78,328	78,328	78,328	78,328	78,328	78,328	78,328	78,328	78,328	78,328
Subtotal: CCWA Costs	3,298,146	3,493,707	1,010,746	1,286,379	1,325,870	1,366,708	1,408,943	1,452,623	1,497,802	1,544,533

DWR Costs ⁽⁷⁾										
Transportation Capital	2,256,077	2,267,789	2,287,981	2,318,156	2,335,759	2,336,141	2,336,497	2,336,908	2,336,978	2,335,406
Coastal Branch Extension	420,713	416,067	423,947	512,551	373,012	380,643	311,230	325,760	326,350	463,377
Water System Revenue Bond Surcharge	88,587	188,203	163,820	160,129	171,239	159,764	149,701	142,838	161,739	121,610
Transportation Minimum OMP&R	1,985,143	1,459,323	1,532,289	1,608,904	1,689,349	1,773,816	1,862,507	1,955,633	2,053,414	2,156,085
Delta Water Charge	665,417	693,802	729,630	767,250	806,750	848,226	891,775	937,502	985,515	1,035,929
DWR Variable Costs ^{(5) (6)}	(56,778)	471,985	495,584	520,364	546,382	573,701	602,386	632,505	664,131	697,337
Subtotal: DWR Costs	\$ 5,359,157	\$ 5,497,170	\$ 5,633,252	\$ 5,887,353	\$ 5,922,491	\$ 6,072,291	\$ 6,154,096	\$ 6,331,146	\$ 6,528,127	\$ 6,809,744

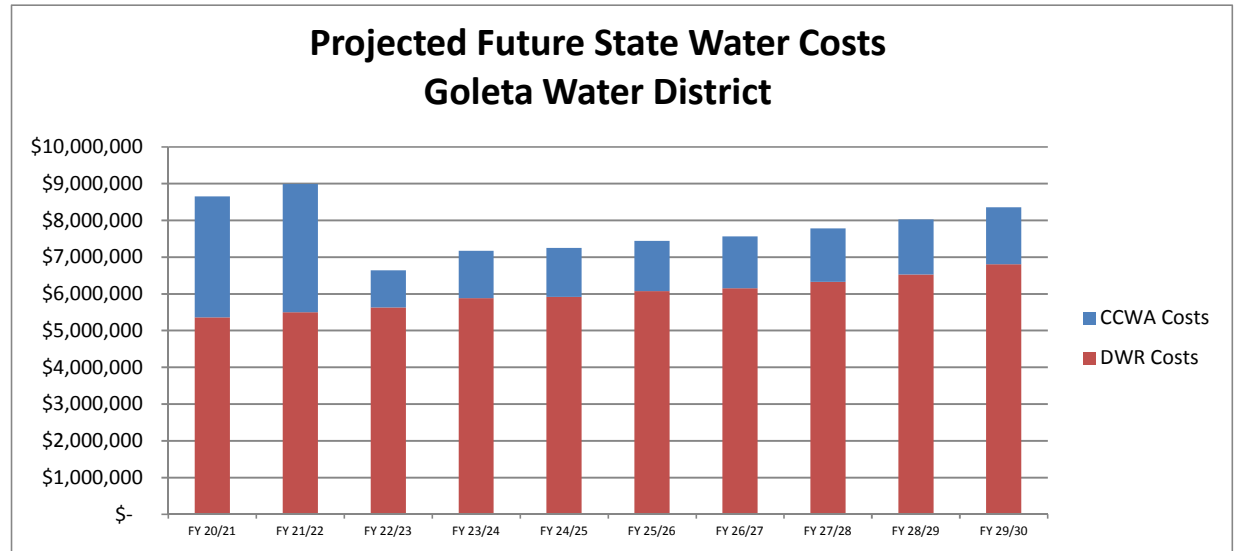
Total Projected State Water Costs	\$ 8,657,304	\$ 8,990,877	\$ 6,643,998	\$ 7,173,732	\$ 7,248,361	\$ 7,439,000	\$ 7,563,038	\$ 7,783,769	\$ 8,025,929	\$ 8,354,277
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Central Coast Water Authority
Goleta Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 8,438,619	\$ 8,293,189	\$ 5,915,341	\$ 6,412,559	\$ 6,453,046	\$ 6,607,835	\$ 6,694,232	\$ 6,875,439	\$ 7,076,098	\$ 7,360,872
April 1st Variable Payment ⁽⁴⁾	95,770	305,544	319,106	333,346	348,298	363,998	380,482	397,791	415,966	435,049
July 1st Variable Payment	88,262	281,589	294,087	307,211	320,991	335,460	350,652	366,604	383,354	400,941
October 1st Variable Payment	3,445	10,990	11,477	11,990	12,527	13,092	13,685	14,308	14,961	15,648
January 1st Variable Payment	31,208	99,567	103,986	108,626	113,499	118,615	123,987	129,627	135,549	141,768

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
- (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
- (7) The source for DWR costs is DWR's 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service



Central Coast Water Authority
Morehart Land Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	20	20	20	20	20	20	20	20	20	20
Table A Water Deliveries-2nd Quarter	12	12	12	12	12	12	12	12	12	12
Table A Water Deliveries-3rd Quarter	6	6	6	6	6	6	6	6	6	6
Table A Water Deliveries-4th Quarter	11	11	11	11	11	11	11	11	11	11
Total FY Table A Deliveries (acre-feet)	49	49	49	49	49	49	49	49	49	49

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 34,625	\$ 35,664	\$ 36,734	\$ 47,873	\$ 49,309	\$ 50,789	\$ 52,312	\$ 53,882	\$ 55,498	\$ 57,163
CCWA Variable O&M Costs ⁽⁵⁾	5,093	5,347	5,615	5,895	6,190	6,500	6,825	7,166	7,524	7,900
CCWA Bond Payments & O&M Credits ⁽⁹⁾	115,257	115,399	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	2,842	2,842	2,842	2,842	2,842	2,842	2,842	2,842	2,842	2,842
Subtotal: CCWA Costs	157,817	159,252	45,191	56,611	58,342	60,130	61,979	63,890	65,864	67,905

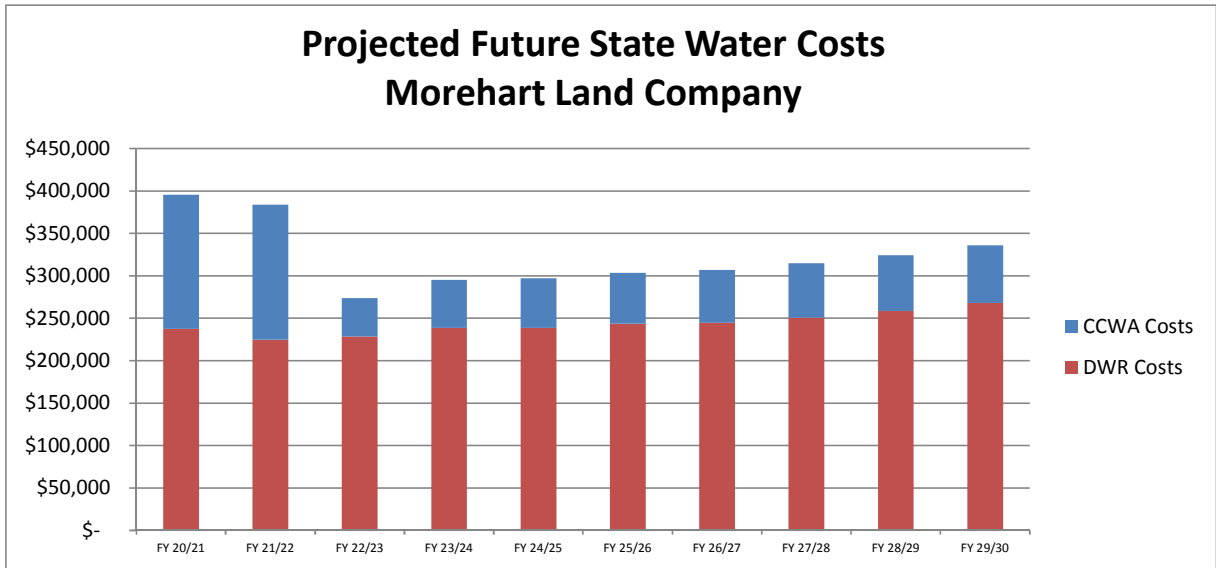
DWR Costs ⁽⁷⁾										
Transportation Capital	98,651	99,163	100,046	101,365	102,135	102,152	102,167	102,185	102,189	102,120
Coastal Branch Extension	18,698	19,617	19,989	24,167	17,587	17,947	14,674	15,359	15,387	21,848
Water System Revenue Bond Surcharge	7,300	15,510	13,500	13,196	14,112	13,166	12,337	11,771	13,329	10,022
Transportation Minimum OMP&R	81,535	60,029	63,030	66,182	69,491	72,965	76,613	80,444	84,466	88,690
Delta Water Charge	19,527	20,488	21,546	22,657	23,823	25,048	26,334	27,685	29,102	30,591
DWR Variable Costs ^{(5) (6)}	12,132	10,119	10,625	11,156	11,714	12,300	12,915	13,561	14,239	14,951
Subtotal: DWR Costs	\$ 237,843	\$ 224,926	\$ 228,737	\$ 238,723	\$ 238,863	\$ 243,579	\$ 245,041	\$ 251,006	\$ 258,712	\$ 268,221

Total Projected State Water Costs	\$ 395,661	\$ 384,178	\$ 273,927	\$ 295,334	\$ 297,204	\$ 303,709	\$ 307,020	\$ 314,895	\$ 324,576	\$ 336,127
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Central Coast Water Authority
Morehart Land Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	375,595	\$	365,870	\$	254,846	\$	275,440	\$	276,458	\$	282,067	\$	284,439	\$	291,327	\$	299,972	\$	310,434
April 1st Variable Payment ⁽⁴⁾		8,190		7,473		7,788		8,120		8,468		8,833		9,217		9,620		10,043		10,487
July 1st Variable Payment		4,914		4,484		4,673		4,872		5,081		5,300		5,530		5,772		6,026		6,292
October 1st Variable Payment		2,457		2,242		2,337		2,436		2,540		2,650		2,765		2,886		3,013		3,146
January 1st Variable Payment		4,505		4,110		4,284		4,466		4,657		4,858		5,069		5,291		5,524		5,768

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 due to the payoff of CCWA Revenue Bond Debt, thereby changing the Retreatment Fixed and Capital Charges.
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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 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
La Cumbre Mutual Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	110	110	110	110	110	110	110	110	110	110
Table A Water Deliveries-2nd Quarter	176	176	176	176	176	176	176	176	176	176
Table A Water Deliveries-3rd Quarter	315	315	315	315	315	315	315	315	315	315
Table A Water Deliveries-4th Quarter	214	214	214	214	214	214	214	214	214	214
Total FY Table A Deliveries (acre-feet)	815	815	815	815	815	815	815	815	815	815

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 173,127	\$ 178,321	\$ 183,671	\$ 239,366	\$ 246,547	\$ 253,944	\$ 261,562	\$ 269,409	\$ 277,491	\$ 285,816
CCWA Variable O&M Costs ⁽⁵⁾	84,703	88,939	93,386	98,055	102,958	108,105	113,511	119,186	125,146	131,403
CCWA Bond Payments & O&M Credits ⁽⁹⁾	551,791	552,480	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	47,270	47,270	47,270	47,270	47,270	47,270	47,270	47,270	47,270	47,270
Subtotal: CCWA Costs	856,891	867,010	324,326	384,691	396,775	409,319	422,343	435,865	449,907	464,489

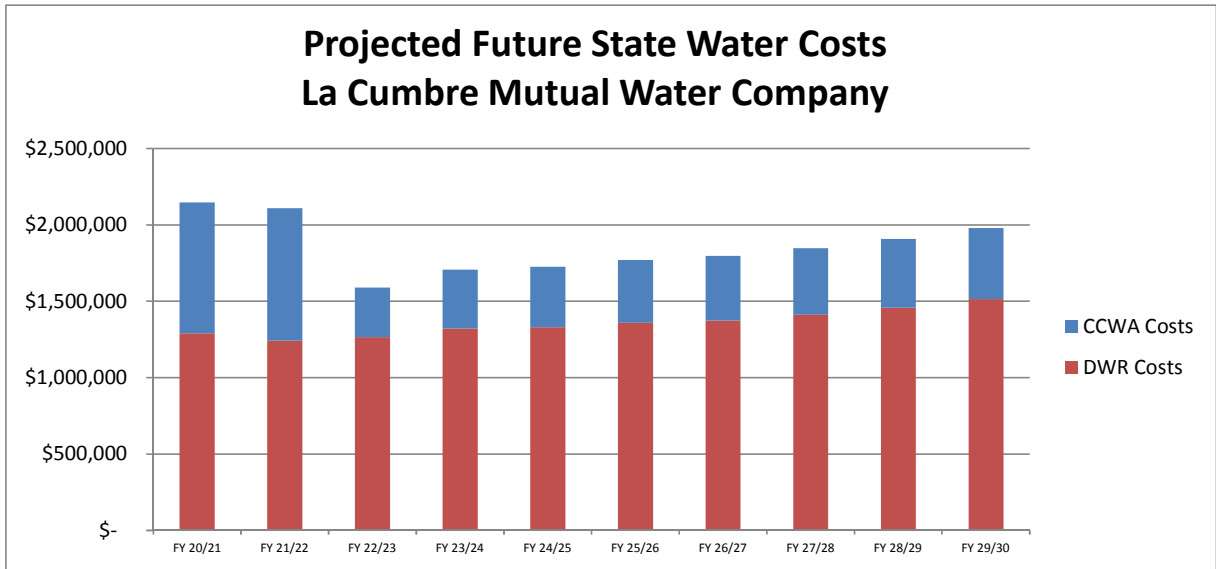
DWR Costs ⁽⁷⁾										
Transportation Capital	493,255	495,815	500,230	506,827	510,676	510,759	510,837	510,927	510,943	510,599
Coastal Branch Extension	93,492	98,087	99,945	120,833	87,937	89,736	73,372	76,797	76,936	109,240
Water System Revenue Bond Surcharge	36,502	77,549	67,502	65,981	70,559	65,831	61,684	58,857	66,645	50,110
Transportation Minimum OMP&R	408,565	300,143	315,150	330,908	347,453	364,826	383,067	402,220	422,331	443,448
Delta Water Charge	98,298	102,441	107,731	113,285	119,117	125,241	131,671	138,423	145,512	152,956
DWR Variable Costs ^{(5) (6)}	160,633	168,309	176,724	185,561	194,839	204,581	214,810	225,550	236,828	248,669
Subtotal: DWR Costs	\$ 1,290,746	\$ 1,242,344	\$ 1,267,282	\$ 1,323,395	\$ 1,330,581	\$ 1,360,974	\$ 1,375,441	\$ 1,412,775	\$ 1,459,195	\$ 1,515,021

