



**CENTRAL COAST WATER AUTHORITY
BOARD OF DIRECTORS' MEETING**

AGENDA

**Chairman – Eric Friedman
Vice Chairman – Jeff Clay**

Thursday, October 22, 2026
9:00 AM
at 255 Industrial Way, Buellton, California 93427

Members of the public may participate by video call or telephone via
[Microsoft Teams](#) Meeting ID: 284 583 838 661 716 Passcode: mf7WS7zW
or by dialing [+1 323-484-5095](#), and entering access Code/Meeting ID: 332 367 850#

Please note: public participation by video call or telephone is for convenience only and is not required by law. If technical interruptions to the video call/telephone occur, the chair has the discretion to continue the meeting and participants are invited to take advantage of the other participation options above.

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

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

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

★ indicates written report

I. Call to Order and Roll Call

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

III. Consent Calendar

- A. Minutes of the August 27, 2026 Regular Meeting ★
- B. Bills for Ratification ★
- C. Status Report on Fiscal Year 2026-27 Procurements ★
- D. Controller's Report ★
- E. Operations Report ★
- F. California Environmental Quality Act Findings on the Riser Replacement Project – Phase 2 and Electrical Vehicle Charging Station Installation Project ★
Staff Recommendation: Approve the Consent Calendar

IV. Executive Directors Report

- A. Water Supply Situation Report
Staff Recommendation: Informational item only.
- B. Water Transfers Update
Staff Recommendation: Informational item only.

- C. Presentation from Montecito Water District Regarding Potential Permanent Sale of a Portion of the District's State Water Project Allocation
Staff Recommendation: Informational item only.
- D. Approving a Reimbursement Agreement for the Chorro Valley Access Road Repair Project ★
Staff Recommendation: Approve and adopt Resolution No. 26-13 entitled "Approving a Reimbursement Agreement for the Chorro Valley Access Road Repair Project"
- E. Clerical Changes to CCWA Personnel Policy Manual ★
Staff Recommendation: Approve proposed clerical changes to CCWA Personnel Policy Manual.
- F. **FY 2026/27 First Quarter Investment Report ★**
Staff Recommendation: Accept Report
- G. Ernst and Young Audit Report on the 2026 DWR Statement of Charges ★
Staff Recommendation: Accept Report
- H. State Water Contractors Report
Staff Recommendation: Informational item only.
- I. Legislative Report ★
Staff Recommendation: Informational item only.
- J. Executive Director's General Update
Staff Recommendation: Informational item only.

V. Reports from Board Members for Information Only

VI. Items for Next Regular Meeting Agenda

VII. Date of Next Meeting: Special Board of Directors November 9, 2026

VIII. Closed Session

- A. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code section 54956.9(d)(4)
Initiation of litigation: 1 case
- B. CLOSED SESSION: PUBLIC EMPLOYMENT
Government Code section 54957
Title: Safety Officer
- C. CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Government Code section 54956.8
Property: CCWA Project Allocation

IX. Return to Open Session

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

X. Adjournment

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

August 27, 2026

I. Call to Order and Roll Call

Chair Friedman called the August 27, 2026 Central Coast Water Authority (CCWA) Board of Directors meeting to order at 9:00 AM.

CCWA member agencies with voting privileges were represented by:

Representative	Agency/City	Voting %
Casey Balch	Carpinteria Valley Water District	7.64%
Jeff Clay	Santa Ynez River Water Conservation District, ID#1	7.64%
Ken Coates	Montecito Water District	9.50%
Eric Friedman	City of Santa Barbara	11.47%
Shad Springer	City of Santa Maria	43.19%
Kathleen Werner	Goleta Water District	17.20%

II. Public Comment

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

The Board went to closed session at 9:01 AM.

III. VII. Closed Session

- A. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code section 54956.9(d)(4)
Initiation of litigation: 1 case

IV. Return to Open Session

The Board returned to open session at 9:42 AM.

- A. Report on Closed Session Actions

Ms. Hastings stated there were no reportable actions as a result of closed session.

V. Consent Calendar

- A. Minutes of the July 23, 2026 Regular Meeting
B. Bills
C. Controller's Report
D. Operations Report
E. Report on Budget Transfer for Fiscal Year 2025/26 Projects

Upon a motion by Director Springer, seconded by Director Balch and carried with Directors Balch, Clay, Coates, Friedman, Springer and Werner in favor and none

opposed the Board approved the Consent Calendar, noting a change to the Minutes to include Director Springer in the list of attendees.

VI. Executive Directors Report

A. Water Supply Situation Report

Mr. David Beard, CCWA Deputy Director, provided an update on the current hydrology and water storage within the state and reviewed the status of year-to-date delivery to CCWA project participants. Discussion took place regarding the potential impact of the ongoing Colorado River issues to SWP Participants.

B. Water Transfers Update

As an update to the staff report included in the meeting materials, Mr. Beard reported the transfer agreement with Westside Districts was submitted to DWR on August 26, 2026 for approval.

C. Amendment to the Joint Exercise of Powers Agreement with the Department of Water Resources, State of California

Mr. Beard reported that Resolution No. 26-10 provides for Central Coast Water Authority's (CCWA) operation and maintenance of Coastal Branch facilities on behalf of the Department of Water Resources (DWR). CCWA and DWR have developed a third JPA amendment to extend CCWA's operation and maintenance activities to December 31, 2036. The third JPA amendment also includes some changes compared to the previous amendment which include:

- Recognition of CCWA as the State Water Project Contractor;
- Clarifying recordkeeping and reporting requirements;
- Increasing the required liability insurance policy coverage limit from \$2,000,000 to \$25,000,000;
- Delineating areas of responsibility for responding to Underground Service Alert tickets; and
- Identifying the location where operation and maintenance responsibility shifts from DWR to CCWA.

Upon a motion by Director Coates, seconded by Director Springer and carried with Directors Balch, Clay, Coates, Friedman, Springer and Werner in favor and none opposed the Board adopted Resolution No. 26-10 approving an Amendment to the Joint Exercise of Powers Agreement with the Department of Water Resources, State of California and Authorizing the Executive Director to Execute the Amendment and found that the Board of Directors' approval of Resolution No. 26-10 is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section CEQA Guidelines Sections 15061(b)(3) and 15301.

D. Carryover of Project Funds from Fiscal Year 25/26 to Fiscal Year 26/27 - \$3,351,943.04

CCWA staff requested authorization from the CCWA Board to carryover project funds from the prior fiscal year to the current fiscal year. Mr. Beard reviewed

capital improvement and non-capital projects that were being requested for carryover in the amount of \$3,351,943.04.

Upon a motion by Director Balch, seconded by Director Coates and carried with Directors Balch, Clay, Coates, Friedman, Springer and Werner in favor and none opposed the Board approved Carryover of Project Funds from Fiscal Year 25/26 to Fiscal Year 26/27 in the amount of \$3,351,943.04 as detailed in the staff report, and also found that pursuant to CEQA Guidelines Section 15061(b)(3) (the “common sense” exemption), the authorization to carryover funds described in this Report does not have a potential for causing a significant effect on the environment.

E. Replacement of Energy Dissipating Valve Hydraulic Piping Project

The function and purpose of the Energy Dissipating Vault was reviewed, and Mr. Beard noted the existing carbon steel piping is corroding and needs to be replaced. A request for bids for the project was issued on May 29, 2026 and competitive bids were received and publicly opened on July 1, 2026. CCWA staff reviewed the bids and found Newton Construction & Management, Inc. (Newton) to be the lowest responsive and responsible bidder at a total cost of \$394,700.

Upon a motion by Director Coates, seconded by Director Werner and carried with Directors Balch, Clay, Coates, Friedman, Springer and Werner in favor and none opposed the Board adopted Resolution No. 26-11 approving the Replacement of Energy Dissipating Valve Hydraulic Piping Project and Authorizing the Executive Director to Issue the Notice of Award to Newton Construction and Management, Inc. in the Amount of \$394,700 to Construct the Same and found that the Board of Directors’ approval of Resolution No. 26-11 is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section CEQA Guidelines Sections 15061(b)(3), 15301, 15302, 15304, and 15311.

F. Report on Polonio Pass Water Treatment Plan Filter Media and Underdrain Nozzle Replacement Project

In January 2026, the Board approved the Professional Consulting Services Master Agreement and Task Order No. 1 with Carollo Engineers (Carollo) for design of the Filter Media and Underdrain Nozzle Replacement Project. A presentation providing detail on the status of the project was provided, and Mr. Beard reviewed the project specifics, as well as the budget status and the next steps in the process.

G. Task Order No. 2 to the Professional Consulting Services Master Agreement with Carollo Engineers for the Filter Media and Underdrain Nozzle Replacement Project

CCWA requires additional engineering consulting services for the bidding and construction phases of the Project not covered by Task No. 1. Mr. Beard reviewed the deliverables for Task Order 1 and the additional services which are included within Task Order No. 2, including: Project Management Services, Bid Period Services, Construction Engineering Services, Field Services and Progress Meetings, and Documentation and Project Closeout. Task Order No. 2 is for a not-to-exceed amount of \$351,000.

Upon a motion by Director Balch, seconded by Director Coates and carried with Directors Balch, Clay, Coates, Friedman, Springer, and Werner in favor and none opposed the Board adopted Resolution No. 26-12 Approving Task Order No. 2 To The Professional Consulting Services Master Agreement With Carollo Engineers For The Filter Media And Underdrain Nozzle Replacement Project

H. Personnel Committee Report

1. 2027 Compensation and Benefit Survey Comparator Agencies

In April 2026 CCWA retained the firm of Gallagher Benefit Services (Gallagher), who had prepared the compensation and benefits analysis in 2016 and 2022, to prepare the 2027 Compensation and Benefit Study (Study). The first task of the study was to review water agencies and municipal water providers within California and provide a list of comparators.

Renate Tiner from Gallagher explained the criteria and comparison methodology and recommended a list of 12 agencies to use in the study, which had been reviewed and approved by the Personnel Committee at their meeting August 27, 2026.

Upon a motion by Director Clay, seconded by Director Coates and carried with Directors Balch, Clay, Coates, Friedman, Springer and Werner in favor and none opposed the Board approved the recommended list of comparative agencies to be used in the 2027 compensation and benefit survey.

2. Managing Engineer Position

Staff recommended updating the CCWA organizational structure by eliminating the Operations Manager position and adding an Engineering Manager position. The change will facilitate management of capital improvement projects and provide an internal resource for engineering and technical support. The Engineering Manager will report to the Deputy Director. Staff recommend this position be placed in salary range of 43 on CCWA Salary Range Classification schedule and be exempt from the Fair Labor Standards Act overtime pay requirement

Upon a motion by Director Coates, seconded by Director Balch and carried with Directors Balch, Clay, Coates, Friedman, Springer and Werner in favor and none opposed the Board approved updating the CCWA organizational structure by eliminating the Operations Manager position and adding the Engineering Manager position.

I. State Water Contractors Report

Mr. Thompson noted the State Water Contractors have been focused on subsidence issues and noted that focus will be on the pool where the Coastal Branch connects. Cost sharing methodology for solutions which benefit the whole system are being considered so that Coastal Branch contractors do not bear an

undue proportion of costs. CCWA will also be involved in a pilot program with DWR for Golden Mussel mitigation.

VII. Reports from Board Members for Information Only

There were no reports from Board members.

VIII. Items for Next Regular Meeting Agenda

There were no additions requested to the next meeting agenda.

IX. Date of Next Regular Meeting

Following discussion, the Board noted there were multiple members unavailable for the September 24, 2026 meeting, so the September 24 meeting is canceled. The Board discussed scheduling meetings in November and December.

The date of the next regular meeting will be October 22, 2026.

X. Adjournment

The meeting was adjourned at 11:18 AM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board



Bills for Ratification- August and September 2026 By Fund

Central Coast Water Authority, CA

Post Dates 8/1/2026 - 9/30/2026

Vendor Name	Account Name	Description (Item)	Amount
Fund: 1 - CCWA			
Account: 130065 - CIP - Materials			
ICONIX WATERWORKS (US) INC	CIP - Materials	LOPEZ TURNOUT PRESSURE RELIEF VALVE REPLACEMENT	96.98
ICONIX WATERWORKS (US) INC	CIP - Materials	LOPEZ TURNOUT PRESSURE RELIEF VALVE REPLACEMENT	160.44
ICONIX WATERWORKS (US) INC	CIP - Materials	LOPEZ TURNOUT PRESSURE RELIEF VALVE REPLACEMENT	258.60
ICONIX WATERWORKS (US) INC	CIP - Materials	LOPEZ TURNOUT PRESSURE RELIEF VALVE REPLACEMENT	16,932.05
Account 130065 - CIP - Materials Total:			17,448.07
Account: 130070 - CIP - Overhead			
HDR ENGINEERING, INC.	CIP - Overhead	EDV ENGINEERING SERVICES	1,507.50
BROWNSTEIN HYATT FARBER	CIP - Overhead	LEGAL CONST C-25HYDPCCK	1,047.00
HARRINGTON INDUSTRIAL PLASTICS	CIP - Overhead	GASKETS FOR AMMONIA TANK LINING PROJ.	1,134.87
HARRINGTON INDUSTRIAL PLASTICS	CIP - Overhead	AMMONIA STORAGE TANK LINING REPLACEMENT	98.12
PROVOST & PRITCHARD ENGRG GROUP INC	CIP - Overhead	ENGINEERING C-26LINING	4,688.60
BROWNSTEIN HYATT FARBER	CIP - Overhead	LEGAL CONST - C-26NOZZLE	3,283.00
BROWNSTEIN HYATT FARBER	CIP - Overhead	LEGAL BID REQ/CONST. C-26LINING	2,024.00
CAROLLO ENGINEERS, INC.	CIP - Overhead	UNDERDRAIN NOZZLE REPLACEMENT	5,866.53
CAROLLO ENGINEERS, INC.	CIP - Overhead	UNDERDRAIN NOZZLE REPLACEMENT	19,047.97
BROWNSTEIN HYATT FARBER	CIP - Overhead	LEGAL CONST C-25NOZZLE	191.00
Bank of America	CIP - Overhead	PUBLICATION AMMONIA TANK LINING PROJECT	431.36
Bank of America	CIP - Overhead	PUBLICATION AMMONIA TANK LINING PROJECT	514.23
Account 130070 - CIP - Overhead Total:			39,834.18
Account: 140010 - Prepaid Insurance			
STANDARD INSURANCE COMPANY	Prepaid Insurance	LTD/STD INS AUG'26	1,556.84
STANDARD INSURANCE COMPANY	Prepaid Insurance	LTD/STD INS OCT'26	1,556.84
STANDARD INSURANCE COMPANY	Prepaid Insurance	LTD/STD INS SEPT'26	1,556.84
METLIFE SMALL BUSINESS CENTER	Prepaid Insurance	LIFE INS OCT'26	2,148.31
METLIFE SMALL BUSINESS CENTER	Prepaid Insurance	LIFE INS SEPT'26	2,148.31
PERS HEALTH	Prepaid Insurance	PERS Health OCT'26	61,275.55
PERS HEALTH	Prepaid Insurance	PERS Health SEPT'26	60,949.27
Account 140010 - Prepaid Insurance Total:			131,191.96
Account: 140030 - Prepaid Expenses			
RINGCENTRAL INC.	Prepaid Expenses	RING CENTRAL 8/5/26-8/4/27	32.74
RINGCENTRAL INC.	Prepaid Expenses	RING CENTRAL 8/5/26-8/4/27	20,515.71
VECTOR SOLUTIONS	Prepaid Expenses	ONLINE CLASSES RENEWAL	7,166.38
Account 140030 - Prepaid Expenses Total:			27,714.83
Account: 220015 - PERS Payable			
PERS RETIREMENT	PERS Payable	PERS PEPRA EMPLOYER	(352.90)
PERS RETIREMENT	PERS Payable	PERS PEPRA	(353.31)
PERS RETIREMENT	PERS Payable	PERS SURVIVOR EMPLOYER	28.83
PERS RETIREMENT	PERS Payable	PERS CLASSIC EPMC	2,843.72
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYER	10,531.22
PERS RETIREMENT	PERS Payable	PERS CLASSIC TIER 1	1,549.36
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYEE	1,124.78
PERS RETIREMENT	PERS Payable	PERS PEPRA EMPLOYER	6,456.12
PERS RETIREMENT	PERS Payable	PERS PEPRA	6,463.99
PERS RETIREMENT	PERS Payable	PERS SURVIVOR EMPLOYER	28.83
PERS RETIREMENT	PERS Payable	PERS CLASSIC EPMC	2,833.14
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYER	10,485.54
PERS RETIREMENT	PERS Payable	PERS CLASSIC TIER 1	1,540.18
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYEE	1,120.58
PERS RETIREMENT	PERS Payable	PERS PEPRA EMPLOYER	6,496.53
PERS RETIREMENT	PERS Payable	PERS PEPRA	6,504.44
PERS RETIREMENT	PERS Payable	PERS SURVIVOR EMPLOYER	28.83
PERS RETIREMENT	PERS Payable	PERS CLASSIC EPMC	2,830.05
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYER	10,527.40
PERS RETIREMENT	PERS Payable	PERS CLASSIC TIER 1	1,566.45
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYEE	1,119.37
PERS RETIREMENT	PERS Payable	PERS PEPRA EMPLOYER	6,470.05
PERS RETIREMENT	PERS Payable	PERS PEPRA	6,477.92
PERS RETIREMENT	PERS Payable	PERS SURVIVOR EMPLOYER	28.83
PERS RETIREMENT	PERS Payable	PERS CLASSIC EPMC	2,935.72
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYER	10,769.72

PERS RETIREMENT	PERS Payable	PERS CLASSIC TIER 1	1,545.92
PERS RETIREMENT	PERS Payable	PERS CLASSIC EMPLOYEE	1,161.12
PERS RETIREMENT	PERS Payable	PERS PEPR A EMPLOYER	6,498.83
PERS RETIREMENT	PERS Payable	PERS PEPR A	6,506.74
Account 220015 - PERS Payable Total:			115,768.00
Account: 220020 - Deferred Compensation Payable			
COREBRIDGE	Deferred Compensation Payable	COREBRIDGE 457	3,677.13
MISSION SQUARE	Deferred Compensation Payable	MISSIONSQUARE 457	8,061.23
COREBRIDGE	Deferred Compensation Payable	ROTH COREBRIDGE 457	953.03
COREBRIDGE	Deferred Compensation Payable	COREBRIDGE 457	3,690.87
MISSION SQUARE	Deferred Compensation Payable	MISSIONSQUARE 457	8,061.23
COREBRIDGE	Deferred Compensation Payable	ROTH COREBRIDGE 457	953.03
COREBRIDGE	Deferred Compensation Payable	COREBRIDGE 457	3,690.87
MISSION SQUARE	Deferred Compensation Payable	MISSIONSQUARE 457	8,261.23
COREBRIDGE	Deferred Compensation Payable	ROTH COREBRIDGE 457	953.03
COREBRIDGE	Deferred Compensation Payable	COREBRIDGE 457	3,690.87
MISSION SQUARE	Deferred Compensation Payable	MISSIONSQUARE 457	8,261.23
COREBRIDGE	Deferred Compensation Payable	ROTH COREBRIDGE 457	953.03
Account 220020 - Deferred Compensation Payable Total:			51,206.78
Account: 220026 - CA State Disability Insurance			
State Taxes	CA State Disability Insurance	STATE TAXES SDI	2,179.74
State Taxes	CA State Disability Insurance	STATE TAXES SDI	2,243.93
State Taxes	CA State Disability Insurance	STATE TAXES SDI	2,170.38
State Taxes	CA State Disability Insurance	STATE TAXES SDI	2,196.43
Account 220026 - CA State Disability Insurance Total:			8,790.48
Account: 220030 - State Income Tax Withheld			
State Taxes	State Income Tax Withheld	STATE TAXES	7,307.74
State Taxes	State Income Tax Withheld	STATE TAXES	7,875.42
State Taxes	State Income Tax Withheld	STATE TAXES	7,251.40
State Taxes	State Income Tax Withheld	STATE TAXES	7,470.00
Account 220030 - State Income Tax Withheld Total:			29,904.56
Account: 220035 - Federal Income Tax Withheld			
EFTPS	Federal Income Tax Withheld	FEDERAL TAXES	20,450.95
EFTPS	Federal Income Tax Withheld	FEDERAL TAXES	21,286.47
EFTPS	Federal Income Tax Withheld	FEDERAL TAXES	20,260.04
EFTPS	Federal Income Tax Withheld	FEDERAL TAXES	20,945.32
Account 220035 - Federal Income Tax Withheld Total:			82,942.78
Account: 220045 - Employer Medicare Payable			
EFTPS	Employer Medicare Payable	FEDERAL MEDICARE	4,997.14
EFTPS	Employer Medicare Payable	FEDERAL MEDICARE	5,179.36
EFTPS	Employer Medicare Payable	FEDERAL MEDICARE	5,017.84
EFTPS	Employer Medicare Payable	FEDERAL MEDICARE	5,278.25
Account 220045 - Employer Medicare Payable Total:			20,472.59
Account: 220055 - Cafeteria Plan Payable			
Vendor Name	Account Name	Description (Item)	Amount
CCWA CAFE PLAN	Cafeteria Plan Payable	FLEX ADMIN FEE AUG'26	107.50
CCWA CAFE PLAN	Cafeteria Plan Payable	DEPENDANT CARE	461.52
CCWA CAFE PLAN	Cafeteria Plan Payable	FSA DEDUCTION	502.29
CCWA CAFE PLAN	Cafeteria Plan Payable	DEPENDANT CARE	461.52
CCWA CAFE PLAN	Cafeteria Plan Payable	FSA DEDUCTION	502.29
CCWA CAFE PLAN	Cafeteria Plan Payable	DEPENDANT CARE	461.52
CCWA CAFE PLAN	Cafeteria Plan Payable	FSA DEDUCTION	502.29
CCWA CAFE PLAN	Cafeteria Plan Payable	DEPENDANT CARE	461.52
CCWA CAFE PLAN	Cafeteria Plan Payable	FSA DEDUCTION	502.29
Account 220055 - Cafeteria Plan Payable Total:			3,962.74
Account: 510035 - OPEB Expense			
CCWA RETIREE HEALTH	OPEB Expense	RHB DHR	635.42
CCWA RETIREE HEALTH	OPEB Expense	RHB DJR	327.28
CCWA RETIREE HEALTH	OPEB Expense	RHB LJM	253.64
CCWA RETIREE HEALTH	OPEB Expense	RHB LH	278.19
CCWA RETIREE HEALTH	OPEB Expense	RHB MRS	635.42
CCWA RETIREE HEALTH	OPEB Expense	RHB JAB	302.73
CCWA RETIREE HEALTH	OPEB Expense	RHB RAS	635.42
CCWA RETIREE HEALTH	OPEB Expense	RHB MRS	635.42
CCWA RETIREE HEALTH	OPEB Expense	RHB DHR	635.42
CCWA RETIREE HEALTH	OPEB Expense	RHB RAS	635.42
CCWA RETIREE HEALTH	OPEB Expense	RHB LJM	253.64
CCWA RETIREE HEALTH	OPEB Expense	RHB LH	278.19
CCWA RETIREE HEALTH	OPEB Expense	RHB JAB	302.73
CCWA RETIREE HEALTH	OPEB Expense	RHB DJR	327.28
Account 510035 - OPEB Expense Total:			6,136.20

Account: 510045 - Dental/Vision Plan			
TRUNKEY, DON	Dental/Vision Plan	DRB DENTAL	27.75
CCWA Employee	Dental/Vision Plan	LSA VISION	224.40
CCWA Employee	Dental/Vision Plan	LSA VISION	105.00
CCWA Employee	Dental/Vision Plan	DRB DENTAL	38.50
MICHAEL W. MCCARTHY DDS	Dental/Vision Plan	DHM DENTAL	120.00
TRUNKEY, DON	Dental/Vision Plan	DRB DENTAL	27.75
OQUIST, DDS, MELINDA	Dental/Vision Plan	DHM DENTAL	202.00
CCWA Employee	Dental/Vision Plan	DHM ORTHO	107.50
CCWA Employee	Dental/Vision Plan	DHM ORTHO REIMBURSEMENT	107.50
CCWA Employee	Dental/Vision Plan	CTW VISION	503.00
OQUIST, DDS, MELINDA	Dental/Vision Plan	CMW DENTAL	(458.00)
ELITE EYECARE MEDICAL GROUP	Dental/Vision Plan	DOB DENTAL	260.00
TRUNKEY, DON	Dental/Vision Plan	DRB DENTAL	44.40
CCWA Employee	Dental/Vision Plan	DRB DENTAL	61.60
CCWA Employee	Dental/Vision Plan	DHR DENTAL	531.92
HARPER ORTHODONTICS	Dental/Vision Plan	CMW ORTHO	608.88
HARPER ORTHODONTICS	Dental/Vision Plan	CMW ORTHO	152.22
OQUIST, DDS, MELINDA	Dental/Vision Plan	CMW DENTAL	(491.00)
TRUNKEY, DON	Dental/Vision Plan	DRB DENTAL	44.40
CCWA Employee	Dental/Vision Plan	DHR DENTAL	314.72
OQUIST, DDS, MELINDA	Dental/Vision Plan	TTP DENTAL	174.25
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	610.40
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	547.40
CCWA Employee	Dental/Vision Plan	TAY DENTAL	80.24
DAVIS, DMD, LISA LU	Dental/Vision Plan	TG DENTAL	35.70
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	239.36
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	585.48
NATHAN L. BECK D.D.S.	Dental/Vision Plan	DLC DENTAL	125.00
NEWSOM, KRISTIN	Dental/Vision Plan	BFH DENTAL	737.80
NEWSOM, KRISTIN	Dental/Vision Plan	BFH DENTAL	359.00
MOORE, DDS, DOUGLAS A	Dental/Vision Plan	JCA DENTAL	390.00
MONTOYA, DMD, EDWARD L.	Dental/Vision Plan	BLL DENTAL	227.60
STOUT, DDS, THERON	Dental/Vision Plan	JST DENTAL	235.45
CCWA Employee	Dental/Vision Plan	BFH VISION	79.00
MONTOYA, DMD, EDWARD L.	Dental/Vision Plan	BLL DENTAL	243.00
TRUNKEY, DON	Dental/Vision Plan	DRB DENTAL	38.85
CCWA Employee	Dental/Vision Plan	DRB DENTAL	53.90
NATHAN L. BECK D.D.S.	Dental/Vision Plan	DLC DENTAL	450.00
MOORE, DDS, DOUGLAS A	Dental/Vision Plan	JCA DENTAL	1,582.50
GLENHAVEN DENTISTRY	Dental/Vision Plan	JST DENTAL	121.00
TRUNKEY, DON	Dental/Vision Plan	DRB DENTAL	38.85
KAHLER DDS, JEFFREY S	Dental/Vision Plan	JAP DENTAL	351.00
WILSON, RUSSELL C.	Dental/Vision Plan	MBS DENTAL	320.00
DAVIS, DMD, LISA LU	Dental/Vision Plan	CCG DENTAL	350.00
NATHAN L. BECK D.D.S.	Dental/Vision Plan	DLC DENTAL	261.00
NEWSOM, KRISTIN	Dental/Vision Plan	BFH DENTAL	324.00
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	152.60
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	136.85
LEAVITT, DDS, KURT	Dental/Vision Plan	RWS DENTAL	147.00
DAVIS, DMD, LISA LU	Dental/Vision Plan	CCG DENTAL	428.00
NATHAN L. BECK D.D.S.	Dental/Vision Plan	DLC DENTAL	439.00
NATHAN L. BECK D.D.S.	Dental/Vision Plan	DLC DENTAL	742.90
CCWA Employee	Dental/Vision Plan	TAY DENTAL	120.36
DAVIS, DMD, LISA LU	Dental/Vision Plan	TG DENTAL	142.80
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	59.84
GIANCARLO LAURIENTE, DDS	Dental/Vision Plan	AJS DENTAL	146.37
Account 510045 - Dental/Vision Plan Total:			13,609.04

Account: 510080 - Safety Incentive Program			
Bank of America	Safety Incentive Program	SUMMER STAFF INCENTIVE	24.77
Bank of America	Safety Incentive Program	SUMMER STAFF INCENTIVE	135.08
Bank of America	Safety Incentive Program	JCS PHOTO CONTEST WINNER	50.00
Bank of America	Safety Incentive Program	SUMMER STAFF INCENTIVE	135.07
Bank of America	Safety Incentive Program	SUMMER STAFF INCENTIVE	24.76
Bank of America	Safety Incentive Program	SUMMER STAFF INCENTIVE	24.76
Bank of America	Safety Incentive Program	SUMMER STAFF INCENTIVE	135.07
Account 510080 - Safety Incentive Program Total:			529.51

Account: 520020 - Office Supplies			
OFFICE DEPOT- ODP	Office Supplies	PAPER & TONER	295.11
OFFICE DEPOT- ODP	Office Supplies	STORAGE/FILE BOXES	79.71
OFFICE DEPOT- ODP	Office Supplies	LABELS	25.84
OFFICE DEPOT- ODP	Office Supplies	ADDRESS LABELS	21.67
Bank of America	Office Supplies	KITCHEN SUPPLIES	5.49

Bank of America	Office Supplies	KITCHEN SUPPLIES	5.49
OFFICE DEPOT- ODP	Office Supplies	TONER	322.05
OFFICE DEPOT- ODP	Office Supplies	TONER	138.23
OFFICE DEPOT- ODP	Office Supplies	TONER	103.43
Bank of America	Office Supplies	AJS BUSINESS CARDS	29.29
Bank of America	Office Supplies	AJS BUSINESS CARDS	7.32
US BANK	Office Supplies	SCREEN PROTECTOR	14.11
US BANK	Office Supplies	OFFICE SUPPLIES	235.41
Account 520020 - Office Supplies Total:			1,283.15
Account: 520030 - Misc. Office Expense			
OFFICE DEPOT- ODP	Misc. Office Expense	KLEENEX / TOILET PAPER	186.82
OFFICE DEPOT- ODP	Misc. Office Expense	TISSUE / EYEGLOSS CLEANER	45.78
SOLVANG BAKERY INC.	Misc. Office Expense	PASTRIES FOR BOARD MEETING	31.45
Bank of America	Misc. Office Expense	KITCHEN SUPPLIES	20.98
US BANK	Misc. Office Expense	KITCHEN SUPPLIES	127.96
Bank of America	Misc. Office Expense	CHAIR CARPET PROTECTOR	43.50
US BANK	Misc. Office Expense	KITCHEN SUPPLIES	127.96
GONZALEZ, CYNTHIA	Misc. Office Expense	CCG REIMBURSEMENT KITCHEN SUPPLIES	44.99
Bank of America	Misc. Office Expense	STAFF MEETING	130.07
Bank of America	Misc. Office Expense	STAFF MEETING	133.23
Bank of America	Misc. Office Expense	CHAIR CARPET PROTECTOR	65.24
US BANK	Misc. Office Expense	KITCHEN SUPPLIES	171.45
US BANK	Misc. Office Expense	KITCHEN SUPPLIES	98.05
US BANK	Misc. Office Expense	KITCHEN SUPPLIES	91.14
US BANK	Misc. Office Expense	KITCHEN SUPPLIES	248.08
Account 520030 - Misc. Office Expense Total:			1,566.70
Account: 530010 - Meeting and Travel			
Bank of America	Meeting and Travel	STAFF MEETING	182.75
Bank of America	Meeting and Travel	ACWA CONFERENCE DRB	148.75
US BANK	Meeting and Travel	SWC TRAVEL AIR/MEALS	74.76
THOMPSON, JAMES	Meeting and Travel	JCT MEALS REIMBURSEMENT TRI STATE SEMINAR	158.41
ARGUILLES, ADRIAN	Meeting and Travel	ALA HOTEL REIMBURSEMENT TRI STATE SEMINAR	461.85
Bank of America	Meeting and Travel	STAFF MEETING	182.74
Bank of America	Meeting and Travel	ACWA CONFERENCE DRB	238.00
US BANK	Meeting and Travel	STAFF MEETINGS	186.89
US BANK	Meeting and Travel	STAFF MEETINGS	139.72
US BANK	Meeting and Travel	SWC TRAVEL AIR/MEALS	119.62
US BANK	Meeting and Travel	JST TRI STATE SEMINAR	394.05
US BANK	Meeting and Travel	TRI STATE SEMINAR ALA	80.15
US BANK	Meeting and Travel	TRI STATE SEMINAR ALA	117.79
GONZALEZ, CYNTHIA	Meeting and Travel	CCG REIMBURSEMENT KITCHEN SUPPLIES	18.99
Bank of America	Meeting and Travel	ACWA CONFERENCE DRB	208.25
US BANK	Meeting and Travel	SWC TRAVEL AIR/MEALS	104.66
US BANK	Meeting and Travel	LUNCH FOR TRAINING	249.56
Account 530010 - Meeting and Travel Total:			3,066.94
Account: 530030 - Dues & Memberships			
BEARD, DAVID	Dues & Memberships	DRB T2 CERTIFICATION RENEWAL REIMBURSEMENT	15.00
Bank of America	Dues & Memberships	GFOA BUDGET AWARD APPLICATION FEE	380.00
CWEA	Dues & Memberships	AJS CWEA MEMBERSHIP	207.20
CWEA	Dues & Memberships	TG CWEA MEMBERSHIP	51.80
BAZZELL, DAVID	Dues & Memberships	DOB CROSS CONNECTION CONTROL SPEC. REIMB.	260.00
BAZZELL, DAVID	Dues & Memberships	DOB BACKFLOW RE CERT & D5 LICENSE RENEWAL	355.00
BAZZELL, DAVID	Dues & Memberships	DOB BACKFLOW RE CERT & D5 LICENSE RENEWAL	109.54
BEARD, DAVID	Dues & Memberships	DRB DISTRIBUTION D2 CERTIFICATION RENEWAL	60.00
BEARD, DAVID	Dues & Memberships	DRB T2 CERTIFICATION RENEWAL REIMBURSEMENT	24.00
WALL, CHRISTOPHER	Dues & Memberships	T2 CERT RENEWAL CTW	80.00
BAZZELL, DAVID	Dues & Memberships	DOB T2 LICENSE REIMBURSEMENT	60.00
US BANK	Dues & Memberships	ISA CCST LEVEL 2 EXAM FEE AJS	252.00
US BANK	Dues & Memberships	ISA RE-CERTIFICATION FOR AJS	168.00
Bank of America	Dues & Memberships	BEEN VERIFIED MEMBERSHIP 3 MONTHS	64.14
CWEA	Dues & Memberships	AJS CWEA MEMBERSHIP	51.80
CWEA	Dues & Memberships	TG CWEA MEMBERSHIP	207.20
BEARD, DAVID	Dues & Memberships	DRB T2 CERTIFICATION RENEWAL REIMBURSEMENT	21.00
US BANK	Dues & Memberships	ISA CCST LEVEL 2 EXAM FEE AJS	63.00
US BANK	Dues & Memberships	ISA RE-CERTIFICATION FOR AJS	42.00
Account 530030 - Dues & Memberships Total:			2,471.68
Account: 530050 - Training			
Bank of America	Training	SAFETY TRAINING	45.00
US BANK	Training	SB 827 COMPLIANCE TRAINING	75.00
Bank of America	Training	FORKLIFT TRAINING	78.26
Bank of America	Training	SAFETY TRAINING	45.00
Bank of America	Training	FORKLIFT TRAINING	78.27
US BANK	Training	ONLINE TRAINING BLL	99.00
Account 530050 - Training Total:			420.53

Account: 530080 - Postage			
Bank of America	Postage	SHIPPING BOARD PACKET	48.55
Bank of America	Postage	EXPRESS SHIPPING	34.00
Bank of America	Postage	EXPRESS SHIPPING	11.40
FedEx	Postage	EXPRESS SHIPPING	25.11
FedEx	Postage	EXPRESS SHIPPING	268.71
FedEx	Postage	EXPRESS SHIPPING	108.71
FedEx	Postage	EXPRESS SHIPPING	106.47
FedEx	Postage	EXPRESS SHIPPING	91.33
UNITED PARCEL SERVICE UPS	Postage	EXPRESS SHIPPING	22.65
UNITED PARCEL SERVICE UPS	Postage	EXPRESS SHIPPING	48.74
UNITED PARCEL SERVICE UPS	Postage	EXPRESS SHIPPING	34.04
Bank of America	Postage	EXPRESS SHIPPING	11.40
Account 530080 - Postage Total:			811.11
Account: 540010 - Professional Services			
SAMBA HOLDINGS INC	Professional Services	DMV MONITORING AUG'26	110.52
SAMBA HOLDINGS INC	Professional Services	DMV MONITORING SEPT'26	112.72
Securitas Technology Corporation (Formerly Stan	Professional Services	BAO SECURITY 10/1/26-12/31/26	916.29
FARWEST CORROSION CONTROL	Professional Services	INITIAL FIELD TRAINING FOR CATHOTIC PROTECTION SYS	20,400.00
UNDERGROUND SERVICE ALERT	Professional Services	USA TICKET AUG'26	64.85
UNDERGROUND SERVICE ALERT	Professional Services	USA TICKET SEPT'26	57.95
EARTH SYSTEMS PACIFIC	Professional Services	TANK 7 ACCESS ROAD AC OVERLAY	130.00
ELECSYS INTERNATIONAL LLC	Professional Services	MONITORING RECTIFIER AUG'26	180.00
ELECSYS INTERNATIONAL LLC	Professional Services	MONITORING RECTIFIER SEPT'26	180.00
Securitas Technology Corporation (Formerly Stan	Professional Services	SYPS SECURITY 8/21-9/30/26 & 10/1/26-12/31/26	491.43
SAFETY KLEEN CORP	Professional Services	PARTS FOR WASHER CHANGE OUT	434.59
SENTRY ALARM SYSTEMS	Professional Services	SECURITY WTP 10/1/26-12/31/26	450.00
STANTEC CONSULTING INC (Cardno)	Professional Services	Endangered Species Compliance Activities	16,424.69
Account 540010 - Professional Services Total:			39,953.04
Account: 540020 - Legal Services			
STRADLING YOCCA CARLSON & RAUTH	Legal Services	LEGAL AUG'26	158.00
CONN MACIEL CAREY LLP	Legal Services	POLONIO PASS INSPECTION	95.00
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	287.00
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	12,380.95
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	12,483.50
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	23,509.00
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	18,077.42
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	7,769.00
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	634.50
BROWNSTEIN HYATT FARBER	Legal Services	LEGAL SERVICES	967.50
Account 540020 - Legal Services Total:			76,361.87
Account: 540050 - Non-Contractual Services			
VERIFIED CREDENTIALS	Non-Contractual Services	BACKGROUND CHECK ALA, EOC, KDM	146.08
Health Equity/Wage Works	Non-Contractual Services	Flex Admin Fee Sept'26	107.50
VERIFIED CREDENTIALS	Non-Contractual Services	CMW BACKGROUND CHECK	193.66
VERIFIED CREDENTIALS	Non-Contractual Services	BACKGROUND CHECK ALA, EOC, KDM	177.80
VERIFIED CREDENTIALS	Non-Contractual Services	BACKGROUND CHECK ALA, EOC, KDM	187.80
VERIFIED CREDENTIALS	Non-Contractual Services	BACKGROUND CHECK AMG	202.95
VERIFIED CREDENTIALS	Non-Contractual Services	DLC BACKGROUND CHECK	187.80
Account 540050 - Non-Contractual Services Total:			1,203.59
Account: 540060 - Accounting Services			
ERNST & YOUNG LLP	Accounting Services	FIRST AND SECOND PROGRESS BILLING SOE	9,321.00
Account 540060 - Accounting Services Total:			9,321.00
Account: 550010 - Uniform Expenses			
CARR BOOTS & WESTERN WEAR	Uniform Expenses	AJS WORK BOOTS	200.08
ARAMARK (VESTIS)	Uniform Expenses	UNIFORM EXPENSE/BUILDING MAINTENANCE	81.58
ARAMARK (VESTIS)	Uniform Expenses	UNIFORM EXPENSE / BUILDING MAINTENANCE	81.58
ARAMARK (VESTIS)	Uniform Expenses	UNIFORM EXPENSE/BUILDING MAINTENANCE	81.58
ARAMARK (VESTIS)	Uniform Expenses	UNIFORM EXPENSE / BUILDING MAINTENANCE	81.58
BAZZELL, DAVID	Uniform Expenses	DOB REIMBURSE STEEL TOE BOOTS	328.58
CARR BOOTS & WESTERN WEAR	Uniform Expenses	AJS WORK BOOTS	50.02
ARAMARK (VESTIS)	Uniform Expenses	UNIFORM EXPENSE/BUILDING MAINTENANCE/LAB SUPPLE	165.92
Account 550010 - Uniform Expenses Total:			1,070.92

