



BOARD OF DIRECTORS

Case Van Wingerden
President

Casey Balch
Polly Holcombe
Patrick O'Connor
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS OF CARPINTERIA VALLEY WATER DISTRICT

CARPINTERIA CITY HALL
5775 CARPINTERIA AVENUE
CARPINTERIA, CA 93013

Wednesday, December 11, 2024 at 5:30 p.m.

Join Zoom Meeting

<https://us06web.zoom.us/j/84583104513?pwd=Tqb0M97yrCZyuvRr5BJeZ6ub3faXbb.1>

Meeting ID: 845 8310 4513

Passcode: 439484

or

Dial by Phone: 1-669-444-9171

If interested in participating in a matter before the Board, you are strongly encouraged to provide the Board with a public comment in one of the following ways:

1. **Online:** Comments may be submitted online through the “eComments” function located in the **Upcoming Events** section on our website: <https://cvwd.net/about/our-board/meetings/> **by 5:00 p.m. on the day of the meeting.**

2. **Submitting a Written Comment.** If you wish to submit a written comment, please email your comment to the Board Secretary at Public_Comment@cvwd.net by **5:00 P.M. on the day of the meeting.** Please limit your comments to 250 words. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations.

3. If you wish to make either a general public comment or to comment on a specific agenda item in person, please: attend the Board Meeting at the location noted above and fill out a speaker slip prior to the hearing the item.

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE: President Van Wingerden ~1 minute

II. ROLL CALL: Board Secretary, Lisa Silva ~1 minute

1301 Santa Ynez Avenue
Carpinteria, CA 93013
(805) 684-2816

**Indicates attachment of document to agenda packet.

III. PUBLIC FORUM (Any person may address the Board of Directors on any matter within its jurisdiction which is not on the agenda) ~1 minute

IV. CONSENT AGENDA ~ 3 minutes

- A. **Minutes of the Regular Board meeting held on November 13, 2024**
- B. **Disbursement Report for October 11, 2024 – November 10, 2024**
- C. **Extension of the 2019 IRWD Water Banking Agreement through calendar year 2025**
- D. **Consider Authorization to execute On Call Contract Services agreement for Pueblo Water Resources for Hydrogeologic Professional Services for FY2025**
- E. **2025 Board Meeting Schedule**

V. UNFINISHED BUSINESS – None

VI. **ADJOURN to Regular Board meeting of Carpinteria Groundwater Sustainability Agency (Time Certain 5:35 p.m.) ~ 45 minutes

VII. NEW BUSINESS ~90 minutes

- A. **Consider Independent Auditor’s Report and Financial Statement for FY 23-24 (for action, General Manager McDonald) Presented by Tracey Solomon, Bartlett, Pringle & Wolf, LLP**
- B. **Consider Adoption of Strategic Plan (for action, General Manager McDonald) Presented by Maso Motlow**
- C. **Consider Ordinance 24-2 Adoption of updated Allocation Methodology (for action, General Manager McDonald) Presented by Maso Motlow**
- D. **Consider Ordinance 24-3 Adoption of Intensification Methodology (for action, General Manager McDonald) Presented by Maso Motlow**
- E. Consider Water Supply Impact Fee, Introduction of concepts and process (for information, General Manager McDonald) Presented by Maso Motlow**
- F. **Consider Ordinance 24-4 Adopting an Administrative Remedies and procedures for Challenges to Fees, Charges, and Assessments (for action, General Manager McDonald)**
- G. ** Consider engaging FM3 Research to conduct customer polling on CAPP concerns (for action, General Manager McDonald)**

VIII. DIRECTOR REPORTS ~10 minutes

- A. **Rate and Budget Committee – November 20, 2024 – Directors Roberts and Van Wingerden**
- B. **Recycled Water Committee – December 9, 2024 – Directors Roberts and Balch**
- C. ** Rate & Budget Committee- Dec 10, 2024- Directors Roberts and Van Wingerden**
- D. **COMB Board Meeting – November 18, 2024 – Director Holcombe**
- E. **COMB Administrative Committee – December 4, 2024 – Director Holcombe**