Total Projected State Water Costs	\$ 2,147,637	\$ 2,109,354	\$ 1,591,608	\$ 1,708,086	\$ 1,727,356	\$ 1,770,293	\$ 1,797,784	\$ 1,848,640	\$ 1,909,101	\$ 1,979,510
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Central Coast Water Authority
La Cumbre Mutual Water Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 1,855,030	\$ 1,804,836	\$ 1,274,228	\$ 1,377,200	\$ 1,382,290	\$ 1,410,337	\$ 1,422,194	\$ 1,456,633	\$ 1,499,858	\$ 1,552,168
April 1st Variable Payment ⁽⁴⁾	39,493	41,101	42,837	44,659	46,573	48,583	50,693	52,909	55,235	57,678
July 1st Variable Payment	63,189	65,761	68,538	71,455	74,517	77,733	81,109	84,654	88,376	92,285
October 1st Variable Payment	113,093	117,697	122,668	127,888	133,369	139,124	145,167	151,512	158,174	165,169
January 1st Variable Payment	76,832	79,959	83,337	86,883	90,606	94,516	98,621	102,932	107,458	112,210

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
 - (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
 - (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
 - (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
 - (7) The source for DWR costs is DWR's 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Raytheon Systems Company
State Water Cost Ten-Year Projections
Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	4	4	4	4	4	4	4	4	4	4
Table A Water Deliveries-2nd Quarter	6	6	6	6	6	6	6	6	6	6
Table A Water Deliveries-3rd Quarter	10	10	10	10	10	10	10	10	10	10
Table A Water Deliveries-4th Quarter	12	12	12	12	12	12	12	12	12	12
Total FY Table A Deliveries (acre-feet)	32	32	32	32	32	32	32	32	32	32

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 8,656	\$ 8,916	\$ 9,184	\$ 11,968	\$ 12,327	\$ 12,697	\$ 13,078	\$ 13,470	\$ 13,875	\$ 14,291
CCWA Variable O&M Costs ⁽⁵⁾	3,326	3,492	3,667	3,850	4,043	4,245	4,457	4,680	4,914	5,159
CCWA Bond Payments & O&M Credits ⁽⁹⁾	24,094	24,156	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	1,856	1,856	1,856	1,856	1,856	1,856	1,856	1,856	1,856	1,856
Subtotal: CCWA Costs	37,932	38,421	14,706	17,674	18,226	18,798	19,391	20,006	20,644	21,306

DWR Costs ⁽⁷⁾										
Transportation Capital	25,144	25,275	25,500	25,836	26,033	26,037	26,041	26,045	26,046	26,029
Coastal Branch Extension	4,675	4,904	4,997	6,042	4,397	4,487	3,669	3,840	3,847	5,462
Water System Revenue Bond Surcharge	1,825	3,877	3,375	3,299	3,528	3,292	3,084	2,943	3,332	2,505
Transportation Minimum OMP&R	21,020	15,007	15,758	16,545	17,373	18,241	19,153	20,111	21,117	22,172
Delta Water Charge	4,882	5,122	5,387	5,664	5,956	6,262	6,584	6,921	7,276	7,648
DWR Variable Costs ^{(5) (6)}	7,714	6,608	6,939	7,286	7,650	8,033	8,434	8,856	9,299	9,764
Subtotal: DWR Costs	\$ 65,260	\$ 60,794	\$ 61,955	\$ 64,672	\$ 64,936	\$ 66,351	\$ 66,965	\$ 68,716	\$ 70,916	\$ 73,580

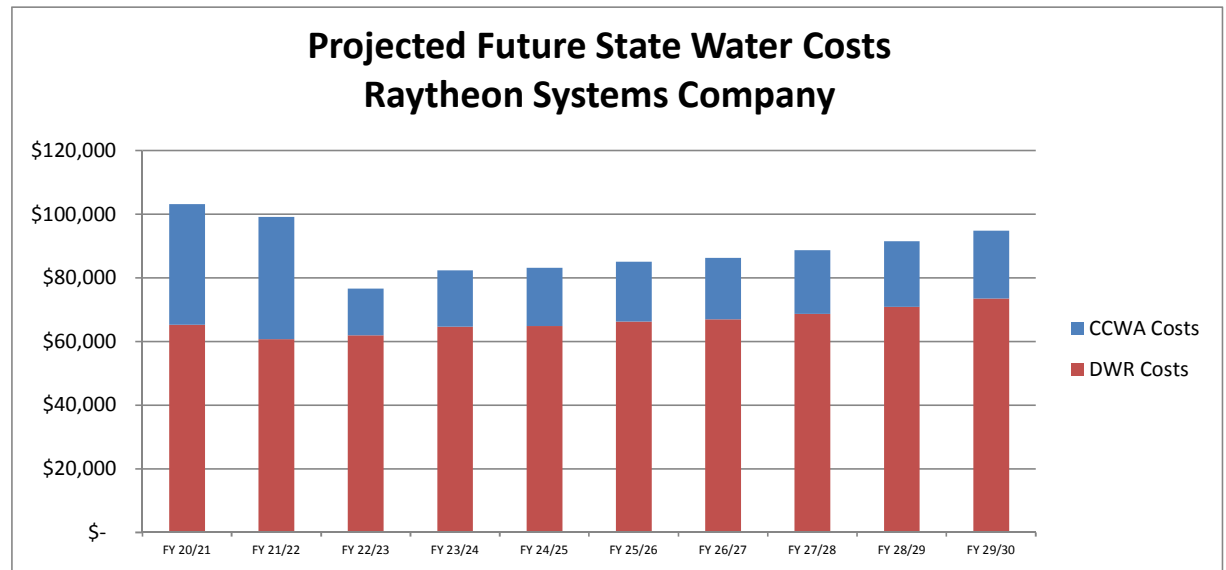
Total Projected State Water Costs	\$ 103,192	\$ 99,215	\$ 76,661	\$ 82,347	\$ 83,162	\$ 85,149	\$ 86,356	\$ 88,722	\$ 91,560	\$ 94,886
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Central Coast Water Authority
Raytheon Systems Company
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	90,296	\$	87,259	\$	64,200	\$	69,355	\$	69,613	\$	71,016	\$	71,609	\$	73,331	\$	75,492	\$	78,107
April 1st Variable Payment ⁽⁴⁾		1,612		1,495		1,558		1,624		1,694		1,767		1,843		1,924		2,009		2,097
July 1st Variable Payment		2,418		2,242		2,337		2,436		2,540		2,650		2,765		2,886		3,013		3,146
October 1st Variable Payment		4,030		3,736		3,894		4,060		4,234		4,417		4,608		4,810		5,021		5,243
January 1st Variable Payment		4,836		4,484		4,673		4,872		5,081		5,300		5,530		5,772		6,026		6,292

NOTES

- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
- (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
- (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
- (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
- (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
- (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
City of Santa Barbara
State Water Cost Ten-Year Projections
Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	330	330	330	330	330	330	330	330	330	330
Table A Water Deliveries-2nd Quarter	563	563	563	563	563	563	563	563	563	563
Table A Water Deliveries-3rd Quarter	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047
Table A Water Deliveries-4th Quarter	719	719	719	719	719	719	719	719	719	719
Total FY Table A Deliveries (acre-feet)	2,660	2,660	2,660	2,660	2,660	2,660	2,660	2,660	2,660	2,660

Small 1 and 2 acre-feet amounts are due to rounding differences.

Exchange Deliveries-1st Quarter	337	337	337	337	337	337	337	337	337	337
Exchange Deliveries-2nd Quarter	52	52	52	52	52	52	52	52	52	52
Exchange Deliveries-3rd Quarter	18	18	18	18	18	18	18	18	18	18
Exchange Deliveries-4th Quarter	218	218	218	218	218	218	218	218	218	218
Total FY Exchange Deliveries (acre-feet)	625	625	625	625	625	625	625	625	625	625

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 488,606	\$ 503,264	\$ 518,362	\$ 696,990	\$ 717,900	\$ 739,437	\$ 761,620	\$ 784,469	\$ 808,003	\$ 832,243
CCWA Variable O&M Costs ⁽⁵⁾	276,409	290,229	304,741	319,978	335,977	352,776	370,414	388,935	408,382	428,801
CCWA Bond Payments & O&M Credits ⁽⁹⁾	1,543,194	1,544,808	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	154,254	154,254	154,254	154,254	154,254	154,254	154,254	154,254	154,254	154,254
Subtotal: CCWA Costs	\$ 2,462,463	\$ 2,492,556	\$ 977,357	\$ 1,171,222	\$ 1,208,131	\$ 1,246,467	\$ 1,286,288	\$ 1,327,658	\$ 1,370,639	\$ 1,415,298

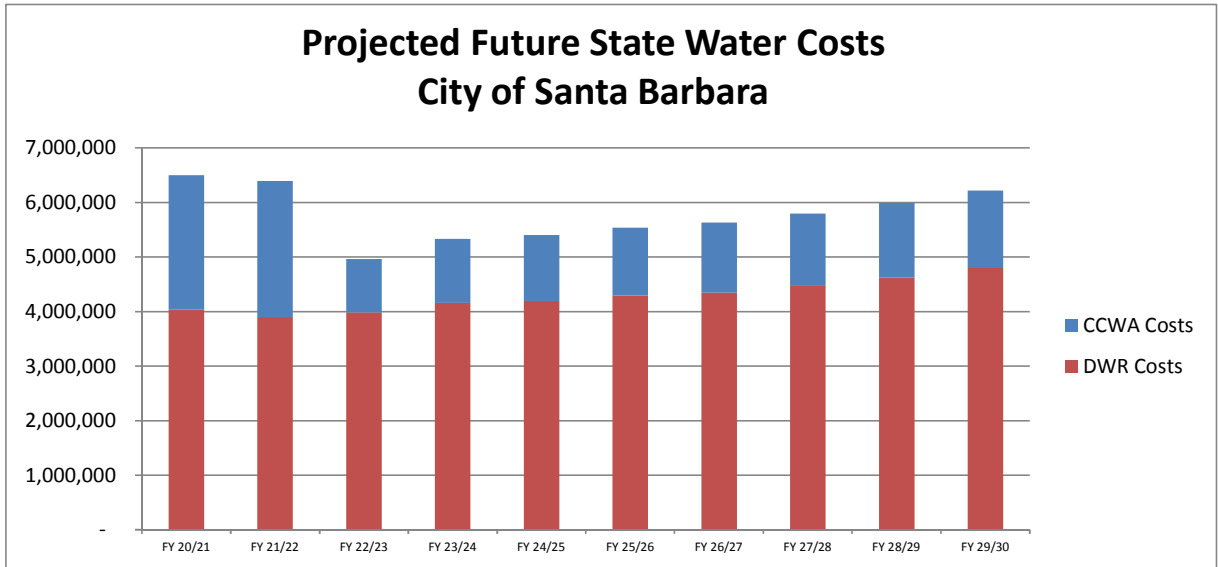
DWR Costs ⁽⁷⁾										
Transportation Capital	1,481,691	1,489,383	1,502,644	1,522,462	1,534,023	1,534,274	1,534,507	1,534,778	1,534,824	1,533,791
Coastal Branch Extension	280,475	294,261	299,834	362,498	263,810	269,207	220,115	230,391	230,809	327,720
Water System Revenue Bond Surcharge	109,507	232,648	202,506	197,944	211,678	197,493	185,053	176,570	199,934	150,329
Transportation Minimum OMP&R	1,223,717	900,429	945,450	992,723	1,042,359	1,094,477	1,149,201	1,206,661	1,266,994	1,330,344
Delta Water Charge	294,564	307,322	323,192	339,856	357,352	375,724	395,014	415,269	436,537	458,868
DWR Variable Costs ^{(5) (6)}	647,029	678,306	712,221	747,832	785,224	824,485	865,709	908,995	954,445	1,002,167
Subtotal: DWR Costs	4,036,983	3,902,348	3,985,848	4,163,314	4,194,446	4,295,660	4,349,600	4,472,664	4,623,542	4,803,218

Total Projected State Water Costs	\$ 6,499,446	\$ 6,394,904	\$ 4,963,205	\$ 5,334,537	\$ 5,402,577	\$ 5,542,127	\$ 5,635,889	\$ 5,800,322	\$ 5,994,180	\$ 6,218,516
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Central Coast Water Authority
City of Santa Barbara
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 5,421,755	\$ 5,272,114	\$ 3,791,989	\$ 4,112,472	\$ 4,127,122	\$ 4,210,612	\$ 4,245,511	\$ 4,348,138	\$ 4,477,100	\$ 4,633,294
April 1st Variable Payment ⁽⁴⁾	218,936	228,098	237,936	248,266	259,112	270,501	282,459	295,015	308,199	322,043
July 1st Variable Payment	201,771	210,215	219,282	228,802	238,798	249,294	260,314	271,886	284,036	296,794
October 1st Variable Payment	349,508	364,134	379,839	396,330	413,645	431,826	450,916	470,960	492,007	514,106
January 1st Variable Payment	307,476	320,343	334,159	348,667	363,900	379,894	396,688	414,322	432,838	452,279

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
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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 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 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Montecito Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	330	330	330	330	330	330	330	330	330	330
Table A Water Deliveries-2nd Quarter	563	563	563	563	563	563	563	563	563	563
Table A Water Deliveries-3rd Quarter	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047	1,047
Table A Water Deliveries-4th Quarter	719	719	719	719	719	719	719	719	719	719
Total FY Table A Deliveries (acre-feet)	2,660	2,660	2,660	2,660	2,660	2,660	2,660	2,660	2,660	2,660

Small 1 and 2 acre-feet amounts are due to rounding differences.