Account: 550015 - Minor Tools & Equipment			
HOME DEPOT	Minor Tools & Equipment	MARKERS & TOOLS FOR CTS SURVEY	41.47
HOME DEPOT	Minor Tools & Equipment	PIPE WRENCHES FOR ON CALL TRUCK	189.16
HARRISON HARDWARE	Minor Tools & Equipment	PLIERS AND FUSES FOR D090	32.29
HOME DEPOT	Minor Tools & Equipment	WISE & MOUNTING HARDWARE D095	193.46
ICONIX WATERWORKS (US) INC	Minor Tools & Equipment	TAPE MEASURES	17.72
US BANK	Minor Tools & Equipment	DRILL BITS FOR D090	36.62
US BANK	Minor Tools & Equipment	CATHODIC PROTECTION SURVEY	344.44
US BANK	Minor Tools & Equipment	TOOLS FOR CTW	32.60
US BANK	Minor Tools & Equipment	PIPE WRENCHES FOR TRUCKS	195.76
BURT INDUSTRIAL SUPPLY, INC.	Minor Tools & Equipment	MAGNET FOR RETRIEVING NAILS	259.44
US BANK	Minor Tools & Equipment	MAINTENANCE MINOR TOOLS	61.88
Account 550015 - Minor Tools & Equipment Total:			1,404.84
Account: 550031 - Chemicals - Variable			
JCI JONES CHEMICALS, INC.	Chemicals - Variable	SODIUM BISULFITE	11,278.03
JCI JONES CHEMICALS, INC.	Chemicals - Variable	CHLORINE	15,280.00
JCI JONES CHEMICALS, INC.	Chemicals - Variable	CHLORINE	15,280.00
JCI JONES CHEMICALS, INC.	Chemicals - Variable	CHLORINE	15,280.00
HILL BROTHERS CHEMICAL COMPANY	Chemicals - Variable	AMMONIA	7,068.07
HILL BROTHERS CHEMICAL COMPANY	Chemicals - Variable	AMMONIA	5,302.12
NORIT AMERICAS INC.	Chemicals - Variable	ACTIVATED CARBON	25,704.00
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CAUSTIC SODA	10,804.72
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	1,383.20
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CAUSTIC SODA	10,639.50
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CAUSTIC SODA	10,418.06
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CUASTIC SODA	10,393.84
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	899.08
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	790.40
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	1,235.00
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CAUSTIC SODA	9,810.83
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CAUSTIC SODA	9,892.14
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	CAUSTIC SODA	9,815.16
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	1,817.92
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	1,615.38
UNIVAR SOLUTIONS USA INC.	Chemicals - Variable	SODIUM HYPO	938.60
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,645.65
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,826.35
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,853.27
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,782.07
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,793.44
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	7,139.87
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	7,056.11
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,810.79
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,867.63
CHEMTRADE CHEMICALS US LLC	Chemicals - Variable	ALUMINUM SULFATE	6,798.23
Account 550031 - Chemicals - Variable Total:			244,219.46
Account: 550035 - Maintenance Supplies/Hardware			
HOME DEPOT	Maintenance Supplies/Hardware	BUG FOGGERS & 2 STROKE GAS	16.06
HARRISON HARDWARE	Maintenance Supplies/Hardware	BUG FOGGERS FOR VAULTS	17.23
GRAINGER INC	Maintenance Supplies/Hardware	CLEANING TOWELS	306.51
US BANK	Maintenance Supplies/Hardware	AIR FRESHENERS & CLEANING BRUSHES	18.53
US BANK	Maintenance Supplies/Hardware	DISTILLED WATER FOR CTS SURVEY	2.99
US BANK	Maintenance Supplies/Hardware	MISC ITEMS FOR CTS SURVEY	52.54
HOME DEPOT	Maintenance Supplies/Hardware	REPAIR DOOR & MOUSE PROOF TANK 7	63.41
US BANK	Maintenance Supplies/Hardware	NEW DOOR STOP TANK 7 CHLORINE BUILDING	17.08
US BANK	Maintenance Supplies/Hardware	HAND SOAP SYPS	10.75
BURT INDUSTRIAL SUPPLY, INC.	Maintenance Supplies/Hardware	SHOP SUPPLIES	54.20
ULINE	Maintenance Supplies/Hardware	LOCK OUT TAG OUT SUPPLIES	556.17
LOWE'S	Maintenance Supplies/Hardware	DRILL BITS/ORGANIZER BOX	174.98
LOWE'S	Maintenance Supplies/Hardware	SHOP ITEMS FOR INVENTORY	399.90
US BANK	Maintenance Supplies/Hardware	TEFLON TAPE FOR PIPE FITTING	50.50
Account 550035 - Maintenance Supplies/Hardware Total:			1,740.85
Account: 550040 - Safety Supplies			
GRAINGER INC	Safety Supplies	SAFETY PLACARDS FOR EDV	265.64
GRAINGER INC	Safety Supplies	SAFETY SIGN FOR EDV	16.16
HERC RENTALS, INC.	Safety Supplies	4 Gas, Gas Detector	1,050.56
CINTAS CORP NO 2	Safety Supplies	RESTOCK FIRST AID KITS	8.65
CINTAS CORP NO 2	Safety Supplies	RESTOCK FIRST AID KITS	98.87
GRAINGER INC	Safety Supplies	LOCK OUT TAG OUT TAGS	120.00
US BANK	Safety Supplies	SAT PHONE AIR TIME	15.63

Bank of America	Safety Supplies	PARTS FOR GAS DETECTION EQUIPMENT	689.08
Bank of America	Safety Supplies	GAS DETECTOR SENSOR	397.07
US BANK	Safety Supplies	WATER FOR DISTRIBUTION	57.09
US BANK	Safety Supplies	KEYS FOR JANITOR BOXES	18.29
US BANK	Safety Supplies	WATER FOR DISTRIBUTION	55.92
US BANK	Safety Supplies	SHADE FOR HEAT	30.45
BURT INDUSTRIAL SUPPLY, INC.	Safety Supplies	FROG MITIGATION FENCING INSTALL	210.91
CINTAS CORP NO 2	Safety Supplies	RESTOCK FIRST AID KITS	1,058.47
US BANK	Safety Supplies	SAT PHONE AIR TIME	15.64
Bank of America	Safety Supplies	PARTS FOR GAS DETECTION EQUIPMENT	689.09
US BANK	Safety Supplies	SAFETY SUPPLIES	56.63
US BANK	Safety Supplies	SAFETY SUPPLIES	815.64
US BANK	Safety Supplies	SHADE FOR HEAT	121.79
		Account 550040 - Safety Supplies Total:	5,791.58
Account: 550045 - Fuel & Lubricants			
WEX FLEET UNIVERSAL	Fuel & Lubricants	FUEL	6,887.85
HOME DEPOT	Fuel & Lubricants	BUG FOGGERS & 2 STROKE GAS	44.52
WEX FLEET UNIVERSAL	Fuel & Lubricants	FUEL	1,704.51
DELTA LIQUID ENERGY - PASO	Fuel & Lubricants	PROPANE	161.71
EAGLE ENERGY	Fuel & Lubricants	INVENTORY OIL	393.09
EAGLE ENERGY	Fuel & Lubricants	Red Diesel	1,801.20
EAGLE ENERGY	Fuel & Lubricants	Unleaded Gas	1,189.02
US BANK	Fuel & Lubricants	FUEL FOR RENTAL DUMP TRUCK	404.23
		Account 550045 - Fuel & Lubricants Total:	12,586.13
Account: 560010 - Lab Supplies			
CULLIGAN/CENTRAL COAST WTR TRT	Lab Supplies	LAB D1 SYSTEM	85.00
CULLIGAN/CENTRAL COAST WTR TRT	Lab Supplies	LAB D1 SYSTEM	85.00
HACH COMPANY	Lab Supplies	NITRIVER / CHLOR SOL / MONOCHLOR REAGENT	946.82
HACH COMPANY	Lab Supplies	NITRIVER/MONOCHLOR F REAGENT & SQUEEZE BOTTLES	1,086.40
HACH COMPANY	Lab Supplies	MONOCHLOR REAGENT	1,061.88
HACH COMPANY	Lab Supplies	LAB SUPPLIES	495.40
HACH COMPANY	Lab Supplies	CHLORINE/ACIDIC SURFACTANT WASH/AMMONIA	1,033.50
HACH COMPANY	Lab Supplies	MONOCHLOR REAGENT/CHLORINATING SOLUTION	1,061.88
HACH COMPANY	Lab Supplies	FREE C/2 REAGENT, MONO CHLOR F/NITRITE	776.82
HACH COMPANY	Lab Supplies	MONOCHLOR REAGENT/CHLORINATING SOLUTION	1,061.88
HACH COMPANY	Lab Supplies	AMMONIA MONOCHLORAMINE /ACIDIC WASH	479.09
HACH COMPANY	Lab Supplies	REAGENT SET CHLORINE/CHLORINE FREE	367.83
HACH COMPANY	Lab Supplies	MONOCHLOR F REAGENT	620.06
HACH COMPANY	Lab Supplies	DPD TOT CHLORINE	728.18
ARAMARK (VESTIS)	Lab Supplies	UNIFORM EXPENSE/BUILDING MAINTENANCE/LAB SUPPLE	14.95
IDEXX DISTRIBUTING CORP	Lab Supplies	LAB SUPPLIES	91.96
IDEXX DISTRIBUTING CORP	Lab Supplies	LAB SUPPLIES	427.72
IDEXX DISTRIBUTING CORP	Lab Supplies	LAB SUPPLIES	968.51
IDEXX DISTRIBUTING CORP	Lab Supplies	T BOTTLES FOR SAMPLING	327.14
IDEXX DISTRIBUTING CORP	Lab Supplies	Lab Supplies	906.94
LINDE GAS & EQUIPMENT INC.	Lab Supplies	HELIUM	1,017.93
VWR INTERNATIONAL	Lab Supplies	LAB SUPPLIES	280.34
VWR INTERNATIONAL	Lab Supplies	DETERGENT POWDER	181.51
VWR INTERNATIONAL	Lab Supplies	LAB SUPPLIES	156.82
VWR INTERNATIONAL	Lab Supplies	LAB SUPPLIES	217.55
VWR INTERNATIONAL	Lab Supplies	TAX ON LAB SUPPLIES	15.77
VWR INTERNATIONAL	Lab Supplies	LAB SUPPLIES	134.92
VWR INTERNATIONAL	Lab Supplies	LAB SUPPLIES	220.60
VWR INTERNATIONAL	Lab Supplies	TAX ON LAB SUPPLIES	15.99
VWR INTERNATIONAL	Lab Supplies	KIMWIPES	11.84
VWR INTERNATIONAL	Lab Supplies	KIMWIPES	236.16
VWR INTERNATIONAL	Lab Supplies	BDH BUFFER	182.24
VWR INTERNATIONAL	Lab Supplies	LAB SUPPLIES	106.26
VWR INTERNATIONAL	Lab Supplies	NITRITE	53.60
IDEXX DISTRIBUTING CORP	Lab Supplies	Colilert (200-test pack)	2,702.32
IDEXX DISTRIBUTING CORP	Lab Supplies	Shipping and tax	238.12
ENVIRONMENTAL RESOURCE ASSOC (ERA)	Lab Supplies	ANNUAL LAB PERFORMANCE TESTING SAMPLES	159.74
ENVIRONMENTAL RESOURCE ASSOC (ERA)	Lab Supplies	Annual Lab Performance Testing Samples	1,573.00
		Account 560010 - Lab Supplies Total:	20,131.67
Account: 560030 - Lab Testing			
EUROFINS EATON ANALYTICAL INC	Lab Testing	MONTHLY ALUMINUM	43.26
EUROFINS EATON ANALYTICAL INC	Lab Testing	COMPLIANCE TITLE 22	600.00
EUROFINS EATON ANALYTICAL INC	Lab Testing	SPECIAL NONCOMPLIANCE TESTING	278.10
EUROFINS EATON ANALYTICAL INC	Lab Testing	COMPLIANCE TITLE 22 TESTING	288.40
EUROFINS EATON ANALYTICAL INC	Lab Testing	QUARTERLY DBP	865.20
EUROFINS EATON ANALYTICAL INC	Lab Testing	MONTHLY ALUMINUM	43.26
EUROFINS EATON ANALYTICAL INC	Lab Testing	COMPLIANCE TITLE 22	160.68
		Account 560030 - Lab Testing Total:	2,278.90

Account: 570010 - Equipment Repairs & Maint			
US BANK	Equipment Repairs & Maint	GENERATOR BATTERIES REACH 34	380.20
US BANK	Equipment Repairs & Maint	DIELECTRIC COUPLER FOR GS TURNOUT	298.90
US BANK	Equipment Repairs & Maint	GENERATOR BATTERIES TANK 2	380.20
KNECHTS PLUMBING AND HEATING INC	Equipment Repairs & Maint	SERVICE A/C UNIT	1,170.00
FLEX TG	Equipment Repairs & Maint	COPIER MAINT BAO SEPT'26	30.58
FLEX TG	Equipment Repairs & Maint	COPIER MAINT BAO SEPT'26	45.29
FLEX TG	Equipment Repairs & Maint	COPIER MAINT BAO AUG'26	72.58
FLEX TG	Equipment Repairs & Maint	COPIER MAINT BAO AUG'26	79.59
Bank of America	Equipment Repairs & Maint	HYDRAULIC PACKAGE BREATHER FILTERS	929.34
US BANK	Equipment Repairs & Maint	OIL & FILTERS FOR ANNUAL MAINTENANCE DO33	213.28
US BANK	Equipment Repairs & Maint	DIELECTRIC COUPLINGS FOR TURNOUTS	64.18
US BANK	Equipment Repairs & Maint	WEED EATER HANDLE EXTENSION	43.10
US BANK	Equipment Repairs & Maint	FITTING FOR NITROGEN HOSE	32.31
US BANK	Equipment Repairs & Maint	PARTS FOR NITROGEN CHARGING	2.79
US BANK	Equipment Repairs & Maint	SCREW FOR WEEDEATER	3.10
SMITH MEP	Equipment Repairs & Maint	INSTALLATION OF SPLIT UNIT A/C TANK 5	9,220.00
US BANK	Equipment Repairs & Maint	PCV PARTS / GLUE & PRIMER FOR T-5 C/2 INJ	88.38
US BANK	Equipment Repairs & Maint	GENERATOR OIL KIT TANK 5	128.22
US BANK	Equipment Repairs & Maint	GENERATOR BATTERIES TANK5	229.97
US BANK	Equipment Repairs & Maint	PCV PARTS C/2 INJECTION TANK 5	47.61
HARRINGTON INDUSTRIAL PLASTICS	Equipment Repairs & Maint	DEGASSING VALVE FOR CL2 TANK 7	653.75
DEEP BLUE INTEGRATION	Equipment Repairs & Maint	Test and inspection	2,277.50
FARM SUPPLY COMPANY	Equipment Repairs & Maint	PARTS FOR CL2 INJECTION TANK 7	27.90
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	24" Blind flange	2,605.66
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	24" BLIND FLANGE	133.79
US BANK	Equipment Repairs & Maint	GENERATOR BATTERIES TANK 7	229.97
US BANK	Equipment Repairs & Maint	PARTS FOR C/2 INJECTION TANK 7	11.42
US BANK	Equipment Repairs & Maint	PARTS FOR C/2 INJECTION TANK 7	12.75
US BANK	Equipment Repairs & Maint	TARP FOR TANK 7	76.10
Securitas Technology Corporation (Formerly Stan	Equipment Repairs & Maint	SECURITY IMPROVEMENT SYPP	4,348.93
US BANK	Equipment Repairs & Maint	TRIM FOR AIR COMPRESSOR D065	11.84
Bank of America	Equipment Repairs & Maint	TEMPERATURE SENSOR BRADBURY DAM	2,061.93
US BANK	Equipment Repairs & Maint	FAN BELT FOR VENTILATION FAN SYPS	50.63
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Buellton as per quote	755.36
PROGRESSIVE GREENERY	Equipment Repairs & Maint	LANDSCAPE WORK @ CHORRO	5,300.00
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Chorro as per quote	761.25
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Golden State as per quote	550.00
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Guadalupe as per quote	343.50
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Santa Maria as per quote	1,182.50
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.51
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Solvang as per quote	852.86
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	SYID#1 as per quote	2,613.93
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	VSFb as per quote	1,557.86
ICONIX WATERWORKS (US) INC	Equipment Repairs & Maint	Sales tax	83.49
CS AMSCO	Equipment Repairs & Maint	REPLACEMENT VALVE FOR FILTER #2	708.18
D&H WATER SYSTEMS INC	Equipment Repairs & Maint	PARTS FOR CHLORINE SYSTEM	2,106.87
D&H WATER SYSTEMS INC	Equipment Repairs & Maint	PART FOR CHLORINATOR	340.69
D&H WATER SYSTEMS INC	Equipment Repairs & Maint	TUBING REPLACEMENT INVENTORY	1,528.31
HACH COMPANY	Equipment Repairs & Maint	9560501-5500sc Ammonia Monochloramine Maint kit	3,536.00
HACH COMPANY	Equipment Repairs & Maint	AMMONIA MONOCHLORAMINE MAINT KIT	256.36
HACH COMPANY	Equipment Repairs & Maint	8560400-CL17sc Tubing Kit	733.59
HYDRATECH ENGINEERED PRODUCTS LLC	Equipment Repairs & Maint	Shipping	960.00
HYDRATECH ENGINEERED PRODUCTS LLC	Equipment Repairs & Maint	SW-66 Weko Seal	7,825.00
HYDRATECH ENGINEERED PRODUCTS LLC	Equipment Repairs & Maint	Installation equipment and tool rental	350.00
BWS DISTRIBUTORS	Equipment Repairs & Maint	ZERO AIR CYLINDER	66.38
BWS DISTRIBUTORS	Equipment Repairs & Maint	60L Ammonia 50 PPM BAL N2	344.54
BWS DISTRIBUTORS	Equipment Repairs & Maint	103L Zero Air Cylinder	169.46
FLEX TG	Equipment Repairs & Maint	COPIER MAINT. AUG'26	122.11
ENV SERVICES, INC.	Equipment Repairs & Maint	ANNUAL FUME HEAD TESTING	80.40
FLEX TG	Equipment Repairs & Maint	COPIER MAINT SEPT'26	103.75
HOME DEPOT	Equipment Repairs & Maint	PARTS FOR CONTROL LIGHTS	73.88
ENDRESS+HAUSER, INC.	Equipment Repairs & Maint	3 MEMOSENS CPS11E	218.52
ENDRESS+HAUSER, INC.	Equipment Repairs & Maint	Memosens CPS11E	2,102.66
HOME DEPOT	Equipment Repairs & Maint	PARTS FOR CONTROL ROOM LIGHTS	29.37
FERGUSON ENTERPRISES INC	Equipment Repairs & Maint	PVC PLUMBING ITEMS FOR INVENTORY	281.41
HARBOR SEAL INC.	Equipment Repairs & Maint	CHEMICAL PUMP SEAL REFURBISH	791.28
GRAINGER INC	Equipment Repairs & Maint	ELECTRICAL PARTS FOR CONTROL ROOM LIGHTING	6.81

GRAINGER INC	Equipment Repairs & Maint	FASTENERS FOR INVENTORY & DRILL BIT	340.10
D&H WATER SYSTEMS INC	Equipment Repairs & Maint	CL2 Replacement inventory as per quote Q2026-0837	5,919.70
ELECSYS INTERNATIONAL LLC	Equipment Repairs & Maint	SM-IT-083775/62135-0037	658.54
QUINN COMPANY	Equipment Repairs & Maint	Perform Maintenance	2,197.74
US BANK	Equipment Repairs & Maint	8" BACKFLOW REPAIR KIT	560.61
US BANK	Equipment Repairs & Maint	INSTRUMENT REPAIR PARTS	45.17
US BANK	Equipment Repairs & Maint	AIR FILTER UPS POWER SUPPLY	368.79
CS AMSCO	Equipment Repairs & Maint	24" Butterfly valve	9,768.00

Account 570010 - Equipment Repairs & Maint Total: 83,141.21

Account: 570020 - Vehicle Repairs & Maintenance

BIG BRAND TIRE & SERVICE	Vehicle Repairs & Maintenance	OIL CHANGE & TIRE ROTATION D091	148.97
CELLULAROUTLET.COM, INC.	Vehicle Repairs & Maintenance	POWER SUPPLY & MINI ANTENNA TG	17.56
RIO VISTA CHEVROLET	Vehicle Repairs & Maintenance	OIL CHANGE AND SERVICE D093	153.71
RIO VISTA CHEVROLET	Vehicle Repairs & Maintenance	D089 SERVICE, SPARK PLUGS, TRANS	1,038.33
RIO VISTA CHEVROLET	Vehicle Repairs & Maintenance	OIL CHANGE / SERVICE D087	146.11
RIO VISTA CHEVROLET	Vehicle Repairs & Maintenance	D088 OIL CHANGE / TRANSMISSION & AC MAINT. D088	758.59
US BANK	Vehicle Repairs & Maintenance	TRUCK STORAGE D096	28.00
US BANK	Vehicle Repairs & Maintenance	TINT D096	337.12
US BANK	Vehicle Repairs & Maintenance	NEW TIRES D072 TRAILER	482.65
US BANK	Vehicle Repairs & Maintenance	TIRE REPAIR D076	37.00
US BANK	Vehicle Repairs & Maintenance	WISE MOUNTS FOR TRUCKS D095 & D096	882.19
US BANK	Vehicle Repairs & Maintenance	BATTERY D018	197.64
US BANK	Vehicle Repairs & Maintenance	WASHER FLUID AND BOLTS FOR LIC. PLATE D095	16.67
US BANK	Vehicle Repairs & Maintenance	AUTOMOTIVE FUSES FOR D090	21.52
US BANK	Vehicle Repairs & Maintenance	AUTO STOP ELIMINATOR D090	67.87
US BANK	Vehicle Repairs & Maintenance	PULL APART KEY RINGS	21.68
US BANK	Vehicle Repairs & Maintenance	WINDSHIELD WASHER FLUID FOR CCWA VEHICLES	11.83
US BANK	Vehicle Repairs & Maintenance	TIRE COVERS D072 FIBER OPTIC REPAIR TRAILER	32.28
US BANK	Vehicle Repairs & Maintenance	TAIL LIGHTS D072 FIBER OPTIC REPAIR TRAILER	24.77
BIG BRAND TIRE & SERVICE	Vehicle Repairs & Maintenance	T029 OIL CHANGE	136.05
ANTHONY'S TIRE STORE	Vehicle Repairs & Maintenance	TIRES FOR T014	1,075.00
CELLULAROUTLET.COM, INC.	Vehicle Repairs & Maintenance	POWER SUPPLY & MINI ANTENNA TG	70.22
Paso Robles Ford	Vehicle Repairs & Maintenance	REPAIRS TO T29	2,808.87
PASO ROBLES CHEVROLET	Vehicle Repairs & Maintenance	SMOG TO14	81.74
PASO ROBLES CHEVROLET	Vehicle Repairs & Maintenance	SMOG D073	81.74

Account 570020 - Vehicle Repairs & Maintenance Total: 8,678.11

Account: 570030 - Building Maintenance

COVERALL NORTH AMERICA, INC	Building Maintenance	JANITORIAL BAO SEPT'26	1,284.00
COVERALL NORTH AMERICA, INC	Building Maintenance	JANITORIAL BAO AUG'26	1,284.00
WESTERN EXTERMINATOR CO, RENTOKIL NORTH	Building Maintenance	PEST CONTROL MAINT. AUG'26	168.00
WESTERN EXTERMINATOR CO, RENTOKIL NORTH	Building Maintenance	PEST CONTROL MAINT SEPT'26	168.00
ARAMARK (VESTIS)	Building Maintenance	UNIFORM EXPENSE/BUILDING MAINTENANCE	30.02
ARAMARK (VESTIS)	Building Maintenance	UNIFORM EXPENSE / BUILDING MAINTENANCE	30.02
ARAMARK (VESTIS)	Building Maintenance	UNIFORM EXPENSE/BUILDING MAINTENANCE	30.02
ARAMARK (VESTIS)	Building Maintenance	UNIFORM EXPENSE / BUILDING MAINTENANCE	30.02
US BANK	Building Maintenance	MOUSE AND ANT TRAPS	23.67
COVERALL NORTH AMERICA, INC	Building Maintenance	JANITORIAL SYPP AUG'26	295.00
WESTERN EXTERMINATOR CO, RENTOKIL NORTH	Building Maintenance	PEST CONTROL MAINT. AUG'26	183.00
WESTERN EXTERMINATOR CO, RENTOKIL NORTH	Building Maintenance	PEST CONTROL MAINT. SEPT'26	183.00
PROCARE JANITORIAL SUPPLY	Building Maintenance	JANITORIAL SUPPLIES	113.91
PROCARE JANITORIAL SUPPLY	Building Maintenance	JANITORIAL SUPPLIES	422.18
PROCARE JANITORIAL SUPPLY	Building Maintenance	JANITOR SUPPLIES	606.26
ARAMARK (VESTIS)	Building Maintenance	UNIFORM EXPENSE/BUILDING MAINTENANCE/LAB SUPPLE	81.66
STAR JANITORIAL CA LLC	Building Maintenance	WTP OFFICE CLEANING AUG'26	1,550.00
STAR JANITORIAL CA LLC	Building Maintenance	OFFICE CLEANING	1,550.00
BREZDEN PEST CONTROL, INC.	Building Maintenance	PEST CONTROL MAINT WTP	187.00
US BANK	Building Maintenance	JANITORIAL SUPPLIES	79.25
US BANK	Building Maintenance	ORGANIZE MENS LOCKER ROOM	39.35

Account 570030 - Building Maintenance Total: 8,338.36

Account: 570040 - Landscape Maintenance

CITY OF BUELLTON	Landscape Maintenance	LANDSCAPE BAO AUG'26	100.74
CITY OF BUELLTON	Landscape Maintenance	LANDSCAPE BAO SEPT'26	114.54
ZACA CREEK LANDSCAPES INC	Landscape Maintenance	LANDSCAPE BAO AUG'26	275.00
ZACA CREEK LANDSCAPES INC	Landscape Maintenance	LANDSCAPE BAO SEPT'26	275.00
ZACA CREEK LANDSCAPES INC	Landscape Maintenance	LANDSCAPE SYPS AUG'26	175.00
ZACA CREEK LANDSCAPES INC	Landscape Maintenance	LANDSCAPE SYPS SEPT'26	175.00
PROGRESSIVE GREENERY	Landscape Maintenance	WTP LANDSCAPE AUG'26	420.00
PROGRESSIVE GREENERY	Landscape Maintenance	WTP LANDSCAPE SEPT'26	420.00

Account 570040 - Landscape Maintenance Total: 1,955.28

Account: 580020 - Natural Gas			
SoCalGas	Natural Gas	GAS STE B 7/24-8/26/26	6.36
Account 580020 - Natural Gas Total:			6.36
Account: 580030 - Electric - Fixed			
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Moretti Canyon Rd	17.01
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Fox Hollow Rd @ Hwy 101	21.32
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Valve Vault - SLO	514.18
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Valve Vault - SLO	502.79
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Moretti Canyon Rd	(17.46)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Fox Hollow Rd @ Hwy 101	(13.15)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Thompson Rd Nipomo	19.78
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Nipomo Thompson Rd	9.86
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Branch Mill @ Coach Rd	21.39
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Branch Mill @ Coach Rd	(13.48)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Thompson Rd Nipomo	(15.60)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Nipomo Thompson Rd	(25.67)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Tank 2 Creston	601.56
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Encina Rd, Sta Margarita	20.31
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Bitterwater Rd	20.43
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Truesdale Rd	18.57
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-La Panza Rd	64.80
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Encina Rd, Sta Margarita	(14.37)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Bitterwater Rd	(14.39)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-La Panza Rd	32.89
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Tank 2 Creston	580.13
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Truesdale Rd	(16.19)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Office Suite A/B	918.07
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Office Suite A/B	899.42
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Office Suite A/B	2,202.06
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Office Suite A/B	2,173.76
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Burton Mesa Rd	18.57
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Burton Mesa Rd	(16.31)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Tank 7 - Buellton	140.36
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	ISO #4 - Solvang	96.23
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	ISO #3 Hwy 246	88.13
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Hapgood Rd	17.95
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-2898 Hwy 246 Lompoc	18.03
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Tank 7 - Buellton	95.84
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	ISO #3 Hwy 246	50.18
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-2898 Hwy 246 Lompoc	(16.78)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	CP-Hapgood Rd	(16.96)
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	ISO #4 - Solvang	59.72
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Pump Station-Mesa Verde	1,256.00
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Pump Station-Mesa Verde	1,256.00
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Buellton TO Santa Rosa @ Ave of Flags	38.94
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Buellton TO Santa Rosa @ Ave of Flags	5.30
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	SoCal TO-Bonita School @ SM Rvr	129.72
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	SoCal TO-Bonita School @ SM Rvr	96.49
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Guad TO-Bonita School Rd near Levee Rd	121.53
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Guad TO-Bonita School Rd near Levee Rd	96.20
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Shandon TO	267.81
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Shandon TO	160.87
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Lopez TO Lopez Dr @ Orcutt Rd	76.19
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Lopez TO Lopez Dr @ Orcutt Rd	41.74
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Santa Maria TO-Black @ Betteravia Rd	91.43
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Santa Maria TO-Black @ Betteravia Rd	157.95
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Solvang TO-Alisal Bridge @ Fjord Dr	81.95
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Solvang TO-Alisal Bridge @ Fjord Dr	68.20
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Polonio Pass WTP	13,000.00
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Fixed	Polonio Pass WTP	13,000.00
Account 580030 - Electric - Fixed Total:			38,989.30
Account: 580031 - Electric - Variable			
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Variable	SY2 Variable Electric	18,006.80
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Variable	SY2 Variable Electric	610.50
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Variable	WTP Variable Electric	13,289.83
PACIFIC GAS & ELECTRIC (PG&E)	Electric - Variable	WTP Variable Electric	11,319.09
Account 580031 - Electric - Variable Total:			43,226.22
Account: 580040 - Water			
CITY OF BUELLTON	Water	WATER BAO AUG'26	353.72
CITY OF BUELLTON	Water	WATER BAO SEPT'26	468.32
SANTA YNEZ RIVER WATER CONS	Water	WATER SYPS AUG'26	181.91
Account 580040 - Water Total:			1,003.95

Account: 580050 - Telephone			
FRONTIER COMMUNICATIONS	Telephone	PHONE OCT'26	169.26
FRONTIER COMMUNICATIONS	Telephone	PHONE SEPT'26	169.11
VERIZON WIRELESS	Telephone	VERIZON AUG'26	67.15
VERIZON WIRELESS	Telephone	VERIZON SEPT'26	67.44
FIRST CHOICE TECHNOLOGY	Telephone	LONG DISTANCE PHONE AUG'26	9.54
FIRST CHOICE TECHNOLOGY	Telephone	LONG DISTANCE PHONE SEPT'26	9.67
FRONTIER COMMUNICATIONS	Telephone	PHONE BAO OCT'26	127.01
FRONTIER COMMUNICATIONS	Telephone	PHONE BAO SEPT'26	126.86
FRONTIER COMMUNICATIONS	Telephone	PHONE OCT'26	209.53
FRONTIER COMMUNICATIONS	Telephone	PHONE SEPT'26	209.23
VERIZON WIRELESS	Telephone	VERIZON AUG'26	533.43
VERIZON WIRELESS	Telephone	VERIZON AUG'26	18.75
VERIZON WIRELESS	Telephone	VERIZON SEPT'26	204.97
VERIZON WIRELESS	Telephone	VERIZON SEPT'26	18.75
SURFNET COMMUNICATIONS, INC.	Telephone	INTERNET CHORRO AUG'26	75.00
SURFNET COMMUNICATIONS, INC.	Telephone	INTERNET CHORRO SEPT'26	75.00
VERIZON WIRELESS	Telephone	VERIZON AUG'26	385.37
VERIZON WIRELESS	Telephone	VERIZON AUG'26	18.75
VERIZON WIRELESS	Telephone	VERIZON SEPT'26	18.75
VERIZON WIRELESS	Telephone	VERIZON SEPT'26	497.69
Account 580050 - Telephone Total:			3,011.26
Account: 580060 - Waste Disposal			
MARBORG INDUSTRIES	Waste Disposal	TRASH SERVICE BAO AUG'26	428.96
MARBORG INDUSTRIES	Waste Disposal	TRASH SYPS AUG'26	391.69
SAN MIGUEL GARBAGE COMPANY INC	Waste Disposal	TRASH SERVICE WTP AUG'26	294.18
SAN MIGUEL GARBAGE COMPANY INC	Waste Disposal	TRASH SERVICE WTP SEPT'26	294.18
Account 580060 - Waste Disposal Total:			1,409.01
Account: 590030 - Non-Cap Proj Materials			
HOME DEPOT	Non-Capital Project Expenses	COMMUNICATION CABLES FOR THE PLC	243.30
ROYAL INDUSTRIAL SOLUTIONS	Non-Capital Project Expenses	TERMINAL BLOCKS FOR EDV PLC PROJECT	486.16
CANNON CORPORATION	Non-Capital Project Expenses	EDV PLC UPGRADE	16,098.67
CANNON CORPORATION	Non-Capital Project Expenses	EDV PLC UPGRADE	1,240.58
CANNON CORPORATION	Non-Capital Project Expenses	EDV PLC UPGRADE	1,749.00
Account 590030 - Non-Cap Proj Materials Total:			19,817.71
Account: 590032 - Supplemental Water Purch Prog			
BROWNSTEIN HYATT FARBER	Supplemental Water Purch Prog	LACUMBRE-HOMERWPP	674.50
BROWNSTEIN HYATT FARBER	Supplemental Water Purch Prog	LEGAL LACUMBRE-HOMER WPP	57.50
Account 590032 - Supplemental Water Purch Prog Total:			732.00
Account: 590040 - Equipment Rental			
MARBORG INDUSTRIES	Equipment Rental	EDV RENTAL	89.61
MARBORG INDUSTRIES	Equipment Rental	EDV RENTAL	89.61
MARBORG INDUSTRIES	Equipment Rental	TANK 2 RENTAL	88.60
MARBORG INDUSTRIES	Equipment Rental	TANK 2 RENTAL	88.60
MID STATE CONTAINER SALES INC	Equipment Rental	CONTAINER RENTAL AUG'26	80.81
MID STATE CONTAINER SALES INC	Equipment Rental	CONTAINER RENTAL SEPT'26	80.81
PITNEY BOWES GLOBAL FINANCIAL	Equipment Rental	POSTAGE LEASE 7/2/26-10/1/26	444.80
DE LAGE LANDEN FINANCIAL SVCS INC	Equipment Rental	COPIER LEASE AUG'26	173.48
DE LAGE LANDEN FINANCIAL SVCS INC	Equipment Rental	PROPERTY TAX ON COPIER C360i	52.51
DE LAGE LANDEN FINANCIAL SVCS INC	Equipment Rental	COPIER LEASE SEPT'26	173.48
MARBORG INDUSTRIES	Equipment Rental	TRAILER RENT TANK 5	143.34
MARBORG INDUSTRIES	Equipment Rental	TRAILER RENT TANK 5	143.34
MARBORG INDUSTRIES	Equipment Rental	RESTROOM RENTAL TANK 7	89.78
MARBORG INDUSTRIES	Equipment Rental	RESTROOM RENTAL TANK 7	89.78
UNITED RENTALS	Equipment Rental	Water Truck	2,371.50
UNITED RENTALS	Equipment Rental	Loader Wheel	3,360.23
UNITED RENTALS	Equipment Rental	Dump Truck	2,666.75
AIRGAS USA, LLC	Equipment Rental	NITROGEN BOTTLE FOR INSTRUMENTATION CALIBRATION	78.79
LINDE GAS & EQUIPMENT INC.	Equipment Rental	CYLINDER RENTAL	45.75
LINDE GAS & EQUIPMENT INC.	Equipment Rental	CYLINDER RENTAL	47.79
DE LAGE LANDEN FINANCIAL SVCS INC	Equipment Rental	COPIER LEASE AUG'26	202.71
DE LAGE LANDEN FINANCIAL SVCS INC	Equipment Rental	COPIER LEASE SEPT'26	202.71
DE LAGE LANDEN FINANCIAL SVCS INC	Equipment Rental	PROPERTY TAX ON COPIER 250i	28.62
Account 590040 - Equipment Rental Total:			10,833.40
Account: 590060 - Computer Expenses			
CONVERGED	Computer Expenses	MAILBOX BACKUP AUG'26	52.00
CONVERGED	Computer Expenses	DATTO CLOUD BACK UP AUG'26	391.94
CONVERGED	Computer Expenses	DATTO CLOUD BACK UP AUG'26	391.94
CONVERGED	Computer Expenses	ENDPOINT DETECTION AUG'26	721.58