IX. GENERAL MANAGER REPORTS (for information) ~15 minutes

- A. **Financials**
- B. District Investment Update, Presented by Kyle Tanaka**
- C. **Engineering Report**
- D. **Intent to Serve Letter Report**
- E. **Operations Report**
- F. Water Supply Report**

X. CLOSED SESSION –20 Minutes

- A. [CLOSED SESSION] CONFERENCE WITH REAL PROPERTY NEGOTIATORS GOVERNMENT CODE SECTION 54956.8; PROPERTY: ST. JOSEPH’S CATHOLIC CHURCH; AGENCY NEGOTIATOR: ROBERT MCDONALD**
- B. [CLOSED SESSION] PERSONNEL MATTERS PURSUANT TO GOVERNMENT CODE SECTION § 54957(b) PUBLIC EMPLOYMENT: GENERAL MANAGER**

**XI. CONSIDER DATES AND ITEMS FOR AGENDA FOR: 1 minute
CARPINTERIA VALLEY WATER DISTRICT BOARD MEETING OF
JANUARY 8, 2025, AT 5:30 P.M., CARPINTERIA CITY HALL, 5775
CARPINTERIA AVENUE, CARPINTERIA, CALIFORNIA.**

XII. ADJOURNMENT.

Note: The above Agenda was posted at Carpinteria Valley Water District Administrative Office in view of the public no later than 5:30 p.m., December 8, 2024. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied benefits of, the District's programs, services, or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at (805) 684-2816. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements. Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Carpinteria Valley Water district offices located at 1301 Santa Ynez Avenue, Carpinteria during normal business hours, from 8 am to 5 pm.

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	MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS	
	CARPINTERIA VALLEY WATER DISTRICT	
	November 13, 2024	
	Director Van Wingerden called the Regular meeting of the Carpinteria Valley Water District Board of Directors held in the Carpinteria Valley Water District board room to order at 5:30 p.m., Wednesday, November 13, 2024, and led the Board in the Pledge of Allegiance.	
ROLL CALL	Directors Present; Holcombe, Balch, Johnson, Roberts and Van Wingerden	
	Others Present: Bob McDonald	
	Cari Ann Potts Lisa Silva Maso Motlow Patrick O'Connor	Jane Benefield Jeff Dinkin Chris Malejan Craig Murray
PUBLIC FORUM	No one from the public addressed the Board.	
CONSENT AGENDA	Director Roberts moved, and Director Holcombe seconded the motion to approve the consent agenda. The motion carried by a 5-0 vote. The motion was approved by roll call as follows; Ayes: Holcombe, Johnson, Balch, Roberts and Van Wingerden Nayes : none Absent: none	
ADJOURN	President Van Wingerden opened the Carpinteria Groundwater Sustainability Agency Special meeting at 5:32 p.m.	
RECONVENED TO REGULAR BOARD MEETING	President Van Wingerden reconvened the Special Board meeting at 5:36 p.m.	
CLOSED SESSION	President Van Wingerden adjourned the meeting at 5:37 p.m. to convene the Board into closed session for the following matters: VI. [CLOSED SESSION] CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54957.6. DISTRICT NEGOTIATOR: JEFFERY DINKIN EMPLOYEE ORGANIZATION: SEIU LOCAL 620	
BOARD RECONVENED IN OPEN SESSION	At 6:04 p.m., President Van Wingerden reconvened the Board meeting with the following reportable actions:	