Exchange Deliveries-1st Quarter	337	337	337	337	337	337	337	337	337	337
Exchange Deliveries-2nd Quarter	52	52	52	52	52	52	52	52	52	52
Exchange Deliveries-3rd Quarter	18	18	18	18	18	18	18	18	18	18
Exchange Deliveries-4th Quarter	218	218	218	218	218	218	218	218	218	218
Total FY Exchange Deliveries (acre-feet)	625	625	625	625	625	625	625	625	625	625

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 488,606	\$ 503,264	\$ 518,362	\$ 696,990	\$ 717,900	\$ 739,437	\$ 761,620	\$ 784,469	\$ 808,003	\$ 832,243
CCWA Variable O&M Costs ⁽⁵⁾	276,409	290,229	304,741	319,978	335,977	352,776	370,414	388,935	408,382	428,801
CCWA Bond Payments & O&M Credits ⁽⁹⁾	1,689,788	1,815,723	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	154,254	154,254	154,254	154,254	154,254	154,254	154,254	154,254	154,254	154,254
Subtotal: CCWA Costs	2,609,057	2,763,470	977,357	1,171,222	1,208,131	1,246,467	1,286,288	1,327,658	1,370,639	1,415,298

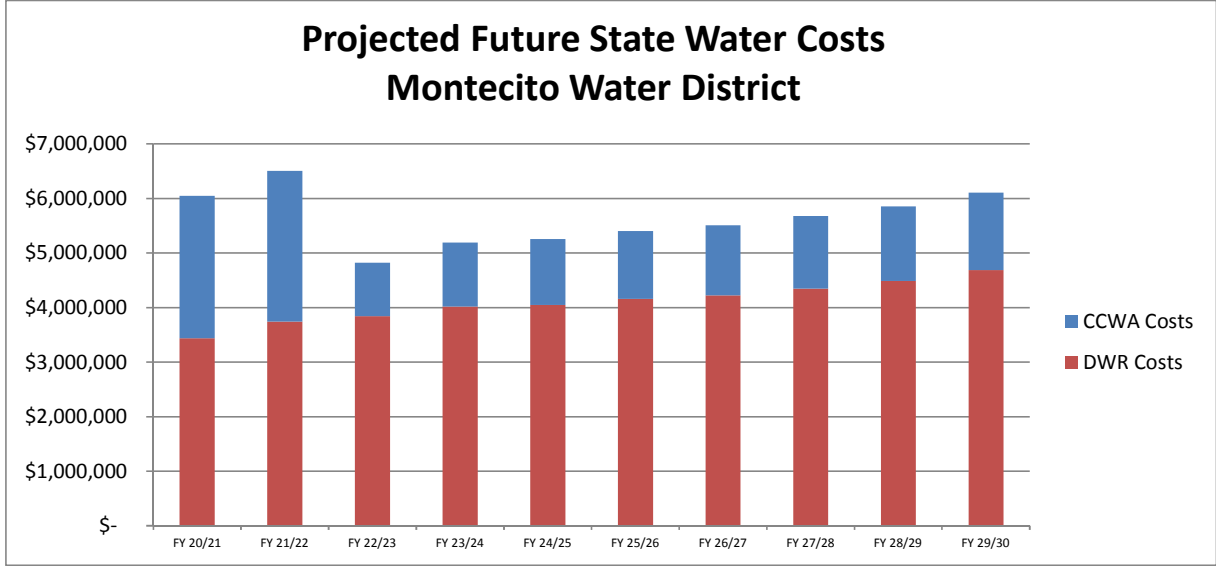
DWR Costs ⁽⁷⁾										
Transportation Capital	1,481,691	1,489,383	1,502,644	1,522,462	1,534,023	1,534,274	1,534,507	1,534,778	1,534,824	1,533,791
Coastal Branch Extension	280,475	277,589	282,847	341,961	248,864	253,955	207,644	217,339	217,732	309,153
Water System Revenue Bond Surcharge	42,454	90,193	78,508	76,739	82,064	76,564	71,742	68,453	77,510	58,279
Transportation Minimum OMP&R	1,223,717	900,429	945,450	992,723	1,042,359	1,094,477	1,149,201	1,206,661	1,266,994	1,330,344
Delta Water Charge	294,564	307,322	323,192	339,856	357,352	375,724	395,014	415,269	436,537	458,868
DWR Variable Costs ^{(5) (6)}	118,934	678,306	712,221	747,832	785,224	824,485	865,709	908,995	954,445	1,002,167
Subtotal: DWR Costs	\$ 3,441,835	\$ 3,743,222	\$ 3,844,862	\$ 4,021,572	\$ 4,049,886	\$ 4,159,479	\$ 4,223,818	\$ 4,351,494	\$ 4,488,042	\$ 4,692,602

Total Projected State Water Costs	\$ 6,050,892	\$ 6,506,693	\$ 4,822,219	\$ 5,192,795	\$ 5,258,016	\$ 5,405,946	\$ 5,510,107	\$ 5,679,152	\$ 5,858,681	\$ 6,107,900
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Central Coast Water Authority
Montecito Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>										
June 1st Fixed Payment ⁽³⁾	\$ 5,460,509	\$ 5,383,903	\$ 3,651,003	\$ 3,970,730	\$ 3,982,562	\$ 4,074,431	\$ 4,119,729	\$ 4,226,968	\$ 4,341,600	\$ 4,522,678
April 1st Variable Payment ⁽⁴⁾	119,938	228,098	237,936	248,266	259,112	270,501	282,459	295,015	308,199	322,043
July 1st Variable Payment	110,535	210,215	219,282	228,802	238,798	249,294	260,314	271,886	284,036	296,794
October 1st Variable Payment	191,468	364,134	379,839	396,330	413,645	431,826	450,916	470,960	492,007	514,106
January 1st Variable Payment	168,442	320,343	334,159	348,667	363,900	379,894	396,688	414,322	432,838	452,279

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
 - (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
 - (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Carpinteria Valley Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	220	220	220	220	220	220	220	220	220	220
Table A Water Deliveries-2nd Quarter	329	329	329	329	329	329	329	329	329	329
Table A Water Deliveries-3rd Quarter	698	698	698	698	698	698	698	698	698	698
Table A Water Deliveries-4th Quarter	480	480	480	480	480	480	480	480	480	480
Total FY Table A Deliveries (acre-feet)	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727	1,727

Small 1 and 2 acre-feet amounts are due to rounding differences.

Exchange Deliveries-1st Quarter	225	225	225	225	225	225	225	225	225	225
Exchange Deliveries-2nd Quarter	34	34	34	34	34	34	34	34	34	34
Exchange Deliveries-3rd Quarter	12	12	12	12	12	12	12	12	12	12
Exchange Deliveries-4th Quarter	145	145	145	145	145	145	145	145	145	145
Total FY Exchange Deliveries (acre-feet)	416	416	416	416	416	416	416	416	416	416

CCWA Variable Cost per AF Assumptions	\$ 104	\$ 109	\$ 115	\$ 120	\$ 126	\$ 133	\$ 139	\$ 146	\$ 154	\$ 161
DWR Variable Cost per AF Assumptions	\$ 197	\$ 207	\$ 217	\$ 228	\$ 239	\$ 251	\$ 264	\$ 277	\$ 291	\$ 305

CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 325,770	\$ 335,543	\$ 345,610	\$ 464,683	\$ 478,623	\$ 492,982	\$ 507,771	\$ 523,004	\$ 538,695	\$ 554,855
CCWA Variable O&M Costs ⁽⁵⁾	179,486	188,460	197,883	207,777	218,166	229,074	240,528	252,554	265,182	278,441
CCWA Bond Payments & O&M Credits ⁽⁹⁾	956,854	1,038,041	-	-	-	-	-	-	-	-
Warren Act and Trust Fund Charges ⁽⁸⁾	100,164	100,164	100,164	100,164	100,164	100,164	100,164	100,164	100,164	100,164
Subtotal: CCWA Costs	1,562,274	1,662,209	643,657	772,624	796,953	822,220	848,464	875,723	904,041	933,461

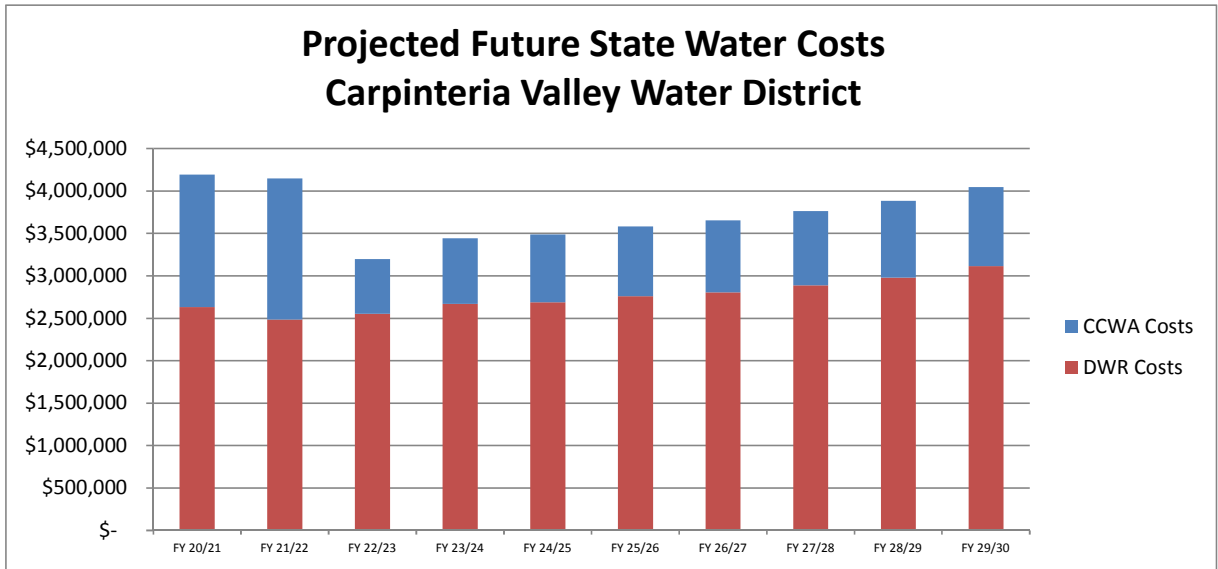
DWR Costs ⁽⁷⁾										
Transportation Capital	988,436	993,568	1,002,414	1,015,635	1,023,347	1,023,514	1,023,670	1,023,850	1,023,881	1,023,192
Coastal Branch Extension	186,983	184,848	188,349	227,714	165,720	169,110	138,272	144,727	144,989	205,867
Water System Revenue Bond Surcharge	29,259	62,160	54,107	52,888	56,558	52,768	49,444	47,177	53,420	40,166
Transportation Minimum OMP&R	817,128	600,286	630,300	661,815	694,906	729,651	766,134	804,441	844,663	886,896
Delta Water Charge	196,597	204,881	215,461	226,570	238,235	250,483	263,343	276,846	291,025	305,912
DWR Variable Costs ^{(5) (6)}	415,002	442,554	464,682	487,916	512,312	537,927	564,824	593,065	622,718	653,854
Subtotal: DWR Costs	\$ 2,633,406	\$ 2,488,298	\$ 2,555,314	\$ 2,672,538	\$ 2,691,077	\$ 2,763,453	\$ 2,805,686	\$ 2,890,106	\$ 2,980,695	\$ 3,115,887

Total Projected State Water Costs	\$ 4,195,681	\$ 4,150,507	\$ 3,198,971	\$ 3,445,162	\$ 3,488,031	\$ 3,585,674	\$ 3,654,150	\$ 3,765,829	\$ 3,884,736	\$ 4,049,348
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Central Coast Water Authority
Carpinteria Valley Water District
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<i>Projected Payments by Due Date</i>										
June 1st Fixed Payment ⁽³⁾	\$ 3,477,355	\$ 3,419,328	\$ 2,436,242	\$ 2,649,305	\$ 2,657,389	\$ 2,718,508	\$ 2,748,634	\$ 2,820,046	\$ 2,896,672	\$ 3,016,888
April 1st Variable Payment ⁽⁴⁾	149,112	151,780	158,329	165,206	172,427	180,009	187,969	196,328	205,105	214,321
July 1st Variable Payment	121,758	123,937	129,285	134,900	140,796	146,987	153,488	160,313	167,480	175,005
October 1st Variable Payment	238,041	242,300	252,756	263,734	275,261	287,364	300,073	313,417	327,428	342,140
January 1st Variable Payment	209,414	213,161	222,359	232,017	242,158	252,806	263,986	275,725	288,051	300,994

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
 - (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
 - (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Chorro Valley Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽¹⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	555	561	561	561	561	561	561	561	561	561
Table A Water Deliveries-2nd Quarter	553	559	559	559	559	559	559	559	559	559
Table A Water Deliveries-3rd Quarter	559	559	559	559	559	559	559	559	559	559
Table A Water Deliveries-4th Quarter	561	561	561	561	561	561	561	561	561	561
Total FY Table A Deliveries (acre-feet)	2,228	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240	2,240

CCWA Variable Cost per AF Assumptions	\$ 54	\$ 56	\$ 59	\$ 62	\$ 65	\$ 69	\$ 72	\$ 76	\$ 79	\$ 83
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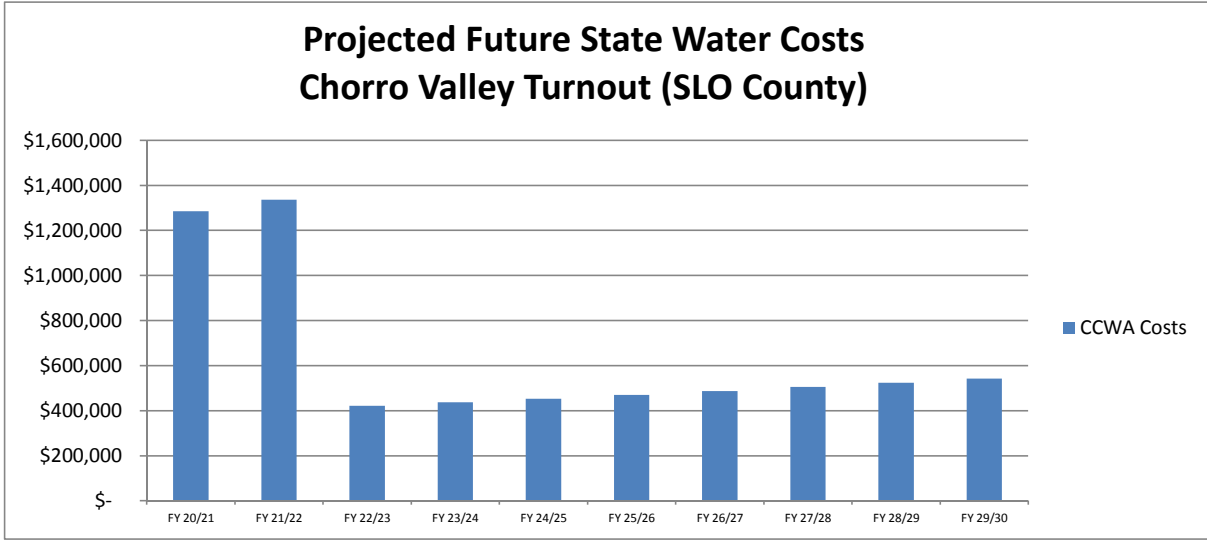
CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 273,076	\$ 281,268	\$ 289,706	\$ 298,397	\$ 307,349	\$ 316,570	\$ 326,067	\$ 335,849	\$ 345,924	\$ 356,302
CCWA Variable O&M Costs ⁽⁵⁾	119,707	126,369	132,688	139,322	146,288	153,603	161,283	169,347	177,814	186,705
CCWA Bond Payments & O&M Credits ⁽⁸⁾	892,544	928,975	-	-	-	-	-	-	-	-
Warren Act Charges										
Subtotal: CCWA Costs	\$ 1,285,327	\$ 1,336,612	\$ 422,394	\$ 437,720	\$ 453,638	\$ 470,173	\$ 487,350	\$ 505,196	\$ 523,739	\$ 543,007