CONVERGED	Computer Expenses	ENDPOINT DETECTION AUG'26	721.58
CONVERGED	Computer Expenses	NET ALERT AUG'26	2,395.00
CONVERGED	Computer Expenses	EAGLE EYE AUG'26	171.38
CONVERGED	Computer Expenses	TAILSCALE AUG'26	83.36
CONVERGED	Computer Expenses	MAILBOX BACKUP SEPT'26	52.00
CONVERGED	Computer Expenses	DATTO CLOUD BACKUP SEPT'26	391.94
CONVERGED	Computer Expenses	ENDPOINT DETECTION SEPT'26	721.58
CONVERGED	Computer Expenses	NET ALERT SEPT'26	2,395.00
CONVERGED	Computer Expenses	EAGLE EYE SEPT'26	171.38
CONVERGED	Computer Expenses	TAILSCALE SEPT'26	83.36
CONVERGED	Computer Expenses	Nutanix New Licensing/Renewal Subscriptions	3,724.83
CIVICPLUS, LLC	Computer Expenses	DOCACCESS ESSENTIALS 8/28-8/27/27	3,000.00
HOME DEPOT	Computer Expenses	CORD FOR BOARDROOM TV	25.40
COMCAST	Computer Expenses	INTERNET BAO AUG'26	383.97
FRONTIER COMMUNICATIONS	Computer Expenses	BACKUP INTERNET OCT'26	48.33
FRONTIER COMMUNICATIONS	Computer Expenses	BACKUP INTERNET SEPT'26	48.33
COMCAST	Computer Expenses	INTERNET BAO SEPT'26	383.97
US BANK	Computer Expenses	CABLES FOR BOARD ROOM TV	47.28
US BANK	Computer Expenses	MONITORS FOR LSA	247.02
Bank of America	Computer Expenses	BOARD ROOM TV	1,147.10
SCHNEIDER ELECTRIC SYSTEMS USA, INC.	Computer Expenses	Support for SCADA licenses	3,486.70
CONVERGED	Computer Expenses	MAILBOX BACKUP AUG'26	52.00
CONVERGED	Computer Expenses	NET ALERT AUG'26	2,395.00
CONVERGED	Computer Expenses	TAILSCALE AUG'26	83.32
CONVERGED	Computer Expenses	MAILBOX BACKUP SEPT'26	52.00
CONVERGED	Computer Expenses	DATTO CLOUD BACKUP SEPT'26	391.94
CONVERGED	Computer Expenses	ENDPOINT DETECTION SEPT'26	721.58
CONVERGED	Computer Expenses	NET ALERT SEPT'26	2,395.00
CONVERGED	Computer Expenses	TAILSCALE SEPT'26	83.32
CONVERGED	Computer Expenses	Nutanix New Licensing/Renewal Subscriptions	3,724.83
MICROWEST SOFTWARE SYSTEMS, INC	Computer Expenses	Support from 9/01/26-8/31/27	2,297.50
FRONTIER COMMUNICATIONS	Computer Expenses	BACKUP INTERNET OCT'26	48.33
FRONTIER COMMUNICATIONS	Computer Expenses	BACKUP INTERNET SEPT'26	48.33
US BANK	Computer Expenses	COMPUTER MICE	38.76
US BANK	Computer Expenses	COMPUTER PARTS	78.22
US BANK	Computer Expenses	THERMAL PASTE FOR PC REPAIR	8.61
US BANK	Computer Expenses	COMPUTER PARTS	339.17
SCHNEIDER ELECTRIC SYSTEMS USA, INC.	Computer Expenses	Support for SCADA licenses	3,486.70
Dell USA	Computer Expenses	Dell Pro Tower QCT1250	1,208.83
CONVERGED	Computer Expenses	MAILBOX BACKUP AUG'26	52.00
CONVERGED	Computer Expenses	DATTO CLOUD BACK UP AUG'26	391.95
CONVERGED	Computer Expenses	ENDPOINT DETECTION AUG'26	721.59
CONVERGED	Computer Expenses	NET ALERT AUG'26	2,395.00
CONVERGED	Computer Expenses	TAILSCALE AUG'26	83.32
CONVERGED	Computer Expenses	MAILBOX BACKUP SEPT'26	52.00
CONVERGED	Computer Expenses	DATTO CLOUD BACKUP SEPT'26	391.95
CONVERGED	Computer Expenses	ENDPOINT DETECTION SEPT'26	721.59
CONVERGED	Computer Expenses	NET ALERT SEPT'26	2,395.00
CONVERGED	Computer Expenses	TAILSCALE SEPT'26	83.32
CONVERGED	Computer Expenses	Nutanix New Licensing/Renewal Subscriptions	3,724.83
MICROWEST SOFTWARE SYSTEMS, INC	Computer Expenses	Support Renewal 9/01/26-8/31/27	2,297.50
FRONTIER COMMUNICATIONS	Computer Expenses	BACKUP INTERNET OCT'26	48.33
FRONTIER COMMUNICATIONS	Computer Expenses	BACKUP INTERNET SEPT'26	48.33
Bank of America	Computer Expenses	IPAD & IPAD SUPPLIES	736.67
Bank of America	Computer Expenses	STARLINK	1,480.00
Bank of America	Computer Expenses	STARLINK	765.00
Account 590060 - Computer Expenses Total:			<u>55,128.79</u>
Fund 1 - CCWA Total:			<u>1,251,466.64</u>
Normal and Recurring Costs Grand Total			<u>1,251,466.64</u>
Net Payroll PPD#17	Wages	CCWA Net Wages paid 8/14/2026	117,897.48
Net Payroll PPD#18	Wages	CCWA Net Wages paid 8/28/2026	120,983.59
Net Payroll PPD#19	Wages	CCWA Net Wages paid 9/11/2026	117,164.22
Net Payroll PPD#20	Wages	CCWA Net Wages paid 9/25/2026	117,992.79
Account 500000 -Wages Total:			<u>474,038.08</u>
Variable OMP&R, Delta Water & Transportation Chagres August'26			2,105,942.00
Variable OMP&R, Delta Water & Transportation Chagres September'26			4,285,607.00
DWR Total:			<u>6,391,549.00</u>



CENTRAL COAST WATER AUTHORITY

Bills for Approval

VENDOR	INVOICE AMOUNT	DESCRIPTION
State of California DWR	\$ 2,105,464.00	Variable OMP&R, Delta Water & Transport Charges Oct'26
Subtotal - Bills for Approval	\$ 2,105,464.00	
Total Ratification and Approval Bills	\$ 10,222,517.72	



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 15, 2026

TO: CCWA Board of Directors
FROM: David Beard, Deputy Director
SUBJECT: Status Report on Fiscal Year 2026-27 Procurements

SUMMARY

Central Coast Water Authority (CCWA) Resolution No. 23-09 provides the rules and regulations for CCWA's purchase of services, supplies or equipment.

This report provides an update on the status of all CCWA procurements in Fiscal Year (FY) 2026-27.

RECOMMENDATION

None – Informational Only.

DISCUSSION

Resolution No. 23-09, adopted by the CCWA Board of Directors (Board) on October 26, 2023, provides the Executive Director with the authority make purchases of items of services, supplies or equipment without further Board approval if (a) the amount is less than or equal to \$25,000 or (b) is included in the approved Budget for the fiscal year. Expenditures for items of services, supplies or equipment in an amount greater than \$25,000 that are not included in the approved Budget may be procured only with the prior approval of the Board. Additionally, purchases in excess of \$10,000 and all executed contracts must be reported as separate line items in the "Bills for Ratification" report at the next subsequent Board meeting after such purchase.

To date, all purchases including those in excess of \$10,000, have been included in the Bills for Ratification report that is included with every monthly Board agenda.

With this report and going forward, CCWA staff will provide the Board with a separate report identifying all procurements made during the fiscal year.

A. Contracts Awarded and Executed

The following table shows the contracts that have been awarded for projects included in the FY 2026-27 Budget:

Project	Budget Amount	Contract Amount
Polonio Pass Water Treatment Plant Electrical Switchgear Maintenance	\$ 60,375	\$ 35,263
Utility Water Piping Replacement	\$ 78,750	\$ 67,800
Energy Dissipating Valve Facility Quantum I/O Card Upgrade	\$ 52,500	\$ 14,900
Riser Replacement Project - Phase 2 (Site No. 23)	\$ 220,000	\$ 80,631
Aqueous Ammonia Storage Tank Lining Replacement	\$ 430,500	\$ 220,350
Cuesta Tunnel North Portal Vegetation Abatement Project	\$ 36,750	\$ 14,850
Sulfuric Acid Tank Inspection	\$ 10,000	\$ 18,640

B. Expenditures in Excess of \$10,000

All CCWA expenditures are shown on the Bills for Ratification reports which are included with each monthly Board agenda. The current Bills for Ratification report has been updated to show expenditures in excess of \$10,000 in bold font.



Statements of Net Position

ASSETS

	<u>September 30, 2026</u>	<u>August 31, 2026</u>
<u>Current Assets</u>		
Cash and investments	\$ 19,276,215	\$ 19,986,829
Accounts Receivable (Note 1)	326,218	147,005
Other assets	2,889,100	2,905,425
Total Current Assets	22,491,533	23,039,259
<u>Restricted Assets</u>		
Operations and Maintenance Reserve Fund (Note 2)	2,079,310	2,078,479
DWR Reserve Fund (Note 3)	6,447,863	6,445,286
Rate Coverage Reserve Fund (Note 4)	9,560,638	9,556,817
Department of Water Resources (Note 5a)	29,099,287	32,794,007
CCWA and DWR Variable Fund (Note 5b)	4,583,729	4,544,651
Credits Payable (Note 6)	650,368	650,108
Escrow Deposits (Note 7)	524,546	524,337
Total Restricted Assets	52,945,742	56,593,685
<u>Property, Plant and Equipment</u>		
Construction in progress (Note 8)	1,233,854	1,179,317
Fixed assets (net of accumulated depreciation)	80,251,228	80,479,813
Total Property, Plant and Equipment	81,485,082	81,659,131
Total Assets	\$ 156,922,358	\$ 161,292,075

Central Coast Water Authority



Statements of Net Position

LIABILITIES AND FUND EQUITY

	<u>September 30, 2026</u>	<u>August 31, 2026</u>
<u>Current Liabilities</u>		
Accounts Payable	\$ 104,261	\$ 133,562
DWR and Warren Act Charge Deposits (Note 5a)	29,099,287	32,794,007
CCWA & DWR Variable Charge Deposits (Note 5b)	4,583,729	4,544,651
Other liabilities	1,102,874	1,097,787
DWR Reserve Fund	6,447,863	6,445,286
Rate Coverage Reserve Fund	9,560,638	9,556,817
Unearned Revenue	74,976	106,960
Credits Payable to Project Participants	1,348,896	1,340,718
Total Current Liabilities	52,322,525	56,019,788
<u>Non-Current Liabilities</u>		
OPEB Liability	505,353	505,353
Escrow Deposits	524,546	524,337
Net Pension Liability	4,934,200	4,934,200
Total Non-Current Liabilities	5,964,099	5,963,890
<u>Commitments and Uncertainties</u>		
<u>Net Assets</u>		
Contributed capital, net (Note 9)	22,562,433	22,562,433
Retained earnings	76,073,301	76,745,964
Total Net Assets	98,635,734	99,308,397
Total Liabilities and Net Assets	\$ 156,922,358	\$ 161,292,075

Central Coast Water Authority



Statements of Revenues, Expenses and Changes in Net Position

	<u>September 30, 2026</u>	<u>August 31, 2026</u>
<u>Operating Revenues</u>		
Operating reimbursements		
from project participants	\$ 19,474,677	19,274,999
Other revenues	18,531	2,394
Total Operating Revenues	<u>19,493,208</u>	<u>19,277,393</u>
<u>Operating Expenses</u>		
Personnel expenses	1,967,157	1,497,829
Office expenses	3,826	2,323
General and administrative	20,334	14,691
Professional Services	722,630	646,959
Supplies and equipment	424,204	299,672
Monitoring expenses	31,495	21,601
Repairs and maintenance	152,585	98,124
Utilities	144,152	110,144
Depreciation and amortization	685,755	457,170
Other expenses	267,725	203,659
Total Operating Expenses	<u>4,419,864</u>	<u>3,352,172</u>
Operating Income	<u>15,073,344</u>	<u>15,925,221</u>
<u>Non-Operating Revenues</u>		
Investment income	755,806	546,933
Total Non-Operating Revenues	<u>755,806</u>	<u>546,933</u>
<u>Non-Operating Expenses</u>		
Current year credits payable	429,851	400,191
Loss on disposal of fixed assets	-	
Total Non-Operating Expenses	<u>429,851</u>	<u>400,191</u>
Net Income	<u>15,399,300</u>	<u>16,071,963</u>
<u>Retained Earnings</u>		
Retained earnings at beginning of period	<u>60,674,001</u>	<u>60,674,001</u>
Retained earnings at end of period	\$ <u><u>76,073,301</u></u>	\$ <u><u>76,745,964</u></u>

Central Coast Water Authority



Budget and Actual All Reaches

September 30, 2026			
	Budget	Actual	Percent Expended ⁽¹⁾
Revenues			
Fixed operating assessments ⁽²⁾	\$ 18,822,645	\$ 18,822,645	
Variable operating assessments	1,843,213	652,032	35.37%
Miscellaneous income	-	18,531	
Investment income	-	174,797	
Total Revenues	20,665,858	19,668,005	
Expenses ⁽²⁾			
Personnel expenses	7,512,706	1,967,157	26.18%
Office expenses	24,001	3,826	15.94%
General and administrative	314,450	20,334	6.47%
Professional Services	2,160,000	722,630	33.46%
Supplies and equipment	1,840,662	424,204	23.05%
Monitoring expenses	154,000	31,495	20.45%
Repairs and maintenance	465,662	152,585	32.77%
Utilities	582,124	144,152	24.76%
Other expenses	1,151,586	267,725	23.25%
Capital and Non-Capital Expenditures	6,460,670	1,233,854	19.10%
Total Expenses	20,665,861	4,967,963	24.04%
Operating Income		14,700,042	
Net Income (Loss)	\$ -	\$ 14,700,042	

(1) Percent of year expended 25%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues from FY 2025/26 to FY 2026/27

Central Coast Water Authority

Central Coast Water Authority
Notes to Financial Statements
September 30, 2026

Note 1: Accounts Receivable

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

Note 2: O&M Reserve Fund

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

Project Participant	Amount
City of Guadalupe	\$ 28,784
City of Santa Maria	882,131
Golden State Water Company	26,166
Vandenberg SFB	287,832
City of Buellton	30,249
Santa Ynez ID #1 (Solvang)	78,500
Santa Ynez ID #1	26,167
Goleta Water District	235,507
Morehart Land Co.	10,467
La Cumbre Mutual Water Company	52,303
Raytheon Systems Company	2,617
City of Santa Barbara	156,998
Montecito Water District	156,921
Carpinteria Valley Water District	104,669
TOTAL:	<u>\$ 2,079,310</u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2026

Note 3: DWR Reserve Fund

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

Project Participant	Amount
City of Guadalupe	\$ 148,139
City of Santa Maria	4,865,958
Golden State Water Company	118,133
City of Buellton	155,780
Santa Ynez ID #1 (Solvang)	194,602
Santa Ynez ID #1	134,688
Morehart Land Co.	53,883
La Cumbre Mutual Water Company	260,313
Raytheon Systems Co.	13,471
City of Santa Barbara	502,896
TOTAL:	<u><u>\$ 6,447,863</u></u>

Note 4: Rate Coverage Reserve Fund Cash Deposits

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

Project Participant	Amount
City of Guadalupe	\$ 195,325
City of Santa Maria	5,497,066
City of Buellton	281,061
Santa Ynez ID #1 (Solvang)	646,353
Santa Ynez ID #1	471,339
La Cumbre Mutual Water Company	409,191
Montecito Water District	1,165,270
Carpinteria Valley Water District	878,970
Shandon	16,064
TOTAL:	<u><u>\$ 9,560,638</u></u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2026

Note 5a: Cash and Investments Payment to DWR

Cash deposits for DWR payments.

Project Participant	Amount
City of Guadalupe	\$ 369,169
City of Santa Maria	11,334,282
Golden State Water Company	338,544
Vandenberg SFB	5,576,395
City of Buellton	391,642
Santa Ynez ID #1 (Solvang)	996,150
Santa Ynez ID #1	362,837
Goleta Water District	3,427,031
Morehart Land Co.	134,876
La Cumbre Mutual Water Company	677,352
Raytheon Systems Co.	38,218
City of Santa Barbara	2,050,414
Montecito Water District	2,042,381
Carpinteria Valley Water District	1,359,997
TOTAL:	<u>\$ 29,099,287</u>

Note 5b: Cash Payments for CCWA, Warren Act and DWR Variable Charges

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

Project Participant	Amount
City of Guadalupe	\$ 40,744
City of Santa Maria	1,106,376
Golden State Water Company	55,455
Vandenberg SFB	311,422
City of Buellton	34,017
Santa Ynez ID #1 (Solvang)	93,421
Santa Ynez ID #1	93,818
Goleta Water District	831,051
Morehart Land Co.	50,090
La Cumbre Mutual Water Company	168,498
Raytheon Systems Co.	165,149
City of Santa Barbara	709,417
Montecito Water District	526,309
Carpinteria Valley Water District	397,964
TOTAL:	<u>\$ 4,583,729</u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2026

Note 6: Credits Payable

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

Project Participant	Amount
City of Guadalupe	\$ 223
City of Santa Maria	631,813
Golden State Water Company	253
Vandenberg SFB	4,266
City of Buellton	581
Santa Ynez ID #1 (Solvang)	1,453
Santa Ynez ID #1	1,754
Goleta Water District	4,725
Morehart Land Co.	93
La Cumbre Mutual Water Company	3
Raytheon Systems Co.	1
City of Santa Barbara	2,920
Montecito Water District	10
Carpinteria Valley Water District	36
Shandon	10
Lopez Turnout	907
Chorro Turnout	1,321
TOTAL:	<u>\$ 650,368</u>

Note 7: Escrow Deposits

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

Project Participant	Amount
Morehart Land Company	\$ 414,142
Raytheon Systems Company	110,404
TOTAL:	<u>\$ 524,546</u>

Central Coast Water Authority
Notes to Financial Statements
September 30, 2026

Note 8: Construction in Progress

Amounts in construction in progress represent expenditures incurred during FY 2026/27 and amounts retained in construction in progress at September 30, 2026. The following schedule shows the CIP expenditures for CCWA projects.

Financial Reach	Amount
Labor	\$ 25,103
Materials	89,801
Overhead	1,118,949
Project CIP Total:	<u>\$ 1,233,854</u>

Note 9: Contributed Capital

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

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

Central Coast Water Authority
Calendar Year 2026 Actual and Requested Deliveries in Acre Feet

Project Participant	Total Available AF Amounts ⁽¹⁾	ACTUALS ⁽²⁾										REQUESTED				Annual Delivery Total
		Jan.	Feb.	Mar.	Apr.	May	June	July	Aug	Sept	Subtotal	Oct.	Nov.	Dec.	Subtotal	
Guadalupe	345	19	15	18	14	20	24	25	30	29	194	2	4	2	8	202
Santa Maria	23,787	349	306	435	370	493	537	750	1,682	785	5,707	815	275	480	1,570	7,277
Golden State Water Co.	488	1	0	0	24	45	52	65	54	64	305	35	0	0	35	340
Vandenberg SFB	6,119	226	206	257	257	354	346	348	350	315	2,659	284	236	221	742	3,401
Buellton	789	0	0	0	0	11	30	31	33	30	135	30	15	15	60	195
Solvang (Billed to SY)	1,626	0	0	0	31	57	69	84	92	89	422	60	10	20	90	512
Santa Ynez ID#1	1,121	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Goleta	10,543	0	0	0	45	64	113	169	164	136	691	36	0	0	36	727
Morehart Land Co.	377	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
La Cumbre	1,062	0	0	0	30	53	48	75	0	0	206	25	20	20	65	271
Raytheon	105	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Santa Barbara	5,325	0	0	0	29	43	75	112	537	91	887	24	0	0	24	911
Montecito	1,485	0	0	0	29	43	75	434	110	91	782	24	0	0	24	806
Carpinteria	3,549	0	0	0	20	28	51	75	432	60	666	16	0	0	16	682
Subtotal Santa Barbara:	56,721	595	527	710	849	1,211	1,420	2,168	3,484	1,690	12,654	1,351	560	758	2,670	15,324
Shandon		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Chorro Valley	7500	120	134	130	121	135	133	153	146	133	1,205	184	174	174	532	1,737
Lopez	7500	20	105	138	113	175	162	156	156	276	1,301	166	160	160	486	1,787
Subtotal SLO County:	15,000	140	239	268	234	310	295	309	302	409	2,506	350	334	334	1,018	3,524
TOTAL ENTITLEMENT DELIVERIES	71,721	735	766	978	1,083	1,521	1,715	2,477	3,786	2,099	15,160	1,701	894	1,092	3,688	18,848
EXCHANGE DELIVERIES																
Santa Ynez-Exchange	0	0	0	0	(93)	(178)	(314)	(468)	(457)	(378)	(1,888)	(100)	0	0	(100)	(1,988)
Goleta-Exchange	0	0	0	0	34	64	113	169	164	136	680	36	0	0	36	716
Santa Barbara-Exchange	0	0	0	0	22	43	75	112	110	91	453	24	0	0	24	477
Montecito-Exchange	0	0	0	0	22	43	75	112	110	91	453	24	0	0	24	477
Carpinteria-Exchange	0	0	0	0	15	28	51	75	73	60	302	16	0	0	16	318
TOTAL EXCHANGE DELIVERIES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Lake Deliveries only		0	0	0	60	53	362	543	457	378		125	20	20		1,409

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

⁽²⁾ Includes out of area transfers



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 15, 2026

TO: CCWA Board of Directors

FROM: David Beard, Deputy Director

SUBJECT: California Environmental Quality Act Compliance for (1) the Riser Replacement Project – Phase 2, and (2) Electrical Vehicle Charging Station Installation Project

SUMMARY

Central Coast Water Authority (CCWA) staff is preparing to construct two projects: (1) the Riser Replacement Project – Phase 2, and (2) the Electrical Vehicle Charging Station Installation Project. Both projects are included in the Fiscal Year 2026-27 Budget.

This report requests the CCWA Board of Directors (Board)'s determination that both projects are exempt from the California Environmental Quality Act (CEQA) as described herein.

RECOMMENDATION

Staff recommend that the Board:

1. Find that the Riser Replacement Project – Phase 2 is exempt from the California Environmental Quality Act (CEQA) for the reasons provided in this report and to direct staff to file the applicable Notices of Exemption.
2. Find that the Electrical Vehicle Charging Station Installation Project is exempt from the California Environmental Quality Act (CEQA) for the reasons provided in this report and to direct staff to file the applicable Notices of Exemption.

DISCUSSION

Resolution No. 23-09 authorizes the Executive Director to make purchases of items of services, supplies or equipment without further Board approval if such projects were included in the Board's approved Budget for the fiscal year. The Riser Replacement Project – Phase 2 and the Electrical Vehicle Charging Station Installation Project were included in the Board's approved Budget, but were inadvertently left off Staff's April 23, 2026 report requesting the Board's approval of the Budget and compliance with CEQA for the included projects.¹ Staff now requests the Board's compliance with CEQA for both projects.

The **Riser Replacement Project – Phase 2** includes maintenance on an existing steel potable water pipeline in a below-grade concrete vault. The project scope of services includes removal of existing coating, surface preparation and welding, minor concrete removals and replacement, removal and replacement of an air and vacuum valve and piping isolation valve assemblies and replacement of a 24-inch diameter manway.

¹ The April 23, 2026 staff report is located here: <https://www.ccwa.com/board-meetings#docaccess-3b76df0d3fb35edd328f323ebd5dd90f.53288282>

The **Electrical Vehicle Charging Stations Installation Project** includes the installation of nine electrical charging stations at three CCWA facilities. Four stations will be installed at the Buellton Administration Office, four stations at the Polonio Pass Water Treatment Plant and one station at the Santa Ynez Pumping Plant. The project scope of services includes trenching through existing asphalt and concrete to install electrical conduit, installing bollards, replacement of concrete and asphalt and parking lot striping.

ENVIRONMENTAL REVIEW

The two projects were reviewed to determine the appropriate level of environmental review. CEQA does not apply to projects when activity will not result in a direct or reasonably foreseeable indirect physical change in the environment or are not projects as defined in Section 15378. (CEQA Guidelines §§ 15060(c)(2)-(3).) As such, the two activities do not qualify as projects under CEQA, as there are no foreseeable indirect physical changes in the environment as a result of the projects.

The Riser Replacement Project – Phase 2 is also categorically exempt from CEQA under the Class 1 (Existing Public Facilities) and Class 2 (Replacement or Reconstruction) categorical exemptions as it consists of the repair, maintenance, or minor alternations to an existing potable water pipeline in a below-grade concrete vault, and involves no expansion of existing or former use and will have substantially the same purpose and capacity as the structure replaced. (See CEQA Guidelines §§ 15301 – 15302.)

The Electrical Vehicle Charging Stations Installation Project is also categorically exempt from CEQA under the Class 1 (Existing Public Facilities) Class 3 (New Construction or Conversion of Small Structures), Class 4 (Minor Alterations to Land), and Class 11 (Accessory Structures) categorical exemptions. The Electrical Vehicle Charging Stations Installation Project consists of minor alterations to existing disturbed land (asphalt and parking lots) to install a limited number of electric vehicle charging stations and does not involve removal of healthy, mature, scenic trees. (See CEQA Guidelines §§ 15301, 15303 – 15304, 15311.)

No exceptions to the exemptions, as outlined in Section 15300.2, have been identified for either project.



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 15, 2026

TO: CCWA Board of Directors

FROM: David Beard, Deputy Director

SUBJECT: Approving a Reimbursement Agreement for the Chorro Valley Access Road Repair Project

SUMMARY

Resolution No. 26-13 entitled "Approving a Reimbursement Agreement for the Chorro Valley Access Road Repair Project" is presented to the Board of Directors for its consideration. Resolution No. 26-13 provides for Central Coast Water Authority (CCWA) to pay a portion of the costs for the repair of the Chorro Valley Access Road.

RECOMMENDATION

Staff recommends that the Board of Directors:

1. Approve and adopt Resolution No. 26-13 entitled "Approving a Reimbursement Agreement for the Chorro Valley Access Road Repair Project"; and
2. Find that the Board of Directors' approval of Resolution No. 26-13 is exempt for the reasons set forth in this report and to direct staff to file the applicable Notice of Exemption.

DISCUSSION

The Chorro Valley Access Road provides the sole access route to the South Portal of the Cuesta Tunnel, a critical utility crossing for regional water infrastructure as it conveys water from the Salinas Pipeline, State Water Project, and Nacimiento Water Project through the Cuesta grade.

In 2023, extreme rainstorms in San Luis Obispo County caused erosion and damaged both the Chorro Valley Access Road and the supporting slope. The San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD) commissioned an alternatives analysis, and a soldier pile wall and minor drainage improvements were selected to repair the roadway and mitigate future damage. SLOCFCWCD has obtained grant funds from the Federal Emergency Management Agency and the California Governor's Office of Emergency Services to pay approximately 89% of the total estimated project cost of \$4,460,000.

SLOCFCWCD has requested that the remaining project cost that would not be paid for by grant funds be split evenly among the four pipelines that occupy the Cuesta Tunnel utility crossing through the Cuesta grade. CCWA's share of the estimated non-reimbursed project cost would be 25% of \$504,415, or \$126,000.

CCWA utilizes the Chorro Valley Access Road for access to the portion of the Coastal Branch Pipeline (Pipeline) downstream of the Cuesta Tunnel for routine operations and maintenance activities. This road would also be used in the event CCWA had to respond to an emergency in that portion of the Pipeline. CCWA and SLOFCWCD have previously executed a similar project-specific reimbursement agreement for the construction of the Shandon Turnout and agreed to share costs on erosion repairs made to the Cuesta Tunnel North Portal access road.

CCWA's Fiscal Year 2026-27 Budget includes \$100,000 for this project. Construction is not scheduled to begin until after the 2026-27 rain season, so an additional \$26,000 may be included in CCWA's Fiscal Year 2027-28 Budget, based on SLOFCWCD's project cost estimate.

A copy of the proposed Reimbursement Agreement for the Chorro Valley Access Road Repair Project (Agreement) is included as Attachment A to Resolution No. 26-13. CCWA staff recommend adopting Resolution No. 26-13 approving execution of the Agreement and CCWA's cost share in an amount not-to-exceed \$126,000.

ENVIRONMENTAL REVIEW

CCWA's execution of the Reimbursement Agreement for the Chorro Valley Access Road Repair Project is exempt from review under the California Environmental Quality Act (CEQA), as it falls under numerous statutory and categorical exemptions. The following exemptions apply: Pub. Res. Code § 21065; Cal. Code Regs., tit. 14, §§ 15000 – 15387 (CEQA Guidelines), § Categorical Exemptions: CEQA Guidelines § 15302 (Replacement or Reconstruction).

Reasons Why Project is Exempt:

Class 2 - Replacement or Reconstruction: The Project involves the reconstruction of an existing utility facility involving no expansion of capacity. Therefore, the Replacement or Reconstruction exemption applies. (CEQA Guidelines § 15302.)

Exceptions to the Categorical Exemptions:

No exceptions to this exemption, as outlined in Section 15300.2, have been identified.

Attachment:

Resolution No. 26-13 entitled "Approving a Reimbursement Agreement for the Chorro Valley Access Road Repair Project"

- a. Reimbursement Agreement for the Chorro Valley Access Road Repair Project

RESOLUTION NO. 26-13

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CENTRAL COAST WATER AUTHORITY APPROVING AND ADOPTING THE
REIMBURSEMENT AGREEMENT FOR THE CHORRO VALLEY ACCESS ROAD REPAIR
PROJECT WITH SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER
CONSERVATION DISTRICT**

RECITALS

A. The Board of Directors ("**Board**") is the governing body of Central Coast Water Authority ("**CCWA**") and, pursuant to the Joint Exercise of Powers Agreement creating CCWA, all the power and authority of CCWA is exercised by the Board;

B. In 2023, extreme rainstorms in San Luis Obispo County caused erosion and damaged both the Chorro Valley Access Road and the supporting slope;

C. This Chorro Valley Access Road provides the sole access route to the South Portal of the Cuesta tunnel, a critical chokepoint for regional water infrastructure as it conveys water from the State Water Project, and three other pipelines, through the Cuesta grade;

D. SLOCFCWCD has obtained grant funds from the Federal Emergency Management Agency and the California Governor's Office of Emergency Services to pay approximately 89% of the total estimated cost of \$4,460,000 to repair the damaged road and slope (the "Project");

E. CCWA utilizes the Chorro Valley Access Road for access to the portion of the Coastal Branch Pipeline (Pipeline) downstream of the Cuesta Tunnel for routine operations and maintenance activities. This road may also be used in the event CCWA were required to respond to an emergency in that portion of the Pipeline;

F. CCWA has an interest in ensuring completion of the Project and therefore agrees to reimburse SLOCFCWCD for a portion (25%) of the non-federally reimbursed costs associated with the Project, in an amount not to exceed \$126,000; and

G. SLOCFCWCD and CCWA have negotiated the proposed Reimbursement Agreement for the Chorro Valley Access Road Repair Project, attached as **Exhibit A** to this Resolution, to provide for CCWA's reimbursement of the SLOCFCWCD as provided therein.

**NOW THEREFORE, THE BOARD OF DIRECTORS DOES HEREBY RESOLVE
AS FOLLOWS:**

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Approval of the Reimbursement Agreement for the Chorro Valley Access Road Repair Project. The Board hereby approves the Reimbursement Agreement and agrees to be bound by the terms and conditions of the Reimbursement Agreement (Exhibit A).

Section 3. Further Authorization. The Board of Directors authorizes the Executive

Director to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution, including but not limited to negotiating such non-substantive modifications to the Reimbursement Agreement as may be required.

Section 4. CEQA Finding. CCWA's execution of the Reimbursement Agreement for the Chorro Valley Access Road Repair Project is exempt from review under the California Environmental Quality Act (CEQA), as it falls under numerous statutory and categorical exemptions: Pub. Res. Code § 21065; Cal. Code Regs., tit. 14, §§ 15000 – 15387 (CEQA Guidelines), § Categorical Exemptions: CEQA Guidelines § 15302 (Replacement or Reconstruction).

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of the Central Coast Water Authority, this 22nd day of October, 2026, by the following vote:

	VOTING PERCENTAGE	AYE	NAY	ABSTAIN	ABSENT
City of Buellton	2.21%	_____	_____	_____	_____
Carpinteria Valley Water District	7.64%	_____	_____	_____	_____
Goleta Water District	17.20%	_____	_____	_____	_____
City of Guadalupe	1.15%	_____	_____	_____	_____
Montecito Water District	9.50%	_____	_____	_____	_____
City of Santa Barbara	11.47%	_____	_____	_____	_____
City of Santa Maria	43.19%	_____	_____	_____	_____
Santa Ynez River Water Conservation District, Improvement District No. 1	7.64%	_____	_____	_____	_____

I hereby certify that foregoing resolution was adopted at a regular meeting of the Board of Directors of the Central Coast Water Authority held on October 22, 2026.

[Seal]

Eric Friedman, Chairman

ATTEST:

Elizabeth Watkins
Secretary to the Board of Directors

APPROVED AS TO FORM:
Brownstein Hyatt Farber Schreck LLP

Stephanie Osler Hastings

Exhibit A: Reimbursement Agreement For the Chorro Valley Access Road Repair Project

REIMBURSEMENT AGREEMENT FOR
THE CHORRO VALLEY ACCESS ROAD REPAIR PROJECT

This Reimbursement Agreement for the Chorro Valley Access Road Repair Project (Agreement) is made this ____ day of _____, 2026, by and between the Central Coast Water Authority (CCWA), and the San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD or District) (collectively the Parties) with reference to the following facts and intentions:

A. CCWA is a public entity organized in Santa Barbara County under a Joint Exercise of Powers Agreement, dated August 1991, to finance, design, construct, operate, and maintain the Coastal Branch of the SWP. In addition, CCWA owns and operates a water treatment plant and pipeline that delivers water from the SWP through the Phase II Coastal Branch to the District and water users in Santa Barbara County. DWR and CCWA entered into a Joint Exercise of Powers Agreement dated October 1, 1996 (1996 Coastal Branch Maintenance Agreement), pursuant to which DWR secured CCWA assistance in connection with the construction, operation, and maintenance of the Phase II Coastal Branch.

B. On January 14th, 2023, and April 3rd, 2023, the President of the United States declared two major disasters (DR-4683 & DR-4699 respectively) following extreme weather along the coast of California which included San Luis Obispo County. Erosion during these storms damaged both the Chorro Valley Access Road and the supporting slope. This access road provides the sole access route to the South Portal of the Cuesta tunnel, a critical chokepoint for regional water infrastructure as it conveys water from the Salinas Pipeline, State Water Project, and Nacimiento Water Project through the Cuesta grade. Repair of this damage was included within a Federal Emergency Management Agency (FEMA) claim for DR 4683 CA that provided reimbursement for a significant portion of the estimated repair costs. Remaining repair costs are to be borne by the District and CCWA. As operators of the four water systems (Nacimiento Pipeline, Salinas Pipeline, Chorro Valley Pipeline, and the Coastal Branch Pipeline) collectively use the same road, costs of the repair project are to be shared equally among the systems.

C. The project will repair the existing damage and mitigate future damage by installing a soldier pile wall and minor drainage improvements to the Chorro Valley Access Road ("Project") as described in Exhibit A.

D. The purpose of this Agreement is to describe the roles and responsibilities of CCWA and the District with respect to sharing costs associated with the repair Project as CCWA uses the Chorro Valley Access Road to access the Coastal Branch Pipeline.

NOW THEREFORE, the parties agree as follows:

I. COST-SHARING AGREEMENT

The District and CCWA agree that all non-federally reimbursed costs associated with the Project are to be distributed equally as follows: Nacimiento Pipeline 25%; Salinas Pipeline 25%; Chorro Valley Pipeline 25%; Coastal Branch Pipeline 25%.

II. CONSTRUCTION WORK

The District shall procure a contractor (Contractor) with the requisite expertise to construct the Project through a competitive bidding process in compliance with District public procurement policies, funding agency requirements and all applicable laws. The District intends to retain a Construction Management consultant (Consultant) to perform construction-related services during the course of the Project including, but not limited to, bidding, submittal review, construction observation, change orders, progress payments and other services.

The District, in conjunction with the Consultant, will manage all aspects of the construction of the Project and will control all work and require the Contractor to complete all work in strict conformance with final construction plans and specifications. The District agrees to provide a copy of the bid documents to CCWA as well as a final as-constructed copy of the plans.

III. PAYMENT FOR WORK

CCWA agrees to reimburse the District for twenty-five percent (25%) of the final net Project cost in an amount not-to-exceed \$126,000. A preliminary estimate of the Project cost and calculation of CCWA's estimated cost share is shown in Exhibit B.

Upon completion of the Project, the District shall send CCWA an invoice for reimbursement of these costs and supporting documentation identifying: (a) total project costs, (b) FEMA and Cal OES reimbursements or offsets, (c) remaining eligible costs, and (d) CCWA's 25% cost share.