VI. SEE ACTION BELOW	
AUTHORIZE EXECUTION OF MEMORANDUM OF UNDERSTANDING	<p>General Manager McDonald presented to consider Authorizing Board President to execute the Memorandum of Understanding (MOU) between CVWD and SEIU Local 620. Jeff Dinkin presented the MOU.</p> <p>Following discussion, Director Balch moved, and Director Roberts seconded the motion authorizing the execution of Memorandum of Understanding. The motion carried by a 5-0 vote. The motion was approved by roll call as follows;</p> <p>Ayes: Holcombe, Balch, Johnson, Roberts and Van Wingerden Nayes: none Absent: none</p>
AWWA TRANSFORMATIVE WATER LEADERSHIP ACADAMY	<p>General Manager McDonald presented to consider Report on the participation in the AWWA Transformative Water Leadership Academy. Presented by Maso Motlow.</p> <p>For Information.</p>
RESOLUTION NO. 1161	<p>General Manager McDonald presented to consider Adoption of Resolution No. 1161 Commending Shirley Johnson for her service on the Carpinteria Valley Water District Board of Directors.</p> <p>Following discussion, Director Roberts moved, and Director Holcombe seconded the motion to adopt Resolution No. 1161. The motion carried by a 5-0 vote. The motion was approved by roll call as follows;</p> <p>Ayes: Holcombe, Balch, Johnson, Roberts and Van Wingerden Nayes: none Absent: none</p>
RESOLUTION NO. 1162	<p>General Manager McDonald presented to consider Adoption of Resolution No. 1162 Appointing Patrick O'Connor to the Carpinteria Valley Water District Board of Directors in election District 5.</p> <p>Following discussion, Director Holcombe moved, and Director Balch seconded the motion to adopt Resolution No. 1162. The motion carried by a 5-0 vote. The motion was approved by roll call as follows;</p> <p>Ayes: Holcombe, Balch, Johnson, Roberts and Van Wingerden Nayes: none Absent: none</p>
ADMINISTRATIVE REMEDIES AND PROCEDURS FOR CHALLENGES TO FEES, CHARGES, AND ASSESSMENTS	<p>General Manager McDonald presented to consider Draft Ordinance 24-x Adopting an Administrative Remedies and procedures for Challenges to Fees, Charges, and Assessments.</p> <p><u>Administrative Remedies for 218 fees:</u></p>

	<ul style="list-style-type: none"> - AB 2257 provides valuable tools to defend Prop. 218 challenges to water and sewer fees and assessments - Among them is a rule that plaintiffs cannot challenge fees or assessments unless they make a written objection stating their grounds before the close of the majority protest proceeding - But this applies only if the local agency adopts a policy triggering it <p>For Information. Will be brought back to next board meeting for action.</p>
<p>CARPINTERIA-SUMMERLAND AND MONTECITO FIRE DISTRICTS LICENSE AGREEMENT</p>	<p>General Manager McDonald presented to consider Authorization to execute a license agreement with Carpinteria-Summerland and Montecito Fire Districts for colocation of equipment at the Shepard Mesa Tank.</p> <p><u>Staff Considerations and Recommendations (2023):</u></p> <ul style="list-style-type: none"> - Neighborhood Outreach - Separate Electrical Meter Service - Negotiation of License Agreement - Verification of SCADA Interference <p>Following discussion, Director Roberts moved, and Director Johnson seconded the motion to authorize execution of license agreement The motion carried by a 5-0 vote. The motion was approved by roll call as follows;</p> <p>Ayes: Holcombe, Balch, Johnson, Roberts and Van Wingerden Nayes: none Absent: none</p>
<p>CAPP JEPA AND GROUND LEASE</p>	<p>General Manager McDonald presented to consider Authorization to execute the CAPP JEPA and Ground Lease. Presented by Chris Malejan, WSC.</p> <p><u>Recommendations:</u></p> <ul style="list-style-type: none"> - Direct General Manager to investigate and report back on underwriting the risk from Term 21 of the Lease - Authorize Board President to execute JEPA and Lease Agreement as amended to extend the lease from 30 to 50 years. <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> - JEPA and Lease Agreement up for approval at CSD Board on November 19 - Continue developing Operations Agreement with intent to adopt in Spring 2025 <p>Following discussion, Director Roberts moved, and Director Holcombe seconded the motion to authorize execution of CAPP</p>