Total Projected State Water Costs	\$ 1,285,327	\$ 1,336,612	\$ 422,394	\$ 437,720	\$ 453,638	\$ 470,173	\$ 487,350	\$ 505,196	\$ 523,739	\$ 543,007
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Central Coast Water Authority
Chorro Valley Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	1,165,620	\$	1,210,243	\$	289,706	\$	298,397	\$	307,349	\$	316,570	\$	326,067	\$	335,849	\$	345,924	\$	356,302
April 1st Variable Payment ⁽⁴⁾		29,819		31,649		33,231		34,893		36,637		38,469		40,393		42,412		44,533		46,760
July 1st Variable Payment		29,712		31,536		33,113		34,768		36,507		38,332		40,249		42,261		44,374		46,593
October 1st Variable Payment		30,034		31,536		33,113		34,768		36,507		38,332		40,249		42,261		44,374		46,593
January 1st Variable Payment		30,142		31,649		33,231		34,893		36,637		38,469		40,393		42,412		44,533		46,760

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
 - (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
 - (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable 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 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Lopez Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Table A Water Deliveries-1st Quarter	367	420	420	420	420	420	420	420	420	420
Table A Water Deliveries-2nd Quarter	265	338	338	338	338	338	338	338	338	338
Table A Water Deliveries-3rd Quarter	344	344	344	344	344	344	344	344	344	344
Table A Water Deliveries-4th Quarter	364	364	364	364	364	364	364	364	364	364
Total FY Table A Deliveries (acre-feet)	1,340	1,466	1,466	1,466	1,466	1,466	1,466	1,466	1,466	1,466

CCWA Variable Cost per AF Assumptions	\$ 54	\$ 56	\$ 59	\$ 62	\$ 65	\$ 69	\$ 72	\$ 76	\$ 79	\$ 83
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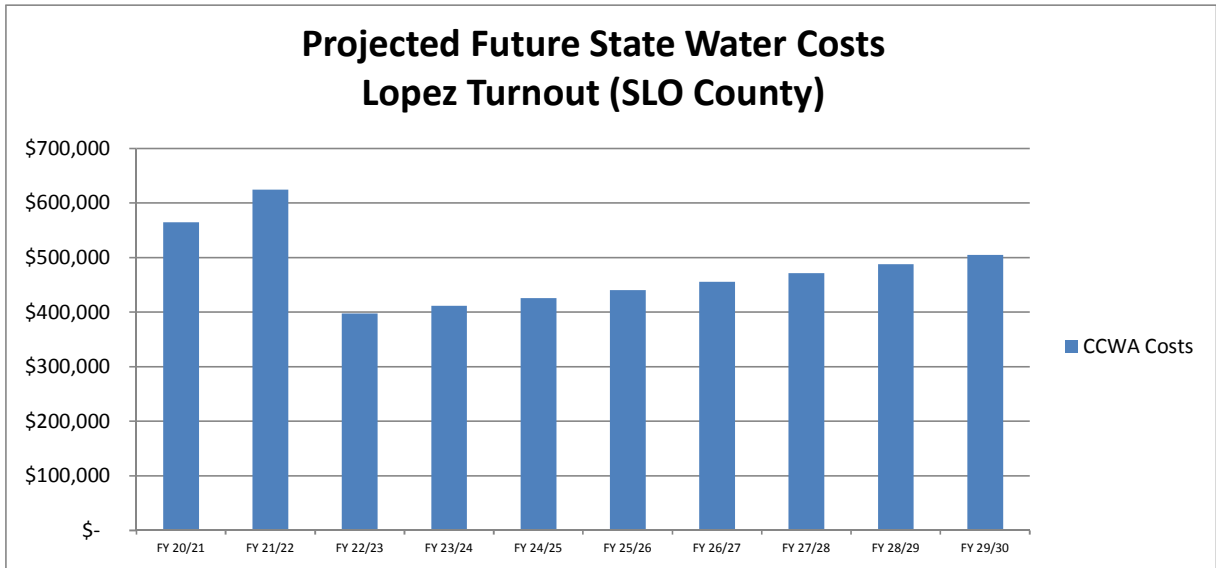
CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 293,404	\$ 302,206	\$ 311,272	\$ 320,610	\$ 330,229	\$ 340,136	\$ 350,340	\$ 360,850	\$ 371,675	\$ 382,826
CCWA Variable O&M Costs ⁽⁵⁾	71,996	82,704	86,839	91,181	95,740	100,527	105,554	110,832	116,373	122,192
CCWA Bond Payments & O&M Credits ⁽⁸⁾	199,896	240,214	-	-	-	-	-	-	-	-
Warren Act Charges										
Subtotal: CCWA Costs	\$ 565,296	\$ 625,124	\$ 398,112	\$ 411,792	\$ 425,969	\$ 440,663	\$ 455,893	\$ 471,681	\$ 488,048	\$ 505,017

Total Projected State Water Costs	\$ 565,296	\$ 625,124	\$ 398,112	\$ 411,792	\$ 425,969	\$ 440,663	\$ 455,893	\$ 471,681	\$ 488,048	\$ 505,017
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Central Coast Water Authority
Lopez Turnout
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<i>Projected Payments by Due Date</i>																				
June 1st Fixed Payment ⁽³⁾	\$	493,300	\$	542,420	\$	311,272	\$	320,610	\$	330,229	\$	340,136	\$	350,340	\$	360,850	\$	371,675	\$	382,826
April 1st Variable Payment ⁽⁴⁾		19,718		23,694		24,879		26,123		27,429		28,801		30,241		31,753		33,340		35,007
July 1st Variable Payment		14,238		19,068		20,022		21,023		22,074		23,178		24,336		25,553		26,831		28,172
October 1st Variable Payment		18,483		19,407		20,377		21,396		22,466		23,589		24,768		26,007		27,307		28,673
January 1st Variable Payment		19,557		20,535		21,562		22,640		23,772		24,960		26,208		27,519		28,895		30,340

- NOTES
- (1) Actual water delivery requests for the first four years and delivery estimates thereafter.
 - (2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).
 - (4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.
 - (5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retirement charges and credits.
 - (6) Current fiscal year DWR Variable costs net of DWR account interest income credits and credits or additional charges due from prior periods.
 - (7) The source for DWR costs is DWR's 2020 Statement of Charges dated July 1, 2019.
 - (8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.
 - (9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
Shandon
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

Water Deliveries-Fiscal Year Basis (AF) ⁽⁴⁾	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
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	\$ 54	\$ 56	\$ 59	\$ 62	\$ 65	\$ 69	\$ 72	\$ 76	\$ 79	\$ 83
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CCWA Costs										
CCWA Fixed O&M Costs ⁽²⁾	\$ 14,333	\$ 14,763	\$ 15,206	\$ 15,662	\$ 16,132	\$ 16,616	\$ 17,114	\$ 17,628	\$ 18,157	\$ 18,701
CCWA Variable O&M Costs ⁽⁵⁾	-	-	-	-	-	-	-	-	-	-
CCWA Bond Payments & O&M Credits ⁽⁸⁾	11,642	11,661	-	-	-	-	-	-	-	-
Warren Act Charges										
Subtotal: CCWA Costs	\$ 25,975	\$ 26,424	\$ 15,206	\$ 15,662	\$ 16,132	\$ 16,616	\$ 17,114	\$ 17,628	\$ 18,157	\$ 18,701

Total Projected State Water Costs	\$ 25,975	\$ 26,424	\$ 15,206	\$ 15,662	\$ 16,132	\$ 16,616	\$ 17,114	\$ 17,628	\$ 18,157	\$ 18,701
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Central Coast Water Authority
Shandon
 State Water Cost Ten-Year Projections
 Fiscal Year 2020/21 Final Budget

<u>Projected Payments by Due Date</u>																				
June 1st Fixed Payment ⁽³⁾	\$	25,975	\$	26,424	\$	15,206	\$	15,662	\$	16,132	\$	16,616	\$	17,114	\$	17,628	\$	18,157	\$	18,701
April 1st Variable Payment ⁽⁴⁾		-		-		-		-		-		-		-		-		-		-
July 1st Variable Payment		-		-		-		-		-		-		-		-		-		-
October 1st Variable Payment		-		-		-		-		-		-		-		-		-		-
January 1st Variable Payment		-		-		-		-		-		-		-		-		-		-

NOTES

(1) Actual water delivery requests for the first four years and delivery estimates thereafter.

(2) CCWA fixed costs are based on a 3% inflation factor. There is a change in Fixed Costs reflected in fiscal years 2022/23 thru 2029/30 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 2020/21 fixed payment is paid on June 1, 2020).

(4) April 1st quarterly variable payment is paid in April BEFORE the beginning of the fiscal year shown.

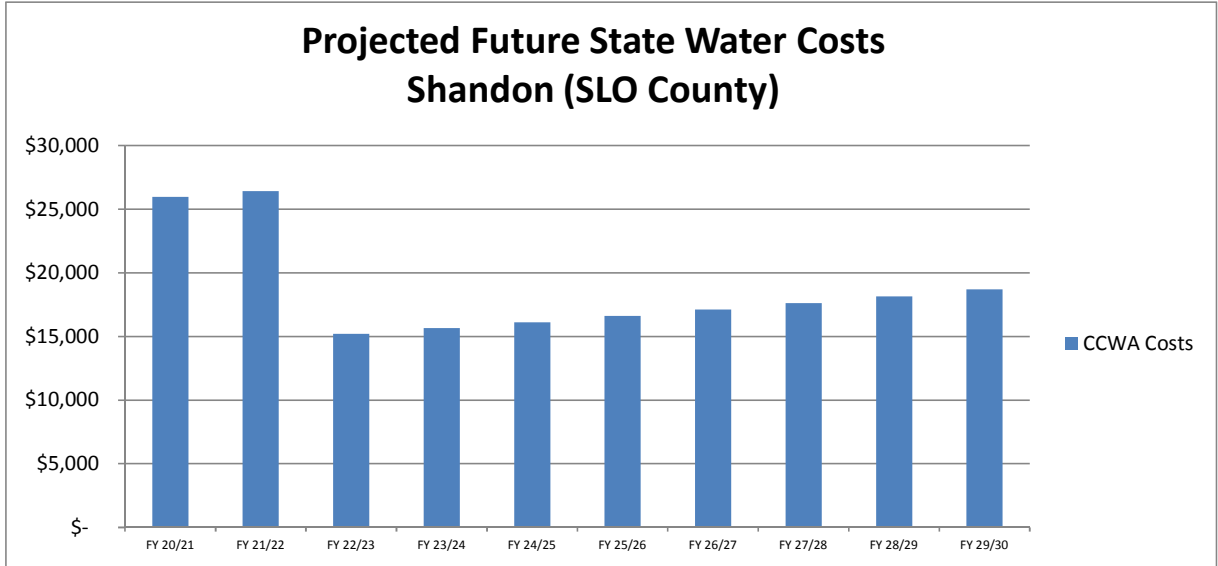
(5) CCWA variable O&M, DWR variable and DWR Transportation Minimum costs are based on a 5% inflation factor. CCWA variable costs include WTP Variable Retreatment charges and credits.

(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 2020 Statement of Charges dated July 1, 2019.

(8) Warren Act Charges are \$58/AF and are based on water wheeled through Cachuma Project facilities. There are two components to these charges: Warren Act Charges at \$15/AF and Trust Fund payments at \$43/AF.

(9) CCWA Bond payments reflect Series 2016A Bond Debt Service Schedule.



