CENTRAL COAST WATER AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING

AGENDA

Chairman – Eric Friedman
Vice Chairman – Jeff Clay

Monday, November 9, 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: 213 921 935 943 006 Passcode: J77jc25o
or by dialing +1 323-484-5095,and entering access Code/Meeting ID: 323 645 049#

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. Strategic Direction Workshop
Staff Recommendation: Discussion.

IV. Reports from Board Members for Information Only

V. Date of Next Meeting: Special Meeting November 16, 2026
Additional location: 1020 State Street, Santa Barbara

VI. Adjournment

Strategic Direction Workshop Agenda

Special Meeting of the CCWA Board of Directors · CCWA 2027–2032 Strategic Plan

Monday, November 9, 2026, 9:00 am – 2:00 pm, at 255 Industrial Way, Buellton, California

Operating Committee members are invited to participate. Ken Kirby (Evotoco) facilitates the discussion. Pre-read: Strategic Options Memo, distributed with this agenda.

Meeting Goals

- A shared understanding of the current status of the strategic planning process
- Hear reactions to the proposed vision, the mission, and the proposed organizational values
- Receive Board input on the proposed success criteria for the Strategic Plan
- Receive input on descriptions of the two primary ways CCWA will provide value
- Receive input on the five strategic priorities and the staff-recommended strategic options for the draft Strategic Plan

Agenda

1. Welcome, workshop goals, and project status
2. Describing CCWA identity: vision, mission, and values
3. Proposed success criteria for the Strategic Plan
4. Describing how CCWA provides value and how that supports budgeting and implementation
5. Break
6. Strategic Priority 1: Level of service and reliability for all Project Participants
7. Strategic Priority 2: Improve communication and trust between and among Project Participants and CCWA
8. Strategic Priority 3: Advocating on behalf of the CCWA collective in the State Water Project
9. Lunch
10. Strategic Priority 4: Cultivate CCWA's capacity needed to provide desired level of service
11. Strategic Priority 5: Optional additional Project Participant support
12. Confirm what we heard, and next steps

Strategic Options Memo

CCWA 2027–2032 Strategic Plan · Staff Recommendations Informed by the Operating Committee

To	CCWA Board of Directors
From	Peter Thompson, Executive Director, with support from the Operating Committee
Date	November 3, 2026
Subject	Strategic options and staff recommendations for the 2027–2032 Strategic Plan

Purpose of This Memo

This memo brings forward staff recommendations for the 2027–2032 Strategic Plan, informed by the Operating Committee's input at its October 8, 2026, Needs Assessment Workshop and by the questionnaires completed in September by 12 Project Participants and 10 senior staff. This memo describes the primary topics to be discussed during the Board's Strategic Direction Workshop on November 9, 2026.

The memo covers:

- CCWA's identity as captured in a proposed vision statement, its long-standing mission, and a proposed set of organizational values
- Proposed success criteria for the Strategic Plan, for Board input
- A description of the two primary ways CCWA provides value, and a proposed way to decide when work is for all Project Participants and when it is for a subset
- Five strategic priorities, each with strategic options and staff recommendations for what to include in the Strategic Plan

At the November 9 workshop, we will discuss the content in this memo and request reactions and input from Board members and Operating Committee members. The input from the Strategic Direction Workshop will be used to prepare the first draft of the CCWA Strategic Plan.

Who CCWA Is

Vision

CCWA has not had a vision statement. Staff propose the following:

> A secure and resilient water supply that supports thriving communities in San Luis Obispo and Santa Barbara Counties.

What makes a good vision statement. A vision describes the future CCWA is helping bring about: an outcome larger than CCWA itself, one that Project Participants and the communities they serve want, and that CCWA helps achieve alongside others. The mission then names CCWA's specific part in that future, providing reliable, high quality supplemental water, and the values describe how CCWA behaves along the way. Effective visions are vivid rather than abstract, aspirational yet credible, and short

enough to repeat. A vision faces outward, looks further ahead than the five years of the plan, and can be updated as it is achieved or as conditions change.