	<p>JEPA and Ground Lease. The motion carried by a 4-1 vote with Director Balch opposing. The motion was approved by roll call as follows;</p> <p>Ayes: Holcombe, Johnson, Roberts and Van Wingerden Nayes: Balch Absent: none</p>
CAPP EIR ADDENDUM	<p>General Manager McDonald presented to consider Approval of the CAPP EIR Addendum. Presented by Chris Malejan, WSC.</p> <p>Following discussion, Director Holcombe moved, and Director Balch seconded the motion approving the CAPP EIR Addendum. The motion carried by a 5-0 vote. The motion was approved by roll call as follows;</p> <p>Ayes: Holcombe, Balch, Johnson, Roberts and Van Wingerden Nayes: none Absent: none</p>
RECYCLED WATER COMMITTEE MEETING	<p>Directors Roberts and Balch gave a verbal report on the Recycled Water Committee meeting that was held on November 11, 2024</p>
CENTRAL COAST WATER AUTHORITY BOARD MEETING	<p>Director Johnson gave a verbal report on the CCWA Board meeting that was held on October 24, 2024.</p>
NEXT BOARD MEETING	<p>The next Regular Board meeting is scheduled to be held on December 11, 2024, at 5:30 p.m., Carpinteria City Hall, 5775 Carpinteria Avenue, Carpinteria California.</p>
ADJOURNMENT	<p>Director Van Wingerden adjourned the meeting at 7:26 p.m.</p>
	<p>Lisa Silva, Board Secretary</p>



**Monthly Disbursement Report
Carpinteria Valley Water District**

Payment Date: 10/11/24 - 11/10/24

Disbursement Report

Operating Account	1,530,447.98
Rancho Monte Alegre (RMA)	-
Reserves	1,000,000.00
Total:	\$ 2,530,447.98

Operating Account				
Vendor	Description	Payment Number	Payment Date	Payment
ACWA/JPIA				7,701.16
	WORKER'S COMP - IST QUARTER	41028	10/25/2024	7,701.16
ACWA-JPIA				34,956.04
	HEALTH INS	41053	11/5/2024	34,956.04
AFLAC				748.54
	AFLAC AFT TX	41034	10/25/2024	57.86
	AFLAC PRE TX	41034	10/25/2024	690.68
ANTHEM BLUE CROSS				515.71
	RETIREE - NOVEMBER	41015	10/15/2024	383.01
	RETIREE - NOVEMBER	41023	10/16/2024	132.70
ASPECT ENGINEERING GROUP				15,986.37
	SHEPARD MESA PUMP STATION PLC AND OIT UPGRADE	41046	11/5/2024	15,986.37
AT&T MOBILITY				742.76
	MOBILE DEVICES - SEPTEMBER	41016	10/15/2024	485.72
	SCADA, TABLETS, OTHER WIRELESS - OCTOBER	41016	10/15/2024	257.04
BADGER METER INC.				7,892.56