Central Coast Water Authority
CCWA Fixed Costs
 Ten-Year Financial Plan Projections
 FY 2020/21 Final Budget

	Allocation	Base Year									
	Percentage	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Base Fixed O&M Costs		9,424,342	9,424,342	9,707,072	9,998,284	10,298,233	10,607,180	10,925,395	11,253,157	11,590,752	11,938,474
Inflation Factor			3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Projected Fixed O&M		9,424,342	9,707,072	9,998,284	10,298,233	10,607,180	10,925,395	11,253,157	11,590,752	11,938,474	12,296,629
Capital Improvement Projects		-	-	-	-	-	-	-	-	-	-
Other Costs		-	-	-	-	-	-	-	-	-	-
TOTAL CCWA FIXED COSTS		9,424,342	9,707,072	9,998,284	10,298,233	10,607,180	10,925,395	11,253,157	11,590,752	11,938,474	12,296,629
Guadalupe	1.44%	126,274	130,062	133,964	126,965	130,774	134,697	138,738	142,900	147,187	151,603
Santa Maria	41.23%	3,686,957	3,797,566	3,911,493	3,704,294	3,815,423	3,929,886	4,047,782	4,169,216	4,294,292	4,423,121
Golden State Water	1.34%	118,043	121,585	125,232	118,972	122,542	126,218	130,004	133,905	137,922	142,059
Vandenberg AFB	14.90%	1,364,950	1,405,898	1,448,075	1,381,333	1,422,773	1,465,456	1,509,420	1,554,702	1,601,343	1,649,384
Buellton	1.79%	162,004	166,864	171,870	165,447	170,410	175,522	180,788	186,212	191,798	197,552
Santa Ynez (Solvang)	4.57%	416,261	428,749	441,612	424,810	437,554	450,680	464,201	478,127	492,471	507,245
Santa Ynez	8.31%	716,615	738,114	760,257	538,301	554,450	571,084	588,216	605,863	624,039	642,760
Goleta	7.25%	733,032	755,023	777,674	1,045,570	1,076,937	1,109,245	1,142,522	1,176,798	1,212,102	1,248,465
Morehart Land Co.	0.35%	34,625	35,664	36,734	47,873	49,309	50,789	52,312	53,882	55,498	57,163
La Cumbre	1.52%	173,127	178,321	183,671	239,366	246,547	253,944	261,562	269,409	277,491	285,816
Raytheon	0.08%	8,656	8,916	9,184	11,968	12,327	12,697	13,078	13,470	13,875	14,291
Santa Barbara	4.14%	488,606	503,264	518,362	696,990	717,900	739,437	761,620	784,469	808,003	832,243
Montecito	4.14%	488,606	503,264	518,362	696,990	717,900	739,437	761,620	784,469	808,003	832,243
Carpinteria	2.78%	325,770	335,543	345,610	464,683	478,623	492,982	507,771	523,004	538,695	554,855
Shandon	0.15%	14,333	14,763	15,206	15,662	16,132	16,616	17,114	17,628	18,157	18,701
Chorro Valley	2.90%	273,076	281,268	289,706	298,397	307,349	316,570	326,067	335,849	345,924	356,302
Lopez	3.11%	293,404	302,206	311,272	320,610	330,229	340,136	350,340	360,850	371,675	382,826
Total:	100.00%	9,424,342	9,707,072	9,998,284	10,298,233	10,607,180	10,925,395	11,253,157	11,590,752	11,938,474	12,296,629

(1) CCWA Fixed Costs for fiscal Years 2022/23 thru 2028/29 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 2020/21 Final Budget

	Base Year FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
CCWA Variable Costs/AF-North County	54	56	59	62	65	69	72	76	79	83
CCWA WTP Variable Retreatment Costs/AF	17	17	18	19	20	21	22	23	25	26
Inflation Factor		5%	5%	5%	5%	5%	5%	5%	5%	5%
Projected CCWA Variable \$/AF-North County	70	74	78	81	85	90	94	99	104	109
CCWA Variable Costs/AF-South County	141	148	156	163	171	180	189	198	208	219
CCWA WTP Variable Retreatment Costs/AF	17	17	18	19	20	21	22	23	25	26
South Coast Retreatment Credits/AF	(54)	(56)	(59)	(62)	(65)	(69)	(72)	(76)	(79)	(83)
Inflation Factor		5%	5%	5%	5%	5%	5%	5%	5%	5%
Projected CCWA Variable \$/AF-South County	104	109	115	120	126	133	139	146	154	161
Estimated DWR Variable \$/AF	197	197	207	217	228	239	251	264	277	291
Inflation Factor		5%	5%	5%	5%	5%	5%	5%	5%	5%
Projected DWR Variable \$/AF	197	207	217	228	239	251	264	277	291	305
Total Projected Variable Cost/AF										
CCWA & DWR Variable - North Coast \$/AF	267	280	294	309	325	341	358	376	395	414
CCWA & DWR Variable - South Coast \$/AF ⁽¹⁾	301	316	331	348	365	384	403	423	444	466

(1) South Coast total AF estimates do not include Warren Act charges.

Central Coast Water Authority
CCWA Bond Debt
 Ten-Year Financial Plan Projections
 FY 2020/21 Final Budget

	Allocation										
	Percentage	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Principal Payment ⁽¹⁾		9,615,000	10,095,000	-	-	-	-	-	-	-	-
Interest Payment		745,125	252,375	-	-	-	-	-	-	-	-
Other Costs (Credits)		(85,358)	(60,000)	-	-	-	-	-	-	-	-
TOTAL DEBT SERVICE PAYMENTS		10,274,767	10,287,375	-	-	-	-	-	-	-	-
Guadalupe	1.42%	146,303	146,563	-	-	-	-	-	-	-	-
Santa Maria	0.00%	-	-	-	-	-	-	-	-	-	-
Golden State Water	0.00%	-	-	-	-	-	-	-	-	-	-
Vandenberg AFB	0.00%	-	-	-	-	-	-	-	-	-	-
Buellton	2.52%	259,139	259,628	-	-	-	-	-	-	-	-
Santa Ynez (Solvang)	7.75%	796,458	797,313	-	-	-	-	-	-	-	-
Santa Ynez	2.91%	299,113	299,434	-	-	-	-	-	-	-	-
Goleta	24.43%	2,510,356	2,512,981	-	-	-	-	-	-	-	-
Morehart Land Co.	1.12%	115,257	115,399	-	-	-	-	-	-	-	-
La Cumbre	5.37%	551,791	552,480	-	-	-	-	-	-	-	-
Raytheon	0.23%	24,094	24,156	-	-	-	-	-	-	-	-
Santa Barbara	15.02%	1,543,194	1,544,808	-	-	-	-	-	-	-	-
Montecito	17.65%	1,813,398	1,815,723	-	-	-	-	-	-	-	-
Carpinteria	10.09%	1,036,774	1,038,041	-	-	-	-	-	-	-	-
Shandon	0.11%	11,642	11,661	-	-	-	-	-	-	-	-
Chorro Valley	9.03%	927,433	928,975	-	-	-	-	-	-	-	-
Lopez	2.34%	239,815	240,214	-	-	-	-	-	-	-	-
Total:	100.00%	10,274,767	10,287,375	-	-	-	-	-	-	-	-

(1) The final bond principle payment will be in Oct 2021.

Central Coast Water Authority
DWR Transportation Capital Charges

Ten-Year Financial Plan Projections
FY 2020/21 Final Budget

	Allocation Percentage	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Current Year Charges		23,132,541	23,483,445	23,656,572	23,915,295	24,066,226	24,069,499	24,072,552	24,076,082	24,076,682	24,063,200
Rate Management Credits (Over)/Under Payment		(2,515,069)	(2,677,526)	(2,677,526)	(2,677,526)	(2,677,526)	(2,677,526)	(2,677,526)	(2,677,526)	(2,677,526)	(2,677,526)
Miscellaneous Charges/(Credits)		88,024	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		19,343,843	19,444,267	19,617,394	19,876,117	20,027,048	20,030,321	20,033,374	20,036,904	20,037,504	20,024,022
Guadalupe	1.41%	272,735	274,151	276,592	280,240	282,368	282,414	282,457	282,507	282,515	282,325
Santa Maria	41.39%	8,006,141	8,047,705	8,119,360	8,226,442	8,288,910	8,290,265	8,291,528	8,292,989	8,293,238	8,287,658
Golden State Water	1.28%	247,591	248,876	251,092	254,404	256,335	256,377	256,416	256,462	256,469	256,297
Vandenberg AFB	14.05%	2,717,718	2,731,827	2,756,151	2,792,500	2,813,705	2,814,165	2,814,594	2,815,090	2,815,174	2,813,280
Buellton	1.48%	286,277	287,763	290,325	294,154	296,388	296,436	296,481	296,533	296,542	296,343
Santa Ynez (Solvang)	3.79%	733,065	736,871	743,432	753,236	758,956	759,080	759,196	759,330	759,352	758,842
Santa Ynez	1.32%	255,371	256,697	258,983	262,398	264,391	264,434	264,474	264,521	264,529	264,351
Goleta	11.66%	2,256,077	2,267,789	2,287,981	2,318,156	2,335,759	2,336,141	2,336,497	2,336,908	2,336,978	2,335,406
Morehart Land Co.	0.51%	98,651	99,163	100,046	101,365	102,135	102,152	102,167	102,185	102,189	102,120
La Cumbre	2.55%	493,255	495,815	500,230	506,827	510,676	510,759	510,837	510,927	510,943	510,599
Raytheon	0.13%	25,144	25,275	25,500	25,836	26,033	26,037	26,041	26,045	26,046	26,029
Santa Barbara	7.66%	1,481,691	1,489,383	1,502,644	1,522,462	1,534,023	1,534,274	1,534,507	1,534,778	1,534,824	1,533,791
Montecito	7.66%	1,481,691	1,489,383	1,502,644	1,522,462	1,534,023	1,534,274	1,534,507	1,534,778	1,534,824	1,533,791
Carpinteria	5.11%	988,436	993,568	1,002,414	1,015,635	1,023,347	1,023,514	1,023,670	1,023,850	1,023,881	1,023,192
Total:	100.00%	19,343,843	19,444,267	19,617,394	19,876,117	20,027,048	20,030,321	20,033,374	20,036,904	20,037,504	20,024,022

Central Coast Water Authority
DWR Coastal Branch Extension
 Ten-Year Financial Plan Projections
 FY 2020/21 Final Budget

	Allocation Percentage	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Principal		983,122	1,739,525	1,881,327	2,677,667	1,960,816	2,049,863	1,671,664	1,788,026	1,759,477	2,729,624
Interest		938,414	870,701	780,717	672,445	569,093	483,019	404,530	336,366	263,266	169,535
Bond Cover		574,935	670,282	765,054	747,922	643,608	585,946	533,594	527,530	626,954	741,012
Return of Prior Year Cover		(565,980)	(574,935)	(670,282)	(765,054)	(747,922)	(643,608)	(585,946)	(533,594)	(527,530)	(626,954)
Other Charges/(Credits)		-	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		1,930,491	2,705,574	2,756,815	3,332,980	2,425,595	2,475,219	2,023,843	2,118,328	2,122,167	3,013,217
Guadalupe	0.00%	-	-	-	-	-	-	-	-	-	-
Santa Maria	22.25%	573,748	601,948	613,348	741,536	539,657	550,698	450,274	471,295	472,149	670,394
Golden State Water	0.69%	17,708	18,579	18,931	22,887	16,656	16,997	13,897	14,546	14,573	20,691
Vandenberg AFB	19.94%	514,204	539,478	549,695	664,579	483,651	493,546	403,544	422,384	423,149	600,820
Buellton	2.10%	54,038	56,694	57,768	69,841	50,827	51,867	42,409	44,389	44,469	63,141
Santa Ynez (Solvang)	5.44%	140,238	147,130	149,917	181,249	131,905	134,603	110,057	115,196	115,404	163,860
Santa Ynez	1.71%	46,746	46,371	47,249	57,124	41,572	42,423	34,686	36,306	36,372	51,643
Goleta	15.38%	420,713	416,067	423,947	512,551	373,012	380,643	311,230	325,760	326,350	463,377
Morehart Land Co.	0.73%	18,698	19,617	19,989	24,167	17,587	17,947	14,674	15,359	15,387	21,848
La Cumbre	3.63%	93,492	98,087	99,945	120,833	87,937	89,736	73,372	76,797	76,936	109,240
Raytheon	0.18%	4,675	4,904	4,997	6,042	4,397	4,487	3,669	3,840	3,847	5,462
Santa Barbara	10.88%	280,475	294,261	299,834	362,498	263,810	269,207	220,115	230,391	230,809	327,720
Montecito	10.26%	280,475	277,589	282,847	341,961	248,864	253,955	207,644	217,339	217,732	309,153
Carpinteria	6.83%	186,983	184,848	188,349	227,714	165,720	169,110	138,272	144,727	144,989	205,867
Total:	100.00%	2,632,194	2,705,574	2,756,815	3,332,980	2,425,595	2,475,219	2,023,843	2,118,328	2,122,167	3,013,217

Central Coast Water Authority
DWR Water System Revenue Bond Surcharge

Ten-Year Financial Plan Projections
FY 2020/21 Final Budget

	Allocation Percentage	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
WSRB Charge		3,059,495	3,954,624	4,010,536	3,983,985	4,126,293	4,029,867	3,847,961	3,672,809	3,857,698	3,382,872
Return of Prior Year Cover(44%)		(1,591,980)	(1,346,178)	(1,740,035)	(1,764,636)	(1,752,953)	(1,815,569)	(1,773,141)	(1,693,103)	(1,616,036)	(1,697,387)
Other Charges/(Credits)		(239,725)	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		1,227,790	2,608,446	2,270,501	2,219,349	2,373,340	2,214,298	2,074,820	1,979,706	2,241,662	1,685,485
Guadalupe	1.64%	20,076	42,652	37,126	36,290	38,808	36,207	33,926	32,371	36,655	27,560
Santa Maria	48.16%	591,336	1,256,297	1,093,534	1,068,897	1,143,063	1,066,464	999,288	953,479	1,079,644	811,774
Golden State Water	1.49%	18,251	38,775	33,751	32,991	35,280	32,916	30,842	29,428	33,322	25,055
Vandenberg AFB	16.35%	200,762	426,520	371,261	362,897	388,077	362,071	339,264	323,712	366,546	275,602
Buellton	1.72%	21,098	44,823	39,016	38,137	40,783	38,050	35,654	34,019	38,521	28,963
Santa Ynez (Solvang)	4.24%	52,087	110,660	96,323	94,153	100,685	93,938	88,021	83,986	95,099	71,504
Santa Ynez	0.71%	8,745	18,580	16,172	15,808	16,905	15,772	14,779	14,101	15,967	12,005
Goleta	7.22%	88,587	188,203	163,820	160,129	171,239	159,764	149,701	142,838	161,739	121,610
Morehart Land Co.	0.59%	7,300	15,510	13,500	13,196	14,112	13,166	12,337	11,771	13,329	10,022
La Cumbre	2.97%	36,502	77,549	67,502	65,981	70,559	65,831	61,684	58,857	66,645	50,110
Raytheon	0.15%	1,825	3,877	3,375	3,299	3,528	3,292	3,084	2,943	3,332	2,505
Santa Barbara	8.92%	109,507	232,648	202,506	197,944	211,678	197,493	185,053	176,570	199,934	150,329
Montecito	3.46%	42,454	90,193	78,508	76,739	82,064	76,564	71,742	68,453	77,510	58,279
Carpinteria	2.38%	29,259	62,160	54,107	52,888	56,558	52,768	49,444	47,177	53,420	40,166
Total:	100.00%	1,227,790	2,608,446	2,270,501	2,219,349	2,373,340	2,214,298	2,074,820	1,979,706	2,241,662	1,685,485

Central Coast Water Authority
DWR Transportation Minimum OMP&R
 Ten-Year Financial Plan Projections
 FY 2020/21 Final Budget