The Parties shall mutually determine the appropriate method for satisfying CCWA's cost share obligation, which may include direct payment, a credit against amounts otherwise due between the Parties, or another mutually agreed accounting mechanism.

If the Parties mutually determine that direct payment is the appropriate method for satisfying CCWA's cost share obligation, payment shall be made within thirty (30) days

following the Parties' agreement on the final cost share calculation after the completion of the Project.

IV. GENERAL CONDITIONS

If the District's Project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work, the District will notify CCWA in writing and terminate the agreement via a mutually executed termination agreement.

This Agreement constitutes the entire agreement between the parties and supersedes all prior contemporaneous agreements, representations and understandings of the parties. This Agreement may be altered, amended or modified only by a supplemental writing executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral agreement, course of conduct, waiver or estoppel.

IN WITNESS WHEREOF, the above parties have executed this Agreement the day and year above written.

CENTRAL COAST WATER AUTHORITY:

By: _____
Peter Thompson, Executive Director

Date: _____

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT:

By: _____
John Diodatti, Director of Public Works

Date: _____

APPROVED AS TO FORM AND LEGAL EFFECT:

Jon Ansolabehere
County Counsel

By: _____
County Counsel

Date: _____

EXHIBIT A – PROJECT DESCRIPTION

**Chorro Valley Access Road Repair
San Luis Obispo**

District Project No: WBS 300716



**San Luis Obispo County Flood Control and Water Conservation
District**

Department of Public Works

I. PROJECT BACKGROUND

A. Project Objective

The proposed project is located on the Chorro Valley Access Road in San Luis Obispo County, CA. The Chorro Valley Access Road is an earthen road connecting the entrance of the California Men's Colony to the South Portal of the Cuesta Tunnel. The road is inaccessible at various periods during the year when wet, with erosion occurring annually along both sides of the road. The Chorro Valley Access Road supports the Chorro Valley, Nacimiento, and Salinas pipelines as well as providing sole access to the South Portal of the Cuesta tunnel. The Cuesta tunnel is a critical chokepoint as it conveys water via three separate piping systems through the Cuesta grade along a common alignment to southern municipalities. During the 2023 storms, erosion along the Chorro Valley Access Road resulted in damage to the road and the supporting slope. This damage was included in a Federal Emergency Management Agency (FEMA) claim for DR 4683 CA by the San Luis Obispo County Flood Control and Water Conservation District (District). Following an alternatives analysis by Cannon and Yeh & Associates, a soldier pile wall and minor drainage improvements were selected to repair the roadway and mitigate future damage. The project location is shown in **Figure 1**.

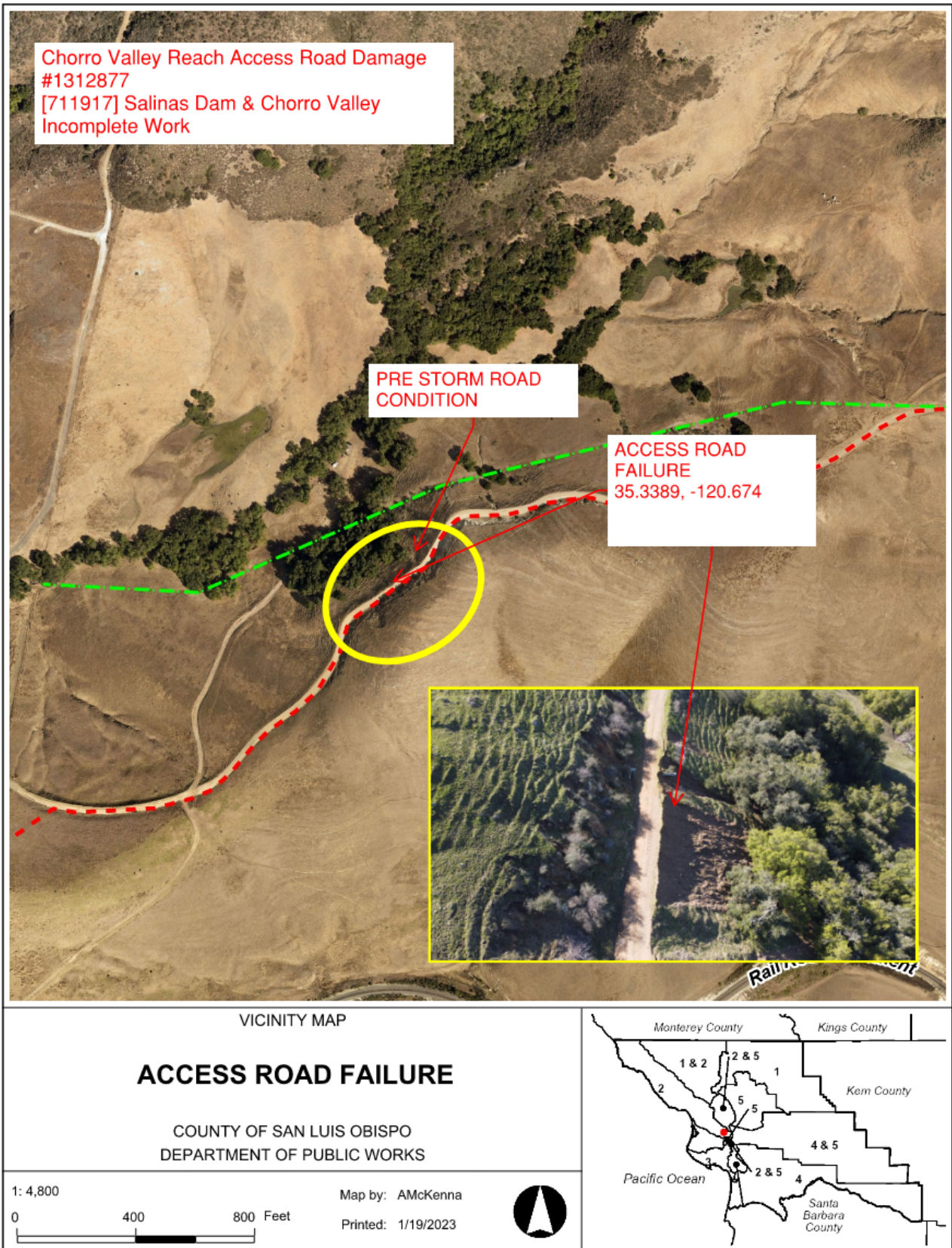


Figure 1: Roadway Repair Location

II. PROJECT DESCRIPTION

The Project will install a new soldier pile wall along the Chorro Valley Access Road and replace existing culverts. **Figure 2** illustrates the proposed soldier pile wall cross section.

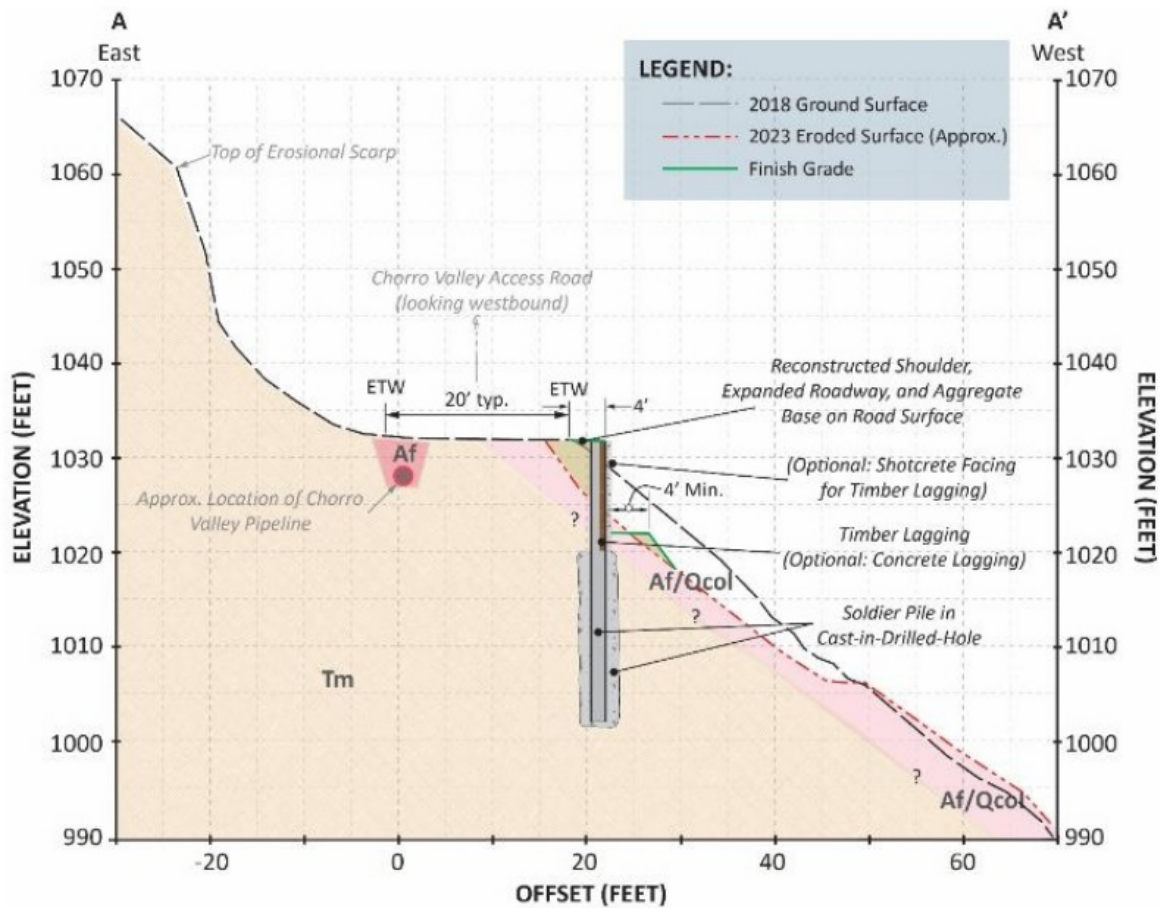


Figure 2: Soldier Pile Wall Cross Section

Exhibit B – Estimated Project Cost and CCWA Cost Share

(Estimated for budgeting purposes only. Final cost share shall be based on actual eligible project costs.)

Item	Estimated Amount ¹
Total Estimated Project Cost	\$4,460,000
Estimated FEMA Eligible Reimbursement ²	\$3,164,468
Estimated Cal OES Reimbursement ³	\$791,117
Estimated Non-Reimbursed Project Cost	\$504,415
CCWA Share ⁴	\$126,000

Notes

1. The amounts shown are preliminary estimates prepared for budgeting purposes only and are subject to change based on final construction costs and reimbursement determinations by the Federal Emergency Management Agency (FEMA), the California Governor's Office of Emergency Services (Cal OES), and any other applicable funding sources.
2. FEMA Reimbursement represents 75% of project cost, less County staff and third party overhead.
3. CalOES Reimbursement represents 18.75% of project cost, less County staff and third party overhead.
4. CCWA's reimbursement obligation shall equal twenty-five percent (25%) of the final net Project cost after application of all eligible FEMA, Cal OES, and other governmental reimbursement funding received for the Project. The District shall provide documentation supporting the final Project cost, applicable reimbursements, and calculation of CCWA's cost share. The method of satisfying CCWA's cost share obligation shall be determined by mutual agreement of the Parties.
5. The Parties acknowledge that the Chorro Valley Access Road provides access to four major regional water conveyance systems: the State Water Project (SWP) Coastal Branch Aqueduct (SWP), Chorro Valley Pipeline (CVP), Salinas Pipeline, and Nacimiento Water Project (NWP) pipeline. For purposes of this Project, the remaining net Project costs are allocated equally among these four systems, resulting in a twenty-five percent (25%) cost share assigned to each system. This allocation applies solely to the Project described in this Agreement and is not intended to establish or modify any future maintenance or cost-sharing obligations of the Parties.



CENTRAL COAST WATER AUTHORITY
MEMORANDUM

October 15, 2026

TO: CCWA Board of Directors

FROM: Peter K. Thompson
Executive Director

SUBJECT: Clerical Changes to CCWA Personnel Policy Manual

SUMMARY

At its April 23, 2026 Board meeting, the Board reviewed and approved changes to the CCWA Personnel Policy manual recommended by CCWA's personnel attorney based on personnel law and operational changes and also certain changes identified by CalPERS' MOU Review Unit as necessary for compliance with Public Employee Retirement Law ("PERL") or California Code of Regulations ("CCR").

Following Board approval the revised manual was resubmitted to CalPERS Compensation Compliance Review Unit, who subsequently informed CCWA staff that additional clarification and language modification was necessary.

Staff have worked in conjunction with both the MOU and Compensation Compliance Review Units to reach consensus on acceptable language to both units and have had CCWA's personnel attorney review the edited language.

RECOMMENDATION

That the Board approve the proposed changes to the Personnel Policy Manual.

DISCUSSION

CCWA's Personnel Policy Manual serves as CCWA written labor policy pursuant to CCR Section 571, and therefore the description of special compensation items within the policy will determine if the special compensation items are reportable to CalPERS.

The Compliance Review Unit identified the areas of Holiday Pay, Shift Differential, and Uniform Pay as needing additional clarification. Adding effective dates for certain compensation types was also requested.

For clarification, no changes will be made to CCWA current payroll practices related to these special compensation types, these changes are to descriptions and explanations only.

A redline version of the policy manual is attached, but below is a summary of the pertinent edits:

Holiday Pay: For employees scheduled to work on an actual holiday due to CCWA's 24/7 operating schedule, some descriptive language was removed, and the explanation that holiday pay is paid at one and one half times the employee's regular salary and specific detail on the other pay types included in the premium rate of pay calculation were added in section 1.12 and 3.1.3.

Shift Work: CCWA Water Treatment Plant Operators work a rotating schedule and therefore all shift differential for the Operator in Charge is reportable special compensation. The rotating schedule was defined and the effective dates of the original shift differential and additional 2.5% for night shift were clarified in section 1.14.1 and 1.14.1.2.

Certification Pay: The effective date of the certification pay benefit was added in section 1.15.

Uniforms: In Section 4.14 the dollar value of CCWA operation and maintenance staff uniform allowance as reported to CalPERS was specified, as well as the date the current value became effective.

PKT

Attachment

CENTRAL COAST WATER AUTHORITY



Personnel Policy Manual

Approved by Board of Directors December 18, 1997
Includes Board approved changes through [April 23 October 22](#), 2026 and effective as of [April 23 October 22](#), 2026

[#53360v4#53360v2](#)

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Section 1 INTRODUCTION TO EMPLOYMENT

1.1 WHAT IS THE CENTRAL COAST WATER AUTHORITY?

The Central Coast Water Authority (CCWA) is a public entity organized under a joint exercise of powers agreement dated August 1, 1991, by the cities and special districts responsible for the creation and maintenance of water resources in portions of the North County, Santa Ynez Valley, and the South Coast areas of Santa Barbara County.

The CCWA is presently composed of eight members, all of which are public agencies. Each member agency is represented on the CCWA Board of Directors by one individual and an alternate.

Agency

City of Buellton

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Santa Ynez River Water Conservation District, Improvement District #1

Goleta Water District

Montecito Water District

Carpinteria Valley Water District

In addition, the CCWA has one associate member, the La Cumbre Mutual Water Company and two non-member, private water users, Santa Barbara Research Center, and Morehart Land Company. Water service will also be provided to Golden State Water Company and Vandenberg Space Force Base.

The CCWA was organized to finance, develop, operate, and maintain the Mission Hills and Santa Ynez Extensions of the Coastal Branch (Phase II) Extension of the California Aqueduct of the State Water Project, and the Polonio Pass Water Treatment Plant.

Mission Statement

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.

1.2 ADMINISTRATIVE POLICY

The provisions contained herein set forth the personnel policies and procedures of the CCWA. They are intended to provide for a fair and equitable system of personnel management and for efficient and economical services to the public. They also define the obligations, rights, privileges, benefits, and prohibitions which apply to CCWA employees.

The provisions of this Personnel Policy Manual have been adopted by the Board of Directors of the CCWA as Resolution No. 93-14. The CCWA reserves the right and discretion to add to, modify, or delete provisions of this Manual by subsequent resolution of the Board of Directors. Only the CCWA Board of Directors has the authority to add to, modify, or delete provisions of this Manual and no individual has the authority to enter any employment or other agreement that modifies the provisions of this Manual.

1.3 ADMINISTRATION

The Executive Director shall be responsible for all personnel matters. The Executive Director may delegate as many of the day-to-day personnel functions to such other employees as the Executive Director deems appropriate.

1.4 MERIT PRINCIPLE

The personnel system of the CCWA is based on the merit principle. Appointments of all employees of the CCWA shall be based upon merit, including job-related knowledge, experience, ability, performance, and attitude.

1.5 EQUAL EMPLOYMENT OPPORTUNITY

CCWA supports equal employment opportunities and does not unlawfully discriminate against its employees or applicants because of their actual or perceived race (inclusive of traits associated with race, including, but not limited to, hair texture and protective hairstyles such as braids, locs, and twists), color, religion, sex (including pregnancy, childbirth, breastfeeding and/or related medical conditions), sexual orientation, national origin, ancestry, age (40 and above), marital status, military or veteran status, physical or mental disability, medical condition (genetic characteristics, cancer or a record or history of cancer), reproductive health decision making, gender, gender identity, or gender expression, genetic information, or any other characteristic protected by state, federal or local law. CCWA also does not unlawfully discriminate based on a combination of two or more of these protected characteristics. CCWA also makes reasonable accommodations, as required by law, for employees who have a physical or mental disability. Finally, CCWA prohibits the harassment of any individual on any of the basis listed above. This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, and social and recreational programs.

1.6 AUTHORIZATION TO WORK

All offers of employment are contingent on verification of an employee's right to work in the United States. Within the first three days of employment the employee will be asked to provide original documents verifying the employee's right to work and to sign a verification form required by federal law. If the employee at any time cannot verify his/her right to work in the United States, the CCWA may be obliged to terminate the employee's employment.

1.7 PROBATIONARY PERIOD

There is a twelve (12) month probationary period for each new employee, or a former employee who is rehired. However, a former employee rehired in his/her former classification with a six (6) month or less break in service will be subject only to a three (3) month probationary period. The probationary period provides an employee the opportunity to assess the CCWA and the job content, and allows the CCWA to evaluate the new employee and his/her job performance. During the probationary period, an employee may be discharged by the CCWA for any reason without notice or appeal. A performance review will be conducted by an employee's supervisor prior to the completion of the probationary period. On successful completion of the probationary period, an employee will become a regular employee of CCWA.

An employee promoted to a classification within the CCWA will serve a six-month probationary period in the classification to which he/she was promoted. If the promoted employee fails to pass the probationary period, at the sole discretion of the Executive Director, he/she may displace the least senior employee in the classification from which the employee was promoted.

The CCWA can extend the duration of an employee's probationary period one or more times, for a total maximum extension of six (6) months if deemed appropriate in the discretion of the Executive Director.

1.8 EMPLOYEE PERFORMANCE EVALUATION

The CCWA's performance evaluation process provides for a written appraisal of an employee's performance annually. The CCWA utilizes performance evaluation forms, which should summarize the performance of the employee for the period covered as accurately and objectively as possible.

Annual written evaluations of employee performance shall be conducted by an employee's supervisor. The annual written evaluation shall be presented to and reviewed with the employee by his/her supervisor. The supervisor should schedule the meeting with the employee to allow time for a private discussion. At the meeting, the employee should be encouraged to contribute a self-evaluation. The employee also shall be provided an opportunity outside the meeting to note any comments or objections regarding the evaluation on the written evaluation. The employee shall acknowledge receipt of the written evaluation on a copy of the evaluation, which shall be placed in the employee's personnel file. A copy of the written evaluation will be given to the employee. More frequent evaluations of an employee's work performance may be conducted by an employee's supervisor at the discretion of the Executive Director.

1.9 SALARY STATUS/PAY PERIODS/TIME CARDS

1.9.1 Time Keeping for Non-exempt Employees

All non-exempt employees shall record their hours worked by time cards which are completed and turned in to an employee's supervisor at the end of each pay period. Time cards are used as a means of accurately recording hours worked and calculating pay. Regular time, vacation time, sick leave, holidays, doctors' appointments, and all other absences from work shall also be accurately entered on an employee's time card for accurate CCWA record keeping.

It is important that an employee's time card not be lost, falsified, or mutilated. If there is a mistake on the time card, an employee should inform his/her supervisor and then make and initial the necessary corrections. Only an employee and his/her supervisor are permitted to enter information or otherwise mark the employee's time card. The supervisor should also initial any corrections. Time cards are an official CCWA document and must not be falsified or tampered with in any way.

1.9.2 Pay Periods

Pay periods are biweekly and checks are issued on alternate Fridays. If a payday falls on a holiday, the paycheck will be distributed on the preceding workday.

1.9.3 Employees' Salaries

Employee salaries are set at the time of hire. While annual increases in salary are not automatic, CCWA reserves the right, at its sole discretion, to grant employees an annual general salary increase or an annual individually based merit increase.

1.9.4 Position Classifications

The following are the staff position classifications and pay grades approved by the Board of Directors:

<u>Exempt Employees</u>	<u>Grade</u>
Executive Director	N/A
<u>Non-Exempt Employees</u>	<u>Grade</u>
Administrative Assistant	11
Accounting Technician	12
Laboratory Analyst	19
Distribution Technician	19
Plant Maintenance Technician	19
Engineering Technician	21
Water Treatment Plant Operator	23
Senior Accountant	25
Maintenance IC&R Technician	26
Maintenance Foreman	26
IT/Instrumentation and Control Specialist	28
Senior Chemist	29
Distribution Supervisor	34
Office Manager	35
Safety Officer	38
Water Treatment Plant Supervisor	38
Maintenance Superintendent	38
Operations Manager	46
Controller	49
Deputy Director	62

1.10 ATTENDANCE/HOURS AND BREAKS

1.10.1 Attendance

Attendance and punctuality are important to the efficient operation of any business. Good attendance and punctuality are essential components of solid employee performance. Poor attendance and tardiness disrupt productivity, make it difficult to function effectively and burden fellow employees.

Employees are responsible for being present at the required time each day. On occasion, employees may have reason to be absent from or late to work. On these occasions, whenever possible employees shall contact their supervisor, orally or in writing, before their scheduled starting time. If such notice is not possible, including because the need is not foreseeable, employees are required to notify their supervisor, orally or in writing, as soon as practicable. Upon returning to work employees must complete a Leave Request Form and turn it in to his/her supervisor.

When an employee returns to work after a medical-related absence, the employee may be required to provide his/her supervisor with a doctor's statement verifying the need to be off

work and the employee's ability to return to work. At the discretion of the Executive Director, before being allowed to return to work, the employee may be required to be examined at CCWA expense by a CCWA-selected physician to verify the employee's ability to return to work.

If an employee is absent for three consecutive days and has not contacted his/her supervisor, the employee will be considered to have voluntarily resigned employment as of the end of the third day missed.

1.10.2 Hours and Breaks

Except as provided in Paragraph 1.14.0 (Shift Work/Weekend Watch), normal hours of work are from 8:00 a.m. to 5:00 p.m. with a one hour lunch period; any deviation from this schedule requires the approval of the Executive Director or his designee and must be noted on an employee's time card. CCWA encourages a 10-minute rest break twice daily for non-exempt employees as allowed by law. These breaks are to be taken approximately two hours after the start of the work day and approximately two hours after the lunch period. Breaks should be scheduled by your immediate supervisor. The CCWA reserves the right to modify employees' starting and quitting times and the number of hours worked.

CCWA will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child in compliance with California law.

1.11 EDUCATIONAL ASSISTANCE/TRAINING

1.11.1 Educational Assistance

The CCWA encourages employees to continue their education to maintain and improve the skills and knowledge required in their job or to prepare for promotional opportunities. Upon satisfactory completion by full-time regular employees of courses approved by the Executive Director, the CCWA will pay the first \$50 and 50% of the cost thereafter of tuition and required books, up to a maximum of \$1,000 per calendar year.

1.11.2 Training

Organized instructional courses offered by public or private educational institutions may be considered appropriate training programs for employees if approved by the Executive Director. When approved training courses or other training programs have been completed by the employee, the employee may file evidence of completion with the Executive Director or his designee. Such evidence of completion shall be made a part of the employee's personnel record. Participation in and successful completion of training courses or programs shall be considered in making advancements and promotions.

1.12 OVERTIME

Non-exempt employees may earn compensation at a premium rate in four different situations, as described below. In no case shall hours worked by non-exempt employees be paid at a premium rate greater than 1 ½ times their regular rate of pay (plus payment for a holiday at the employees' regular rate of pay, if appropriate under Section 3.1 of this Manual).

1. Overtime Compensation for Working Over 40 hours in a Week

All non-exempt employees shall be paid overtime and compensated at the premium rate of 1 ½ times their regular rate of pay for all hours worked in excess of 40 in one workweek. The workweek for the purpose of overtime calculations for each employee will be determined at the time of hire or by separate policy.

For purposes of determining the "hours worked" in excess of 40 in one workweek, the following hours shall be included in the calculation:

- Actual hours worked during the workweek rounded up to the next highest increment of 15 minutes;
- All paid leave time (pursuant to Section 3.2, 3.3, 3.4, 3.8, 3.11, 3.13, 3.14, or 3.15 of this Manual) taken during the workweek; and
- Paid holiday hours during which an employee does no work, if the observed or actual holiday is part of the employee's regularly scheduled workweek.

The following hours are excluded from the calculation in determining hours worked in excess of 40 in a workweek:

- Compensatory time taken;
- Time worked and paid at the overtime premium rate; and
- Paid holiday hours during which an employee does no work, if the observed or actual holiday is not part of the employee's regularly scheduled workweek.
- For holiday hours worked:
 - If less than 8 hours, the premium paid holiday hours worked on the holiday would not count towards the 40 hour workweek. (i.e. If an employee works 3 hours on a holiday, the day would count as 8 hours towards their 40 hour workweek, not 11 hours, but they would receive premium pay for the 3 hours worked as well as the regular 8 hours holiday pay.)
 - If an employee works in excess of 8 hours on a holiday, the actual hours worked at premium pay would count towards their 40 hour workweek. (i.e. - If an employee works 10 hours on a holiday, the workday would count as 10 hours towards their 40 hour workweek, not 18 hours, but they would receive premium pay for the 10 hours worked, as well as the regular 8 hours holiday pay.)

2. Work on an Observed or Actual Holiday

Non-exempt employees who work on an actual or observed holiday shall be entitled to compensation for that work at the premium rate of 1 ½ times their regular rate of pay without regard to the actual number of hours worked during that workweek. The calculation of regular rate of pay will include shift differential and certification pay ~~FLSA-mandated payment types~~ if applicable ~~including shift differential and standby pay, but will not include certification pay or uniform allowance~~. Floating holidays as explained in Section 3.1.1 are not eligible for holiday pay.

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

3. Unscheduled Work (Call Back Time)

Non-exempt employees shall be entitled to a minimum of one hour compensation at the premium rate of 1½ times their regular hourly rate if they are called back to work outside their normal scheduled hours for the current workweek, except the minimum increases to two hours of compensation at the premium rate of 1½ times their regular hourly rate if the call back occurs between 11:00 p.m. and 4:00 a.m. The premium rate of pay shall apply to all hours outside of their normal schedule for the duration of the event. This section shall not apply if after completing the employee's normal scheduled hours the employee continues to work beyond the employee's normal scheduled hours.

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

4. SCADA System Monitoring

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

1.13 COMPENSATORY TIME

Non-exempt employees may accrue compensatory time in lieu of overtime payment only at the discretion of their supervisor and if approved in advance. Compensatory time off shall be accrued at the rate of 1½ hours of compensatory time for each hour of overtime worked. During any fiscal year (July 1 - June 30), employees may accrue up to a total of 120 hours of compensatory time. At the end of each Fiscal Year, employees shall be paid for their accrued compensatory time balance in excess of 40 hours at their then current hourly rate unless the employee elects to carry over all or a portion of his or her accrued compensatory time balance in excess of 40 hours ("Carry Over Comp Time"). The payment of such accrued compensatory time shall be made on or before July 15 of each year. Carry Over

Comp Time will remain part of the employee's accrued compensatory time balance, which may not exceed 120 hours, but Carry Over Comp Time is not subject to later payout except at the time of separation from employment. In taking time off from work, employees must utilize any Carry Over Comp Time before using any other portion of employee's accrued compensatory time balance.

Use of compensatory time off shall be by prior scheduling and with approval by the employee's immediate supervisor. Upon separation from employment, employees shall be paid for their accrued compensatory time balance at their then current hourly rate.

1.14 SHIFT WORK/ STANDBY

The objective of this section is to establish operation policy and compensation for those employees required to do shift work and those required to be on stand-by for after hour's emergencies.

1.14.1 Shift Work

Beginning on June 20, 1997, Treatment Plant Operators are normally assigned to a schedule of rotating shifts that involve working a 12 hour rotating shift, consisting of a week (including weekends) from 6:00 AM to 6:00 PM followed by a week off, a week (including weekends) from 6:00 PM to 6:00 AM and a week off, and then a week on relief shift. The Executive Director or his/her designee have the authority to change the hours of work for each employee in accordance with the needs of the Authority. Shift work shall be arranged with the goal of eighty hours being scheduled for each operator in a two-week pay period. Operators on shift duty should take a reasonable meal break at an appropriate time of low system demand, which shall be exercised in such manner that the shift operator be within hearing range of the plant alarm system at all times.

1.14.1.1 Relief Shift

Treatment Plant Operators who are assigned the relief shift will work as scheduled by the Executive Director or his/her designee with that schedule being subject to change when directed by the Executive Director or his/her designee to relieve Treatment Plant Operators due to the needs of the Authority. Relief assignments will be scheduled in advance when possible. In case of an emergency or when an Operator fails to report to work for shift duty, the Operator assigned to the relief shift will cover a partial or full shift respectively.

1.14.1.2 Shift Differential Pay

Shift Differential time is paid at five percent (5%) of the employee's straight time rate for all scheduled ~~and unscheduled~~ shift work ~~between the hours of 6:00 AM and 6:00 PM~~ for all employees working a rotating shift ~~as stated above~~. ~~In the event of a relief operator being required to cover a partial shift, all hours worked during the period of the partial shift will receive shift differential pay, including the hours worked as relief operator.~~

Effective July 1, 2024, Shift Differential is paid at an additional 2.5% in addition to the 5% Rotating Shift Differential, for a total seven and a half percent (7.5%) of the employee's straight time rate for all scheduled ~~and unscheduled rotating~~ shift work in

~~the rotating work week in which employees work~~ between the hours of 6:00 PM and 6:00 AM. ~~In the event of a relief operator being required to cover a partial shift, all hours worked during the period of the partial shift will receive shift differential pay.~~

Shift differential pay is reported to CalPERS as special compensation.

1.14.2 Standby Time

Operations staff are assigned Standby duty on a rotating schedule by the Executive Director or his designee. The duties associated with Standby vary for each department, and are defined by the position job description. These duties may change as needed, but generally involve being available by phone or responsible for operating and monitoring essential operations 24 hours a day for a one-week period.

Employees assigned to be on standby shall not receive standby pay for any periods of time they are on paid or unpaid leave unless otherwise agreed to in writing by the employee's supervisor.

1.14.2.2 Treatment Plant Operator Portal to Portal Pay

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

1.15 CERTIFICATION DIFFERENTIAL PAY

Effective July 1, 2024 ~~C~~certification differential pay is available to the following classifications: Treatment Plant Operators who obtain a certification from the California Water Resources Control Board above the legal requirement (T3); Distribution Technicians who obtain a certification from the California Water Resources Control Board above the legal requirement (D3); and Instrumentation & Control Specialists and Technicians who obtain a certification from the International Society of Automation above a CCST Level 1.

To qualify for certification differential pay, the employee must have demonstrated their eligibility for on-call or shift assignment by passing CCWA's internal testing requirements to the satisfaction of their supervisor and/or the Executive Director (or the Executive Director's designee). Qualifying employees who receive a higher level certification relevant to their specific job title (i.e., D4 and above for Distribution Technicians, T4 and above for Treatment Plant Operators, and CCST Level 2 and above for Instrument & Control Specialists and Technicians) shall receive certification differential pay of 2.5% of the employee's straight time rate for each such certification to a maximum of 5% of the employee's straight time rate. Certification differential pay is reported to CalPERS as Educational Incentive special compensation.

The certification differential pay will start effective the first pay period after the employee provides satisfactory evidence of obtaining the higher level certification to the Office Manager. The certification differential pay will cease if the employee ceases to hold the certification at the higher

level, and shall notify the Office Manager immediately upon learning that they no longer hold such certification.

Section 2 PERSONNEL PROCEDURES

2.1 SELECTION AND HIRING

2.1.1 Vacant Positions Procedures

Vacant positions may be filled by the Executive Director by any of the following procedures:

- (a) Appointment of qualified present employees of the CCWA without announcement.
- (b) Appointment of qualified present employees of the CCWA following announcement.
- (c) Appointment following announcement and open or promotional examination.

2.1.2 Vacancy Announcements

Applications for vacant positions which are subject to open or promotional examination shall be solicited by public announcements posted in a manner and at locations as determined by the Executive Director or his designee. The announcements shall specify the title and pay range of the position class, the nature of the work to be performed, minimum and desirable qualifications, manner of making applications, closing date for receiving applications, examination required, and other pertinent information. Advertisements, with or without the foregoing information, may be placed for recruitment purposes.

2.1.3 Examination and Selection

Testing selection procedures may include written, oral and/or performance procedures. All examinations shall be conducted by or arranged for by the Executive Director or his designee. Offers of employment may be made only by the Executive Director or his designee. Offers are made based on applicant's qualifications, experience, references, examination results, comments by interviewers, and all other relevant information, including information obtained from the employment application. When relevant, applicants may be asked to pass a medical examination, the results of which will be treated as a confidential medical record and will be used only to evaluate the applicant's physical or mental ability to perform job-related functions. The CCWA only will be informed of determination of fitness to perform the particular job. The offer of employment will be conditioned on a determination that the applicant is medically fit to perform the job and can perform it without endangering the health and safety of the applicant or others.

2.1.4 Temporary Employment

Notwithstanding the regular selection and hiring procedures, the Executive Director or his designee is authorized to use simplified recruitment and hiring procedures as the Executive Director or his designee deems appropriate in the case of temporary, casual, or emergency employment.

2.1.5 Special Appointment

The Executive Director has the discretion to authorize the hiring of an employee as a Special Appointment in a position classification listed in Section 1.9.4 that at the time of hiring does not possess the required minimum qualifications for the position. An employee as a special appointment shall meet the minimum qualifications of the position prior to the end of the probationary period as provided in Section 1.7 or at such earlier time as specified by the Executive Director at the time of hire. The Executive Director shall have the authority to hire an employee as a special appointment at a rate of pay up to ten percent (10%) below the minimum salary for that position until the minimum qualifications are met at which time the employee shall be placed at a rate of pay, as determined by the Executive Director, at least equal to the minimum salary for that position effective the first pay period after the minimum qualifications are obtained and verification provided to CCWA.

Special appointment employees who fail to obtain the minimum qualifications for their position prior to the end of their probationary period may be discharged by CCWA without notice or appeal.

2.2 ORIENTATION

Each new probationary employee shall be provided a copy of the Personnel Policy Manual. After the employee's review of the Manual he/she shall attend an orientation session with the Executive Director or his designee. At that time, the Executive Director or his designee shall discuss the general operation of the CCWA, the employee's role in making the CCWA an efficient and effective operation and answer questions of the employee pertinent to his/her employment. The Executive Director or his designee shall note in the employee's personnel file the date of the orientation meeting.

2.3 EMPLOYMENT STATUS

Status refers to the condition of an employee's appointment, such as probationary, regular, or temporary. Changes in status may result from reinstatement, transfer, promotion, demotion, or suspension. Status is described as follows:

2.3.1 Probationary Employee

A new employee, former employee who is rehired, or a promoted employee serving a probationary period as set forth in Section 1.7. of this Manual.

2.3.2 Regular Employee

An employee who successfully completes the probationary period, including any extension thereof.

2.3.3 Full-time

An employee regularly scheduled to work 40 hours per week. Full-time employees may be probationary, regular, or temporary.

2.3.4 Part-time

An employee regularly scheduled to work less than 40 hours, but at least 20 hours per week. Part-time employees may be probationary, regular, or temporary.

2.3.5 Temporary Employee

An employee hired to work on a special assignment or other non-permanent basis with the understanding that the temporary employment will not exceed one year. Temporary employees do not become regular employees as a result of the passage of time and may be terminated for any reason without notice or appeal.

2.3.6 Casual Employee

An employee hired to work on a sporadic basis for a few hours or days at a time. Casual employees do not become regular employees as a result of the passage of time and may be terminated for any reason without notice or appeal.

2.3.7 Exempt/Non-Exempt Employees

Exempt or non-exempt status of employment is determined pursuant to state and federal law. Employees will be informed of their exempt or non-exempt status when they are offered the job. Exempt employees by definition are exempt from earning overtime compensation.

2.3.8 Project Employee

An employee hired to work in connection with a specific project of limited duration with the understanding that the employment is for a limited term, which usually will not exceed two years, but will be in excess of six months. During their term of employment, project employees shall be eligible for the following employment benefits as provided in Section 3 of the Manual: holidays, vacation, sick leave, workers' compensation, time off to vote, jury duty/appearance as a witness, medical, dental and vision insurance, and state disability insurance. Project employees do not become regular employees as a result of the passage of time and may be terminated for any reason without notice or appeal.

2.4 SEPARATION AND DISCIPLINE

2.4.1 Layoff

An employee may be terminated, without fault on his/her part, in the event of the abolition of his/her position, if a shortage of work or funds requires a reduction in personnel, or for other operational needs. Regular employees shall receive notice of layoff two weeks prior to effective date or may receive two weeks' pay in lieu of notice. Employees generally will be laid off within classifications in the following order: (1) project employees, (2) casual and temporary employees, (3) probationary employees and (4) regular employees. Layoffs generally will be based on the following, at the CCWA's sole discretion: the CCWA's business and operational needs, the employee's performance, and the employee's length of service. There will be no bumping of employees across or within classifications.

2.4.2 Resignation

An employee may resign employment by submitting a written resignation at least one week before the effective date. Failure to do so may result in disqualification for future employment with the CCWA. Absence without approval for more than three consecutive days, or failure to return from vacation or from an approved leave of absence shall be considered a voluntary resignation.