Mission

CCWA's mission has appeared unchanged since it was established by the Board in December of 1997, and staff recommend carrying it into the Strategic Plan as written:

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

Organizational Values

Staff propose five values to set shared expectations for how everyone associated with CCWA (staff, Project Participants, and Board members) will work with one another:

- **Respectful.** We choose to honor each other's perspectives, experience and roles by interacting with courtesy, sincerity and goodwill.
- **Collaborative.** We seek mutual understanding, support each other's efforts, and work together to provide reliable water to the communities that depend on us.
- **Open**. We keep each other informed early and often, explain our reasoning, and report honestly on outcomes.
- **Trustworthy.** We do what we say we will do, and we hold ourselves and each other accountable.
- **Adaptive**. We adjust to changing conditions in supply, regulation and cost, and we look for better ways to serve those who rely on us.

Proposed Success Criteria for the Strategic Plan

The following criteria describe what a successful Strategic Plan contains and does. They draw on the FY 2026/27 budget, which calls for a strategic plan that sets out CCWA's mission and vision, strategic priorities and measurable goals, and on the questionnaire results. The Operating Committee discussed them on October 8 and asked that goals be specific, carry timelines and explain the reasons behind them. Staff invite the Board's input on them. The Strategic Plan:

1. States CCWA's long-standing mission and introduces a recommended vision and organizational values for the Board to consider.
2. Describes the primary ways CCWA plans to provide value to Project Participants (the value propositions).
3. Sets out key strategic priorities that set bounds on what CCWA will and will not do.
4. Includes measurable goals and indicators CCWA can track and report year to year, with timelines and the reasons behind them.
5. Describes how CCWA works with Project Participants and reports results to them.
6. Can be implemented through annual departmental goals and the budget.
7. Is adopted by the Board in February 2027.

How CCWA Provides Value

Value Proposition 1: Managing the State Water Project Contract and Delivering State Water Project Water for All Project Participants

This is CCWA's core work on behalf of all Project Participants: administering the State Water Project contract with DWR; scheduling and delivering water at the time, place and quality Project Participants need; operating and maintaining the pipeline and treatment plant; providing Project Participants a common picture of supply, demand and cost; representing CCWA with DWR and the State Water Contractors; scrutinizing and, when needed, contesting DWR charges; and advocating for State Water Project reliability and affordability.

Value Proposition 2: Evaluating and Developing Additional Water Supply Arrangements with Project Participants Who Want CCWA's Support

This is work CCWA does with Project Participants who want more than what the CCWA collective wants and needs: identifying mismatches between expected demands for water and supply, identifying and evaluating options to reduce the mismatch, facilitating consideration of options for willing Project Participants, and developing and administering arrangements evaluated to be beneficial. The Supplemental Water Purchase Program is a precedent.

The Operating Committee voiced support for Value Proposition 2. Much of its discussion centered on a practical question: how CCWA decides when work is no longer for the collective and becomes work for a subset of Project Participants.

Deciding What Is for the Collective and What Is for a Subset

Staff recommend the following approach, which reflects the Operating Committee's suggestions:

1. **Work for the collective consistent with existing agreements.** Work is for the collective when it is needed to meet CCWA's obligations under the State Water Project contract and its agreements with Project Participants, or to operate and maintain CCWA's facilities to satisfy the agreements described here.
2. **Standing opt-in programs.** Where work is being offered to Project Participants that go beyond the standard administration of the State Water Project contract and its related agreements with Project Participants, CCWA develops standing programs that Project Participants can opt in to. CCWA staff lead a process to identify interest in specific programs by Project Participants, discuss and refine with the Operating Committee, and bring recommendations to the Board.
3. **Programs that serve a subset.** When a program serves a subset, the Project Participants who take part in the program will cover the costs to administer the program. All optional programs will be designed and administered to not reduce the level of service to other Project Participants or shift cost or risk to them.
4. **Early work stays collective.** Watching for opportunities to help meet the desired level of service, relaying options CCWA learns of through the State Water Contractors and its other relationships, and an initial screening of an opportunity remain collective work.

5. **Unclear cases.** If a situation arises where it is unclear which category applies, staff bring the question to the Operating Committee for a recommendation, and the Board decides.

Strategic Priorities and Strategic Options

The Strategic Plan will define the top strategic priorities for CCWA during 2027 to 2032. The strategic options listed here include potential ways to address the strategic priorities with recommendations from staff for what to include in the Strategic Plan.