	Allocation Percentage	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Current Year Charges ⁽¹⁾		14,376,734	11,837,666	12,429,550	13,051,027	13,703,579	14,388,757	15,108,195	15,863,605	16,656,785	17,489,625
(Over)/Under Payment		1,701,987	-	-	-	-	-	-	-	-	-
Miscellaneous Charges/(Credits)		20,626	-	-	-	-	-	-	-	-	-
TOTAL PAYMENTS		16,099,347	11,837,666	12,429,550	13,051,027	13,703,579	14,388,757	15,108,195	15,863,605	16,656,785	17,489,625
Guadalupe	1.39%	224,221	165,079	173,333	181,999	191,099	200,654	210,687	221,221	232,282	243,896
Santa Maria	41.07%	6,611,239	4,862,316	5,105,432	5,360,703	5,628,738	5,910,175	6,205,684	6,515,968	6,841,767	7,183,855
Golden State Water	1.27%	204,283	150,071	157,575	165,454	173,726	182,413	191,533	201,110	211,166	221,724
Vandenberg AFB	13.95%	2,245,129	1,650,786	1,733,326	1,819,992	1,910,991	2,006,541	2,106,868	2,212,211	2,322,822	2,438,963
Buellton	1.47%	236,521	173,483	182,157	191,265	200,828	210,869	221,413	232,483	244,107	256,313
Santa Ynez (Solvang)	3.72%	599,160	440,207	462,217	485,328	509,595	535,075	561,828	589,920	619,416	650,386
Santa Ynez	1.35%	217,968	160,079	168,083	176,487	185,311	194,577	204,306	214,521	225,247	236,509
Goleta	12.33%	1,985,143	1,459,323	1,532,289	1,608,904	1,689,349	1,773,816	1,862,507	1,955,633	2,053,414	2,156,085
Morehart Land Co.	0.51%	81,535	60,029	63,030	66,182	69,491	72,965	76,613	80,444	84,466	88,690
La Cumbre	2.54%	408,565	300,143	315,150	330,908	347,453	364,826	383,067	402,220	422,331	443,448
Raytheon	0.13%	21,020	15,007	15,758	16,545	17,373	18,241	19,153	20,111	21,117	22,172
Santa Barbara	7.61%	1,223,717	900,429	945,450	992,723	1,042,359	1,094,477	1,149,201	1,206,661	1,266,994	1,330,344
Montecito	7.61%	1,223,717	900,429	945,450	992,723	1,042,359	1,094,477	1,149,201	1,206,661	1,266,994	1,330,344
Carpinteria	5.07%	817,128	600,286	630,300	661,815	694,906	729,651	766,134	804,441	844,663	886,896
Total:	100.00%	16,099,347	11,837,666	12,429,550	13,051,027	13,703,579	14,388,757	15,108,195	15,863,605	16,656,785	17,489,625

(1) Based on a 5% inflation factor.

Central Coast Water Authority
DWR Delta Water Charge
 Ten-Year Financial Plan Projections
 FY 2020/21 Final Budget

	Table A & Drought Buffer	Table A & Drought Buffer %	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30
Delta Water Charge \$/AF-Base Inflation %			\$ 92	\$ 92	\$ 96	\$ 101	\$ 106	\$ 111	\$ 117	\$ 123	\$ 129	\$ 135
				5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Projected DWC-Base Charges			\$ 92	\$ 96	\$ 101	\$ 106	\$ 111	\$ 117	\$ 123	\$ 129	\$ 135	\$ 142
Rate Management Credits/AF Miscellaneous Charges/(Credits)			(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
TOTAL PAYMENTS			\$ 89	\$ 93	\$ 98	\$ 103	\$ 108	\$ 114	\$ 120	\$ 126	\$ 132	\$ 139
Guadalupe	605	1.33%	54,031	56,342	59,252	62,307	65,515	68,883	72,419	76,133	80,032	84,126
Santa Maria	17,820	39.18%	1,591,640	1,659,538	1,745,237	1,835,220	1,929,703	2,028,911	2,133,078	2,242,454	2,357,299	2,477,886
Golden State Water	550	1.21%	49,149	51,220	53,865	56,643	59,559	62,621	65,836	69,212	72,756	76,478
Vandenberg AFB	6,050	13.30%	540,310	563,423	592,519	623,069	655,146	688,828	724,193	761,327	800,317	841,257
Buellton	636	1.40%	56,861	59,229	62,288	65,499	68,872	72,412	76,130	80,034	84,133	88,436
Santa Ynez (Solvang)	1,500	3.30%	134,043	139,692	146,905	154,480	162,433	170,784	179,552	188,759	198,426	208,576
Santa Ynez	700	1.54%	62,554	65,189	68,556	72,091	75,802	79,699	83,791	88,087	92,599	97,336
Goleta	7,450	16.38%	665,417	693,802	729,630	767,250	806,750	848,226	891,775	937,502	985,515	1,035,929
Morehart Land Co.	220	0.48%	19,527	20,488	21,546	22,657	23,823	25,048	26,334	27,685	29,102	30,591
La Cumbre	1,100	2.42%	98,298	102,441	107,731	113,285	119,117	125,241	131,671	138,423	145,512	152,956
Raytheon	55	0.12%	4,882	5,122	5,387	5,664	5,956	6,262	6,584	6,921	7,276	7,648
Santa Barbara	3,300	7.25%	294,564	307,322	323,192	339,856	357,352	375,724	395,014	415,269	436,537	458,868
Montecito	3,300	7.25%	294,564	307,322	323,192	339,856	357,352	375,724	395,014	415,269	436,537	458,868
Carpinteria	2,200	4.84%	196,597	204,881	215,461	226,570	238,235	250,483	263,343	276,846	291,025	305,912
Total:	45,486	100.00%	\$ 4,062,438	\$ 4,236,012	\$ 4,454,760	\$ 4,684,446	\$ 4,925,617	\$ 5,178,845	\$ 5,444,736	\$ 5,723,921	\$ 6,017,065	\$ 6,324,866



King Snake discovered in the Solvang Turnout

Appendix

The Appendix to the FY 2020/21 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 2020/21 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 2018 was 446,527 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 2020/21 Budget

Form of government	Joint Powers Authority
Date of organization	August 1, 1991
Number of full-time equivalent positions	30.25
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 2020/21 Santa Barbara County requested deliveries	27,431 acre-feet
San Luis Obispo State water Table A	4,830 acre-feet
FY 2020/21 San Luis Obispo requested deliveries	3,568 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 2020/21 Budget

ACWA - Association of California Water Agencies

ADM - Administration

AF - Acre-Foot or Acre-Feet

AVEK - Antelope Valley/East Kern Water Agency

AWWA - American Water Works Association

BDCP - Bay Delta Conservation Plan

CAFR - Comprehensive Annual Finance Report

CalPERS - California Public Employees' Retirement System

CCR - Consumer Confidence Report

CCRB - Cachuma Conservation Release Board

CCWA - Central Coast Water Authority

CDF - California Department of Forestry

CDFW - California Department of Fish & Wildlife (Formerly CA Department of Fish & Game)

CEQA - California Environmental Quality Act

CIP - Capital Improvement Program

CMMS - Computerized Maintenance Management System

COMB - Cachuma Operations and Maintenance Board

CPI - Consumer Price Index

CY - Calendar Year

DBP - Disinfection By-Products

DCS - Distributive Control System

DHCCP - Delta Habitat Conservation Conveyance Plan

DI - Deionized or deionization

DIST - Distribution

Central Coast Water Authority
Glossary of Acronyms
Fiscal Year 2020/21 Budget

DO - Dissolved oxygen

DOT - Department of Transportation

DPH - Department of Public Health

DWR - Department of Water Resources

EAP - Emergency Action Plan or Employee Assistance Program

EAAP - Employee Achievement Awards Program

EBP - Employee Benefits Program

EDV - Energy Dissipation Valve Vault

EPP - Extraordinary Project Program

EIR - Environmental Impact Report

ELAP - Environmental Laboratory Accreditation Program (ELAP)

E&O - Errors and Omissions

FOC - Fiber Optic Cable

FY - Fiscal Year

GAAP - Generally Accepted Accounting Principles

GASB - Governmental Accounting Standards Board

GFOA - Government Finance Officers Association

GIS - Geographic Information System

GPS - Global Positioning System

HCF - Hundred Cubic Feet

HDPE - High-density Polyethylene

HVAC - Heating, Ventilation, and Air Conditioning

IC&R - Instrumentation Calibration & Repair

IRC - Internal Revenue Code

Central Coast Water Authority
Glossary of Acronyms
Fiscal Year 2020/21 Budget

IRWD - Irvine Ranch Water District

ISO - International Standards Organization

ISP - Internet Service Provider

JPA - Joint Powers Authority

JPIA - Joint Powers Insurance Agency

LAFCO - (Santa Barbara) Local Agency Formation Commission

LAIF - Local Agency Investment Fund (California State Treasurer's Office)

LIMS - Laboratory Information Management System

LT2 - Long Term 2 Enhanced Surface Water Treatment Rule

MIB - 2-Methyl Isoborneol

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

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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

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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

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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.

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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.

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).

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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.

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.

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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 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.

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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.

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

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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.

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Right of Way (ROW) - A legal right of passage over another person's ground.

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.

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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.

W

Warren Act Charges - Wheeling charges required under a July 25, 1995 contract between the United States and the Central Coast Water Authority. The \$15/AF charge is payable to the Bureau of Reclamation (and recovered into the Reclamation Fund) for State water wheeled through Cachuma Project facilities.

Water Supply Agreement - An agreement between the Authority and each project participant to, among other things, sell State water entitlement allotment and provide for financing of the Authority facilities.

Water System Revenue Bond Surcharge - The surcharge is the difference between the total project charges collected at the project interest rate for a project and the annual financing costs of the water system revenue bonds issued for that project. Project interest rate is the melded financing costs for projects not financed with water system revenue bonds.

THE STATE WATER PROJECT IN SANTA BARBARA COUNTY

Introduction

The water treatment and conveyance facilities built between 1993 and 1997 to bring State water to Santa Barbara and San Luis Obispo Counties comprise the most ambitious and complex public works project ever constructed on California's Central Coast. The project consists of (1) water conveyance facilities built by the California Department of Water Resources (State) and (2) regional distribution and treatment facilities constructed by a cooperative group of local water agencies and cities operating as the Central Coast Water Authority (CCWA).

This significant water project was conceived and constructed amidst intense political controversy. It faced and overcame daunting engineering and environmental challenges. It was completed because a remarkable and steadfast collection of water leaders made sure that it was going to be completed, despite the obstacles. By employing an intensive management approach, the project was completed very close to the original schedule and delivers water at the price (as adjusted for inflation) projected in the planning documents.

This paper is a summary of the essential facts concerning the State Water Project in Santa Barbara County, and was prepared as information for the public. The information presented was derived from CCWA official records, which are available for public review.

History of the State Water Project

It is common knowledge that California's fundamental water supply challenge is that the major sources of water are found in northern California while the major urban and agricultural demands are located in central and southern California. To address this challenge, the voters and the Legislature authorized construction of extensive water conservation and delivery systems known as the Central Valley Project in 1930 and the State Water Project (SWP) in 1960.

Since 1963 the State has constructed most of the SWP elements: Oroville Dam, facilities to convey the water from Lake Oroville to the Sacramento Delta, an elaborate system of pumps and other facilities to move water out of the Delta, including 660 miles of canals and pipelines, and a complex of regulating reservoirs (see Figure 1). The State has designed, engineered and constructed all of these facilities, and operates and maintains them, with funds received from its 29 contractors (see Figure 2).

Construction of the SWP was financed in large part by \$1.75 billion of general obligation bonds issued pursuant to the Burns-Porter Act and approved by California voters in 1960. The Act directs the State to enter into water contracts for the sale, delivery or use of SWP water, and 29 such contracts now exist. Prior to the 1960 election, the State published Contracting Principles containing rules for implementing the water contracts required under the Act. The Contracting Principles provide that contract rates should be set so as to return to the State “. . . all costs of project operation, maintenance and replacement, all principal and interest on (1) bonds, (2) expenditures from the California Water Fund and (3) other monies used in the construction of the project works.”

Thus, from the very inception of the SWP, it was the intent of the Legislature that 100% of the costs associated with the purchase of SWP water, including construction costs, be passed through to purchasers of water. The State finances, designs, constructs and owns this extensive system; the water contractors purchase water from the State under "take or pay" contracts under which the State recovers all of its costs.

The State Water Project in Santa Barbara County

The Early Years

In 1963, anticipating a future need for supplemental water supplies, the Santa Barbara County Flood Control and Water Conservation District (Santa Barbara County) entered into a Water Supply Contract (State Contract) with the State. Under the State Contract, water would be delivered to Santa Barbara County through the "Coastal Branch" of the SWP. Phase I of the Coastal Branch, a 15-mile aqueduct branching off the California Aqueduct in northwestern Kern County, was completed in 1968. Construction of the remainder of the Coastal Branch (designated "Phase II") was postponed from 1975 to 1991. This postponement in construction was permitted pursuant to Paragraph 45(e) of the State Contract, which allowed Santa Barbara and San Luis Obispo Counties to delay construction indefinitely.

In March 1979 Santa Barbara County presented its voters with a ballot measure authorizing the issuance of revenue bonds in an amount not to exceed \$102 million to construct local facilities "to import and distribute" SWP water. Rainfall was heavy for several years preceding the vote and, as a result, Lake Cachuma was at or near capacity. For this and other reasons, Santa Barbara County voters defeated that ballot measure.

The 1980's and 1990's

Even though construction of the Coastal Branch Phase II project was delayed under Article 45(e) of the State Contract, during the delay period Santa Barbara County was still obligated to make certain payments to the State related to facilities (such as the Oroville Dam and the California Aqueduct) which had already been built and which would be part of the delivery system that eventually would convey SWP water to the Central Coast. Before and after the 1979 election, many in Santa Barbara County questioned whether Santa Barbara County should continue to make payments under the State Contract. A number of water purveyors concluded it would be prudent for the County to continue to retain its entitlement and make payments to the State. The County was willing to retain the entitlement, but only if the associated costs were shifted from the countywide tax base to the ratepayers in those jurisdictions which wanted to keep the option to join the SWP. Beginning in 1982, Santa Barbara County entered into a series of Water Supply Retention Agreements (WSRAs) with various water purveyors for the purpose of shifting responsibility for such State payments from the County taxpayers to individual purveyors and their ratepayers. The WSRAs included a provision stating that no revenue bond financing for project facilities could be issued unless authorized by a vote of the people within the jurisdiction of each participating purveyor.