	WATER METERS FOR POLLO VILLAS DEVELOPMENT	41047	11/5/2024	4,399.06
	METER READING CELLULAR CHARGES - OCTOBER	APA001818	11/6/2024	3,493.50
BARTLETT, PRINGLE & WOLF, LLP				25,974.40
	AUDIT SERVICES - 2024	41036	10/25/2024	25,974.40
BEDROCK BUILDING SUPPLIES				212.06
	PROJ A88 - DARIESSA GUTTER REPLACEMENT	APA001819	11/6/2024	212.06
CALIFORNIA SPECIAL DISTRICTS ASSOCIATION				9,627.00
	2025 CSDA MEMBERSHIP RENEWAL	41054	11/6/2024	9,627.00
CANON FINANCIAL SERVICES, INC				1,608.86
	MONTHLY CONTRACT CHARGES COPIER - JUNE (RCVD LATE)	41037	10/25/2024	778.27
	MONTHLY CONTRACT CHARGES COPIER - OCTOBER	APA001803	10/25/2024	830.59
CAPITAL INDUSTRIAL MEDICAL SUPPLY CO.				2,664.58
	FIRST AID KIT UPDATES AND REFILLS.	APA001804	10/25/2024	2,388.78
	FIRST AID KITS FOR NEW VEHICLES	APA001804	10/25/2024	275.80
CARPINTERIA GROUNDWATER SUSTAINABILITY AGENCY - CGSA				156,186.16
	CGSA WELL FEE FOR 070124-063025	41055	11/6/2024	156,186.16
CARPINTERIA VALLEY LUMBER CO				505.07
	MAINTENANCE OF SCADA EQUIPMENT	APA001805	10/25/2024	48.81
	MINOR TOOLS	APA001805	10/25/2024	107.07
	CARP RES CL2 TANK LEVEL TRANSMITTER BOX REPAIR	APA001820	11/6/2024	22.00
	ENGINEERING SUPPLIES	APA001820	11/6/2024	43.01
	MAINTENANCE OF MAINS	APA001820	11/6/2024	237.47
	MINOR TOOLS	APA001820	11/6/2024	46.71
CHARLES B. HAMILTON				327.00
	RETIREE - INSURANCE - NOVEMBER	41056	11/6/2024	327.00
CITY OF SANTA BARBARA				65,336.10
	CATER - TREATMENT & CAPITAL PROJECT - FY24 PRD 13	41042	11/1/2024	65,336.10
COAST AUTO PARTS				138.98
	MAINTENANCE OF VEHICLES	APA001806	10/25/2024	118.76
	RMA PLC BATTERY TERMINALS	APA001806	10/25/2024	20.22
COASTAL VIEW NEWS				508.00
	WATER CONSERVATION AD - 101024	APA001807	10/25/2024	254.00
	WATER CONSERVATION AD - 102724	APA001821	11/6/2024	254.00
COLONIAL LIFE				701.10
	COLONIAL LIFE	41035	10/25/2024	131.24
	COLONIAL PRETAX	41035	10/25/2024	569.86
COUNTY OF SANTA BARBARA - ASSESSOR				1,292.14
	PROPERTY TAX 24/25 - 1301 SANTA YNEZ AVE	41026	10/18/2024	1,292.14
DAVE HUNSAKER - DAVE'S ORGANIC GARDENING				5,335.00
	LANDSCAPE SERVICES - AUGUST	APA001808	10/25/2024	5,335.00
DOCUPRODUCTS CORPORATION				38.18
	COPIER LEASE - 091024-100924	APA001809	10/25/2024	38.18
E.J. HARRISON & SONS, INC.				285.70
	TRASH & RECYCLE	41038	10/25/2024	285.70