Strategic Priority 1: Level of Service and Reliability for All Project Participants

What we heard. Reliable dry-year supply was among the top three things that matter most for 9 of 12 Project Participants. Predictable charges matter for Project Participants' own budgets and rate-setting. The Operating Committee asked that the description of CCWA's core service include the quantity of water delivered, with priorities for how water would be allocated during shortages. Some would like to verify that a first right of refusal is in place among Project Participants in the event that a Project Participant decides to discontinue their use of State Water Project water.

What This Priority Addresses

- Water supply deliveries responsive to Project Participant requests.
- Balance costs and benefits, and support stable cost estimates.

Strategic Options

- **Define desired level of service for each Project Participant.** Include a goal in the Strategic Plan to define what each Project Participant wants CCWA to prepare to provide in terms of water quantities, timing, and water quality over the next 10 years. This goal is the foundation for the other Strategic Priority 1 goals: the near-term strategy and the evaluation of suspended Table A both depend on the defined level of service. Proposed target date for completion is June 30, 2027. This includes desired support to maximize the value received by Project Participants of access to State Water Project water that exceeds specific demand for water.
- **Define near-term strategy to provide collective desired level of service.** Include a goal to evaluate and define how to apply the State Water Project tools already available (carryover, banking, transfers and exchanges) for the benefit of all Project Participants, weighed against the cost of doing so. Proposed target date for completion of this goal is October 1, 2027.
- **Consider reacquisition of suspended Table A.** CCWA has first-priority access to more than 10,000 acre-feet of suspended Table A now held by DWR. The choice is whether to reacquire it or allow another State Water Project contractor to acquire it. Include a goal in the Strategic Plan to evaluate whether to reacquire some or all of the suspended Table A informed by the defined desired level of service of all Project Participants. Proposed target date for completion of this goal is July 1, 2028.

Strategic Priority 2: Improve Communication and Trust between and Among Project Participants and CCWA

What we heard. This theme drew the most discussion on October 8. Operating Committee members appreciated recent communication across multiple topics and want it to continue. They asked CCWA to explore the potential for ways to communicate more outside of public meetings, for more flexibility in how CCWA staff and Project Participant staff communicate, for early notice of activities that could affect other Project Participants, and for clarity on what communication is allowed among Project Participant staff in relation to the Operating Committee. They also raised how items are sequenced before they reach the CCWA Board, how Project Participant staff can support their own Board members, and the idea of shared commitments among Project Participants. Several questionnaire respondents asked to hear more about CCWA's collaboration work and its results.

What This Priority Addresses

- Cultivating trust and effective collaboration between and among Project Participants and CCWA.
- Identifying activities CCWA will not engage in, and adopting a process to update this list over time.

Strategic Options

- **Clarify how Brown Act requirements affect communication between Project Participant staff and CCWA staff.** Include a goal in the Strategic Plan to conduct a legal review and provide guidance on what types of communication and interactions between and among Project Participant staff and CCWA staff are subject to Brown Act requirements and how that affects the function of the Operating Committee. Proposed target date for completion of this goal is September 1, 2027.
- **Set shared expectations for communication practices.** Include a goal in the Strategic Plan to design a communications program that identifies the types of information to be shared and potentially discussed. Include identification of topics of potential interest and concern for each Project Participant, identification and selection of potential methods and tools that could be used to provide information, and the importance of sequencing and timing of how and when different types of information are shared. Include the possibility of developing and adopting a short set of shared commitments among Project Participants and CCWA. Reconsider the roles of the Operating Committee, including alternatives for how and where it meets, to facilitate better communication, trust, and effectiveness of CCWA providing the desired level of service. Proposed target date for completion of this goal is January 1, 2028.
- **Setting guardrails.** Include a goal in the Strategic Plan to work with Project Participants to identify activities that CCWA will not participate in (if any), along with a process to review and update the list as needed. Proposed target date for completion of this goal is January 1, 2028. Note: this goal is intended to help CCWA staff have clear understanding if there are actions they should not engage in or consider when working quickly to meet the identified desired level of service within the very dynamic water management environment.

Strategic Priority 3: Advocating on Behalf of the CCWA Collective in the State Water Project

What we heard. Advocacy for State Water Project reliability and affordability was rated essential by 11 of 12 Project Participants, and CCWA's collective voice with DWR and the State Water Contractors was the leading reason Project Participants gave for what they get from CCWA. About three-quarters of the CCWA budget is for expenses paid to DWR. The Operating Committee asked that representation cover all aspects of the State Water Project, including infrastructure, that CCWA make the most of its influence, and raised a legislative platform as a potential goal.