In 1983, Santa Barbara County, San Luis Obispo County Flood Control and Water Conservation District (SLO County) and the State commenced joint studies which found that additional water was needed for the two counties. The studies concluded that water use in 1980 exceeded dependable water supply by about 65,000 acre-feet per year in Santa Barbara County and by about 70,000 acre-feet per year in San Luis Obispo County. This shortage was being met by long-term overdraft of local groundwater basins.

The chronic overdraft of the local groundwater basins presented a serious environmental threat. Since many of these groundwater basins are adjacent to the ocean, the risk of saltwater intrusion and permanent damage to groundwater basins weighed on the minds of local water officials. In addition, reports from other areas in California (including some from San Luis Obispo County) indicated that groundwater overdrafting was causing surface soil subsidence. Local water agencies understood the significant environmental benefits that could be derived by reducing groundwater "mining" by diversifying water supplies to include imported water.

In 1985 the State, in conjunction with Santa Barbara County, completed a major "Alternatives Study" regarding the feasibility and costs of various supplemental sources of water supply for Santa Barbara County. This study determined that supplemental water from an enlarged Lake Cachuma was the preferred alternative for the Santa Ynez Valley and the South Coast, while SWP water was preferred for the cities of Lompoc, Santa Maria and other north County entities.

In 1986 the City of Santa Maria requested Santa Barbara County to ask the State to begin the planning and environmental studies, including preparation of an environmental impact report, needed to build the Coastal Branch Phase II project. In the same year, Santa Ynez River Water Conservation District, Improvement District No. 1 and the South Coast water purveyors asked the State and the United States Bureau of Reclamation to begin a study for enlarging Lake Cachuma. This alternative involved several environmental concerns that raised doubts about its ultimate feasibility.

In June 1990 DWR prepared and circulated a draft environmental impact report (DEIR) on the Coastal Branch Phase II project, pursuant to the California Environmental Quality Act, Public Resources Code Section 21091 (CEQA). Under CEQA, one purpose of a DEIR is to publicly disclose the impact, both environmental and financial, of a proposed project. The Coastal Branch DEIR was the subject of numerous public meetings in Santa Barbara County.

In May 1991 DWR issued the final environmental impact report (FEIR) for the Coastal Branch Phase II project and the Mission Hills Extension. The FEIR was sent to all of the potential participating water purveyors.

On June 4, 1991, during the 1987-1992 drought, the elections required by the WSRAs were held in 14 Santa Barbara County cities, communities and water districts on a State water ballot measure. The measure asked whether voters in each city or district would approve issuance of revenue bonds to finance local facilities needed to treat and distribute SWP water once the State completed construction of the Coastal Branch Phase II project. Voters in eleven cities and districts approved the bond measures.

The Central Coast Water Authority

Early Activities

In September 1991, following the voter authorization to finance revenue bonds, CCWA was formed to construct, manage and operate Santa Barbara County's "local facilities" for distribution and treatment of State water. Upon its formation, CCWA immediately accepted assignment of the WSRA obligations by executing Water Supply Agreements (WSA) with the contractors. As a result, CCWA became obligated to pay all State costs charged to Santa Barbara County under the State Contract. This obligation was clarified in a single document (instead of eleven) when CCWA and Santa Barbara County entered into a Transfer of Financial Responsibility Agreement on November 12, 1991.

During the early months of its existence, CCWA successfully resolved a number of issues of regional significance. For example, the CCWA members agreed on a cost allocation mechanism to equitably apportion the capital and operating costs of the Polonio Pass Water Treatment Plant among those contractors which would take direct deliveries of treated water (such as Santa Maria) and those which would not (such as Santa Barbara, which receives SWP water through Lake Cachuma). They also agreed to save capital costs by acquiring from one of its members an existing water pipeline which had been built in the 1960's to deliver Lake Cachuma water to the Santa Ynez Valley; that acquisition required an exchange of SWP water for Cachuma water to be equitable to all parties. Finally, they agreed on a mechanism to reapportion the costs incurred between 1985 and 1991 by the parties who had paid for environmental and feasibility studies of the Coastal Branch so that they would be equitably shared by all project participants.

At its formation, CCWA was composed of nine member water purveyors. It has identical WSAs with its members and additional WSAs to deliver water to certain other contractors (i.e., Vandenberg Air Force Base, Southern California Water Company, La Cumbre Mutual Water Company and two other private entities). It was originally responsible for construction and operation of the 42 mile buried pipeline from Vandenberg Air Force Base to Lake Cachuma (i.e., the Mission Hills and Santa Ynez Extensions) and the 43 million gallon per day Polonio Pass Water Treatment Plant. The State was originally responsible for construction, management and operation of the 101-mile Coastal Branch

Phase II project, which extends from northwest Kern County to Vandenberg Air Force Base, and for delivering SWP water to the local facilities.

Since SWP water is delivered from sources hundreds of miles away, the largest part of the delivery costs are “fixed” in the form of costs to finance, build and operate the dams, reservoirs, aqueducts and pipelines to conserve and transport the water. As previously noted, the State recoups these costs, whether or not water is actually delivered. Thus, a water purveyor signing up for SWP water must agree to a “take or pay” contract under which certain (i.e., fixed) costs must be paid each year, irrespective of how much water the State can deliver, and how much water the purveyor actually needs in a given year.

Project Financing, Development and Implementation

In May 1992 CCWA issued “Development Notes” in the principal amount of \$23,760,000 for the purpose of securing funds to initiate design, engineering, planning, and related activities. In connection with the note issue, CCWA published an Official Statement containing information about each of the Santa Barbara County public agencies that would be receiving water through the CCWA constructed facilities.

During 1992, CCWA worked closely with the State on the design and engineering of the Coastal Branch Phase II project. This coordination included intensive discussions concerning the location of the Coastal Branch terminus. The 1963 State Contract showed the Coastal Branch terminating at the Santa Maria River, which is the boundary line between Santa Barbara and San Luis Obispo Counties. This terminus location, while geographically logical, turned out to pose problems from an engineering perspective. In light of these practical problems, CCWA and the State agreed that the terminus should be shifted 15 miles south to a location on Vandenberg Air Force Base, approximately 3 miles from the town of Casmalia.

This decision to move the Coastal Branch Phase II terminus was incorporated into a September 21, 1992 amendment to the State Contract, which was approved at public meetings by the CCWA Board of Directors and Santa Barbara County Board of Supervisors. The effect of this change was to shift from CCWA to the State the obligation to build this 15-mile pipeline reach. CCWA believed this decision was financially advantageous to CCWA project participants, since the State would be able to build this

section with State revenue bond funds borrowed at interest rates lower than those available to CCWA and would provide SWP power for a proposed pumping plant in that reach.

In October 1992, CCWA issued \$177,120,000 in revenue bonds for the purpose of securing funds to design and construct the local facilities. In connection with the bond issue, CCWA published an Official Statement containing information about each of the Santa Barbara and San Luis Obispo County public agencies which would be receiving water through those facilities. (In November 1996, CCWA refinanced the 1992 water revenue bond issue resulting in debt service savings of almost \$400,000 per year. The principal amount of the refunding bonds was \$198,015,000.)

On May 27, 1993 CCWA made the necessary determinations and findings to permit final sizing of the facilities. It amended those findings and determinations in 1994, so that the final sizing was based on 42,986 acre-feet of water per year, which consists of 39,078 acre-feet per year of contract allocations and 3,908 acre-feet per year of "drought buffer" (the purpose of drought buffer entitlement is to firm up the reliability of the contract allocations in those years when full SWP deliveries are not available). On March 16, 1993 SLO County made the requisite determinations and findings regarding its participation, and decided to take 4,830 acre-feet of water per year.

In March 1994, the State commenced construction of the Coastal Branch Phase II facilities. CCWA started construction of its facilities a few months later in July 1994. Table 1 contains technical and other data regarding project facilities.

The Coastal Branch Phase II pipeline is a 101-mile long buried pipeline extending from Devils Den to Tank 5 on Vandenberg Air Force Base in Santa Barbara County. The State pipeline consists of 57-inch diameter pipe at Devils Den, reducing to a 42-inch diameter south of the City of Arroyo Grande. There are three 10,500 horsepower pumping plants – the Devils Den, Bluestone and Polonio Pass Pumping Plants – to lift water 1,500 feet in elevation from Devils Den to Tank 1. The project also includes three water tank sites. There were approximately 30 contracts for procurement of materials and construction of the State's portion of the project.

In order to bring water to the residents of the South Coast of Santa Barbara County (including the communities of Carpinteria, Goleta, Montecito and Santa Barbara), it was necessary for CCWA to design and build a 42-mile extension of the Coastal Branch. The 30-39 inch diameter CCWA pipeline starts at Vandenberg Air Force Base, travels past Vandenberg Village and the City of Lompoc, through the cities of Buellton and Solvang and terminates at Lake Cachuma, a reservoir on the Santa Ynez River built in the 1950's by the

federal government to provide drinking water to South Coast and Santa Ynez Valley residents.

CCWA also constructed a 43 million gallon per day water treatment plant at Polonio Pass. The site was chosen because the project planners determined a single water treatment plant near the upstream end of the Coastal Branch would offer economies of scale to the 24 project participants, as compared to building a series of smaller plants serving individual participants.

Avoiding delay was a key goal which CCWA pursued throughout the planning and construction of the project, because CCWA estimated that delay would cost \$60,000 to \$100,000 per day. CCWA avoided delays by maintaining cooperation among construction crews, environmental monitors, construction supervisors and regulatory agencies.

In late 1994, the State determined that a proposed power plant in the vicinity of the city of San Luis Obispo was uneconomical in light of an updated construction cost estimate. This finding led to a cooperative effort between the State and CCWA to redesign a portion of the Coastal Branch Phase II pipeline, which resulted in eliminating the San Luis Obispo Power Plant, Tank 4 and the Casmalia Pumping Plant. (Tank 3 was also eliminated when the State decided to tunnel through a mountain rather than trenching and laying pipe over it.)

In early 1995, the State delegated design and construction of a 28-mile stretch of the Coastal Branch Phase II pipeline and Tank 5 to CCWA. Its decision was based on project schedule analyses that indicated the State was falling behind schedule to complete construction of its facilities, which threatened to delay the start of water deliveries.

Overall project construction was completed in the summer of 1997. Initial deliveries to turnouts along the pipeline commenced on August 11, 1997 and to Lake Cachuma on November 20, 1997. On June 25, 1998 the CCWA Board of Directors took formal action to declare the CCWA project complete. The estimated cost of the overall project is \$595 million, which is comprised of \$481 million for the Coastal Branch Phase II project and \$114 million for the CCWA facilities (\$43 million for the Polonio Pass Water Treatment Plant and \$71 million for the CCWA pipeline). In addition, CCWA provided \$27 million financing for project participants' turnouts and local projects and miscellaneous other project related costs.

By working cooperatively with the State and San Luis Obispo County, CCWA's efforts to implement a project that met three principal goals associated with quality, cost and schedule resulted in a number of unique and unprecedented accomplishments. The

change in the location of the Coastal Branch Phase II terminus was one such accomplishment. Others were:

- CCWA's Polonio Pass Water Treatment Plant was sited at the State's Tank 1 site, 90 miles from the downstream terminus of the SWP Coastal Branch. As previously mentioned, by siting the plant at this location, only one treatment plant is necessary to most cost effectively treat all the State water for two State water contractors (San Luis Obispo County and CCWA).
- As previously mentioned CCWA recommended and the State implemented major design changes which eliminated a power plant, a tank site and a pumping plant from the Coastal Branch Phase II project. Simplifying the overall project design in this manner helped to preserve the project schedule and enhance operational flexibility. There were a number of other benefits as well. Both capital costs and operating and maintenance (O&M) costs were reduced. Environmental impacts associated with the surface features were eliminated. Property owner issues in San Luis Obispo County were simplified because acquiring fee title for the surface features was no longer necessary.
- In early 1995 CCWA determined that internal State staff resources were being stretched as a growing number of project components were moving from the permitting and design phases into the bid and construction phases. The State's Design and Construction Division was struggling to meet its deadlines and keep the project on schedule. As a result CCWA proposed to the State that it contract with CCWA to provide engineering services and to construct a 28-mile stretch of pipeline and Tank 5 on Vandenberg Air Force Base. The State agreed and entered into a joint powers agreement with CCWA to construct the facilities financed by the State. CCWA redesigned the facilities using industry standards, which resulted in capital cost savings. CCWA and the State successfully defended a lawsuit seeking to invalidate this agreement brought by a group of State engineers.

Under this agreement CCWA provided additional assistance to the State for (1) acquiring Coastal Branch Phase II right of way, (2) reconstructing an 800-foot portion of the partially constructed State pipeline which was damaged by a landslide resulting

from heavy rains, (3) constructing a 3,500 foot portion of the State pipeline near the city of San Luis Obispo, (4) constructing the Lopez and Chorro Valley turnouts in San Luis Obispo County and (5) resolving its outstanding construction contract claims.

- On October 1, 1996 the State entered into an agreement with CCWA to have CCWA operate and maintain all of the Coastal Branch facilities downstream of the Polonio Pass Water Treatment Plant. This action provides significant O&M cost savings to SLO County and CCWA and avoids State overhead costs. It also provides greater efficiency by having a single agency – CCWA – exercise responsibility for all Coastal Branch facilities involved in the conveyance and treatment of SWP water.
- In the early stages of project development, the State appointed a Coastal Branch Project Manager to oversee the various State departments working on the project. This action resulted in improved coordination and cooperation among the various State divisions and numerous individuals. It also greatly facilitated CCWA input on Coastal Branch Phase II project financing, planning, design, construction and O&M issues.
- As a result of experience gained on the Coastal Branch Phase II project and its dealings with CCWA, the State has made unprecedented changes in its staffing, organization and approach to implementing projects. The State's Division of Design and Construction was reorganized and staffing was significantly reduced. The State now seeks State water contractor input on design criteria and project designs. The State has recognized that its existence as a design, construction and O&M organization is dependent on how well it responds to and meets the needs of its customers, the State water contractors.

The reorganization of the State's Design and Construction Division (now known as the Engineering Division) was the result of a personnel consultant study authorized by State management, principally due to CCWA's experiences on the Coastal Branch Phase II project. Since then State management has conducted similar studies for its Planning and O&M Divisions.

A Commitment to Environmental Protection

Throughout the planning and construction of the project, CCWA worked very hard to build the project with a true commitment to environmental protection. CCWA formed a project team of CCWA staff, engineers, environmental consultants and attorneys charged with coordinating their respective skills and objectives to design and build a project that treated environmental protection with the same priority given technical and financial issues. Project plans incorporated environmental mitigation from inception. The project team conducted regular meetings to maintain clear lines of communication and reporting and to create peer pressure so that each team member took personal responsibility for completing tasks properly and timely, resolving little problems before they grew and staying ahead of issues to prevent problems from developing.