2.4.3 Involuntary Termination and Disciplinary Action

A regular, non-probationary employee may be terminated involuntarily or otherwise disciplined for cause, including, without limitation, for violating the provisions of this Manual, poor performance, misconduct, excessive absences, tardiness, insubordination, dishonesty and submitting false or misleading time records or expense reimbursement forms. Without limitation, disciplinary action may include oral or written warnings, suspension without pay, reduction in pay, being placed in a probationary status or termination. The nature of the disciplinary action will depend on the particular circumstances involved, and is at the discretion of the CCWA.

2.5 PROCESSING OF GRIEVANCES AND COMPLAINTS

2.5.1 Grievance and Complaint Defined

A grievance is an alleged violation of this Manual, or dispute regarding the interpretation, application, or enforcement of this Manual, including disputes regarding disciplinary action, termination or employment discrimination or harassment. A grievance does not include disagreements or disputes pertaining to promotions, performance evaluations, oral or written reprimands or termination of employment during an employee's probationary period. A complaint is any dispute arising out of an employee's employment with CCWA which does not constitute a grievance. Grievances and complaints may not be filed by temporary and casual employees.

2.5.2 Informal Resolution

Employees should first attempt to informally resolve any grievance or complaint by orally bringing the grievance or complaint to the attention of his/her immediate supervisor. If the immediate supervisor is unable or unwilling to resolve the matter within three days of having it brought to his attention or, if the immediate supervisor is the subject of the dispute, the employee shall file a written grievance or complaint with the Executive Director. The written grievance or complaint must set forth the grounds for the employee's grievance or complaint, the facts upon which the grievance or complaint is based, the section of this Manual claimed to be violated, if any, and the proposed resolution. The CCWA may require that grievances or complaints be filed on a designated form.

In the event the Executive Director is the subject of the dispute, the written grievance or complaint should be presented to the Deputy Director, who will forward it to the Personnel Committee for reconsideration. The Personnel Committee will consider such grievances in accordance with Section 2.5.5 or Section 2.5.6. The Personnel Committee will respond to complaints in a manner deemed appropriate by the Personnel Committee.

2.5.3 Processing of Written Grievance or Complaint

The Executive Director, or his/her designee, shall investigate the grievance or complaint, and meet with the employee and any other individuals deemed appropriate. The employee shall fully cooperate in this investigation. The Executive Director shall issue a written response to the employee within twenty days of the filing of the written grievance or complaint, unless the employee and Executive Director agree to extend the deadline. The decision of the Executive Director as to matters constituting a "complaint" shall be final and non-appealable.

2.5.4 Appeal of Grievance Decision

An employee may appeal the decision of the Executive Director as to matters constituting a "grievance" to the Personnel Committee of the CCWA Board of Directors. Any such appeal must be filed in writing by delivering it to the Executive Director or his designee within five calendar days after receiving the Executive Director's initial decision regarding the grievance. The appeal must state why the employee disagrees with the decision of the Executive Director, including the factual basis for the employee's disagreement. The CCWA may require that grievance appeals be filed on a designated form. The Executive Director or his designee shall refer the grievance appeal to the Personnel Committee within ten calendar days of its filing date.

2.5.5 Decision of Personnel Committee

The Personnel Committee may conduct such investigation of the grievance, as it deems appropriate. If the Personnel Committee, in its sole discretion, deems it advisable to hold a hearing, it shall hold such hearing within forty-five days after the appeal has been filed, except that a hearing shall be held pursuant to subsection below as to grievances involving termination of employment. The hearing date may be continued by mutual agreement of the parties. The format of the hearing shall be determined by the Personnel Committee. Unless the parties agree otherwise, within twenty days after the hearing, the Personnel Committee shall issue a written decision to the Executive Director and to the employee. If no hearing is held, the written decision of the Personnel Committee shall be issued forty-five days after

the appeal has been filed, unless the parties agree to an extension of time. The decision of the Personnel Committee shall be final and non-appealable.

2.5.6 Procedure for Grievances Termination

When a grievance concerns termination of employment, an evidentiary hearing shall be held before the Personnel Committee within forty-five days after the appeal has been filed. The hearing date may be continued by mutual agreement of the parties. The Personnel Committee may appoint counsel to assist it in the conduct of the hearing. The Personnel Committee, or its designee, shall promptly notify the Executive Director and the employee of the date, time, and location of the hearing.

The hearing shall be recorded by a certified shorthand reporter or by tape recording, at CCWA's expense. The transcription cost shall be borne by the party requesting the transcript. Unless the employee requests a private hearing, the hearing shall be public. Each party shall have the right to call and examine witnesses. While oral evidence shall be taken on oath, the hearing will be conducted informally and the legal rules of evidence shall not apply.

Unless otherwise agreed to by the parties, within twenty days after the matter is submitted, the Personnel Committee shall issue written findings and conclusions, which shall be transmitted to the Executive Director and the employee. The findings and conclusions of the Personnel Committee shall be final and non-appealable.

To the extent applicable, as part of its written findings and conclusions, the Personnel Committee shall provide notice to the employee that the time within which judicial review must be sought is governed by Code of Civil Procedure 1094.6.

2.5.7 Time Limitation on Initial Filing of Grievances

No act, activity, or claim which may constitute a grievance may be considered for resolution unless a written grievance is filed with the Executive Director in accordance with the procedure contained herein within thirty days after the event occurs which gave rise to the grievance or the date the employee could reasonably have known such event occurred.

2.5.8 Non-Retaliation

An employee shall not be disciplined, penalized, or otherwise discriminated against because of filing a complaint or grievance under the procedure set forth in this section.

2.5.9 Representation

In filing and processing a grievance under this section, an employee may be represented by a representative of his or her designation upon proving written notice of such designation to the Executive Director or his/her designee.

2.6 PERSONNEL FILE

A personnel file shall be maintained by the Executive Director or his designee for each employee. An employee shall be entitled to review the contents of his/her personnel file at

reasonable time intervals upon request during hours when the office is normally open. Such review shall not interfere with the normal business of the CCWA.

No evaluation or disciplinary document shall be placed in an employee's file without his/her review and a copy of the document presented to him/her for his/her records. The employee shall acknowledge that he/she has reviewed and received a copy of the evaluation or disciplinary document by signing it.

2.7 JOB DESCRIPTIONS

The CCWA shall maintain job descriptions for each classification which describe the minimum requirements, duties, and other information pertinent to the classification.

2.8 EMPLOYEE SUGGESTIONS

CCWA has an open door policy that encourages employee participation in decisions affecting them and their daily professional responsibilities. CCWA is always interested in the constructive ideas and suggestions of its employees. Employees who have job-related suggestions or concerns are encouraged to talk them over with their supervisor or any other management representative with whom they feel comfortable. In addition, employees may place written suggestions or inquiries in the suggestion boxes located in the CCWA main office and the Polonio Pass Water Treatment Plant. At the employee's discretion, these written suggestions or inquiries may be anonymous or signed. If an employee's suggestion or inquiry is signed, after his/her suggestion or inquiry is investigated, the employee will be notified of CCWA's response within thirty days. Employees are encouraged to pursue further discussions of their suggestion or inquiries when appropriate.

CCWA believes that suggestions may indicate initiative on the part of an employee. With the employee's approval, CCWA will place the suggestion in the employee's personnel file and take it into consideration at the time of the employee's performance evaluation.

This procedure is in addition to the grievance and complaint procedure found at Section 2.5 of this Manual.

Section 3 EMPLOYEE BENEFITS

3.1 HOLIDAYS

3.1.1 General

CCWA observes eleven 8 hour paid holidays annually, namely:

New Years Day	Labor Day
Martin Luther King Jr. Day	Veterans Day
Presidents' Day	Thanksgiving Day
Memorial Day	Friday following Thanksgiving
Juneteenth (June 19 th)	Christmas Day
Independence Day	

In addition, sixteen hours per year floating holiday for full-time employees (to be taken in eight hour increments.) Part-time employees receive ~~an holiday hours~~ and annual floating holidays equal to sixteen hours reduced to a prorated amount, based on the number of hours within a normally scheduled workweek in comparison to a full time 40 hour workweek. Employees may take their floating holidays upon reasonable advance notice to and upon advance approval by the Executive Director. Floating holidays that are not used by the end of the calendar year will be paid out to the employee by the end of January at their straight time hourly rate of pay.

~~The regular rate of pay, for purposes of calculating holiday pay as reported to CalPERS, includes base pay plus the hourly equivalent of any FLSA compensation if applicable for the holidays listed above, and is reported to CalPERS as compensation.~~ Floating holiday pay, including cash out of unused floating holidays, is not CalPERS reported compensation.

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

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

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

3.1.2 Non-shift Employees

Non-exempt full-time employees who ~~are assigned based on required staffing to~~ work on an observed or actual holiday shall be paid at the overtime-premium rate of pay for all hours

worked on the observed or actual holiday, plus eight hours straight-time pay for the holiday ~~and the holiday hours worked paid at the overtime rate will be additional compensation reported to CalPERS as holiday pay.~~ The overtime premium rate of pay will be paid at time and one half the employee's adjusted rate of pay which will include shift differential and certification pay include the regular rate of pay as calculated pursuant to FLSA requirements if applicable. Non-exempt part-time employees shall be paid at the overtime premium rate of pay for all hours worked on an observed or actual holiday ~~and the additional compensation will be reported to CalPERS as holiday pay,~~ plus straight-time pay for eight hours reduced to a prorated amount, based on the number of hours within a normally scheduled workweek in comparison to a full time 40 hour workweek for the holiday benefit. Exempt employees who work on an observed or actual holiday shall be provided additional straight time pay in lieu of time off for all hours worked.

3.1.3 Shift Employees

Non-exempt full-time shift employees shall receive eight hours of straight-time pay for each observed holiday, payable as part of the workweek in which the observed holiday occurs. Treatment of these eight hours of holiday pay for the purpose of calculating for overtime is discussed under Section 1.12 of this Manual.

Non-exempt full-time shift employees who are assigned based on required staffing to work on an observed or actual holiday shall be paid at the overtime premium rate of pay for all hours worked on the observed or actual holiday. ~~and the holiday hours worked paid at the overtime rate will be additional compensation reported to CalPERS as holiday pay.~~ The overtime premium rate of pay will include the regular rate of pay as calculated pursuant to FLSA requirements be paid at time and one half the employee's adjusted rate of pay which will include shift differential and certification pay, if applicable. The worked holiday hours paid at the premium rate will be additional compensation reported to CalPERS as holiday pay. However, non-exempt full-time shift employees who work on both the observed and actual holiday shall only be entitled to holiday overtime premium pay for hours worked on the chronologically first day of the observed or actual holiday.

Non-exempt part-time shift employees shall receive straight-time pay for that portion of their normally scheduled work day which falls on an observed or actual holiday plus the overtime premium rate of pay for all hours worked on an observed or actual holiday. Non-exempt part-time shift employees who are assigned based on required staffing to work on both the observed and actual holiday shall only be entitled to holiday overtime premium pay for hours worked on the chronologically first day of the observed or actual holiday and the additional compensation will be reported to CalPERS.

Exempt shift employees who are assigned based on required staffing to work on an observed or actual holiday shall be provided additional straight time pay in lieu of time off for all hours worked and the additional compensation will be reported to CalPERS. However, exempt shift employees who work on both the observed and actual holiday shall only be entitled to straight time pay in lieu of time off for hours worked on the chronologically first day of the observed or actual holiday.

3.2 PERSONAL LEAVE DAYS

Exempt employees shall receive five days personal leave per fiscal year (July 1st to June 30th) to be taken at the discretion of the Executive Director during the year in which they are

received. At the close of each fiscal year, any unused personal leave days will be transferred to the employee's vacation account at the rate of eight hours for each personal leave day.

3.3 VACATION

All regular and probationary full-time employees are entitled to paid vacation time off after six months continuous employment. Upon completion of six months of continuous service with the CCWA, employees shall receive five days of vacation time and shall thereafter accrue vacation on a biweekly basis according to the following annual accrual schedule:

Completed Years of Service	
6 months - 1 year service	3.08 hours vacation biweekly (10 days per year)
1 –years	3.38 hours vacation biweekly (11 days per year)
2 years	3.69 hours vacation biweekly (12 days per year)
3 years	4.00 hours vacation biweekly (13 days per year)
4 years	4.62 hours vacation biweekly (15 days per year)
5 years	4.92 hours vacation biweekly (16 days per year)
6 years	5.23 hours vacation biweekly (17 days per year)
7 years	5.54 hours vacation biweekly (18 days per year)
8 years	5.85 hours vacation biweekly (19 days per year)
9 years	6.15 hours vacation biweekly (20 days per year)
20+ years	7.69 hours vacation biweekly (25 days per year)

Regular and probationary part-time employees will accrue vacation biweekly based on a pro-rata basis. Temporary and casual employees do not accrue vacation benefits.

Vacation time earned may be taken for a normally scheduled work period after it is accrued subject to the advance approval of the Executive Director. Insofar as possible, vacations will be scheduled on a voluntary basis with consideration given to seniority, the choice of the employee, and the convenience of CCWA. For exempt employees only, absences of less than one day for reasons covered under this subsection shall not be charged against the employee's accrued vacation time balance.

The maximum amount of unused vacation benefits that an employee may accrue is the annual vacation benefit available to the employee for the current year, times two. After an employee has accrued the maximum amount, no further vacation benefits will accrue until the employee uses some portion of the maximum amount or becomes eligible for additional vacation benefits because of his/her years of service. When an employee uses vacation benefits so that his/her accrued but unused vacation benefits fall below the maximum, or when an employee is entitled to additional vacation benefits, the employee will resume earning vacation benefits from that date forward until the employee again has accrued the maximum amount.

Should an employee be absent due to illness at the time of his/her scheduled vacation, the employee will be permitted to change his/her vacation to a subsequent date which will not conflict with another employee's vacation. If an employee becomes sick after his/her vacation time becomes effective, the employee may, upon notifying his/her supervisor, take the balance of vacation at a subsequent date so long as it does not conflict with another employee's vacation period.

3.3.1 Vacation Cash-Out

An employee may elect to cash out up to 50% of his/her accrued vacation time once per fiscal year at the employee's then-current base rate of pay. An employee who elects the vacation cash-out option may not cash out any further vacation time under this section in subsequent

fiscal years until the employee has taken vacation time off at least equal to the amount of vacation time cashed out. Additionally, the vacation cash-out election will not be permitted unless the employee has taken at least ten vacation days within the previous twelve consecutive months. The vacation cash-out option under this section may not be carried over, in whole or in part, from year to year.

On separation from employment the employee shall be paid for all accrued but unused vacation at the employee's base rate at the time of separation. Vacation cash out at separation is not reported to CalPERS.

3.3.2 Donation of Accrued Vacation Time

A regular full-time employee who has at least one year of continuous service with CCWA and is off work on approved leave under Section 3.5, 3.6, or 3.7 (the "Recipient Employee") may be eligible to receive vacation donations to that employee's sick leave accrual balance only if all of the conditions in this subsection are met (the "Donated Leave Program").

A regular full-time employee who has at least one year of continuous service with CCWA is eligible to donate accrued vacation time under the Donated Leave Program if, at the time of donation, the employee has an accrued vacation and compensatory time balance of at least 80 hours (the "Donating Employee") and will maintain a minimum of 40 hours in your current vacation leave balance after donation. A Donating Employee who wishes to donate vacation time under this Donated Leave Program must submit a signed statement indicating the number of earned vacation leave hours the employee wishes to donate to the bank to the Human Resources Department with the supervisor's authorization, acknowledging that the donation of vacation time is being made under, and subject to the terms and conditions, of the Donated Leave Program. No fewer than 8 hours or more than 40 hours of vacation may be donated at any one time. The donation of vacation time under this Donated Leave Program is subject to the approval of CCWA. Donated vacation time under the Donated Leave Program that is approved by CCWA shall not be returned to the Donating Employee for any reason.

Vacation time donated under the Donated Leave Program will be converted to sick leave hours for the Recipient Employees based on the following procedure. The donated vacation time will be converted to a dollar amount based upon the Donating Employee's regular hourly rate of pay at the time of the donation. The resulting dollar amount will be converted to sick leave hours based on the Recipient Employee's regular hourly rate of pay at the time of the donation, and credited to the Recipient Employee's sick leave bank ("Donated Sick Leave Time").

Employees may not solicit sick leave donations. Donations under this program are voluntary and no employee will be subject to intimidation or disparate treatment for participating in or declining to participate in the leave donation program. Employees may not make "designated/directed" donations; all donations become part of the bank, to be distributed per the procedures outlined below.

Before a Recipient Employee can receive donated vacation time under the Donated Leave Program, the Recipient Employee must either first have exhausted all of his or her accrued paid leave time balances as of the time of the donation (including vacation, sick leave and compensatory time), or if CCWA determines, in CCWA's discretion, that the Recipient

Employee will have exhausted his or her paid leave balance prior to the expiration of the qualifying leave under Section 3.5, 3.6 or 3.7.

Based on the request, donated time off will be provided to the applicant on a week to week basis to a maximum of 2 weeks or as such time as the applicant's physician allows return to work.

In the case that an employee is incapacitated and unable to personally make an application to the bank, the employee's supervisor (or co-worker, through the supervisor) may make such an application on his/her behalf.

In the event that multiple requests for donations are received, the Executive Director will consider them in the order they are received. Grants may be limited due to the number of applicants to the bank and the amount available in the bank. Additionally, the Executive Director reserves the right to decline applications if, in their judgment, an individual is abusing the policy and thus depriving others of the benefit. Misrepresenting or falsifying the need to receive donated leave under this program is grounds for discipline, including termination.

CCWA will inform the Recipient Employee that time is available through the Donated Leave Program, and the Recipient Employee will have 5 days to inform CCWA if he or she does not want to accept the donated time. If the Recipient Employee does not timely reject the request to donate leave time, and if the request is then approved by CCWA, the Deputy Director or his or her designee stating will inform the Recipient Employee of the amount of Donated Sick Leave Time that will be credited to the Recipient Employee's sick leave bank, and work with the Recipient Employee to determine the timing and use of the Donated Sick Leave Time after taking into account the Recipient Employee's own accrued paid leave balance, if any.

If the Recipient Employee is receiving State Disability Insurance ("SDI"), Paid Family Leave benefits ("PFL"), or worker's compensation benefits, donated vacation time may be used to supplement the SDI, PFL, or worker's compensation payments such that the Recipient Employee receives the full amount of his or her regular compensation.

Any donated sick time that is in excess of the time used by the recipient for the approved crisis event will be returned to the bank. There is no "cash" value to the recipient of the donated sick time.

Please note that donated sick leave may be considered taxable income to the recipient employee per IRS rulings.

CCWA reserves the right to revise or revoke this policy at any time.

Donated vacation time and the use of Donated Sick Leave Time will run concurrently with, and will not extend the total duration of, the leave of absence to which a Recipient Employee is entitled under Sections 3.5, 3.6 and 3.7, and cannot extend an Extended Medical Leave of Absence beyond the limitations set forth in Section 3.5.10. Recipient Employees will not accrue holidays, vacation benefits or sick leave time while off work on Donated Sick Leave Time. Unless otherwise required by the policies governing the Recipient Employee's leave of absence, the terms of the plan, and any applicable laws, a Recipient Employee is not entitled to any continued employer contributions toward any employee benefit plan while off work on Donated Sick Leave Time, but may elect to continue participating in enrolled

employee benefit plans, at the Recipient Employee's own expense, to the extent permitted by such plans.

3.4 SICK LEAVE

3.4.1 General

Regular and probationary full-time employees shall accrue 3.69 hours of sick leave per biweekly pay period (12 days per year). Regular and probationary part-time employees will accrue sick leave biweekly on a pro rata basis, but in no event will accrue less than one hour of sick leave for every 30 hours worked.

Temporary and casual employees do not accrue sick leave benefits unless, effective July 1, 2015, they work for CCWA at least 30 hours within a one year period. A temporary or casual employee who qualifies for the accrual of sick leave will accrue sick leave at the rate of 1 hour of sick leave for every 30 hours worked based on all time worked for CCWA and can begin to use accrued sick leave as of their 90 days of employment with CCWA. Temporary and casual employees are limited to the use of 40 hours of sick leave per year, and can only accrue and carry over 80 hours of sick leave.

Except as otherwise provided in this Manual, sick leave may be taken for a normally scheduled work period for the diagnosis, care or treatment of an existing health condition of, or preventative care for, an employee or an employee's qualifying family member or designated person (only one person may be designated in a 12-month period). "Qualifying family member" is defined as the employee's spouse, child (including biological, foster or adopted child, stepchild, legal ward, or child of a person standing in loco parentis), regardless of age or dependency status; a biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; domestic partner as defined in California Family Code section 297; child of a domestic partner; grandparent, grandchild, and sibling. Regularly scheduled work hours absent for medical and dental appointments will be treated as sick leave. Employees who are victims, or Employees who have a family member that is a victim, of domestic violence, sexual assault, or stalking and other crimes and abuse may also use paid sick leave absences from regularly scheduled work to seek medical attention, obtain services from a shelter or crisis center, obtain counseling, or go to court as required by law. CCWA may request a written verification from a qualified health care provider for all absences due to the employee's illness, injury, or disability or the ability of the employee to return to work following the use of sick leave as provided in Section 3.4.2. CCWA may also request appropriate verification for the employee's use of sick leave in connection with a qualifying family member to confirm that the sick leave was used for a purpose consistent with this provision.

Employees may not receive pay in lieu of sick leave and will not receive pay for unused sick leave on termination of employment. Unused sick leave at the time of employment termination will be converted to additional service credit for Public Employees' Retirement System (PERS) benefit calculation purposes consistent with the provisions of the PERS contract in place at that time.

An employee who is unable to work due to illness, emergency, or disability is required to notify his/her supervisor, or someone designated to receive such notice, before the start of the employee's work day if the need for the absence is foreseeable. If the need for the

absence is not foreseeable, the notice must be provided as soon as practicable. The notice can be oral or in writing and must be provided on a daily basis during the period of the absence.

Accrued sick leave must be taken by eligible non-exempt employees in at least two-hour increments. Exempt employees shall not be charged against their accrued sick leave balance for absences of less than one day. Sick leave will not accrue during any unpaid leaves of absence or while on disability leave.

3.4.2 Verification of Health Care Provider

CCWA may require a satisfactory statement of a qualified health care provider whenever an employee misses work due to an illness, injury, or disability, including to confirm that paid sick leave was used for a purpose consistent with section 3.4. The employee may be asked to provide a statement which verifies that an illness, injury, or disability existed, its beginning and ending dates, and/or the employee's ability to return to work without presenting an immediate and significant risk to his own health or safety or the health or safety of others. The employee may also be asked to provide a statement which verifies the need for continued leave which shall include the probable duration of the need to remain off work due to illness, injury, or disability and a statement that due to the illness, injury or disability the employee is unable to perform the functions of his or her position. When requested, such verifications and release may be a condition to receiving sick leave benefits and returning to work. Although a health care provider's statement normally will not be requested for absences of less than three (3) working days, CCWA may request such a statement in situations where it determines that it is warranted. This provision does not apply to leaves under Section 3.5, 3.6 and 3.7.

3.5 FAMILY CARE AND MEDICAL LEAVE (FMLA/CFRA)

3.5.1 Eligibility

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

3.5.2 FMLA and CFRA Leave

3.5.2.1 Permissible Uses

“Family care leave” may be requested under the FMLA and CFRA for (1) To care for or bond with your newborn child; (2) Placement of an adopted or foster care child with you; (3) To care for your child, grandchild, parent, parent in law, grandparent, sibling, spouse or registered domestic partner, or for CFRA only, a designated person (only one person may be designated per 12-month period) who has a serious health condition; or (4) To deal with a “Qualifying Exigency” arising out of the fact that your spouse, son, daughter, parent, or for CFRA only, your domestic partner is on active duty, or has been notified of an impending call to active duty status, in support of a “Contingency Operation.” Qualifying Exigencies include, but are not limited to, such needs relating to the call to active duty as (a)

issues arising from a short notice deployment with seven or less days of notice, (b) having to attend to childcare and school concerns, (c) attending military events, and (d) appointments to deal with financial or legal affairs, (e) counseling, (f) parental care activities, (g) rest and recuperation, (h) post-deployment activities. To additional qualifying exigencies, please contact the Human Resources Department. Additionally, FMLA and CFRA leave can be requested for a serious health condition that prevents you from performing one or more of the essential functions of your position.

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

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

3.5.2.2 Amount of CFRA/FMLA Leave Available

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

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

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

leave within a year of the child's adoption or placement. Please check with the Human Resources for further clarification on when FMLA and CFRA leaves do not run concurrently.

3.5.3 Intermittent Leave

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

3.5.4 Substitution of Paid Leave

Employees are required to substitute accrued vacation time and other paid personal leave (except sick leave) for all FMLA/CFRA Leaves. Employees are required to substitute accrued sick leave only for FMLA/CFRA Leaves taken for an employee's own serious health condition. Employees may elect to substitute sick leave for other types of FMLA Leave. If the employee is receiving payments from State Disability Insurance (SDI) or Paid Family Leave (PFL) while on FMLA/CFRA leave, the accrued paid leave time will only be used in an amount which supplements the SDI payment such that the employee receives the full amount of his or her regular compensation as an active employee.

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

3.5.5 Leave's Effect on Pay

Except to the extent that other paid leave is substituted for FMLA/CFRA Leave, FMLA/CFRA Leave is unpaid.

3.5.6 Leave's Effect on Benefits

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

portion of healthcare coverage premiums, the Authority will notify the employee of such failure and, if payment is not made, terminate the coverage.

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

Employees on FMLA/CFRA Leave accrue employment benefits, such as holidays, sick leave, vacation benefits, or seniority, only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued paid leave to supplement SDI payments as discussed in Section 3.5.5 above, he or she will accrue employment benefits on a pro rata basis.

3.5.7 Procedure for Requesting Family Care and Medical Leave

3.5.7.1 Notice Requirements

Employees should notify the Deputy Director of their request for FMLA/CFRA Leave as soon as they are aware of the need for such leave. For foreseeable events if possible, the employee shall provide thirty calendar days advance written notice to the Deputy Director of the need for FMLA/CFRA Leave. For events that are unforeseeable thirty days in advance, but are not emergencies, the employee must notify the Deputy Director, in writing, as soon as he or she learns of the need for the leave, ordinarily no later than two to three working days after the employee learns of the need for the leave. If the FMLA/CFRA leave is requested in connection with a planned, non-emergency medical treatment, the employee may be requested to reschedule the treatment so as to minimize disruption of CCWA's business.

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

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

3.5.7.2 Certification

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

Certification of FMLA/CFRA Leave to care for a child, spouse, domestic partner as defined in California Family Code Section 297, parent-in-law or parent with a serious

health condition shall include (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) the health care provider's estimate of the amount of time needed for family care; and (4) the health care provider's assurance that the health care condition requires family care leave.

Certification of FMLA/CFRA Leave for the employee's own serious health condition shall include (1) the date on which the serious health condition commenced; (2) the probable duration of the condition; (3) a statement that, due to the serious health condition, the employee is unable to perform the functions of his or her position. In addition, CCWA may require the employee to obtain a second opinion from a doctor of CCWA's choosing at CCWA's expense. If the employee's health care provider and the doctor providing the second opinion do not agree, CCWA may require a third opinion, also at CCWA's expense, performed by a mutually agreeable doctor who will make a final determination. Before permitting the employee to return to work, CCWA may also require the employee to provide a written verification from the employee's health care provider that indicates that he or she is fit to return to work. When determining whether an employee who is disabled within the meaning of the federal disability law is able to return to work, the health care provider should make an individualized assessment of whether the employee can, with or without reasonable accommodation, perform the essential functions of the employee's position.

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

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

3.5.8 Leave's Effect on Reinstatement

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

Employees who take Family Care and Medical Leave for their own serious health condition must provide medical certifications prior to their return to work verifying that they are able to return to work with or without accommodation.

3.5.9 Extended Medical Leave of Absence

An employee who is unable to return to work from FMLA/CFRA Leave because of the continuation of the employee's own serious health condition, or because of the continuation of the serious health condition of the employee's child, spouse, domestic partner as defined in California Family Code Section 297, parent-in-law or parent, that brought about the FMLA/CFRA Leave, and an employee who is unable to return to work from pregnancy-

related disability leave under Section 3.6, may take an Extended Medical Leave of Absence after his or her FMLA/CFRA Leave is exhausted as provided for in this Section, or after the employee's pregnancy-related disability leave is exhausted as provided for in Section 3.6. Employees unable to return to work from FMLA/CFRA Leave or pregnancy-disability leave for any other reason are not entitled to take an Extended Medical Leave of Absence under this policy. An Extended Medical Leave of Absence may run concurrently with other leaves of absence, such as a leave of absence under Section 3.7. An employee may not be granted another Extended Medical Leave of Absence within twenty-four months of the conclusion of a previous Extended Medical Leave of Absence.

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

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

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

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

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

During an Extended Medical Leave of Absence, up to a maximum of ninety days, CCWA shall continue to pay for the employee's participation in CCWA's group health plans for medical, dental and vision insurance to the same extent and under the same terms and

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

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

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

3.6 PREGNANCY-RELATED DISABILITY

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

If medically advisable due to an employee's pregnancy or a related medical condition, the employee is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties. Additionally, except as otherwise specifically provided in this section, generally, CCWA will treat pregnancy-related disability the same as CCWA treats other disabilities of similarly situated employees. However, even if the employee is unable to perform an essential function of their job for a temporary period due to pregnancy, childbirth or related medical condition, reasonable accommodation will be provided so long

as the employee can perform the essential function in the near future and doing so would not cause undue hardship

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

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

CCWA is entitled to recover any health premiums paid by CCWA on the employee's behalf during any unpaid period of the pregnancy-related disability leave if the employee fails to return from the leave for a reason other than one of the following: (1) the employee takes FMLA/CFRA Leave; (2) the continuation, recurrence or onset of a serious health condition or serious injury or illness that would entitle the employee to take FMLA/CFRA Leave; or (3) other circumstances beyond an employee's control as provided by law.

Employees on pregnancy-related disability leave accrue employment benefits, such as holidays, sick leave, vacation benefits, or seniority, only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual. If the employee is using accrued paid leave to supplement SDI payments as discussed in Section 3.5.5 above, he or she will accrue employment benefits on a pro rata basis.

The provisions of the CCWA's Family Care and Medical Leave policy regarding the leave's effect on pay (Section 3.5.5), notice requirements (Section 3.5.7.1), medical certification requirements (Section 3.5.7.2), and reinstatement (Section 3.5.8) also apply to all pregnancy-related disability leaves. However, for pregnancy-related disabilities, there is no process for obtaining more than one medical opinion, and there is no reinstatement exception for key employees. For the purpose of applying those provisions, an employee's pregnancy-related disability is considered to be a serious health condition.

3.7 OTHER DISABILITY LEAVES

In addition to medical or pregnancy-related disability leaves described in Sections 3.5 and 3.6, employees may take a temporary disability leave of absence if necessary to reasonably accommodate a workplace injury or legally-qualified disability. Any disability leave under

this section may run concurrently with any medical leave to which the employee is entitled under Section 3.5 of this policy.

For the first 90 days, the employee may be covered by State Disability Insurance (SDI). During the period of time the employee is receiving SDI payments, the employee may use accrued sick leave, vacation, or compensatory time to supplement the SDI payment such that the employee receives the full amount of his or her regular compensation as an active employee. If the employee is using accrued paid leave to supplement SDI payments, he or she will accrue employment benefits including holidays, on a pro rata basis. After 90 days, the employee may be covered by long term disability policy. For a precise description of long-term disability benefits, employees should obtain a copy of the policy from CCWA's long-term disability insurance carrier or from the Deputy Director.

Employees taking disability leave under this Section 3.7 must comply with the FMLA/CFRA Leave provisions regarding substitution of paid leaves (Section 3.5.5), notice (Section 3.5.8.1), and medical certification (Section 3.5.8.2). For the purpose of applying these provisions, a disability will be considered to be a serious health condition. During a disability leave under this section, employees accrue employment benefits, such as holidays, sick leave, vacation benefits, or seniority only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

After the expiration of any leave granted the employee under Section 3.5 or Section 3.6, whichever is later, an employee off-work due to a workplace injury or legally-qualified disability under this Section 3.7 will be entitled to participate in CCWA's group health plans for medical, dental and vision insurance as follows. If the employee is granted an Extended Medical Leave of Absence, the employee will participate in CCWA's group health plans for medical, dental and vision insurance to extent provided for in Section 3.5.10. If the employee is not granted an Extended Medical Leave of Absence, the employee will participate in CCWA's group health plans for medical, dental and vision insurance to the same extent and under the same terms and conditions as would apply to an employee on an Extended Medical Leave of Absence as provided for in Section 3.5.10.

While an employee is on a disability leave or absence under this section, CCWA will hold the employee's position open or fill the position temporarily unless doing so would create an undue hardship for CCWA.

3.8 LEAVE FOR VICTIMS OF DOMESTIC VIOLENCE, SEXUAL ASSAULT, STALKING, AND OTHER CRIMES

California laws provides the right to take time off from work for employees who are victims of domestic violence, sexual assault, stalking, a crime that caused physical injury or that caused mental injury and a threat of physical injury, or whose immediate family member as defined by law is deceased as the direct result of a crime. The nature of those rights are discussed in the notice from the California Civil Rights Division entitled Survivors of Violence and Family Members of Victims Right to Leave and Accommodations, a copy of which can be found at the end of this Manual and may be requested by employees at any time.

3.9 OTHER LEGALLY REQUIRED LEAVES OF ABSENCE

In addition to the leaves of absences discussed in this Section 3, CCWA will provide employees a leave of absence when otherwise required by law, including appearance by a parent at school when requested as provided for in the Education Code, performance of emergency duty by a volunteer firefighter, reserve peace officer or emergency rescue personnel, and time off relating to victims of domestic violence, sexual assault or certain crimes, and alcohol and drug rehabilitation leave. Whenever possible, employees shall provide reasonable advance notice of the need for a legally required leave of absence. This leave will be unpaid for nonexempt employees. For exempt employees, this leave will be unpaid only as allowed by law. Employees may use accrued vacation time and, where appropriate, accrued sick leave while on leave.

3.10 WORKERS' COMPENSATION

All employees are covered by workers' compensation insurance, as required by law. Any on-the-job injuries, illnesses, or conditions that could cause physical, mental, or emotional injury must be immediately reported to the employee's supervisor. A leave of absence for a work-related disability will be coordinated with workers' compensation and any other benefits provided to the employee in an effort to minimize the impact of the leave of absence for both the employee and CCWA. Workers' compensation benefit payments begin from the first day of an employee's hospitalization or after the third day following the injury if an employee is not hospitalized. For the first three (3) days that an employee is absent due to a work-related disability, the employee is entitled to use up to twenty-four (24) hours of paid injury leave time, not chargeable to sick leave, vacation or compensatory time, as necessary, so that the sum of any workers' compensation payments for that time, if any, and the paid injury leave time will equal straight time pay for the scheduled working hours of that employee. Beginning the fourth day of the employee's absence, the employee may use any portion of their accrued sick leave, vacation, or compensatory time, as necessary, so that the sum of workers' compensation payments and accrued paid leave will equal straight time pay for the scheduled working hours. If the employee is using accrued paid leave to supplement workers' compensation payments, he or she will accrue employment benefits including holidays on a pro rata basis.

3.11 MODIFIED DUTY POLICY

While CCWA does not maintain ongoing modified duty positions, when the work requirements of CCWA permit, employees may be given modified duty assignment while on restricted duty due to an industrial illness or injury. When modified duty work can be provided under the terms of this policy, employees on restricted duty due to an industrial illness or injury do not have the right to refuse such assignment without jeopardizing benefits and entitlements.

In addition, when the work requirements of CCWA permit, employees on restricted duty due to a non-work related illness or injury may be offered a modified duty assignment under this policy while on such restricted duty. Acceptance of and assignment to such a modified duty assignment under the terms of this policy must be by mutual consent of CCWA and the employee on restricted duty due to a non-work related illness or injury.

A modified duty assignment may be offered only when modified work is available and of benefit to CCWA. Modified duty work assignments are not considered part of the regular staffing pattern, and employees on a modified duty assignment are not eligible for stand-by assignments. CCWA does not maintain ongoing modified duty positions. Any modified duty assignment will be temporary in nature, and may not exceed six months in duration or the date the employee receives a release to return to full-duty, whichever is earlier.

The Executive Director will determine an employee's initial and continuing eligibility for modified duty under this policy. The employee must have a medical clearance authorization slip from the attending physician specifying work restrictions and abilities prior to being considered for a modified work assignment. While on modified duty assignment, employees will be evaluated at thirty days, or when medically stationary, whichever occurs first.

Employees assigned a modified duty assignment under this policy are encouraged to schedule physical therapy and doctor's appointments around their work schedules. If this cannot be arranged, appointments should be scheduled at the beginning or end of the workday. For appointments requiring time away from work, employees must obtain written verification of time in and out of the treating facility to provide their supervisor. If the health status of an employee assigned to a modified duty assignment changes, it must be reported immediately to his or her supervisor and the Executive Director.

3.12 FAMILY BEREAVEMENT LEAVE

Regular and probationary employees will be granted paid bereavement leave due to deaths in their immediate family for a period of up to five days, which may be extended with the Executive Director's approval up to a limit of seven days where out-of-state travel to the services is involved. The term "immediate family" includes spouse, domestic partner as defined in Family Code Section 297, child, brother, sister, father, mother, step-parents, brother-in-law, sister-in-law, father-in-law, mother-in-law, grandchild, grandparent, aunt, uncle and cousin. Employees are also eligible for paid bereavement leave under this provision for the death of a household member or a person with whom the employee had a close relationship who does not qualify as part of the employee's immediate family. If circumstances demand that additional time off be taken, paid leave, to the extent available, or unpaid leave may be granted at the discretion of the Executive Director. Employee taking paid bereavement leave will be paid based on the number of hours the employee was scheduled to work on those days that are taken off under this section.

3.13 PERSONAL LEAVE OF ABSENCE

Regular employees may be granted up to thirty days personal leave of absence without pay for compelling personal reasons with the permission of the Executive Director.

3.14 TIME OFF TO VOTE

Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two days in advance of the election. Up to two hours of paid time off will be provided at the beginning or end of the employee's regular shift, whichever will allow the most free time for voting and require the least time off work.