What This Priority Addresses

- Clear and authoritative representation by CCWA staff on behalf of the collective interests of Project Participants related to the State Water Project.

Strategic Options

- **Develop and adopt a CCWA legislative platform.** Include a goal in the Strategic Plan to define key elements of a collaborative legislative platform that provides direction for dynamic advocacy by CCWA staff to represent the collective interests of CCWA and Project Participants. Proposed target date for completion of this goal is June 1, 2027.
- **Identify key resources and key activities needed for advocating on behalf of the CCWA Collective.** Commit to providing specific estimates for the key resources and key activities to be applied for collective advocacy and include in annual budget.
- **Develop approach to track effectiveness of advocacy.** Include a goal in the Strategic Plan to work with the Operating Committee to identify ways of sharing information about the advocacy work and methods for how to determine the effectiveness of the advocacy work and refine approach and resources as needed over time. Proposed target date for completion of this goal is August 1, 2027.

Strategic Priority 4: Cultivate CCWA's Capacity Needed to Provide Desired Level of Service

What we heard. The condition of CCWA's own infrastructure, built between 1994 and 1997, was the risk senior staff ranked highest (9 of 10). The FY 2026/27 budget already commits to a condition assessment, an asset registry and a Capital Improvement Program. Several senior staff raised staffing and succession.

What This Priority Addresses

- Managing local infrastructure to support the desired level of service.
- Cultivating and managing CCWA staff and related resources to support the desired level of service.

Strategic Options

- **Asset management.** Initiate a facilities condition assessment study in the first quarter of 2027 with a goal of receiving the final report by February 29, 2028. The final report will be used to develop a Capital Improvement Program and inform CCWA budgeting decisions beginning in Fiscal Year 2028-29.

- **Staffing.** CCWA's Engineering Manager will lead the condition assessment study and will be supported by the Engineering Technician and Department Heads. High-priority items identified in the final report will be considered for inclusion in the Fiscal Year 2028-29 Budget. CCWA staff will also use the final report to inform future estimates for fixed and variable charges that will be collected from Project Participants. Following the condition assessment, CCWA administrative staff will evaluate and document the staffing needs of the organization necessary to maintain and operate the system to the desired level of service of Project Participants and to other objectives of the Strategic Plan that may not be met at the current structure or level of staffing by February 28, 2029. CCWA administrative staff will seek opportunities to grow and advance talent within CCWA.

Strategic Priority 5: Optional Additional Project Participant Support

What we heard. Several questionnaire responses point to support beyond what all Project Participants need. Asked why they chose CCWA's role in banking, transfers and exchanges, 7 of 12 Project Participants said members' needs differ, so the role has to flex, including the view that CCWA may be best placed to identify opportunities to present to willing participants while others prefer to pursue their own; 2 added in their comments they want CCWA to act as a facilitator and not favor one member over another. Looking to 2047, 4 of 12 named managing the availability and cost of water through banking and transfers, in and out, including a long-term transfer arrangement to avoid last-minute efforts to find a buyer when a spill is imminent. Finding and arranging water-portfolio opportunities was rated essential by 3 of 12, though all 12 rated it 3 or higher. On October 8, the Operating Committee supported Value Proposition 2, suggested standing opt-in programs, and noted other financial activities related to the State Water Project that could benefit a subset. Some expressed a desire for CCWA to consider serving a significantly expanded role in supporting planning and management of water supplies for the region, including potentially offering access to water supplies beyond the State Water Project. Some would like CCWA to investigate the potential for developing more local (within region) forms of storage.

What This Priority Addresses

- Providing additional support to improve water supply reliability and resilience for Project Participants, that goes beyond the standard administration of the State Water Project contract and its related agreements with Project Participants.
- Sharing the costs of CCWA activities fairly among Project Participants.

Strategic Options

- **Priority optional programs.** Include a goal in the Strategic Plan that identifies the desire for additional support from CCWA that goes beyond the standard administration of the State Water Project contract and its related agreements with Project Participants and outlines the potential programs to develop. Proposed target date for completion of this goal is June 1, 2027.

Next Steps

- Staff and the consultant prepare a draft Strategic Plan reflecting the Board's and Operating Committee's input.

- The Operating Committee reviews the draft Strategic Plan in early January, and the Board holds a review workshop on January 28.
- Target adoption: February 25, 2027.