Before project planning began, the team met with every regulatory agency that might have had jurisdiction over the project to discuss potential resource issues that needed to be addressed and to establish a dialogue that encouraged the resource agencies to call if problems were identified as the project progressed.

CCWA and its project participants complied with both CEQA and the National Environmental Protection Act and prepared three EIRs with Supplemental EIRs, an Environmental Assessment and a number of Negative Declarations. CCWA and its consultants coordinated closely with the California Department of Fish & Game, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, U.S. Bureau of Reclamation and local Native American groups to formulate and implement a mitigation and monitoring program to (1) protect sensitive species and their habitats, (2) avoid impact to cultural resources, (3) restore disturbed areas to their prior condition to the extent feasible and (4) provide offsite mitigation for those areas that could not be restored, (e.g., large trees cannot be grown over the pipeline, and above ground valve vaults and similar facilities occupy surface areas which must remain clear in perpetuity).

CCWA's approach to the project provides an example of how to build a large project which crosses multiple riparian and other sensitive habitats that, without a sincere environmental commitment, could be adversely affected by construction activity. Project planning and construction included the following measures:

- The construction right of way and access roads were selected by CCWA staff, engineers, cultural experts and biologists to avoid sensitive resources wherever possible and, where avoidance was infeasible, to minimize environmental damage. Routes were field verified before construction to confirm they were the least environmentally impacting and most feasible routes. Access routes generally followed existing roads and the pipeline corridor to reduce new scarring.
- The right of way was narrowed where feasible to avoid environmental damage.
- The construction plans depicted sensitive areas to be avoided and mapped trees or habitat to be removed. Contractors received a pre-agreed bonus for saving vegetation marked for removal. It was a three-way "win-win" – contractors worked hard to earn the bonus; CCWA saved hefty revegetation costs; the natural environment was preserved and protected.
- The construction specifications required a "double lift" during pipeline trenching, whereby contractors would first remove topsoil, then remove subsoil and keep them separated during construction (topsoil with its valuable native seed bank was protected from wind and rain). The topsoil and subsoil were then restored in the proper order. This enhanced revegetation by using the natural seed bank and nutrients.
- Native seed and native plants grown from seed gathered from the local area were used for revegetation to preserve local genetic integrity and to avoid importing foreign stock that might carry pests and disease.
- CCWA required environmental training for all personnel entering the project site.
- Independent environmental monitors, with authority to halt construction to protect environmental resources, ensured that ground activities complied with the protective measures integrated into the plans and specifications. Monitors marked exclusion zones with bright tape to protect sensitive resources and scouted for previously unknown cultural sites, directing construction away from discovered sites so CCWA's cultural experts could study the sites, report them to the state and federal agencies and then mitigate.

- Biological surveys conducted shortly before construction located sensitive resources and identified the "before" condition of the habitat so post-construction restoration could be completed accurately, and the site restored to its pre-project condition.
- On-site pipe sections were "capped" at the ends to prevent wildlife from crawling inside. Monitors also checked the trench routinely to remove trapped animals.
- Upon completion of construction in each area, CCWA installed erosion controls such as water bars, straw bales and silt fencing to reduce erosion during the rainy season. Sites were monitored closely and erosion control devices repaired and replaced as needed. Revegetated areas are monitored regularly and monitoring will continue for five years.

CCWA's commitment to environmental protection resulted in a project which was virtually undetectable to the public just one year after completion because revegetation was so successful. In addition, CCWA's project management resulted in saving 323 oak trees (90% of those located in or near the pipeline right of way), rescuing 101 animals, preserving and curating 61 cultural artifacts and replanting from seed or seedling 450 oaks, 240 willows, and 60 acres of other native vegetation. Moreover, far fewer acres of sensitive habitat were impacted by the project, compared to the pre-construction impact estimates, thereby resulting in significantly lower mitigation efforts after completion. As a result, the costs of environmental mitigation were lower than expected, disruptive project delays were avoided and CCWA enjoys a good working relationship with the regulatory agencies.

Certain state-of-the-art engineering and construction techniques used on the project were necessary more for environmental than technical reasons. CCWA utilized microtunnel technology to cross under San Antonio Creek (Vandenberg Air Force Base) and the Santa Ynez River and the State utilized directional drilling technology to cross San Juan Creek in San Luis Obispo to avoid impacts to certain endangered species and sensitive habitat. In addition CCWA utilized "jack and bore" technology to install the pipeline under existing oak groves adjacent to Vandenberg Village (Santa Barbara County) and the City of San Luis Obispo, as well as for more traditional purposes such as railroad and freeway crossings.

When the CCWA Board of Directors approved construction of the 42-mile CCWA pipeline, it included a number of conditions. One condition was to require each of the CCWA project participants to commit that its SWP water entitlement will be used first to offset its proportionate share of groundwater overdraft and then to improve water quality for its consumers. (Any remaining water would be used for future growth consonant with community general plans.) Thus, SWP water is providing the "ultimate" environmental benefit by reducing groundwater overdraft in a number of areas throughout the county.

Water Supply Reliability

The availability of SWP water supplies varies with hydrologic cycles and overall SWP demand. During wet years the SWP is able to deliver sufficient water to meet most or all SWP delivery requests. During extended dry year conditions, the SWP can deliver only a portion of requested deliveries.

In June 1993 CCWA retained an additional 3,908 acre-foot "drought buffer" entitlement to partially firm up the reliability of the 39,078 acre-feet of SWP entitlement for which CCWA (Santa Barbara County) project participants contracted. During those years that availability of SWP water exceeds project participants' demand, project participants can store drought buffer water (and unused WSA entitlement allocations) either directly into a groundwater basin or on an in-lieu basis (i.e., by taking delivery of the drought buffer and reducing groundwater pumping by an equal amount). During dry years when availability of SWP water is less than CCWA project participants' demand, stored drought buffer water (and stored entitlement water) can be used to augment SWP deliveries. On a long-term average basis, this results in the equivalent of 80% delivery of full annual entitlement (i.e., the 39,078 acre feet) year in and year out. In the meantime, the reliability of requested deliveries by CCWA project participants is much higher – virtually 100% – because their current total demand is significantly less than 39,078 acre feet per year.

Other mechanisms that CCWA can use to fill project participant delivery requests during shortages in SWP supplies are:

- Acquiring water from the State "Turnback Pool," which is an internal SWP mechanism that pools unused SWP supplies early in the year for purchase by other SWP contractors at a set price. In addition, CCWA has established its own Turnback Pool Program whereby CCWA project participants can buy and sell excess entitlement

among themselves before submitting it for sale in the State turnback pool program. The turnback pool mechanism is only for one-year sales of water.

- Acquiring water from the State Water Bank during those years the bank is implemented by the State to market water that it purchases on the open market (i.e., non-SWP water). The bank was first implemented in 1991 as the State Drought Water Bank and has since been utilized during certain dry years when additional water is needed by SWP contractors. The water bank also is only for one-year sales of water.
- Term water purchases and sales of SWP entitlement by CCWA project participants in accordance with the CCWA Water Transfer Procedures adopted in March 1996. The procedures typically cover multi-year temporary and permanent sales of SWP entitlement.

Possible future actions that would further enhance SWP entitlement reliability include (1) the State building additional SWP facilities, (2) the State (and federal government) implementing water supply and reliability enhancements resulting from the CALFED process and (3) CCWA instituting a new or participating in an existing groundwater banking program on behalf of its project participants.

The Future

The most significant current challenge to CCWA project participants is financial. Consequently, CCWA continues to strive to ensure the cost effectiveness of both its and the State's operations. With time, the affordability of State water will improve due to the fixed nature of the majority of SWP costs.

As each project participant's demand for State water approaches its entitlement allocation, supply reliability will become CCWA's most significant challenge. The magnitude of this challenge is increased by the fact that demand by other urban State water contractors is also increasing with time. Methods of enhancing the reliability of CCWA's SWP entitlement were previously discussed in the section entitled "Water Supply Reliability."

CCWA staff currently monitor water quality parameters at the Polonio Pass Water Treatment Plant and at each turnout and tank site along the pipeline. As a wholesaler and

service provider, CCWA monitors all parameters requested by its project participants, as well as those mandated by state and federal regulators. New water quality analyses currently being conducted by CCWA but not yet regulated include Giardia, Cryptosporidium, total organic carbon (along with its uv-254 surrogate) and haloacetic acids.

CCWA will continually strive to secure maximum performance from the Polonio Pass Water Treatment Plant as state and federal regulations are added and permissible contaminant levels change. The plant's ability to utilize enhanced coagulation, the granular activated carbon filter beds and the post-filtration chlorine contactor will play an important role in meeting the next generation of regulations. The treatment plant can also accommodate the addition of a settled water ozone contactor or other new treatment processes should they ever become necessary.

Environmental protection has been built into every level of CCWA operations. The CCWA O&M manual requires using special balloon-tired vehicles in sensitive areas, utilizing portable dechloramination units whenever potable water is released from the pipeline, having environmental specialists review any earth disturbing activities, restoring and revegetating all disturbed sites, maintaining erosion control along the right of way and conducting aerial surveys when land-based vehicles are inappropriate for use.

The future issues noted above illustrate the continued viability of the vision first expressed in 1993 when the CCWA Board of Directors adopted its Mission Statement and Objectives. CCWA has built both the organization and infrastructure that will support this vision well into the future.

July 1998

Figure 1 – State Water Project Facilities



**Figure 2 – State Water Project Contracting Agencies
(and year of initial water delivery)**

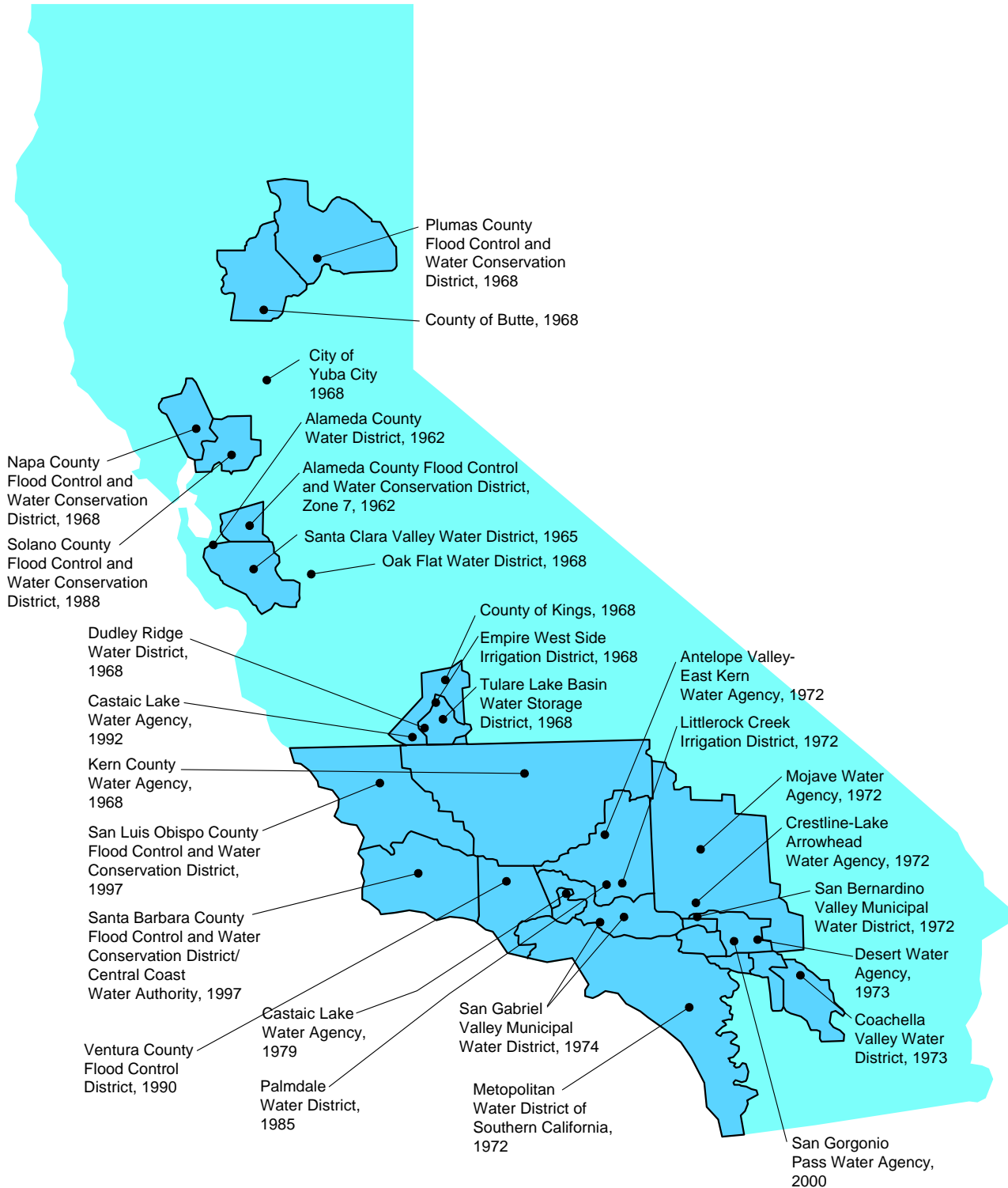


Table 1

COASTAL BRANCH PHASE II PROJECT DATA *

Tank Sites*	1	1	2	5	7
	raw water	treated water	treated water	treated water	treated water
# of tanks	3	2	2	2	1
total capacity (million gallons)	24.2	9.8	6.4	5	2.5

* Tank sites 3, 4 and 6 were eliminated during design of the facilities.

Polonio Pass Water Treatment Plant	43 million gallon per day capacity (disinfection process uses combination of chlorine and ammonia - chloramination)
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Pipeline		
<u>Location (from/to)</u>	<u>Pipeline Diameter (inches)</u>	<u>Distance (miles)</u>
Devils Den Pumping Plant/Tank1	57	13.0
Tank1/Salinas River	48	33.0
Salinas River/Cuesta Tunnel	51	7.1
Cuesta Tunnel/Tank 5	42	47.5
Tank 5/Purisima Road	39	13.3
Purisima Road/Santa Ynez Pumping Facility	36	21.2
Santa Ynez P.F./Lake Cachuma	30	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.