3.15 ABSENCE FOR MILITARY DUTY

Employees will be granted a leave of absence without pay as required by law for the purpose of fulfilling any required military obligation. Employees are required to provide reasonable advance notice of any need for such leave.

A regular or probationary employee who is a member of a reserve military organization of the United States, or a member of the National Guard of California, and who attends a regular military training camp, will be given the necessary time off, with pay, for such training, and this will not be considered vacation time provided the employee has been employed by CCWA for a period of one year or more.

3.16 JURY DUTY/APPEARANCE AS WITNESS

An employee must inform his/her supervisor immediately upon receipt of a jury summons. Regular compensation will be paid to regular or probationary employees for the duration of time they are required to appear for jury duty. If an employee is called to appear as an expert witness and receives compensation for such appearance, the employee will turn in to CCWA any compensation received. An employee who is called to report for jury duty and is excused before noon must report for work for the remainder of the work day.

3.17 RETIREMENT

All probationary and regular employees will be enrolled in the Public Employees Retirement System (PERS). Consistent with the provisions of PEPR, employee PERS contribution amounts are as follows:

Employees hired on or after January 1, 2013 who are also considered New Members under the California Public Employees' Pension Reform Act of 2013 ("PEPRA") are responsible for payment, through payroll deduction, of the employee's PERS contribution amount.

Employees hired on or after July 1, 2017 who are considered Classic Members under PEPRA are responsible for payment, through payroll deduction, of the employee's PERS contribution amount.

Employees hired prior to July 1, 2017 who are considered Classic Members under PEPRA are responsible for payment, through payroll deduction, of one-half of the amount CCWA's total normal employer cost rate (i.e., the employer contribution rate excluding the unfunded accrued liability as determined by PERS) increases each year on a cumulative basis to a maximum of 7%. The increase in CCWA's total normal cost rate generally is effective July 1 of each year, and any increase in the employee contribution amount will be effective the start of the first pay period after July 1. By way of example only, if on July 1 CCWA's total normal cost rate increases by 0.50%, effective the first pay period after that July 1 the affected employees will contribute 0.25% of "compensation earnable." Then if on July 1 of the following year CCWA's total normal cost rate increases by 0.25%, effective the first pay period after that July 1 the affected employees will contribute a total of 0.375% of "compensation earnable" (0.25% plus 0.125%).

The CCWA does not participate in full social security, but does participate in Medicare. Employees who would like further information about the nature of the benefits provided under the PERS should contact the Office Manager.

3.17.1 Retiree Health Insurance Benefits

CCWA employees who retire from CCWA under CalPERS within 120 days of their last day of employment with CCWA are eligible to continue in the CCWA retiree group health insurance program offered through Public Employees' Medical and Hospital Care Act (PEMHCA). CCWA's contribution towards retiree coverage upon retirement shall be the PEMHCA minimum contribution as determined by CalPERS from time to time.

An increased retiree medical contribution from CCWA may be available for employees who are at least 62 years of age and retire from CCWA, have completed at least 10 years of service with CCWA, and are eligible to receive medical services under a plan offered through PEMHCA in either San Luis Obispo County or Santa Barbara County, whichever is the area in which the employee resided at the time of his or her retirement. The increased medical contribution is for the employee only premium amount of the lowest cost plan available in the area in which the employee resided after deducting the CCWA PEMHCA minimum contribution discussed above, based on the following schedule:

Completed Years of Service with CCWA	Percentage of CCWA Contribution
10	50%
11	53%
12	56%
13	59%
14	62%
15	65%
16	68%
17	71%
18	74%
19	77%
20	80%

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

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

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

further information about the nature of the health insurance benefits offered to retired annuitants should contact the Office Manager.

3.18 DEFERRED COMPENSATION PLAN

CCWA offers a 457(b) Tax Deferred Compensation Plan which permits employees to defer a portion of their income. CCWA will match the employee's bi-weekly contribution to the 457(b) plan to a maximum of 5% of that pay period's base salary. The total contributions to an employee's 457(b) Plan account, employee and CCWA contributions combined, cannot exceed the maximum annual IRS contribution limit, and once that limit is reached no further contributions can be made in that calendar year. Over age 50 catch-up provision contributions will not be matched. All contributions to the employee's 457(b) Plan account plus accrued interest are refundable according to the Plan's provisions should an employee wish to withdraw the contributions to their 457(b) Plan account prior to retirement. In the event of a conflict between the language of this provision and the language of the 457(b) Plan, the language of the 457(b) Plan will control. A copy of the 457(b) can be obtained from Human Resources. CCWA reserves the right to change or discontinue its matching contributions to the 457(b) Plan at its discretion.

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

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

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

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

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

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

3.20 LONG TERM DISABILITY

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

3.21 LIFE INSURANCE

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

3.22 STATE DISABILITY INSURANCE

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

3.22.1 Paid Family Leave Insurance

Employees are also covered under the Paid Family Leave insurance program (PFL), with the cost of such coverage also being paid by each Employee as a deduction from his/her paycheck. Similar to the State Disability Insurance program, PFL will be administered by the California Employment Development Department (EDD). PFL provides up to eight weeks of wage replacement benefits to employees who take time off work to care for a seriously ill child, spouse, parent, or domestic partner, or to bond with a new child, or due to a qualifying exigency related to the active duty or call to active duty of the employee's spouse, domestic partner, child, or parent in the Armed Forces of the United States.

Employees will be required to use up to two (2) weeks of accrued vacation prior to receiving PFL benefits. Employees may use other accrued vacation time and/or accrued sick leave (when for the serious health condition of a child, spouse, parent or domestic partner) so that the sum of PFL benefit payments plus vacation and/or sick leave pay allowance will equal straight time pay for the scheduled working hours of that employee. When an employee is entitled to leave under Section 3.5, this leave must be taken concurrent with the period for which PFL benefits are received due to caring for the serious health condition of a spouse, child, or parent.

Employees wishing to take a leave of absence must comply with the notice requires of Section 3.5.8.1 or Section 3.6 where applicable). Where these Sections do not apply and where the employee is talking time off under the PFL program, the employee must provide at least 30 days advance notice before the date the leave will begin if the need for the leave is foreseeable. If the employee learns of the need for a leave less than 30 days before the date the leave must begin, the employee must provide as much advance notice as practicable.

Except as otherwise required by law, CCWA is unable to guarantee reinstatement to employees seeking to return to work after taking time off under the PFL program. An

employee who returns to work at the end of his/her participation in the PFL program will be returned to his/her former position, if possible, or will be offered the first available opening in a comparable position for which he or she is qualified that occurs during the 90-day period after the end of the employee's leave of absence. Such an employee will be credited with all service prior to the commencement of his/her leave of absence but not for the period of the leave of absence and the period prior to being reinstated. An employee who fails to report for work immediately following the expiration of the six-(6) week PFL period will be deemed to have voluntarily resigned.

3.23 EMPLOYEE ACHIEVEMENT INCENTIVES PROGRAM

CCWA values exceptional performance by its employees and desires to encourage exceptional employee achievements through an employee achievement incentives program (EAIP). Under the EAIP, employees are eligible to receive small one-time awards as part of achieving pre-established goals of exceptional achievement as determined by the employee's supervisor. Examples of such awards could include movie tickets, gift certificates for dinner at a local restaurant or a pizza lunch for all employees contributing to the exceptional achievement. Before being put into effect, any program developed under this section must first be approved by the Executive Director.

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

3.23.1 Employee Longevity Recognition

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

3.24 MILITARY SPOUSES/DOMESTIC PARTNER LEAVE

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

3.25 REPRODUCTIVE LOSS LEAVE

CCWA will provide up to 5 days of reproductive loss leave following a reproductive loss event which is defined as the day or, for a multiple-day event, the final day of a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction. Reproductive loss leave is unpaid. Employees can use their accrued and available paid sick leave and vacation during the leave.

The leave must be taken within 3 months of the event or within 3 months of the end date of any related leave entitlement. The days off can be nonconsecutive. If an employee experiences more than one reproductive loss leave event within a 12-month period, the total amount of the leave cannot exceed 20 days within a 12-month period.

CCWA will maintain employee confidentiality related to reproductive loss leave. Retaliation against employees for using reproductive loss leave or giving information or testimony as to their or another person's reproductive loss leave in any inquiry or proceeding is strictly prohibited.

Section 4 EMPLOYMENT POLICIES

4.1 TRAVEL AND REIMBURSABLE EXPENSES

Authorized travel on CCWA business is subject to reimbursement as outlined in the CCWA Travel Procedure (see Appendix B). Any other reimbursement for reasonable expenses incurred in the performance of an employee's job duties is subject to the express written approval of the Executive Director secured whenever possible prior to an employee incurring such expenses. Any requests for reimbursement of expenses shall be submitted to the Executive Director or his designee upon such forms and with receipts or other evidence as may be reasonably required by the Executive Director or his designee.

4.1.1 Petty Cash

Employees incurring incidental expenses (generally less than \$200) may be reimbursed from Petty Cash with the submittal of a Petty Cash Reimbursement Form or Mileage Reimbursement Form to the Executive Director or his designee. Such expenses will not be incurred without prior authorization by the Executive Director or his designee.

4.2 EMPLOYMENT OF RELATED PERSONS

Relatives of present employees or members of the Board of Directors (collectively termed "Employee(s)" for this subsection only) may be hired only if the individual concerned will not work in a direct supervisory relationship with the related Employee, and the employment will not pose difficulties for supervisor, security, safety, or morale. "Relatives" are defined as spouses, domestic partners as defined in California Family Code Section 297, children, sisters, brothers, mothers, fathers, and persons related by marriage. Present Employees who marry, or who become related by marriage, will be permitted to continue employment with CCWA only if they do not work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety, or morale. If Employees who marry, or who become related by marriage, do work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety or morale, CCWA will attempt to re-assign one of the Employees to another position for which he/she is qualified, if such a position is available. If no such position is available, then one of the employees will be required to leave CCWA. The decision as to which Employee will leave, is to be left whenever possible, solely to the Employees affected.

4.3 OUTSIDE EMPLOYMENT

Employees must notify the Executive Director or his designee in writing of all contemplated or existing outside employment. Outside employment is prohibited where a conflict of interest may exist or where such employment would impair an employee's effectiveness or ability to perform his/her assigned job duties.

4.4 STANDARDS OF CONDUCT

The following Standards of Conduct are developed to guide employees so they can work in the best interest of the CCWA and help further its aims. Failure to adhere to these standards may result in discipline, up to and including termination of employment.

4.4.1 Conflict of Interest

An employee should never place himself/herself in a position where his/her actions or personal interest may be in conflict with those of the CCWA. A conflict of interest exists where the employee's loyalties or actions are divided between the CCWA's interests and those of another, such as a supplier or contractor. Both the fact and the appearance of a conflict of interest shall be avoided. Employees unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the Executive Director for clarification. Any exceptions to this provision must be approved in writing by the Executive Director. While it is not feasible to describe every situation which might create or contain such a conflict, examples are: significant ownership (1% or more) in any business entity with which the CCWA does business; acceptance of payments, services or loans from concerns dealing or contemplating dealing with the CCWA; working for a supplier or contractor of the CCWA; or acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the CCWA. Employees have a responsibility to report to their supervisors any facts or situations where their interests, or someone with whom an employee has a close relationship, conflict or may conflict with those of the CCWA.

4.4.2 Confidential Information

Confidential information should be disseminated only by authorized personnel, and may not be disseminated to any individual who does not have a recognized need to have such information to conduct the CCWA's business. This includes family, relatives, friends, or business and professional associates. Confidential information is any CCWA information that is not a matter of public record. Using confidential CCWA information for personal gain or to the CCWA's detriment is prohibited.

Employees who receive inquiries from the press, should decline comment and refer the inquirer to the Executive Director or other designated officer assigned the responsibility to answer such inquiries.

4.4.3 Gifts of Entertainment Provided to Others

Employees may not give or offer to give to or accept from, either directly or indirectly, any supplier, customer or other entity with which the CCWA does business or to any officer, director or employee of any such entity, any personal gift or other personal item of value unless authorized in writing by the Executive Director.

4.4.4 Employee Participation in Civic and Political Activities

1. Participation in outside activities should not adversely interfere with the performance of the employee's duties and responsibilities to the CCWA, or pose a prohibited conflict of interest.
2. There should be no use of the CCWA's equipment, facilities, or supplies for political activities, nor should such equipment, facilities, or supplies be used for personal or civic activities without prior notice to and approval of the Executive Director.
3. No employee shall commit the CCWA sponsorship to any organization, event, or other activity without prior approval of the Executive Director.
4. In engaging in outside activities, employees should conduct themselves in a manner that will not discredit or embarrass the CCWA.
5. Employees who run for or hold public office must do so as private citizens, and only to the extent that holding such public office does not constitute a prohibited conflict of interest, unless an employee holds public office as the authorized representative of the CCWA.

4.4.5 Employee Conduct

CCWA requires employees to demonstrate proper conduct in connection with the performance of their job duties at all time. Improper conduct means not only any improper conduct by an employee during working hours, but also improper conduct by an employee during off-duty hours which may bring discredit to CCWA, or which affects the ability of the employee to perform his or her duties, or any improper use of an employee's position for personal advantage. Improper conduct may be cause for disciplinary action. The Executive Director will, in his/her sole discretion, utilize whatever form of discipline he/she deems appropriate under the circumstances, up to and including termination of employment. The following are some examples of improper employee conduct:

1. Willful or negligent violation of the provisions of this Manual, or other applicable written rules, regulations and policies which do not conflict with this Manual.
2. Manufacturing, distributing, dispensing, possessing, ingesting or using for any purpose controlled substances, including narcotics or illegal drugs, and/or alcohol in the workplace, or being under the influence of drugs and/or alcohol while on duty either on CCWA premises, while performing CCWA business, and/or while responding to work assignments.
3. Insubordination, including failure or refusal to comply with a lawful order or to accept a reasonable and proper assignment from a supervisor.
4. Failure to follow established safety regulations.
5. Inefficiency, unsatisfactory work quality or quantity, incompetence, carelessness, or negligence in the performance of duties.
6. Excessive absenteeism or tardiness.

7. Damage to or negligence in the care and handling of CCWA property.
8. Improper or unauthorized use of CCWA vehicles or equipment, or misappropriation of supplies.
9. Claim of sick leave under false pretenses or misuse of sick leave.
10. Furnishing false information to secure appointment or promotion.
11. Absence from duty without leave, failure to report after leave of absence has expired or after such leave of absence has been disapproved, revoked, or canceled.
12. Acceptance by an employee of any bribe, gratuity, kick-back, or other item of value when given in the hope or expectation of receiving preferential treatment.
13. Any action which reflects discredit on CCWA or is a direct hindrance to the effective performance of the functions and business of CCWA.
14. Failure to obtain and maintain a current license or certificate when required as a condition of employment.
15. Falsifying or altering CCWA records, including the application for employment and time records.
16. Interfering with the work performance of other employees.
17. Failure to maintain satisfactory and harmonious working relations with the public, clients, or other employees.
18. Conviction of a crime which relates to the qualifications, functions, or duties of the employee's position.
19. Harassing, including sexually harassing, employees, vendors or clients.
20. Physical attack, fighting, or verbal altercations toward fellow employees, clients or the public.
21. Leaving the job without authorization.
22. Possessing a firearm or other dangerous weapon on CCWA property or while conducting CCWA business.

4.5 NOTICE OF PERSONAL STATUS CHANGE

In order to maintain accurate, current records and to properly administer various benefit programs, an employee is responsible for informing the Executive Director or his designee immediately of any changes of address, telephone number(s), marital status, number of dependents, person(s) to notify in case of emergency and insurance beneficiary designation (when applicable).

4.6 LOANS, ADVANCES, PERSONAL CHECKS

Loans or advances against wages will not be permitted, nor is it possible for CCWA to cash personal checks.

4.7 TELEPHONE CALLS

All employees are asked to keep personal calls to a minimum and to confine them to break periods when possible. Employees should inform family and friends to phone only in the case of necessity. Personal long distance calls on CCWA telephones are prohibited except in emergency, in which case they must be approved by the Executive Director or his designee so that charges can be collected.

4.8 SAFETY

4.8.1 Safety Program

CCWA is committed to providing and maintaining a healthy and safe work environment for all employees; however, a safety program can only be successful if everyone cooperates. Employee assistance in eliminating hazards and unsafe conditions and attention to good housekeeping will do much to make CCWA a safe place to work. Every employee is required to follow safe and healthy work practices at all times. Employees may be subject to discipline as described in Section 2.4.3 for engaging in any unsafe or unhealthy work practices.

The Company maintains an Injury and Illness Prevention Plan and other written safety programs specific to the applicable requirements of the General Industry Safety Orders, copies of which may be obtained from the Safety Officer. Employees should contact the Safety Officer or the Operations Manager with any questions about safety-related concerns."

4.8.2 Injury at Work

An employee is required to report all injuries at work, or other work-related injuries to the employee's immediate supervisor. Supervisors are responsible for obtaining first aid and proper medical care, and promptly reporting the injury to the Executive Director or his designee, who will fill out all appropriate forms and reports. For insurance purposes, exact details of the accident or injury must be provided to the Executive Director or his designee. The location of the nearest doctor and/or medical facility is posted on the bulletin board(s).

4.8.3 Workplace Violence

4.8.3.1 Statement of Policy

CCWA recognizes that workplace violence is a growing concern among employers and employees across the country. CCWA is committed to providing a safe, violence-free workplace and strictly prohibits employees, consultants, customers, visitors, or anyone else on CCWA premises or engaging in a CCWA-related activity from behaving in a violent or threatening manner. As part of this policy, CCWA seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity toward violence even prior to any violent behavior occurring. CCWA believes that prevention of workplace violence begins with recognition and awareness of potential early warning signs, and prompt reporting of any workplace violence related concerns.

4.8.3.2 Workplace Violence Defined

Workplace violence includes: (1) verbal or physical threats of violence; (2) physically aggressive or violent behavior, (3) attempts to instill fear of physical harm in others; (4) other behavior that suggests a propensity toward violence, which can include belligerent speech, excessive arguing or swearing, sabotage, or threats of sabotage of CCWA property, or a demonstrated pattern of refusal to follow CCWA policies and procedures; (5) defacing CCWA property or causing physical damage to the facility; or (6) bringing weapons or firearms of any kind onto CCWA premises, in CCWA parking lots, in CCWA vehicles, or while conducting CCWA business.

4.8.3.3 Reporting

If any employee observes or becomes aware of any of the above-listed actions or behaviors by an employee, customer, consultant, visitor, or anyone else in connection with CCWA, he or she should immediately notify his/her supervisor, the Executive Director or his/her designee, the Deputy Director, or the Safety Officer. Further, employees should notify his/her supervisor or the Executive Director or his/her designee if any restraining order is in effect, or if a potentially violent non-work related situation exists that could result in violence in the workplace.

4.8.3.4 Investigation

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, CCWA will inform the reporting individual of the results of the investigation. To the extent possible, CCWA will maintain the confidentiality of the reporting employee and of the investigation but may need to disclose results in appropriate circumstances, for example, in order to protect the individual's safety. CCWA will not tolerate retaliation against any employee who reports workplace violence in good faith.

4.8.3.5 Corrective Action and Discipline

If CCWA determines that workplace violence has occurred, CCWA will take appropriate corrective action and will impose discipline on offending employees, up to and including termination. The appropriate discipline will depend on the particular facts of each case. If violent behavior is that of a non-employee, CCWA will take appropriate corrective action in an attempt to ensure that such behavior is

not repeated. Under certain circumstances, CCWA may forgo disciplinary action on the condition that the employee takes a medical leave of absence. In addition, CCWA may request that the employee participate in counseling, either voluntarily or as a condition of continued employment.

4.9 USE OF CCWA VEHICLES

Except as provided in Section 4.10.0 below, CCWA-owned vehicles should be utilized for all field work and other CCWA business. Use of a CCWA vehicle must be authorized by the employee's supervisor or the Executive Director or his designee. Unauthorized use of any CCWA vehicle or transporting of passengers other than CCWA personnel, consultants, or contractors, without prior authorization, may result in discipline up to and including dismissal of the employee. Employees are required to operate the vehicle in compliance with all applicable laws and in a safe manner, and to have their valid California Driver's license in their possession at all times while operating CCWA vehicles. Traffic violations are discouraged and any fines resulting there from will be the responsibility of the operator. Vehicles should be locked when not in use to prevent theft. In the event that an accident occurs which causes injury to persons or property damage, including damage to the CCWA vehicle, the Executive Director or his designee must be informed immediately, and a written report of the incident submitted to the Executive Director or his designee within two working days. An Accident Reporting Kit is kept in all vehicles at all times. Damage to CCWA vehicles which is determined to be due to the negligence of the employee, may result in discipline up to and including dismissal of the employee.

When driving a CCWA vehicle, employees are not to dial cellular phones including text messaging except to call (not text) public safety agency in cases of emergency, and are not to receive incoming calls unless the cellular phone can be operated in a hands free mode. For employees with hands free cell phone operation, in the event an employee receives an incoming call while driving a CCWA vehicle, the employee should either safely pull off the road to converse, inform the caller that he or she will return the call, or ask the caller to call again to allow the employee to reach a place where it is safe to use the phone. Employees also are not to engage in emailing, or opening or reviewing text messages when driving a CCWA vehicle.

4.10 USE OF PERSONAL VEHICLES

In the event a CCWA owned vehicle is not available for employee use, an employee may utilize his or her personal vehicle when necessary, with the prior authorization of the employee's supervisor. An employee utilizing his or her personal vehicle for CCWA related business is required to operate the vehicle in compliance with all applicable laws and in a safe manner, and to have his or her valid California driver's license in his/her possession at all times. Prior to seeking authorization to utilize a personal vehicle in connection with CCWA business, an employee must provide the Executive Director or his designee evidence of automobile liability insurance covering all automobiles which may be operated by the employee in connection with the performance of his or her duties. Whenever possible, the employee's personal automobile insurance will be considered primary. Traffic violations are discouraged and any fines there from will be the responsibility of the operator.

In the event that an accident occurs, or the vehicle is otherwise damaged in the discharge of the employee's duties, the Executive Director or his designee must be informed immediately of the occurrence, and a written report of the incident submitted to the Deputy Director

within two working days. Employees may be eligible for reimbursement for any out-of-pocket expenses suffered due to non-negligent damage of their personal vehicles in the conduct of CCWA business. The reimbursement for the out-of-pocket expenses is limited to \$250 per incident. The employee shall be required to repay CCWA if, at a later date, the employee recovers any portion of the reimbursed out-of-pocket expenses from a third party. Employees seeking such reimbursement shall submit a written request to the Executive Director or his designee, including any information (such as police reports or witness statements) establishing non-negligence by the employee, and two automobile repair estimates. The Executive Director or his designee will respond to employee requests for reimbursement within fifteen working days. An employee utilizing his or her personal vehicle for CCWA related business must follow the same restrictions and limitations on cellular phone usage that applies when driving a CCWA vehicle.

Employees authorized to utilize their personal vehicles in connection with the performance of their duties, shall receive reimbursement in accordance with current IRS guidelines for mileage reimbursement on submission of a Mileage Reimbursement Request, with appropriate documentation, to the Accounting Technician.

When driving a personal vehicle in connection with CCWA business, the same restrictions regarding use of cell phones, texting, opening and reviewing text messages, and emailing while driving a CCWA vehicle apply.

4.11 ACWA/JPIA DRIVER RECORD REVIEW PROGRAM

The ACWA/JPIA Driving Record Review Program requires that all member districts: "Obtain from the Department of Motor Vehicles a copy of the driving record of all employees that are authorized to operate district-owned (or privately owned) vehicles on District business".

These reports are placed in a confidential file kept by the Executive Director or his designee.

4.12 CARE OF EQUIPMENT

Certain employees will be issued CCWA equipment for use in performing CCWA duties. Upon receipt of this equipment, employees will be required to sign a listing of the equipment indicating that they are accepting responsibility for the equipment. This form will be placed in the employee's personnel file. Upon termination of employment, the employee will be responsible for returning the equipment in good working order. Failure to return or account for the equipment assigned to the employee will result in a deduction from the employee's final paycheck for the estimated fair market value at the time of termination.

CCWA equipment, issued for individual as well as for collective use (i.e. computers, telephone units, instrumentation, furniture, and supplies), must be maintained with care, and guarded by CCWA personnel against abuse, misuse, and waste. In the event CCWA issued equipment becomes lost or damaged, the employee should immediately notify his/her supervisor or the Deputy Director, who will make adjustments to the listing retained in the personnel file and replace, if necessary, the item(s).

4.13 TOOLS

CCWA shall furnish all tools required to perform work assigned to CCWA employees. A complete set of tools to carry out repairs must always be available at the Treatment Plant since equipment failures can occur at any time. Tools are not permitted to be checked out for personal use.

4.14 UNIFORMS

For CCWA employees in Operations and Maintenance positions, as determined designated by the Deputy Director, CCWA employees shall be provided and required to wear uniform-type clothing. The value of the uniform provided can change annually based on budget amounts and is reported to CalPERS as compensation subject to retirement contributions for employees in classic retirement tiers (not PEPRA). For purpose of reporting to CalPERS, effective July 1, 2020, the rental and maintenance of the uniform will be \$25 per pay period or up to \$650.00 each fiscal year based on the cost of renting and laundering of the uniform. Upon leaving CCWA service, all clothing issued shall be returned.

4.15 RESIDENCY REQUIREMENTS

Within six months of employment, Treatment Plant personnel are required to reside within a thirty-five mile radius of the Treatment Plant to provide TIMELY EMERGENCY RESPONSE to Treatment Plant operations. Taking into consideration the unique topography of the area, the location of the Treatment Plant and nearby towns, residency within the town limits of Shandon, Paso Robles, Templeton, or Atascadero is favorable to meet the above requirement. Places beyond these areas require longer travel time that could be detrimental to maintaining reliable back-up to Treatment Plant operations. Within six months of employment, Pipeline O&M personnel are also required to reside within a thirty-five mile radius of the Buellton office in order to provide TIMELY EMERGENCY RESPONSE to Pipeline operations. Residency within the town limits of Santa Maria, Los Alamos, and Lompoc or within the Santa Ynez Valley meets the above requirement. Places beyond these areas require longer travel time that could be detrimental to maintaining reliable back-up to Pipeline operations. Written approval from the Executive Director or their designee is needed for residency beyond the recommended towns.

4.16 HARASSMENT AND DISCRIMINATION

CCWA is committed to providing a workplace free of sexual harassment and discrimination (which includes harassment or discrimination based on pregnancy, childbirth, and related medical conditions) as well as unlawful harassment and discrimination based on such factors as actual or perceived race (inclusive of traits associated with race including, but not limited to, hair texture and protective hairstyles such as braids, locs, and twists), color, religious creed, national origin, ancestry, age for individuals over forty years of age, physical disability, mental disability, medical condition, genetic information, marital status, sexual orientation, gender, gender identity, gender expression, citizenship status, military and veteran status, denial or use of family and medical care leave, reproductive health decision making, and any other factor made unlawful by federal, state, or local law. CCWA also is committed to providing a workplace free of harassment and discrimination based on a combination of two or more of these protected characteristics. CCWA strongly disapproves of and will not tolerate unlawful harassment or discrimination against employees by managers, supervisors, or co-workers, as well as by third parties in the workplace or with

whom you come into contact in connection with your employment. This policy applies to all CCWA employees, paid or unpaid interns, volunteers, and any other persons providing services to CCWA pursuant to a contract.

Harassment includes verbal, physical, and visual conduct, as well as communication through electronic media of any type, that creates an intimidating, offensive or hostile working environment or interferes with work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment. Harassing conduct can take many forms and includes, but is not limited to, slurs, jokes, statements, gestures, pictures, or cartoons regarding an employee's sex, race (inclusive of traits associated with race, including, but not limited to, hair texture and protective hairstyles), color, national origin, religion, age, physical disability, medical condition, ancestry, marital status, sexual orientation, gender, gender identity, veteran status, or other protected status.

Sexually harassing conduct in particular includes all of these prohibited actions as well as other unwelcome conduct such as requests for sexual favors, unwelcome sexual advances, verbal conduct of a sexual nature (like name calling, suggestive comments, or lewd talk) or physical conduct (including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex or any other protected basis). An employee who unlawfully harasses a co-worker may be personally liable for the harassment.

If you believe you or a co-worker has been subjected to any form of unlawful discrimination or harassment, including sexual harassment, you should immediately contact your supervisor, the Office Manager, or the Executive Director, either orally or in writing. A manager or supervisor who learns of any misconduct which may be in violation of this policy or learns of an employee's complaint or concern about a possible violation of this policy must immediately report the issue to the Office Manager or Executive Director.

Upon receipt of any complaint, CCWA will immediately undertake a prompt, impartial, and thorough investigation conducted by qualified personnel, preserving confidentiality to the extent possible. The investigation will provide all parties appropriate due process and reach reasonable conclusions based on the evidence collected, as well as determine appropriate options for remedial action to resolve the situation. If you have a complaint being investigated under this policy, you can find out about the progress of the investigation by contacting the Office Manager.

Retaliation against CCWA employees or any other person for engaging in lawful conduct or for the good faith reporting of possible acts or incidents of discrimination or harassment, as well as participation in any workplace investigation, will not be tolerated. If you believe you or a co-worker has been subjected to any form of unlawful retaliation, you should immediately contact your supervisor, the Office Manager, or the Executive Director, either orally or in writing. Upon receipt of a retaliation complaint, CCWA will undertake an investigation consistent with the provisions of this policy. CCWA employees shown to have engaged in such retaliation will be disciplined, up to and including discharge.

All employees are required to undergo harassment prevention training as required by applicable law. This training is provided by CCWA. For more information about this training requirement, visit <https://calcivilrights.ca.gov/shpt/>.

Sexual harassment and retaliation for opposing sexual harassment or participating in investigations of sexual harassment are illegal. In addition to notifying CCWA about discrimination, harassment, or retaliation complaints, affected employees may also direct their complaints to the California Civil Rights Department (CRD) and/or United States Equal Employment Opportunity Commission (“EEOC”), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the CRD is three (3) years from the date of the alleged unlawful conduct, with that deadline being extended by ninety (90) days in limited circumstances. If the CRD believes that a complaint is valid and settlement efforts fail, the CRD may seek an administrative hearing before the California Civil Rights Council (CCRC) or file a lawsuit in court. Both the CCRC and the courts have the authority to award monetary and non-monetary relief in meritorious cases. You can contact the nearest CRD office, EEOC office or the CCRC at the locations listed in CCWA’s CRD poster or by checking the state government listings online or in the local telephone directory.

4.17 SUBSTANCE ABUSE

Employees are required to abide by the provisions of the CCWA Substance Abuse Policy, a copy of which is set forth at the end of this Manual as Appendix A.

4.17.1 Right to Search

The Authority reserves the right to search, under reasonable suspicion, or for reasonable cause, without employee consent, all areas and property in which the Authority maintains control or joint control with the employee. Such areas could include, but are not limited to, Authority buildings, vehicles, equipment, lockers, desks, closets, or file cabinets. Employees are expected to cooperate in the conduct of such searches.

4.18 SMOKING

For health, safety, and legal considerations, all CCWA buildings, structures and vehicles are considered non-smoking areas. This prohibition includes a prohibition on the use of an electronic smoking device that creates an aerosol or vapor, in any manner or in any form, or the use of any oral smoking device for the purpose of circumventing the prohibition of smoking.

4.19 PARKING

Parking for all employees is provided by CCWA at its headquarters.

Designated parking shall be provided at the Treatment Plant for Treatment Plant employees. It shall be Treatment Plant policy to park CCWA and personal vehicles in designated parking areas only. For safety and security purposes, Treatment Plant roadways must be kept free for law enforcement and rescue vehicles (i.e. fire engines or ambulances) to get to their destination.

4.20 RETURN OF CCWA PROPERTY

On termination of employment, whether voluntary or involuntary, or at the request of the Executive Director, all CCWA property, including computer disks, keys, identification cards, and all CCWA documents in the employee's possession or control must be returned to the Executive Director or his designee, who will provide a receipt to the employee indicating what the employee has returned.

4.21 VOICE-MAIL, E-MAIL AND TECHNOLOGY POLICY

CCWA maintains and utilizes, as part of its operations, a computer system, voice-mail, e-mail, and other systems. These systems are provided to assist employees in the conduct of CCWA business. All computers and the data stored on them, as well as all voice-mail and the data stored on it, are and remain at all times, the property of CCWA. As such, all voice-mail, e-mail, and other messages composed, created, sent, and received are, and remain, the property of CCWA.

Employees should attempt to limit voice-mail and e-mail messages to the conduct of CCWA business. Use of the voice-mail and e-mail systems for the conduct of personal business is discouraged. CCWA reserves the right to prohibit the use of voice-mail and e-mail for the conduct of personal business when deemed appropriate. Other use of computer systems, including use of the Internet and other telecommunicating capabilities, should be limited to conducting CCWA business unless prior written approval is received from an employee's supervisor.

Except for the right of CCWA to access voice-mail and e-mail messages as described in this policy, all messages sent by voice-mail and e-mail are considered to be confidential, and as such are to be accessed only by the addressed recipient or at the direction of the addressed recipient. Any exception to this policy must be approved by the Executive Director.

CCWA reserves the right to retrieve and read any message composed, created, sent, or received on the voice-mail, e-mail, or other computer systems at any time, with or without advance notice to the employee. Although voice-mail, e-mail and other computer systems may accommodate the use of passwords for security, the reliability of passwords for maintaining confidentiality cannot be guaranteed. All passwords must be made known to CCWA, and passwords not known to CCWA may not be used. This is due to the need to access computer and voice-mail systems in the event that you are absent or when otherwise deemed appropriate by CCWA. All voice-mail, e-mail and other computer generated or stored messages may be read by someone other than the intended or designated recipient, and the ultimate privacy of messages cannot be guaranteed.

Voice-mail, e-mail and other computer generated or stored messages may not contain material that may reasonably be considered offensive or disruptive to any employee. Offensive messages or material includes, but is not limited to, sexual comments or images, racial slurs, gender-specific comments or any comments that might offend someone on account of his or her age, sex, sexual orientation, race (inclusive of traits associated with race, including, but not limited to, hair texture and protective hairstyles), religious or political beliefs, national origin, or disability.

Employees learning of any misuse of the voice-mail, e-mail or other computer systems or violations of this policy shall immediately notify the Executive Director or his designee.

4.21.1 Off Duty Access to CCWA Electronic Communications

Employees of CCWA may perform job duties using a variety of electronic communications depending on the nature of the work and responsibilities involved. Some of the required communication mediums might include land lines, cellphones, text messaging devices, computers and handheld computers.

As with other types of authorized work, all time spent by nonexempt employees using electronic communications for work purposes will be considered hours worked; the time is compensable and will count toward overtime eligibility as required by law. Therefore, to avoid incurring unnecessary expenses, electronic communications should not be used outside regularly scheduled work hours unless required and authorized by management, as with SCADA monitoring.

Except as provided in the following paragraph, any communication from CCWA to an employee is considered authorized use, therefore should be answered and the time should be recorded as hours worked. Further, if the CCWA Emergency Response Plan requires an employee to call CCWA under the circumstances described in the Emergency Response Plan, then the employee shall call CCWA and this time should be recorded as hours worked.

Any communications related to scheduling, including communications to report illness, ability to work or questions related to timesheet for payroll processing are not considered compensable. Any communications regarding these or similar subjects initiated by CCWA are not considered call back time and shall be compensated only for actual time spent in connection with the communications.

4.22 SOCIAL MEDIA POLICY

4.22.1 Introduction to Social Media

"Social media" are Internet web sites and mobile applications that allow users to share and access messages, pictures, and other information with friends, family, and/or the general public. Some examples of social media include Facebook, MySpace, Google+, Twitter, LinkedIn, YouTube, personal and public blogs, and web forums.

Employees may be required or permitted to use social media in the course of performing their work for CCWA. Employees may also choose to use social media for their own personal reasons. This policy addresses the use of social media by CCWA employees.

4.22.2 Inappropriate Use of Social Media

The inappropriate use of social media by CCWA employees can create legal risks and negatively affect CCWA's efforts to comply with its legal responsibilities, including its commitment to provide a workplace that is free of unlawful harassment and discrimination.

Employees should review and comply with all relevant policies when using social media. For example, any employee accessing social media from a CCWA computer or using the Authority's Internet access must comply with the Voice-Mail, E-Mail, and Technology Policy found at 4.21 above. At no time should employees use social media to engage in any unlawful activities, such as harassment or discrimination based on sex, race (inclusive of traits associated with race, including, but not limited to, hair texture and protective

hairstyles), color, religion, national origin, ancestry, physical or mental disability, age, sexual orientation, or any other characteristic protected by state or federal law. However, nothing in this policy is intended to restrict or prohibit an employee's off-duty discussions or activities regarding wages, hours, working conditions, or other terms and conditions of employment, or such discussions or activities that are otherwise authorized by law.

Employees may not use social media for work-related reasons without prior written approval from their supervisor. Employees may not otherwise use social media in a way that indicates that they are speaking for or expressing an opinion of behalf of CCWA. Any employee who uses social media in a way that reasonably implies that he or she is a CCWA employee or representative, or identifies him or her as a CCWA employee or representative, should make a reasonable effort to make it clear that any opinions they express are not the opinions of CCWA. Postings and communications should not include the Authority's logo or letterhead when doing so would reasonably imply that the employee is speaking for or expressing an opinion of behalf of CCWA.

4.22.3 Communications Are Not Private

It is important to understand that communications using social media are not private and no expectation of privacy should be maintained. In addition, CCWA reserves the right to monitor activities and gain access to any information, including but not limited to postings and communications made on Authority time or transmitted on, received by, stored in or communicated with the use of any CCWA computer, electronic resource, or communications device.

4.22.4 Personal Responsibility

Employees have personal responsibility for information posted or communicated by them on social media. Employees should understand that information and materials published may become public and be forwarded or re-disseminated in a manner that was never anticipated or intended. Sound judgment and discretion should therefore be exercised at all times.

Employees are legally responsible for their communications and postings and may be subject to liability if such information is found to be defamatory or in violation of a law.

4.23 FITNESS FOR DUTY EXAMINATION

Whenever the Executive Director or his designee believes that an employee is unable to perform the essential function of his/her job due to illness or injury, or is unable to perform the essential functions of his/her job safely or without posing a danger to himself/herself or others, CCWA may require the employee to submit to an independent medical examination at CCWA's expense. Such medical examination will be limited to the issues or areas of concern regarding the employee's ability to perform the essential functions of his/her job. If, after the independent medical examination, CCWA determines that the employee cannot perform the essential functions of his/her job, or cannot perform such essential functions safely or without posing a danger to himself/herself or others, the employee will be given the opportunity to provide the results of a separate medical evaluation by a qualified health care provider selected by the employee, with fifteen (15) days of the employee's receipt of medical evaluation from CCWA. In the event of a dispute between CCWA's and the employee's health care providers, CCWA may require a third opinion, at CCWA's expense,

performed by a mutually agreeable health care provider who will make a final determination.

4.24 LACTATION ACCOMMODATION.

CCWA will provide a reasonable amount of break time and an appropriate location, consistent with federal, state and local requirements, to any employee desiring to express breast milk for the employee's infant child. Wherever possible, the break time must run concurrently with any break time already provided to the employee and in such circumstances will be paid. However, if such break time does not run concurrently with the employee's normal break times, such time may be unpaid.

An employee may request an accommodation for lactation breaks by submitting a lactation accommodation request form to her Supervisor. The Supervisor must respond to the employee's accommodation request in writing on the same lactation accommodation request form submitted by the employee indicating the approval of the request or whether CCWA cannot provide break time or a location in compliance with this policy or state law. The completed request form must be returned to the employee and a copy sent to human resources.

Employees have the right to request a lactation accommodation without fear of discrimination, harassment or retaliation. In addition to the rights provided under this Handbook, employees have the right to file a complaint with the Labor Commissioner for any violation of a right under the lactation accommodation laws (Chapter 3.8 of the California Labor Code).

APPENDIX A:	Substance Abuse Policy
APPENDIX B:	Travel and Reimbursable Expenses
APPENDIX C:	Supplemental Information Security Policy

CONCLUSION AND ACKNOWLEDGMENT FORM

I acknowledge that I have received, read, understood and will be bound by the policies and procedures set forth in the Central Coast Water Authority Personnel Policy Handbook, updated to reflect Board approved changes through October 22, 2026 .

Employee's Signature

Date

Print Name



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

October 22, 2026

TO: CCWA Board of Directors

FROM: Dessi Mladenova
Controller

SUBJECT: FY 2026/27 First Quarter Investment Report

SUMMARY

Attached is the first quarter FY 2026/27 investment report covering the three-month period of July to September 2026. In accordance with the CCWA Statement of Investment Policy, the quarterly report includes a statement of compliance of the portfolio with the investment policy and confirmation of the Authority's ability to meet expenditure requirements for the next six months.

DISCUSSION

As of September 30, 2026, the investment portfolio totaled \$72 million and had an effective rate of return of 3.91%. The investments were comprised of Montecito Bank & Trust money market accounts of \$2.7 million, Charles Schwab short-term Treasuries of \$35.3 million and LAIF funds of \$34 million.

All investments during the quarter complied with the CCWA investment policy provisions.

CASH MANAGEMENT PRO FORMA PROJECTIONS

Current pro forma projections indicate that the Authority will have sufficient cash with which to operate for the next six months.

RECOMMENDATION

That the Board of Directors accept the first quarter FY 2026/27 investment report.

DHM
Attachments

Portfolio Summary September 30, 2026

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	YTM 360
Pool-Money Market Accounts	2,659,632	2,659,632	2,659,632	3.69%	1	1.78
LAIF	34,100,000	34,100,000	34,100,000	47.36%	1	3.97
6 month US Treasury	35,685,000	35,236,479	35,001,266	48.94%	180	4.02
Total	\$ 72,444,632	\$ 71,996,111	\$ 71,760,898	100.00%		3.91

Total Investment Earnings	September 30 Month end	Fiscal year to date
Current Fiscal Year	\$208,873	\$755,806
Effective Rate of Return	3.91%	

Dessislava Mladenova
Controller/Treasurer 10/22/2026

Dessislava Mladenova



Central Coast Water Authority, CA

Income Statement

Account Summary

For Fiscal: 2026-27 Period Ending: 09/30/2026

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 1 - CCWA						
Revenue						
Category: 31 - Non-Operating Revenues						
SubCategory: 3100 - Investment income						
1.310055.ADM.000000	Pool Int Inc-General Account	0.00	0.00	49,913.40	174,796.58	-174,796.58
1.310070.ADM.BUELTN	Pool Int Inc-O&M Reserve Fund	0.00	0.00	85.13	273.44	-273.44
1.310070.ADM.CARPIN	Pool Int Inc-O&M Reserve Fund	0.00	0.00	294.59	946.20	-946.20
1.310070.ADM.GOLDEN	Pool Int Inc-O&M Reserve Fund	0.00	0.00	73.64	236.53	-236.53
1.310070.ADM.GOLETA	Pool Int Inc-O&M Reserve Fund	0.00	0.00	662.82	2,128.97	-2,128.97
1.310070.ADM.GUADAL	Pool Int Inc-O&M Reserve Fund	0.00	0.00	81.01	260.21	-260.21
1.310070.ADM.LACUMB	Pool Int Inc-O&M Reserve Fund	0.00	0.00	147.21	472.82	-472.82
1.310070.ADM.MONTEC	Pool Int Inc-O&M Reserve Fund	0.00	0.00	441.65	1,418.57	-1,418.57
1.310070.ADM.MORHRT	Pool Int Inc-O&M Reserve Fund	0.00	0.00	29.46	94.63	-94.63
1.310070.ADM.RAYTHE	Pool Int Inc-O&M Reserve Fund	0.00	0.00	7.36	23.65	-23.65
1.310070.ADM.SMARIA	Pool Int Inc-O&M Reserve Fund	0.00	0.00	2,482.72	7,974.43	-7,974.43
1.310070.ADM.SOLVNG	Pool Int Inc-O&M Reserve Fund	0.00	0.00	220.94	709.64	-709.64
1.310070.ADM.STBARB	Pool Int Inc-O&M Reserve Fund	0.00	0.00	441.86	1,419.25	-1,419.25
1.310070.ADM.STYNEZ	Pool Int Inc-O&M Reserve Fund	0.00	0.00	73.65	236.56	-236.56
1.310070.ADM.VANSFB	Pool Int Inc-O&M Reserve Fund	0.00	0.00	810.09	2,601.98	-2,601.98
1.310075.ADM.BUELTN	Pool Int Inc-Rate Coverage	0.00	0.00	791.03	2,540.78	-2,540.78
1.310075.ADM.CARPIN	Pool Int Inc-Rate Coverage	0.00	0.00	2,473.82	7,945.85	-7,945.85
1.310075.ADM.GUADAL	Pool Int Inc-Rate Coverage	0.00	0.00	549.73	1,765.72	-1,765.72
1.310075.ADM.LACUMB	Pool Int Inc-Rate Coverage	0.00	0.00	1,151.65	3,699.07	-3,699.07
1.310075.ADM.MONTEC	Pool Int Inc-Rate Coverage	0.00	0.00	3,279.60	11,727.80	-11,727.80
1.310075.ADM.SHANDN	Pool Int Inc-Rate Coverage	0.00	0.00	45.21	145.21	-145.21
1.310075.ADM.SMARIA	Pool Int Inc-Rate Coverage	0.00	0.00	15,471.25	49,693.26	-49,693.26
1.310075.ADM.SOLVNG	Pool Int Inc-Rate Coverage	0.00	0.00	1,819.13	5,843.00	-5,843.00
1.310075.ADM.STYNEZ	Pool Int Inc-Rate Coverage	0.00	0.00	1,326.56	4,260.88	-4,260.88
1.310080.ADM.BUELTN	Pool Int Inc-DWR Reserve Fund	0.00	0.00	438.44	1,408.25	-1,408.25
1.310080.ADM.GOLDEN	Pool Int Inc-DWR Reserve Fund	0.00	0.00	332.48	1,067.92	-1,067.92
1.310080.ADM.GUADAL	Pool Int Inc-DWR Reserve Fund	0.00	0.00	416.93	1,339.18	-1,339.18
1.310080.ADM.LACUMB	Pool Int Inc-DWR Reserve Fund	0.00	0.00	732.64	2,353.22	-2,353.22
1.310080.ADM.MORHRT	Pool Int Inc-DWR Reserve Fund	0.00	0.00	151.65	487.10	-487.10
1.310080.ADM.RAYTHE	Pool Int Inc-DWR Reserve Fund	0.00	0.00	37.91	121.77	-121.77
1.310080.ADM.SMARIA	Pool Int Inc-DWR Reserve Fund	0.00	0.00	13,695.03	43,988.08	-43,988.08
1.310080.ADM.SOLVNG	Pool Int Inc-DWR Reserve Fund	0.00	0.00	547.70	1,759.20	-1,759.20
1.310080.ADM.STBARB	Pool Int Inc-DWR Reserve Fund	0.00	0.00	1,415.38	4,546.16	-4,546.16
1.310080.ADM.STYNEZ	Pool Int Inc-DWR Reserve Fund	0.00	0.00	379.07	1,217.57	-1,217.57
1.310091.ADM.MORHRT	Pool Int Inc-Escrow Deposits	0.00	0.00	1,165.58	3,743.82	-3,743.82
1.310091.ADM.RAYTHE	Pool Int Inc-Escrow Deposits	0.00	0.00	310.73	998.05	-998.05
1.310092.ADM.BUELTN	Pool Int Inc-Credits	0.00	0.00	1.63	5.25	-5.25
1.310092.ADM.CARPIN	Pool Int Inc-Credits	0.00	0.00	0.10	0.32	-0.32
1.310092.ADM.CHORRO	Pool Int Inc-Credits	0.00	0.00	3.72	11.94	-11.94
1.310092.ADM.GOLDEN	Pool Int Inc-Credits	0.00	0.00	0.71	2.29	-2.29
1.310092.ADM.GOLETA	Pool Int Inc-Credits	0.00	0.00	13.30	42.72	-42.72
1.310092.ADM.GUADAL	Pool Int Inc-Credits	0.00	0.00	0.63	2.02	-2.02
1.310092.ADM.LACUMB	Pool Int Inc-Credits	0.00	0.00	0.01	0.03	-0.03
1.310092.ADM.MONTEC	Pool Int Inc-Credits	0.00	0.00	0.03	0.09	-0.09
1.310092.ADM.MORHRT	Pool Int Inc-Credits	0.00	0.00	0.26	0.84	-0.84
1.310092.ADM.SHANDN	Pool Int Inc-Credits	0.00	0.00	0.03	0.09	-0.09
1.310092.ADM.SLOPEZ	Pool Int Inc-Credits	0.00	0.00	2.55	8.19	-8.19
1.310092.ADM.SMARIA	Pool Int Inc-Credits	0.00	0.00	1,778.21	5,711.57	-5,711.57
1.310092.ADM.SOLVNG	Pool Int Inc-Credits	0.00	0.00	4.09	13.14	-13.14

Income Statement

For Fiscal: 2026-27 Period Ending: 09/30/2026

		Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
1.310092.ADM.STBARB	Pool Int Inc-Credits	0.00	0.00	8.22	26.40	-26.40
1.310092.ADM.STYNEZ	Pool Int Inc-Credits	0.00	0.00	4.94	15.86	-15.86
1.310092.ADM.VANSFB	Pool Int Inc-Credits	0.00	0.00	12.01	38.56	-38.56
1.310093.ADM.BUELTN	Pool Int Inc-DWR	0.00	0.00	1,407.01	5,542.42	-5,542.42
1.310093.ADM.CARPIN	Pool Int Inc-DWR	0.00	0.00	5,588.28	21,168.95	-21,168.95
1.310093.ADM.GOLDEN	Pool Int Inc-DWR	0.00	0.00	1,249.55	4,996.98	-4,996.98
1.310093.ADM.GOLETA	Pool Int Inc-DWR	0.00	0.00	13,544.95	52,017.56	-52,017.56
1.310093.ADM.GUADAL	Pool Int Inc-DWR	0.00	0.00	1,201.07	4,716.55	-4,716.55
1.310093.ADM.LACUMB	Pool Int Inc-DWR	0.00	0.00	2,582.29	10,167.01	-10,167.01
1.310093.ADM.MONTEC	Pool Int Inc-DWR	0.00	0.00	8,303.03	31,999.10	-31,999.10
1.310093.ADM.MORHRT	Pool Int Inc-DWR	0.00	0.00	581.77	2,185.51	-2,185.51
1.310093.ADM.RAYTHE	Pool Int Inc-DWR	0.00	0.00	588.61	1,973.25	-1,973.25
1.310093.ADM.SMARIA	Pool Int Inc-DWR	0.00	0.00	37,586.05	148,889.40	-148,889.40
1.310093.ADM.SOLVNG	Pool Int Inc-DWR	0.00	0.00	3,583.89	14,148.55	-14,148.55
1.310093.ADM.STBARB	Pool Int Inc-DWR	0.00	0.00	8,854.07	33,816.53	-33,816.53
1.310093.ADM.STYNEZ	Pool Int Inc-DWR	0.00	0.00	1,545.12	6,272.51	-6,272.51
1.310093.ADM.VANSFB	Pool Int Inc-DWR	0.00	0.00	18,129.85	67,787.16	-67,787.16
SubCategory: 3100 - Investment income Total:		0.00	0.00	208,873.03	755,806.14	-755,806.14
Category: 31 - Non-Operating Revenues Total:		0.00	0.00	208,873.03	755,806.14	-755,806.14
Revenue Total:		0.00	0.00	208,873.03	755,806.14	-755,806.14
Fund: 1 - CCWA Total:		0.00	0.00	208,873.03	755,806.14	
Total Surplus (Deficit):		0.00	0.00	208,873.03	755,806.14	

Fund Summary

Fund	Original YTD Budget	Current YTD Budget	MTD Activity	YTD Activity	Budget Remaining
1 - CCWA	0.00	0.00	208,873.03	755,806.14	-755,806.14
Total Surplus (Deficit):	0.00	0.00	208,873.03	755,806.14	



CENTRAL COAST WATER AUTHORITY
MEMORANDUM

October 22, 2026

TO: CCWA Board of Directors

FROM: Peter K. Thompson
Executive Director

SUBJECT: Ernst & Young Audit Report on the DWR Calendar Year 2026 Statement of Charges

DISCUSSION

Each year, CCWA contracts with the accounting firm, Ernst & Young, to audit the annual Statement of Charges from the Department of Water Resources (DWR) to CCWA. The Statement of Charges audit is an important exercise to ensure the charges allocated to CCWA from DWR are correct.

Ernst & Young completed their audit of the CCWA 2026 Statement of Charges from DWR and prepared the attached audit report and findings.

Ernst & Young representatives will provide an overview of the major findings in the annual audit to the CCWA Board of Directors at its meeting on October 22, 2026.

PKT

Attachment

SUMMARY OF PROCEDURES, FINDINGS,
AND RECOMMENDATIONS RELATED TO THE 2026
STATEMENT OF CHARGES

Central Coast Water Authority
San Luis Obispo County Flood Control and Water Conservation District



The better the question.
The better the answer.
The better the world works.



Shape the future
with confidence



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Sacramento, CA 95814

Tel: +1 916 218 1900
ey.com

Shape the future with confidence

To the Representatives of Central Coast Water Authority and
San Luis Obispo County Flood Control and Water Conservation District

We have completed our engagement to perform procedures at the California Department of Water Resources (DWR) on behalf of Central Coast Water Authority (CCWA) and San Luis Obispo County Flood Control (FC) and Water Conservation District (WCD) (SLO). Our engagement was performed in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants, as well as in accordance with the terms outlined in our Exhibit C-1 dated August 29, 2025 to the Statement of Work (SOW) dated July 14, 2025. The procedures performed were limited solely to those described in that Exhibit C-1 to the SOW.

Our findings and recommendations resulting from our procedures are provided in the memoranda, summaries, and schedules included in the Summary of Procedures, Findings, and Recommendations Related to the 2026 Statement of Charges (Report). The procedures were performed based on information obtained principally by inquiries of officials and other personnel of the DWR and inspection of certain accounting related records and reports of the DWR. The specific sources of the various components of the information are indicated in the accompanying memoranda, summaries, and schedules. The information included in the Report, including the memoranda, summaries, and schedules, are solely those we received in response to our inquiries or obtained from documents furnished to us. Our work has been limited in scope and time, and we stress that more detailed procedures may reveal findings and recommendations that this engagement has not.

Except for ascertaining that certain information in tabulations and reports, received from the DWR, agreed with the accounting records (as specifically identified in the accompanying memoranda, summaries, and schedules), we were not requested to and did not perform procedures to evaluate the reliability or completeness of the information obtained. The procedures do not constitute an audit, a review or other form of assurance in accordance with any generally accepted auditing, review or other assurance standards, and accordingly we do not express any form of assurance. While the information obtained is substantially responsive to your request, we are not in a position to assess its sufficiency for your purposes.

Restrictions on the use of our work product

Consistent with our Exhibit C-1 to the SOW, this Report is intended solely for the information and use of CCWA and SLO and is not intended to be and should not be used by anyone other than CCWA and SLO. We shall have no responsibility whatsoever to any third party in respect of the contents of this Report. It should not be provided to any third party without our prior written consent. If others choose to rely in any way on the contents of this Report, they do so entirely at their own risk. Except where compelled by legal process (of which CCWA and SLO will immediately notify EY and tender to EY, if it so elects, the defense thereof), CCWA and SLO may not circulate, quote, disclose or distribute, the Report or any portion, abstract or summary thereof, or make any reference thereto or to EY in connection therewith, to any third party without obtaining the prior written consent of EY. To the extent CCWA and SLO are permitted to disclose the written Report as set forth herein, it shall disclose the Report only in the original, complete, and unaltered form provided by EY, with all restrictive legends and other agreements intact.

CCWA and SLO shall, among other responsibilities with respect to the Report, (i) make all management decisions and perform all management functions, including applying independent business judgment to the Report, making implementation decisions and determining further courses of action in connection with the Report; (ii) assign a competent employee within senior management to make all management decisions with respect to the Report, oversee the Report and evaluate the adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Report.

The ratings in our Report do not represent a conclusion on the assessment of the findings and recommendations resulting from our procedures. Rating definitions are as defined in our SOW dated July 14, 2025.

Ernst & Young LLP

July 31, 2026

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Executive Summary of Procedures

The transportation minimum component for CCWA and SLO (collectively, the Central Coast Contractors) has seen volatility. The following tables show the change in the transportation minimum component for the 2024 calendar year related to the 2026, 2025, and 2024 Statement of Charges (SOC):

Contractor	Calendar Year	2026 SOC	2025 SOC	Difference	% Change
CCWA	2024	\$ 12,998,596	\$ 12,526,768	\$ 471,828	3.8%
SLO	2024	\$ 2,383,170	\$ 2,699,408	\$ (316,238)	(11.7)%

Contractor	Calendar Year	2025 SOC	2024 SOC	Difference	% Change
CCWA	2024	\$ 12,526,768	\$ 12,893,426	\$ (366,658)	(2.8)%
SLO	2024	\$ 2,699,408	\$ 2,762,867	\$ (63,459)	(2.3)%

This volatility is primarily caused by updates to the Central Coast Contractors' allocation percentages through alpha allocation cycles. For example, the FFN907 and FDL907 alpha allocation cycles for reach 33A decreased from the 2024 SOC compared to the 2025 SOC and increased from the 2025 SOC compared to the 2026 SOC which resulted in a decrease and subsequent increase in charges for those respective years. These increases for reach 33A have a greater impact on CCWA due to CCWA having a 90% allocation of reach 33A. The following table summarizes the changes in certain alpha allocation cycles for calendar year 2024 related to reach 33A:

Alpha Allocation Cycle	2026 SOC 2024 Allocation	2025 SOC 2024 Allocation	2024 SOC 2024 Allocation
FFN907	11.4%	9.4%	10.3%
FDL907	62.9%	52.7%	53.2%

The increase in costs for reach 33A is offset by a decrease in costs for reach 31A which is primarily caused by the volatility in the alpha allocation cycles. These decreases for reach 31A have a greater impact on SLO due to SLO having a 10% allocation of reach 33A and reach 31A and there was a larger decrease in the percentages impacted by reach 31A. The following table summarizes the changes in certain alpha allocation cycles for calendar year 2024 related to reach 31A:

Alpha Allocation Cycle	2026 SOC 2024 Allocation	2025 SOC 2024 Allocation	2024 SOC 2024 Allocation
FFN907	6.7%	8.5%	9.0%
FDL907	37.1%	47.3%	46.8%

The change in direct labor and salaries and wages costs charged to reach 33A impacts the indirect cost allocations for the transportation minimum component as these allocations are calculated based on direct labor and salaries and wages costs. The following tables summarize the changes in the alpha allocation cycles for calendar year 2024 compared to calendar year 2023 related to reach 33A:

Alpha Allocation Cycle	Calendar Year 2024 Allocation	Calendar Year 2023 Allocation	Change
FDL907	62.9%	52.4%	10.5%
FFN907	11.4%	7.6%	3.8%
FAD908	2.9%	1.8%	1.1%
FAD909	2.9%	1.8%	1.1%
SAA913	2.2%	2.9%	(0.7)%
SAA923	2.2%	2.9%	(0.7)%

Transportation Minimum and Transportation Capital:

We performed procedures on the transportation minimum and capital components by analyzing the costs charged to reach 33A, which had an allocation of 90% and 10% for CCWA and SLO, respectively. These procedures included testing direct costs charged to reach 33A related to invoices, labor costs, and indirect costs charged to reach 33A through the alpha allocation cycles. We performed an analysis of costs charged to reach 33A, comparing the calendar year 2023 costs to the calendar year 2024 costs for specific cost centers and projects.

The current year procedures are performed on the 2026 SOC with a fiscal year end of June 30, 2025, which includes December 31, 2024 actual costs with projections thereafter. The procedures reference various periods that are defined, as follows:

- 2024 – Calendar year actual costs
- 2025 – Fiscal year ended June 30, 2025
- 2026 SOC – Includes actual costs through December 31, 2024 with projections thereafter

We selected a sample of direct labor hours charged to selected minimum Internal Orders (IOs) and made inquiries to the Department to identify the nature of the work performed and the location the work pertained to. We then determined whether the direct labor costs were billed to the reach based on the responses obtained from the selected employees.

Our procedures related to analyzing invoices charged to specific IOs has led to specific findings. Such invoice related findings pertained to costs being inappropriately billed through alpha allocation cycle M-FDL907 and reach 33A. These findings include the following: (1) Stantec invoices in the amount of \$44,669 were billed to the Coastal Branch (CB) through alpha allocation cycle M-FDL907; however, the costs were related to the San Joaquin Field Division; (2) Ultieg Operations, LLC invoices in the amount of \$72,794 were billed to Devil's Den Pumping Plant through reach 33A. However, the costs were related to both Devil's Den Pumping Plant (CB-R33A) or Avenal Gap Pumping Plant (CB-R31A). Total invoice findings resulted in an overstatement of \$34,076 to CCWA and \$1,191 to SLO.

We have performed procedures over the allocation of downstream costs to reach 33A. We determined whether the calculated downstream costs were properly allocated down to the reach level.

Reach 33B Through Reach 38 Analysis:

We performed procedures over the costs charged to reach 33B through 38. These procedures included testing invoices related to direct costs and indirect costs charged through the alpha allocation cycles. We assessed the costs charged to reach 33B through 38 and determined whether there were any unusual costs identified.

Coastal Branch Extension Direct Debt Service:

We have performed procedures over Coastal Branch Extension (CBX) debt service to assess whether CCWA properly received credits for reduced debt service payments as a result of bond series Q and W refinancing. We observed that the Department bills debt service in the SOC in advance of bond refinancing, and then does not subsequently adjust the billings to reflect the impact of the refinanced debt for CCWA. From 1998 to 2026, \$1,219,322 has been overcharged to CCWA, plus interest impact. The interest impact using the project interest rate (PIR) is \$940,800, for a total of \$2,160,122. The interest impact using the surplus money investment fund (SMIF) is \$281,467, for a total of \$1,500,789. The actual interest impact will be determined at a later date.

Water System Revenue Bond Debt Service Billing Project – Direct Debt Service:

We have performed procedures over the CBX Direct Debt Service redetermination to assess the methodology, calculation, and implementation of the redetermination. These procedures included obtaining and assessing supporting documentation provided by the Department and recalculating the redetermined amount. We obtained the new Attachment 4I, which is intended to be implemented in the 2027 SOC, and assessed the SMIF interest impact related to this redetermination.

The following tables show the estimated impact for CCWA and SLO for all findings quantified in the current year report.

Table 1 – Summary of Invoice Findings for CCWA and SLO

Contractor	Overstatement of Charges
CCWA	\$ 34,076
SLO	1,191
Total	\$ 35,267

Table 2 – Summary of CBX Debt Service Finding for CCWA

Contractor	Overstatement of Debt Service	Interest Impact (PIR)	Total Overstatement of Debt Service with Interest Impact
CCWA	\$ 1,219,322	\$ 940,800	\$ 2,160,122

Contractor	Overstatement of Debt Service	Interest Impact (SMIF)	Total Overstatement of Debt Service with Interest Impact
CCWA	\$ 1,219,322	\$ 281,467 ⁽¹⁾	\$ 1,500,789

⁽¹⁾ The Department intends to provide SMIF interest related to the CBX direct-billed debt service.

Detailed Discussion of Procedures

Areas of Focus

- Transportation Minimum
- Transportation Capital
- Reach 33B Through Reach 38 Analysis
- CBX Direct Debt Service
- Water System Revenue Bond Debt Service Billing Project – Direct Debt Service

Findings and Recommendations Summary Tables

Throughout the report, summary tables are categorized as findings or recommendations. Findings specifically relate to observations with a dollar impact to CCWA and SLO. Recommendations are process improvements observed for the Department, specifically identified through current year procedures for which no dollar impact to CCWA or SLO was determined.

The findings and recommendations summary tables throughout the report identify the risk of future occurrence. This risk rating provides CCWA and SLO with a meaningful measurement of the likelihood of similar findings in subsequent years if the finding is not addressed or corrected. CCWA and SLO have requested that we use the following risk rating definitions:

- High – it is highly likely (or probable) that the error or process failure will be repeated.
- Medium – it is more likely than not that the error or process failure will be repeated.
- Low – it is possible that the error or process failure will be repeated.

Internal Control Impact Framework

The internal control categories presented in the findings and recommendation summary tables detail the root cause of the finding or recommendation. We have summarized all findings and recommendations into internal control categories, which are presented in the Internal Control Impact Framework. This framework that has been developed by CCWA and SLO is as follows:

Control Activities:

- a. Internal Controls on Reconciliations, Approvals, Assets, Segregation of Duties – Findings in this category are the result of errant internal control measures or practices. This includes approvals, verifications, reconciliations, and segregation of duties.
- b. Internal Controls on Data Environment for Data Integrity – Findings in this category are the result of errant data control measures or practices. This includes practices that result in altered, damaged, or errant data included in calculations or reporting.

Control Environment:

- a. Policy: Determination of Beneficiary – Findings in this category are the result of no policy or lack of compliance with policy regarding full reimbursement of cost and having a defined beneficiary prior to providing service.
- b. Policy: Determination of Cost Categorization – Findings in this category are the result of no policy or lack of compliance with policy regarding controls and approvals of cost classification/codification prior to posting into a system of record.
- c. Policy: Accounting Standards for Consistency – Findings in this category are the result of the DWR adopting an accounting principle, method or practice and not consistently following the principle, method or practice in future accounting periods.
- d. Policy: Accounting Standards for Timeliness – Findings in this category are the result of the DWR not following the accounting principle of timeliness or the need for accounting information to be presented to the users in time to fulfill their decision-making needs.
- e. Procedures: No Procedures – Findings in this category are the result of the DWR not having established standardized processes or procedures.
- f. Procedures: Errant Procedures – Findings in this category are the result of the DWR having errant standardized processes or procedures creating a weakness in internal control processes.
- g. Procedures: Procedures not Being Followed – Findings in this category are the result of the DWR staff not following standardized processes or procedures creating a weakness in internal control processes.

Transportation Minimum

Procedures Performed

We performed the following detailed procedures on the transportation minimum component for reach 33A:

- Transportation minimum direct cost allocation for reach 33A:
 - o Obtained a listing of IOs associated with the costs of specific projects and performed a fluctuation analysis comparing 2023 to 2024. This listing would include IOs with new projects in costs and hours in 2024.
 - o Assessed a sample of IOs with the largest change in costs and hours charged from specific projects resulting from the fluctuation analysis completed in the preceding procedure.
- Transportation minimum indirect cost allocation for reach 33A:
 - o Selected the largest alpha allocation cycles causing the increase in indirect costs for the Statewide, San Joaquin Field Division, and CB allocations:
 - Statewide: M-FAD908, M-FAD909, M-SAA913, M-SAA923
 - San Joaquin Field Division: M-FFN907
 - CB: M-FDL907
 - o Obtained a listing of IOs associated with the costs for the alpha allocation cycles and the specific projects and performed a fluctuation analysis comparing 2023 to 2024. This listing would include IOs with new projects in costs and hours in 2024.
 - o Assessed a sample of IOs with the largest change in costs and hours charged from specific projects resulting from the fluctuation analysis completed in the preceding procedure.
 - o Obtained the alpha allocation cycle percentages for 2023 and 2024 and performed a fluctuation analysis comparing the allocated percentages.
 - o Recalculated the alpha allocation cycle percentages.
- Downstream allocation for reach 33A:
 - o Investigated the change in downstream expenses.
 - o Recalculated the allocation of downstream expenses.
- Investigated any variances identified.

Findings and Recommendations

We performed a fluctuation analysis on transportation minimum direct cost allocation to reach 33A and the largest alpha allocation cycles causing significant changes (increases or decreases) in indirect costs for the Statewide, San Joaquin Field Division, and CB allocations from 2023 to 2024. A summary of the fluctuation analysis for certain cost centers is shown below:

Cost Center	Project	Calendar Year 2024 Costs	Calendar Year 2023 Costs	Increase/ (Decrease)	Change Description
2300871502	Repairs & Maintenance	\$ 1,107,630	\$ 1,038,650	\$ 68,980	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 4,376 in 2023 to 8,542 in 2024. The direct labor costs are related to cleanup and alarm restoration being performed at Devil's Den Pumping Plant to a greater extent in 2024 than 2023.
2300871502	Inspection/Testing	\$ 90,683	\$ 206,961	\$ (116,278)	The change in costs from 2023 to 2024 primarily relates to a decrease in equipment costs. The equipment costs are related to fire system testing being performed at Devil's Den Pumping Plant to a lesser extent in 2024 than 2023.
2300871503	Repairs & Maintenance	\$ 881,282	\$ 616,490	\$ 264,792	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 2,974 in 2023 to 4,886 in 2024. The direct labor costs are related to hydraulic components, bladder replacement, and cleanup costs performed at Bluestone Pumping Plant to a greater extent in 2024 than 2023.
2300871503	Upgrades & Installations	\$ 95,819	\$ 13,360	\$ 82,459	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 526 in 2023 to 1,832 in 2024. The direct labor costs are related to a sump pump installation performed at Bluestone Pumping Plant to a greater extent in 2024 than 2023.
2300871504	Repairs & Maintenance	\$ 743,649	\$ 497,691	\$ 245,958	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 4,258 in 2023 to 4,304 in 2024. The increase in direct labor costs is due to the employees charging time having a higher hourly pay rate on average in 2024 as compared to 2023. The direct labor costs are related to air chamber line corrosion repair, switch yard maintenance, and air vent valve and drain line repair being performed at Polonio Pass Pumping Plant to a greater extent in 2024 than 2023.
2300FFN907	Annual Order	\$ 203,683	\$ 138,257	\$ 65,426	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 8,769 in 2023 to 9,209 in 2024. The direct labor costs are related to safety engineer annual orders and mechanic shop annual general time costs being performed to a greater extent in 2024 than 2023.
2300FFN907	Repairs & Maintenance	\$ 549,570	\$ 313,225	\$ 236,345	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 19,916 in 2023 to 28,716 in 2024. The direct labor costs are related to nonspecific operations work and remodeling costs performed to a greater extent in 2024 than 2023.
2300FFN907	Vehicle	\$ 497,453	\$ 239,451	\$ 258,002	The change in costs from 2023 to 2024 primarily relates to an increase in asset purchase costs. The asset purchase costs are related to new vehicles and equipment being purchased to a greater extent in 2024 than 2023.
2300FFN907	Field Management	\$ 207,130	\$ 138,010	\$ 69,120	The change in costs from 2023 to 2024 primarily relates to an increase in miscellaneous costs. The miscellaneous costs are related to San Joaquin Field Division field management security services being performed to a greater extent in 2024 than 2023.
2300FDL907	Annual Order	\$ 312,275	\$ 349,563	\$ (37,288)	The change in costs from 2023 to 2024 primarily relates to a decrease in miscellaneous costs. The miscellaneous costs are related to consulting services provided for technical documents being incurred to a lesser extent in 2024 than 2023.
2300FDL907	Repairs & Maintenance	\$ 139,307	\$ 57,172	\$ 82,135	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 982 in 2023 to 1,819 in 2024. The direct labor costs are related to water operations nonspecific work being performed to a greater extent in 2024 than 2023.
2314FDL907	Encroachment Permit	\$ 78,632	\$ 31,415	\$ 47,217	The change in costs from 2023 to 2024 primarily relates to an increase in external services costs. The external services costs are related to the public works encroachment permit inspection being performed to a greater extent in 2024 than 2023.

Cost Center	Project	Calendar Year 2024 Costs	Calendar Year 2023 Costs	Increase/ (Decrease)	Change Description
2310FAD908	Operations Control Office	\$ 377,502	\$ 276,471	\$ 101,031	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The increase in direct labor costs is due to the employees charging time having a higher hourly pay rate on average in 2024 as compared to 2023. The direct labor costs are related to Operations Control Office annual orders being performed to a greater extent in 2024 compared to 2023.
2325FAD908	Training	\$ 127,717	\$ 79,309	\$ 48,408	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor. The labor hours changed from 22,054 in 2023 to 22,159 in 2024. The increase in direct labor costs is due to the employees charging time having a higher hourly pay rate on average in 2024 as compared to 2023. The direct labor costs are related to internal training and meeting costs that were performed to a greater extent in 2024 than 2023.
2337FAD908	Repairs & Maintenance	\$ 141,422	\$ —	\$ 141,422	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor and miscellaneous costs. The labor hours changed from 0 in 2023 to 20,183 in 2024. The direct labor and miscellaneous costs are related to maintenance management performed statewide to a greater extent in 2024 compared to 2023.
2340FAD908	Communications	\$ 258,672	\$ 135,475	\$ 123,197	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor, external service costs, and miscellaneous costs. The labor hours changed from 21,380 in 2023 to 33,842 in 2024. The direct labor, external service costs, and miscellaneous costs are related to network communication engineering performed to a greater extent in 2024 compared to 2023.
2310FAD909	Operations Control Office	\$ 360,587	\$ 199,093	\$ 161,494	The change in costs from 2023 to 2024 primarily relates to an increase in direct labor and miscellaneous costs. The labor hours changed from 38,206 in 2023 to 39,031 in 2024. The direct labor and miscellaneous costs are related Operations Control Office real time dispatch for the State Water Project being performed to a greater extent in 2024 compared to 2023.
2300SAA913	Pro Rata	\$ 754,950	\$ 1,011,518	\$ (256,568)	The change in costs from 2023 to 2024 primarily relates to a decrease in pro rata charges assessed from the State of California for state services. These are costs pushed down to DWR from the State of California each year.
2503SAA913	Project	\$ 326	\$ 67,137	\$ (66,811)	The change in costs from 2023 to 2024 primarily relates to a decrease in external service costs. The external service costs are related to the GAAP Compliance Project costs being incurred to a lesser extent in 2024 compared to 2023.
2503SAA913	Compliance Project	\$ 56,142	\$ 114,256	\$ (58,114)	The change in costs from 2023 to 2024 primarily relates to a decrease in direct labor and external service costs. The labor hours changed from 22,527 in 2023 to 22,241 in 2024. The direct labor and external service costs are related to executive State Water Project Strategic Plan costs and State Water Project cost analysis and billing project costs incurred to a lesser extent in 2024 compared to 2023.
2500SAA923	Research	\$ 14,542	\$ 54,455	\$ (39,913)	The change in costs from 2023 to 2024 primarily relates to a decrease in direct labor. The labor hours changed from 11,389 in 2023 to 4,202 in 2024. The direct labor costs are related to north central and north regional office studies and assessments being performed to a lesser extent in 2024 compared to 2023.
2503SAA923	Debt	\$ 244,353	\$ 327,068	\$ (82,715)	The change in costs from 2023 to 2024 primarily relates to a decrease in miscellaneous costs. The miscellaneous costs are related to Santa Barbara 84 Loan Payment costs being incurred to a lesser extent in 2024 compared to 2023.
Total		\$ 7,243,326	\$ 5,905,027	\$ 1,338,299	

The total direct and indirect allocations for the above fluctuation analysis are as follows:

Cost Allocation Type	Calendar Year 2024 Costs	Calendar Year 2023 Costs	Increase/ (Decrease)
Direct allocation to reach 33A	\$ 2,919,063	\$ 2,373,152	\$ 545,911
Indirect allocation to reach 33A	4,324,263	3,531,875	792,388
Total	\$ 7,243,326	\$ 5,905,027	\$ 1,338,299

We selected a sample of invoices charged to reach 33A (charged direct to reach 33A and charged indirect to reach 33A through an alpha allocation cycle) and assessed for the following attributes:

1. We assessed whether they were classified as direct or indirect (through an alpha allocation cycle) to reach.
2. For invoices charged direct to reach, we assessed whether they were assigned to the appropriate reach.
3. For invoices charged to multiple reaches, we assessed whether they were allocated to a statewide or field division alpha allocation cycle.
4. We assessed whether the invoice amount charged in the Financial Accounting System (an SAP module) (PR5) reconciled to the Cost Allocation and Billing System (an SAP module) (CAB).
5. We assessed whether the invoice was recovered through the transportation minimum component.

Finding AUD-000781	
Finding:	Stantec invoices related to claims 1466475 and 1468592 include costs related to the San Joaquin Field Division, but had costs charged to the Coastal Branch, Tehachapi Division, and South San Joaquin Division.
Dollar Amount:	\$44,669
Type:	Reallocation of costs among the Contractors
Risk of Future Occurrence:	High
Internal Control Matter:	Policy: Determination of Cost Categorization
Contractors Affected:	CCWA and SLO
Recommendation:	The Department should charge the work performed for the invoices to the San Joaquin Field Division through alpha allocation cycle M-FFN907 as this project benefits and relates to all reaches within the San Joaquin Field Division.

During our procedures over invoice testing, we observed Stantec invoices include work performed at the San Joaquin Field Division, but had costs inappropriately allocated to the CB, Tehachapi Division, and South San Joaquin Division through alpha allocation cycles M-FDL907, M-FDF907, and M-FDG907. This results in a reallocation of costs among the Contractors of \$44,669. Below is a table that shows the impact for each Contractor:

Table CC.1 – Impact of Finding AUD-000781

Contractor	Current Allocation	Adjusted Allocation	Total (Decrease)/ Increase in Charges
Alameda County FC and WCD, Zone 7	\$ 213	\$ 92	\$ (121)
Antelope Valley-East Kern Water Agency	1,152	1,757	605
Coachella Valley Water District	1,586	1,930	344
County of Kings	14	6	(8)
Crestline-Lake Arrowhead Water Agency	50	77	27
Desert Water Agency	617	778	161
Dudley Ridge Water District	3	8	5
Future Contractor – San Joaquin	398	152	(246)
Kern County Water Agency	4,097	3,859	(238)
Littlerock Creek Irrigation District	18	28	10
Metropolitan Water District of Southern CA	16,082	24,523	8,441
Mojave Water Agency	1,445	1,362	(83)
Napa County FC and WCD	50	20	(30)
Palmdale Water District	170	259	89
Recreation	93	146	53
San Bernardino Valley Municipal Water District	891	1,358	467
San Gabriel Valley Municipal Water District	245	373	128
San Geronio Pass Water Agency	150	229	79
San Luis Obispo County FC and WCD	2,188	830	(1,358)
Santa Barbara County FC and WCD	13,591	5,144	(8,447)
Santa Clarita Valley Water Agency	1,375	1,457	82
Solano County Water Agency	78	31	(47)
Tulare Lake Basin Water Storage District	2	5	3
Ventura County Watershed Protection District	161	245	84
Total	\$ 44,669	\$ 44,669	\$ –

Recommendation AUD-000763	
Background:	Certain invoices selected for testing lacked the necessary documentation to determine where costs should be charged. Accordingly, we were unable to assess whether the costs were charged to the proper cost object based on the supporting documentation.
Internal Control Matter:	Policy: Determination of Beneficiary
Contractors Affected:	All Contractors
Recommendation:	The Department should include enough supporting documentation within claims to determine the purpose of each individual invoice in order to determine whether costs are being charged to the appropriate cost objects.

We observed various invoices tested did not include enough supporting documentation to assess where the costs should be charged. The Department determined where the costs of goods and services should be charged at the time the request for payment was made. It is the responsibility of the individual making the request for payment to determine that the proper cost object is charged. There was no process to assess that requests for payment were being charged to the appropriate cost object; however, there was a process to approve the request. As the entire purchase request process was performed in the Department's Accounting Software (SAP), the goods and services should flow through to the cost object indicated by the person who requests the payment. However, as the invoicing process was performed in PR5, there was no supporting documentation to assess why a cost object was selected. Also, there were no controls in place to assess whether the proper cost object was used at the time of requisition. This recommendation is related to both the transportation minimum and capital component invoices, as we observed various invoices in both areas lacked documentation.

Recommendation AUD-000782	
Background:	Rental equipment utilized across various reaches is not tracked within the rented period to identify the reaches that benefit from the usage. The necessary documentation to identify which reaches were using or storing the rental was not obtained or retained. Accordingly, we were unable to assess whether the costs were charged to the proper cost object based on the supporting documentation.
Internal Control Matter:	Policy: Determination of Beneficiary
Contractors Affected:	All Contractors
Recommendation:	The Department should retain a log detailing the locations which used or stored the rental within the applicable rental period. The log should include enough supporting documentation to determine the reaches which benefit from the usage. The rental costs should be allocated per location based on the usage or storage within the charged rental period.

We observed various rental invoices tested did not include enough supporting documentation to identify which reaches used or stored the rental, which is necessary to determine where the costs should be charged. The Department does not track the usage of each rental to determine which reaches benefit from the use of the rental to therefore, charge the rental costs based on the benefit received. The Department should track the rental usage with a log detailing the locations which used or stored the rental, this should indicate which reaches benefit from the usage. The costs related to the rentals should be allocated to reaches based upon the location per the log.

We investigated the change in downstream expenses from calendar year 2023 to calendar year 2024. The following table shows the costs for each year:

Table CC.2 – Change in Downstream Expenses

Calendar Year 2024 Costs	Calendar Year 2023 Costs	Change in Costs
\$ (230,737)	\$ 1,127,884	\$ (1,358,621)

We observed a decrease in downstream costs from 2023 to 2024. We observed operational losses decreased by 8,825 acre-feet (-1,184 in 2024 compared with 7,641 in 2023) and water deliveries decreased by 613 acre-feet (13,953 in 2024 compared with 14,566 in 2023). Due to the change in operational losses and water deliveries, there was a decrease in downstream costs for reach 33A for 2024. We reperformed the downstream calculation for the 2024 year and recalculated the balance of \$(230,737).

Transportation Capital

Procedures Performed

We performed the following detailed procedures on the transportation capital component for reach 33A:

- Transportation capital direct cost allocation for reach 33A:
 - o Obtained a listing of IOs associated with capital costs charged to reach 33A.
 - o Assessed a sample from IOs with costs charged to reach 33A.
 - o Investigated any variances identified.

Findings and Recommendations

We selected a sample of invoices charged direct to reach 33A and assessed for the following attributes:

1. For invoices charged direct to reach, we assessed whether they were assigned to the appropriate reach.
2. We assessed whether the invoice amount charged in PR5 reconciled to CAB.
3. We assessed whether the invoice was recovered through the transportation capital component.

Finding AUD-000783	
Finding:	Ultieg Operations, LLC invoices related to claims 1467087 and 1467970 include costs related to both Devil's Den Pumping Plant (CB2-R33A) and Avenal Gap Pumping Plant (CB1-R31A), but had all costs charged to Devil's Den Pumping Plant (CB2-R33A).
Dollar Amount:	\$72,794
Type:	Reallocation of costs among the Contractors
Risk of Future Occurrence:	High
Internal Control Matter:	Policy: Determination of Cost Categorization
Contractors Affected:	CCWA and SLO
Recommendation:	The Department should charge the work performed for the invoices to both Devil's Den Pumping Plant (CB2-R33A) and Avenal Gap Pumping Plant (CB1-R31A) as this project benefits and relates to both locations.

During our procedures over invoice testing, we observed Ultieg Operations, LLC invoices include work performed at both Devil's Den Pumping Plant (CB2-R33A) and Avenal Gap Pumping Plant (CB1-R31A), but had costs inappropriately allocated to only Devil's Den Pumping Plant (CB2-R33A). This results in a reallocation of costs among the Contractors of \$72,794. Below is a table that shows the impact for each Contractor:

Table CC.3 – Impact of Finding AUD-000783

Contractor	Current Allocation	Adjusted Allocation	Total (Decrease)/ Increase in Charges
Future Contractor – San Joaquin	\$ –	\$ 1,837	\$ 1,837
Kern County Water Agency	–	20,945	20,945
San Luis Obispo County FC and WCD	7,353	7,520	167
Santa Barbara County FC and WCD	65,441	39,812	(25,629)
Santa Clarita Valley Water Agency	–	2,680	2,680
Total	\$ 72,794	\$ 72,794	\$ –

Reach 33B Through Reach 38 Analysis

Procedures Performed

We performed the following detailed procedures on the analysis of reach 33B through reach 38 costs:

- Assessed costs charged to reach 33B through reach 38.
- Investigated any unusual costs identified.

Findings and Recommendations

1. We selected a sample of invoices charged direct and indirect to reaches 33B through reach 38 and assessed for the following attributes:
2. We assessed whether they were classified as direct or indirect (through an alpha allocation cycle) to reach.
3. For invoices charged direct to reach, we assessed whether they were assigned to the appropriate reach.
4. For invoices charged to multiple reaches, we assessed whether they were allocated to a statewide or field division alpha allocation cycle.
5. We assessed whether the invoice amount charged in PR5 reconciled to CAB.
6. We assessed whether the invoice was recovered through the transportation minimum or capital component.

The below tables show the total capital and minimum costs charged to reaches 33B through 38 in 2024.

Table CC.4 – 2024 Capital Costs Charged to Reaches 33B Through 38

Reach	Calendar Year 2024 Costs	Cost Description
33B	\$ 1,719	The cost primarily relates to consulting and professional services that provide contract administration and inspection support services for encroachment permits. The services are specifically related to the electric vehicle charging station infrastructure work.
34	\$ –	No costs charged
35	\$ –	No costs charged
37	\$ –	No costs charged
38	\$ –	No costs charged

Table CC.5 – 2024 Minimum Costs Charged to Reaches 33B Through 38

Reach	Calendar Year 2024 Costs	Cost Description
33B	\$ –	No costs charged
34	\$ 25,621	The cost relates to direct labor to review and evaluate encroachment permit applications by the SLO County Public Works Department. The permits are to install a foreign pipe test station or cathodic protection at the crossing of the Coastal pipeline and Lopez pipeline.
35	\$ 27,950	The cost relates to direct labor related to encroachment permit application reviews, site evaluations, and reviews and issuances of temporary access permits by the SLO County Public Works Department. The permits and site evaluations are to install underground utilities, remediate potholes, and reestablish the drainage channel over the Coastal pipeline.
37	\$ –	No costs charged
38	\$ –	No costs charged

Recommendation AUD-000784	
Background:	Within Table B-11, <i>Minimum OMP&R Costs of Each Aqueduct Reach to be Reimbursed through Minimum OMP&R Component of Transportation Charge</i> , adjustments related to the Coastal Reallocation are not included. Therefore, the amounts reflected within Table B-11 do not reflect the actual amounts billed.
Internal Control Matter:	Policy: Accounting Standards for Consistency
Contractors Affected:	All Contractors
Recommendation:	The Department should include a table within the Bulletin 132 that reflects the actual billed amounts or include a footnote within Table B-11, <i>Minimum OMP&R Costs of Each Aqueduct Reach to be Reimbursed through Minimum OMP&R Component of Transportation Charge</i> , disclosing the exclusion of any adjustments that are not included within B-11.

During our procedures of assessing the costs charged to reach 33B through reach 38, we observed that the amounts presented within Table B-11, *Minimum OMP&R Costs of Each Aqueduct Reach to be Reimbursed through Minimum OMP&R Component of Transportation Charge* are not reflective of the actual amounts billed to the Contractors. Specifically, regarding the Coastal Reallocation, we observed that the amounts reflected within Table B-11 do not account for the Coastal Reallocation adjustments, which are included within the actual amounts billed to the Contractors. The Department should include a footnote within Table B-11 to disclose the exclusion of any adjustments that are not included within Table B-11; or a separate table within the Bulletin 132 to reflect the actual amounts billed to the Contractors for proper disclosure and recalculation purposes.

Coastal Branch Extension Direct Debt Service

Procedures Performed

Determined whether the refinanced bonds were credited to the direct billed debt service for the CBX.

Findings and Recommendations

We determined whether the refinanced bonds were credited to the direct billed debt service for the CB construction. The direct billed debt service reflected in the SOC relates to the CBX, which show up as a separate line item. The CBX was originally funded by bond series Q and W. As interest rates have decreased over time, the Department has issued new debt and refinanced the older bonds to take advantage of the favorable interest rates. We observed that bond series Q and W were subsequently refinanced with several bond series and the CBX debt service schedule was adjusted for the new debt. Bond series Q and W were refinanced with bond series U, X, Z, AC, AD, AF, AH, AI, AJ, AK, AL, AN, AO, AS, AX, AY, AZ, BC, and BE. The Department bills debt service in the SOC in advance and did not subsequently adjust the billings to provide the benefit of the refinanced debt service to CCWA.

Finding AUD-000785	
Finding:	CBX direct billed debt service charged to CCWA was overstated, as the amount charged in the SOC was not subsequently adjusted to provide the benefits of the refinanced debt service for bond series Q and W.
Dollar Amount:	Overstatement of debt service charges of \$1,219,322 from 1998 to 2026 Interest impact using the PIR – \$940,800 Interest impact using SMIF – \$281,467 Actual interest impact to be determined at a later date. ⁽²⁾
Type:	Overstatement of debt service charges to CCWA
Risk of Future Occurrence:	High
Internal Control Matter:	Policy: Determination of Beneficiary
Contractors Affected:	CCWA
Recommendation:	The Department should update the 2027 SOC to reflect the benefits of the refinanced debt service to CCWA. Additionally, CCWA should work with the Department on determining the interest rate to be used.

⁽²⁾ As part of the cost/debt reconciliation project and WSRB Debt Service Billing Project, the total due back to CCWA for direct billed debt service is preliminarily \$7,945,580, which includes this finding.

We compared the debt service charged in the SOC from 1998 to 2026 with the CBX debt service schedule that reflects the refinanced debt service and observed overstatement of costs to CCWA. The total overstatement for CCWA is \$1,219,322. Interest impact using the PIR is \$940,800. Interest impact using SMIF is \$281,467. The actual interest impact will be determined at a later date. The Department plans to correct the debt service charges as part of the Water System Revenue Bond (WSRB) Debt Service Billing Project. The Department intends to provide SMIF interest related to the CCWA direct-billed debt service. The impact by year is as follows:

Table CC.6 – CBX Refinanced Debt Service Compared to SOC

Year	CBX Refinanced Debt Service	SOC	(Decrease)/ Increase in Charges
1998	\$ 1,828,740	\$ 1,828,740	\$ –
1999	1,807,850	1,828,740	(20,890)
2000	1,807,850	1,807,850	–
2001	1,807,850	1,807,850	–
2002	2,646,399	2,607,592	38,807
2003	2,555,425	2,609,090	(53,665)
2004	2,518,350	2,534,743	(16,393)
2005	2,467,603	2,535,393	(67,790)
2006	2,475,389	2,475,189	200
2007	3,240,774	3,240,775	(1)
2008	2,346,621	2,348,278	(1,657)
2009	2,142,563	2,344,563	(202,000)
2010	2,254,171	1,911,435	342,736
2011	3,039,251	3,209,705	(170,454)
2012	2,777,523	3,083,159	(305,636)
2013	2,863,014	3,197,652	(334,638)
2014	3,323,429	3,412,192	(88,763)
2015	3,685,786	3,683,977	1,809
2016	3,676,929	3,675,120	1,809
2017	3,479,106	3,477,297	1,809
2018	2,508,605	2,677,872	(169,267)
2019	2,072,080	1,946,110	125,970
2020	2,665,034	2,787,448	(122,414)
2021	2,682,790	2,790,710	(107,920)
2022	3,301,657	3,372,631	(70,974)
2023	2,454,054	2,454,054	–
2024	2,452,302	2,452,302	–
2025	1,979,366	1,979,366	–
2026	2,186,834	2,186,834	–
Total	\$ 75,047,345	\$ 76,266,667	\$ (1,219,322)

Table CC.7 – CBX Interest Impact Using PIR

Year	(Decrease)/ Increase in Charges	Interest Impact using PIR	(Decrease)/Increase in Charges with Interest Impact (PIR)
1998	\$ –	\$ –	\$ –
1999	(20,890)	(49,356)	(70,246)
2000	–	–	-
2001	–	–	-
2002	38,807	75,237	114,044
2003	(53,665)	(97,117)	(150,782)
2004	(16,393)	(27,644)	(44,037)
2005	(67,790)	(106,313)	(174,103)
2006	200	292	492
2007	(1)	(1)	(2)
2008	(1,657)	(2,063)	(3,720)
2009	(202,000)	(231,477)	(433,477)
2010	342,736	360,447	703,183
2011	(170,454)	(163,902)	(334,356)
2012	(305,636)	(267,555)	(573,191)
2013	(334,638)	(265,379)	(600,017)
2014	(88,763)	(63,401)	(152,164)
2015	1,809	1,156	2,965
2016	1,809	1,026	2,835
2017	1,809	901	2,710
2018	(169,267)	(73,185)	(242,452)
2019	125,970	46,540	172,510
2020	(122,414)	(37,863)	(160,277)
2021	(107,920)	(27,174)	(135,094)
2022	(70,974)	(13,969)	(84,943)
2023	–	–	–
2024	–	–	–
2025	–	–	–
2026	–	–	–
Total	\$ (1,219,322)	\$ (940,800)	\$ (2,160,122)

Table CC.8 – CBX Interest Impact Using SMIF

Year	(Decrease)/ Increase in Charges	Interest Impact using SMIF	(Decrease)/Increase in Charges with Interest Impact (SMIF)
1998	\$ –	\$ –	\$ –
1999	(20,890)	(17,086)	(37,976)
2000	–	–	–
2001	–	–	–
2002	38,807	21,274	60,081
2003	(53,665)	(27,268)	(80,933)
2004	(16,393)	(7,910)	(24,303)
2005	(67,790)	(31,082)	(98,872)
2006	200	84	284
2007	(1)	–	(1)
2008	(1,657)	(476)	(2,133)
2009	(202,000)	(50,002)	(252,002)
2010	342,736	79,667	422,403
2011	(170,454)	(38,540)	(208,994)
2012	(305,636)	(67,479)	(373,115)
2013	(334,638)	(72,457)	(407,095)
2014	(88,763)	(18,945)	(107,708)
2015	1,809	381	2,190
2016	1,809	375	2,184
2017	1,809	362	2,171
2018	(169,267)	(31,918)	(201,185)
2019	125,970	21,371	147,341
2020	(122,414)	(17,914)	(140,328)
2021	(107,920)	(14,543)	(122,463)
2022	(70,974)	(9,361)	(80,335)
2023	–	–	–
2024	–	–	–
2025	–	–	–
2026	–	–	–
Total	\$ (1,219,322)	\$ (281,467)	\$ (1,500,789)

Water System Revenue Bond Debt Service Billing Project – Direct Debt Service

Background

In 2014, DWR acknowledged that the debt service charges to the Contractors did not equal the capital costs charged to each project. To address this, DWR hired a third-party consultant in 2014 to perform a reconciliation of capital costs and debt service, referred to as the cost/debt reconciliation project. In 2021, the third-party consultant performed a second reconciliation which updated the cost/debt data to May 2021. The finalized version of the cost/debt reconciliation combined the 2014 and 2021 files and was provided by DWR in 2023.

Following the completion of the cost/debt reconciliation project and agreement on the cost/debt mapping by the Contractors, DWR transitioned to the Debt Issuance Management System (DIMS) project. DIMS is the Division of Fiscal Services' system of record for WSRB (Series A-BG) and power bonds. Within DIMS, bonds are recorded by series, cost recovery category, and project. The DIMS project was completed by September 2024. The output of DIMS is being utilized by DWR for the WSRB Debt Service Billing Project, which began in late 2024, and is being performed to determine the payments/refunds to/from the Contractors and resolve prior findings as a result of the cost/debt reconciliation project and the CBX individual project reconciliation. As part of this ongoing project, the CBX Direct Debt Service (DDS) Redetermination was performed by DWR to redetermine the historical debt service charges utilizing the DIMS data which incorporates adjustments per the cost/debt reconciliation project. The CBX DDS Redetermination performed by DWR would resolve the prior findings over CBX DDS once implemented.

The prior findings over CBX DDS pertain to the SOC not being subsequently adjusted to provide the benefits of refinanced debt service. As interest rates change over time, DWR will take advantage of lower interest rates by issuing new bond debt at lower rates and paying off higher interest bond debt. When certain CBX bond series were refinanced, the amount that CCWA owed changed for the related bill years. Historically, this impact was not adjusted in future SOC's resulting in an overstatement of debt service charges to CCWA.

The results of the redetermination are expected to be billed through a new attachment, Attachment 4I. This attachment will include an annual overpayment or underpayment calculation and will be included in future SOC's as early as the 2027 SOC. The implementation of this attachment in the SOC will allow DWR to adjust for future differences in updated debt service obligations and debt service charges per the SOC.

Procedures Performed

We performed the following procedures to assess the CBX DDS Redetermination completed as part of the WSRB Debt Service Billing Project:

- Obtained and read the DDS Projects Report provided by DWR and analyzed the background, cost recovery methodology, and results of the analysis related to the CBX.
- Obtained and assessed the supporting documentation provided by DWR related to the CBX DDS Redetermination including the data, calculations, and reports used for the redetermination.
- Traced the 2027 CBX debt service obligation per the DDS Projects Report to the 2027 CBX debt service obligation per DIMS.

- Traced the 2027 CBX debt service obligation per DIMS to the respective pricing reports and official statements by bond series.
- Traced the results from the DWR's finalized cost/debt reconciliation file for the CBX to the cost/debt transfers within DIMS.
- Compared debt service obligations as of 2024 related to the CBX to DIMS debt service obligations as of 2025 and assessed updates that have been made to DIMS since the prior year.
- For years 1998-2026, recalculated the current overpayment or underpayment per the DDS Projects Report by subtracting the bond principal and interest payment per SOC Attachment 1-4 from the CBX debt service obligation per DIMS.
- For 2010, agreed the amount used by the Department in the DDS redetermination to the 2010 SOC Rebill to assess that they appropriately reflected the rebilled amount.
- Assessed whether the supporting documents provided by DWR reflect the adjustment to CBX direct debt to provide the benefits of refinancings and the results of the cost/debt reconciliation.

Findings and Recommendations

We performed procedures to assess the CBX DDS Redetermination. The first step is to assess whether the 2027 CBX debt service obligation that DWR used in the redetermination calculation agrees with the amount in DIMS. The results of this procedure are summarized below:

Table DDS.1 – Summary of 2027 CBX DDS

WSRB Bond Series	CBX DDS per DIMS	CBX DDS per DWR Report	Difference
Water Revenue Bonds, Series AX	\$ 3,859,972	\$ 3,859,972	\$ –
Water Revenue Bonds, Series AY	34,416	34,416	–
Water Revenue Bonds, Series AZ	125,066	125,066	–
Water Revenue Bonds, Series BC	85,079	85,079	–
Total	\$ 4,104,533	\$ 4,104,533	\$ –

Additionally, we assessed whether there have been any updates to the CBX debt service obligation within DIMS since the prior year. As part of our prior year procedures, we reconciled the debt service obligations per DIMS to official statements, updated pricing reports, and the cost/debt reconciliation project. There were no changes noted between DIMS data from 2024 to DIMS data from 2025. A comparison of the prior year CBX debt obligation within DIMS to the current year CBX obligation within DIMS is presented below:

Table DDS.2 – Comparison of CBX Debt within DIMS as of 2024 and 2025

WSRB Bond Series	2024 Total CBX Debt	2025 Total CBX Debt	Change
Water Revenue Bonds, Series Q	\$ 16,160,478	\$ 16,160,478	\$ –
Water Revenue Bonds, Series U	2,588,027	2,588,027	–
Water Revenue Bonds, Series W	540,715	540,715	–
Water Revenue Bonds, Series X	4,775,371	4,775,371	–
Water Revenue Bonds, Series Z	3,413,604	3,413,604	–
Water Revenue Bonds, Series AC	9,780,363	9,780,363	–
Water Revenue Bonds, Series AD	32,290	32,290	–
Water Revenue Bonds, Series AE	3,366	3,366	–
Water Revenue Bonds, Series AF	1,776,779	1,776,779	–
Water Revenue Bonds, Series AH	171,577	171,577	–
Water Revenue Bonds, Series AI	78,723	78,723	–
Water Revenue Bonds, Series AJ	2,613,967	2,613,967	–
Water Revenue Bonds, Series AK	159,829	159,829	–
Water Revenue Bonds, Series AL	968,773	968,773	–
Water Revenue Bonds, Series AN	7,483	7,483	–
Water Revenue Bonds, Series AO	5,798,678	5,798,678	–
Water Revenue Bonds, Series AS	715,954	715,954	–
Water Revenue Bonds, Series AX	20,876,346	20,876,346	–
Water Revenue Bonds, Series AY	803,771	803,771	–
Water Revenue Bonds, Series AZ	2,356,785	2,356,785	–
Water Revenue Bonds, Series BC	3,402,481	3,402,481	–
Water Revenue Bonds, Series BE	48,089	48,089	–
Total	\$ 77,073,449	\$ 77,073,449	\$ –

We analyzed the CBX debt service obligation amounts utilized in DWR's redetermination to assess that they included the adjustments related to the cost/debt reconciliation project. We traced the results from DWR's finalized cost/debt reconciliation file for the CBX to the cost/debt transfers within DIMS. Additionally, we recalculated the current overpayment or underpayment per the DDS Projects Report by subtracting the bond principal and interest payment per SOC Attachment 1-4 from the CBX debt service obligation per DIMS for years 1998-2026. We did note, that as part of the 2010 SOC Rebill, Attachment 1-4 was adjusted for Series X refunding and a credit for excess dollars collected from CCWA in excess of the actual debt service and interest earnings (at the time of the rebill - November 8, 2010). We agreed the amount used by the Department for 2010 to the SOC Rebill to assess that they appropriately reflected the rebilled amount in the Direct Debt Service

analysis. A summary of the CBX DDS overpayment or underpayment calculation by year is presented below:

Table DDS.3 – CBX DDS Overpayment or Underpayment Calculation

Year	DDS Payments per Attachment 1-4	DDS per DIMS	(Overpayment)/ Underpayment
1997	\$ –	\$ –	\$ –
1998	1,828,740	2,349,146	520,406
1999	1,828,740	2,344,091	515,351
2000	1,807,850	2,343,087	535,237
2001	1,807,850	2,346,078	538,228
2002	2,607,592	2,398,151	(209,441)
2003	2,609,090	2,387,185	(221,905)
2004	2,534,743	2,390,240	(144,503)
2005	2,535,393	2,367,705	(167,688)
2006	2,475,189	2,338,953	(136,236)
2007	3,240,775	2,525,873	(714,902)
2008	2,348,278	1,733,411	(614,867)
2009	2,344,563	1,654,045	(690,518)
2010	1,911,435	1,706,035	(205,400)
2011	3,209,705	2,651,614	(558,091)
2012	3,083,159	2,274,448	(808,711)
2013	3,197,652	2,265,551	(932,101)
2014	3,412,192	2,475,420	(936,772)
2015	3,683,977	3,121,504	(562,473)
2016	3,675,120	3,284,791	(390,329)
2017	3,477,297	3,382,544	(94,753)
2018	2,677,872	2,563,887	(113,985)
2019	1,946,110	2,466,762	520,652
2020	2,787,448	2,444,815	(342,633)
2021	2,790,710	2,403,540	(387,170)
2022	3,372,631	2,357,285	(1,015,346)
2023	2,454,054	2,174,154	(279,900)
2024	2,452,302	2,178,215	(274,087)
2025	1,979,366	2,180,281	200,915
2026	2,186,834	2,186,834	–
Total	\$ 76,266,667	\$ 69,295,645	\$ (6,971,022)

When comparing the debt service charged in the SOC from 1998 to 2026 with the CBX debt service obligations per DIMS that reflect the refinanced debt service and cost/debt reconciliation results, there is an overstatement of costs to CCWA. The total overstatement is \$6,971,022, excluding bond cover.

We calculated the SMIF interest impact of the CBX DDS Redetermination and agreed it to the Department's calculated SMIF interest impact. The interest impact using SMIF is \$974,558. Actual interest rate to be used, if any, is to be discussed between CCWA and DWR. The interest impact by year is as follows:

Table DDS.4 – Interest Impact Using SMIF

Year	(Decrease)/ Increase in Charges	Interest Impact using SMIF	(Decrease)/Increase in Charges with Interest Impact (SMIF)
1997	\$ –	\$ –	\$ –
1998	520,406	528,692	1,049,098
1999	515,351	468,351	983,702
2000	535,237	435,565	970,802
2001	538,228	379,302	917,530
2002	(209,441)	(131,030)	(340,471)
2003	(221,905)	(129,485)	(351,390)
2004	(144,503)	(80,429)	(224,932)
2005	(167,688)	(89,117)	(256,805)
2006	(136,236)	(66,311)	(202,547)
2007	(714,902)	(300,757)	(1,015,659)
2008	(614,867)	(215,894)	(830,761)
2009	(690,518)	(214,000)	(904,518)
2010	(205,400)	(60,402)	(265,802)
2011	(558,091)	(160,399)	(718,490)
2012	(808,711)	(227,911)	(1,036,622)
2013	(932,101)	(258,519)	(1,190,620)
2014	(936,772)	(256,777)	(1,193,549)
2015	(562,473)	(152,510)	(714,983)
2016	(390,329)	(104,329)	(494,658)
2017	(94,753)	(24,647)	(119,400)
2018	(113,985)	(28,267)	(142,252)
2019	520,652	118,777	639,429
2020	(342,633)	(69,779)	(412,412)
2021	(387,170)	(74,142)	(461,312)
2022	(1,015,346)	(191,378)	(1,206,724)
2023	(279,900)	(49,444)	(329,344)
2024	(274,087)	(38,664)	(312,751)
2025	200,915	18,946	219,861
2026	–	–	–
Total	(6,971,022)	(974,558)	(7,945,580)

Update of Prior Year Findings

This section contains an update of prior year findings as described in the prior year reports to CCWA and SLO. A summary of the findings resolved from the prior year report is included in the table below:

Table 1 – Rollforward of Update of Prior Year Findings

Prior Year Open Finding Count	Findings Related to the 2025 SOC	Findings Resolved	Current Year Open Findings Count
7	6	(3)	10

Table 2 – Rollforward of Update of Prior Year Findings Dollar Impact

Control Number	Prior Year Open Findings - (Decrease)/ Increase in Costs	Findings Resolved - (Decrease)/ Increase in Costs	Current Year Open Findings - (Decrease)/ Increase in Costs
AUD-000387, AUD-000449, AUD-000482, AUD-000530, AUD-000607, AUD-000655, AUD-000725	\$ (1,500,789)	\$ –	\$ (1,500,789)
AUD-000605	(28,886)	–	(28,886)
AUD-000667	28,920	28,920	–
AUD-000721	(13,194)	–	(13,194)
AUD-000722	(2,661)	(2,661)	–
AUD-000723	(1,250)	(1,250)	–
AUD-000724	(61,429)	–	(61,429)
Total	\$ (1,579,289)	\$ 25,009	\$ (1,604,298)

Control Number	Finding Description	Resolved	Additional Comments/Updates
Finding AUD-000387 Finding AUD-000449 Finding AUD-000482 Finding AUD-000530 Finding AUD-000607 Finding AUD-000655 Finding AUD-000725	CBX direct billed debt service charged to CCWA is overstated, as the amount charged in the SOC was not subsequently adjusted to provide the benefits of the refinanced debt service for bond series Q and W.	No	The debt service amounts continue to be overcharged. The final cost/debt reconciliation spreadsheet is agreed upon with the Contractors. This finding will stay open until the WSRB Debt Service Billing Project is completed.
Finding AUD-000605	Pacific Industry Supply invoice #102079 related to claim 1409708 included costs related to alpha allocation cycle M-FFN907, but had costs charged directly to R33A.	No	This claim continues to have costs inappropriately allocated.

Control Number	Finding Description	Resolved	Additional Comments/Updates
Finding AUD-000667	The Department inappropriately calculated the transportation variable plant unit rate per Table B-17 by including projected and actual water deliveries in their analysis. This resulted in an overstatement of variable costs in the amount of \$4,179,887. However, this error also had an impact on the downstream calculation. As a result, downstream that is collected through the minimum OMP&R component was understated by \$4,179,887.	Yes	The Department has updated the transportation variable plant unit rates per Table B-17 for 2023 to only include actual water deliveries.
Finding AUD-000721	Ahern Rentals invoices related to claims 1326157, 1309495, and 1323764, were billed to the San Joaquin Field Division through the alpha allocation cycle M-FFN907. However, the costs were related to either Wheeler Ridge Pumping Plant (CA-R15A) or Edmonston Pumping Plant (CA-R17E).	No	The billing errors related to claims 1326157, 1309495, and 1323764 have not been adjusted.
Finding AUD-000722	North Tree Enterprises, Inc. invoice related to claim 1377166 was double billed to CB-R31A.	Yes	The double billing of claim 1377166 has been adjusted.
Finding AUD-000723	Quinn Rental Services invoice related to claim 1374328 was double billed to CB-R33A.	Yes	The double billing of claim 1374328 has been adjusted.
Finding AUD-000724	Direct labor performed at Buena Vista Pumping Plant (CA-R14A) was inappropriately charged to CB-R33A.	No	The direct labor costs continue to be allocated to CB-R33A.

Appendix – Glossary

CA	California Aqueduct
CAB	Cost Allocation and Billing System (an SAP module)
CB	Coastal Branch
CBX	Coastal Branch Extension
CCWA	Central Coast Water Authority
DIMS	Debt Issuance Management System
DWR or Department	California Department of Water Resources
EY	Ernst & Young LLP
FC	Flood Control
IO	Internal Order
PIR	Project Interest Rate
PR5	Financial Accounting System (an SAP module)
R	Reach
Report	Summary of Procedures, Findings, and Recommendations Related to the 2026 Statement of Charges
SAP	Department's Accounting Software
SLO	San Luis Obispo County Flood Control and Water Conservation District
SMIF	Surplus Money Investment Fund
SOC	Statement of Charges
WCD	Water Conservation District
WSRB	Water System Revenue Bonds

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State Water Contractors Legislative Update



October 14, 2026

1

Current SWC Bill Positions

Bill/Author	Summary	Status	SWC Position
AB 1881 (Ramos)	California Indian Freedom Act of 2026	Vetoed	OPPOSE
AB 1894 (Rubio)	Invasive species: imported water	Vetoed	SUPPORT
AB 2032 (Ransom)	Eradication/management of golden mussels	Chapter 817, Statutes of 2026	SUPPORT
AB 2215 (Calderon)	SWP water rights time extension	Failed Passage	SPONSOR
AB 2218 (Kalra)	State policy to recognize and address inequities inflicted upon California Native American tribes	Vetoed	OPPOSE
SB 601 (Allen)	Protection of water quality in "nexus waters"	Failed Passage	WATCH CLOSELY
SB 872 (McNerney)	Funding for conveyance subsidence and Delta levee repairs	Vetoed	CO-SPONSOR
SB 943 (Becker)	CPUC study of hybrid transmission access charge	Failed Passage	SUPPORT
SB 952 (Laird)	SB 1020 flexibility and cleanup	Chapter 175, Statutes of 2026	SPONSOR

2

2

SWC Sponsored Bill Update – SB 872 (McNerney)

- Legislative action:
 - Senate Environmental Quality: **5-0**
 - Senate Natural Resources/Water: **7-0**
 - Senate Appropriations: **7-0**
 - Senate Floor: **39-0**
 - Assembly Water, Parks, Wildlife: **11-0**
 - Assembly Appropriations: **11-0**
 - Assembly Floor: **77-0**
 - Senate Floor: **37-0**



VETO

OFFICE OF THE GOVERNOR

SEP 27 2026

To the Members of the California State Senate:

I am returning Senate Bill 872 without my signature.

This bill would establish parameters for spending revenue from a Fund that did not receive resources in this year's budget. While well-intentioned, this bill is unnecessary.

For these reasons, I cannot sign this bill.

Sincerely,

Govin Newsom

Considerations leading to Governor's veto:

- (1) Substantive issues – Delta levee provisions
- (2) Political issues – Opposition to key Newsom priorities by co-sponsors (DCP, Sites, HRL)

3

3

Key State Assembly Races We're Watching

- Current composition
 - Democrats: 60
 - Republicans: 19
 - Vacancies: 1 (Gallagher to Congress)

DISTRICT	INCUMBENT	DEM CANDIDATE	REP CANDIDATE
36 – Imperial Valley	Jeff Gonzalez (R)	Ida Obeso-Martinez (55.1 Dem)	Jeff Gonzalez (44.6)
40 – Santa Clarita	Pilar Schiavo (D)	Pilar Schiavo (52.2)	Rickey Hayes (47.8 Rep)
47 – Palm Springs	Greg Wallis (R)	Leila Namvar (51.1 Dem)	Greg Wallis (48.9)
58 – Riverside County	Leticia Castillo (R)	Clarissa Cervantes (50.0)	Leticia Castillo (50.0)
66 – South Coast	Al Muratsuchi (D) – Termed-Out	Sara Deen (24.6) Paul Seo (26.6)	

4

4

Key State Senate Races We're Watching

- Current composition
 - Democrats: 29
 - Republicans: 10
 - Vacancies: 1 (Wahab to Congress)

DISTRICT	INCUMBENT	DEM CANDIDATE	REP CANDIDATE
10 – East Bay	Aisha Wahab (D) – Congress	Scott Sakakihara (75.0 Dem)	Linda Price (25.0)
14 – SJ Valley	Anna Caballero (D) – Termed-Out	Esmeralda Soria (56.4 Dem)	Darin DuPont (43.6)
16 – SJ Valley	Melissa Hurtado (D)	Melissa Hurtado (50.5 Dem)	Guillermo Gonzalez (49.5)
24 - Coastal LA	Ben Allen (D) – Termed-Out	John Erickson (20.5) Brian Goldsmith (18.3)	
26 – LA	Maria Elena Durazo (D) – Termed-Out	Sara Hernandez (31.2) Sarah Rascon (19.4)	
40 – San Diego	Brian Jones (R) – Termed-Out	Mara Elliott (47.9)	Kristie Bruce-Lane (52.1 Rep)

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Planning for 2027

- **Follow-up to AB 2215 (Calderon)**
 - ACWA has convened working group to discuss legislative opportunities to expedite and accelerate SWRCB action on time extension petitions
- **SWRCB reform opportunities**
 - Concepts are being floated regarding the Little Hoover Commission's 2010 report on restructuring state water governance
- **Conveyance subsidence repair funding**
 - Consideration of options to explore long-term funding opportunities for aqueduct repairs
- **Diversion of floodflows for groundwater recharge**
 - Multiple parties have already begun discussing legislative initiatives related to this policy issue – NCWA, RWA, ACWA, Sustainable Conservation
- **Ongoing education/outreach efforts**
 - New legislator education
 - Ongoing legislative "champion" cultivation
 - New Administration transition
 - Legislative staff tour (December 2026) and legislative staff briefing (January 2027)

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QUESTIONS?

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