Vendor	Description	Payment Number	Payment Date	Payment
EDISON CO				47,752.98
	FOOTHILL TANK MONTHLY- 39,851 KWH - OCTOBER	41017	10/15/2024	9,775.98
	EL CARRO WELL - 46,484 KWH - OCTOBER	41029	10/25/2024	8,623.91
	HQ WELL- 68,411 KWH - OCTOBER	41029	10/25/2024	15,550.71
	OFFICE - 2,951 KWH - OCTOBER	41029	10/25/2024	787.02
	GOB CYN PUMP - 367 KWH - OCTOBER	41039	10/25/2024	82.34
	LYONS WELL - 61 KWH - OCTOBER	41039	10/25/2024	49.49
	SMILLIE WELL - 28,519 KWH - OCTOBER	41039	10/25/2024	5,836.74
	CARP RES - 19,861 KWH - OCTOBER	41057	11/6/2024	5,534.19
	SM PUMP - 4,481 KWH - OCTOBER	41057	11/6/2024	1,512.60
ELITE GENERAL ENGINEERING INC				10,337.40
	PROJ A88 - PAVING DARIESSA, AND CARP AVENUE	41058	11/6/2024	8,323.80
	PROJ A88 - VALVE EXRCIS & REPLACE	41058	11/6/2024	2,013.60
EMILY SCHIELE				413.54
	REIMBURSE OFFICE SUPPLIES	41024	10/16/2024	17.85
	REIMBURSE - TRAINING EXPENSE	41024	10/16/2024	395.69
FAMCON PIPE AND SUPPLY, INC				5,970.18
	INVENTORY	41030	10/25/2024	3,758.04
	INVENTORY & MAINTENANCE OF MAINS	41030	10/25/2024	2,074.22
	MAINTENANCE OF MAINS	APA001822	11/6/2024	137.92
FEDERAL PR TAX DEPOSIT				46,890.44
	FEDERAL W/H	DFT0001847	10/11/2024	10,214.31
	FICA PR	DFT0001847	10/11/2024	10,940.94
	MEDICARE W/H	DFT0001847	10/11/2024	2,790.60
	FEDERAL W/H	DFT0001857	11/5/2024	10,181.89
	FICA PR	DFT0001857	11/5/2024	10,023.10
	MEDICARE W/H	DFT0001857	11/5/2024	2,739.60
FERGUSON WATERWORKS				3,107.34
	INVENTORY	APA001823	11/6/2024	3,107.34
FRONTIER COMMUNICATIONS				586.77
	OFFICE - 101624-111524	41059	11/6/2024	462.87
	ORTEGA - 101624-111524	41059	11/6/2024	123.90
FRUIT GROWERS LABORATORY, INC				1,175.00
	BACTI ANALYSIS - COLIFORM - COLILERT-P/A	APA001810	10/25/2024	180.00
	BACTI ANALYSIS - COLIFORM - COLILERT-P/A	APA001824	11/6/2024	360.00
	BACTI ANALYSIS - COLILERT - P/A & QUANTI TRAY	APA001824	11/6/2024	250.00
	BACTI ANALYSIS-BIO ACTIVITY/HETER/COLIFORM	APA001824	11/6/2024	118.00
	INORGANIC ANALYSIS - METALS, -FE, MN	APA001824	11/6/2024	267.00
FTI SERVICES, INC.				2,763.14
	MONTHLY - DATTO BACKUPS - OCTOBER	APA001811	10/25/2024	95.37
	MONTHLY - DATTO SUPPORT - NOVEMBER	APA001811	10/25/2024	1,300.00
	MONTHLY MONITORING & ANTIVIRUS - OCTOBER	APA001811	10/25/2024	653.77
	MICROSOFT 365 LICENSE - OCTOBER	APA001825	11/6/2024	714.00
GABRIEL JAIMES				179.43
	RETIREE - INSURANCE - NOVEMBER	41060	11/6/2024	179.43
GALLAGHER BENEFIT SERVICES, INC.				6,845.00
	COMPENSATION STUDY	41027	10/18/2024	6,845.00
GAS COMPANY				110.73
	ADMIN BLDG - SEPTEMBER	41018	10/15/2024	27.23
	OPERATIONS BLDG - OCTOBER	41061	11/6/2024	39.30
	ADMIN BLDG - OCTOBER	41064	11/6/2024	44.20
GRANITE CONSTRUCTION COMPANY				1,257.65
	PROJ A88 - PAVING DARIESSA & CARP AVENUE	APA001826	11/6/2024	755.97
	PROJ A88 - VALVE EXRCIS & REPLACE PAVING	APA001826	11/6/2024	501.68
HAMNER, JEWELL & ASSOCIATES				402.00
	CAPP - FINAL DESIGN - SEPTEMBER	APA001827	11/6/2024	402.00
HD SUPPLY, INC				1,316.53
	MAINTENANCE OF SCADA & TREATMENT OF WELLS	APA001828	11/6/2024	1,316.53
HOSE-MAN, INC				159.61
	MINOR TOOLS	APA001812	10/25/2024	159.61
INDUCTIVE AUTOMATION				3,477.36
	IGNITION LICENSE FOR SCADA	APA001813	10/25/2024	3,477.36
INFOSEND INC				2,861.67
	DISCONNECT/STATEMENTS - OCTOBER	41031	10/25/2024	2,537.37
	EBILLS - SEPTEMBER	41031	10/25/2024	324.30
INTERNAL REVENUE SERVICE				2,018.23
	941 BALANCE DUE	DFT0001854	10/28/2024	2,018.23
JACOB DE LOS REYES				287.30
	TRAVEL REIMBURSE - AWWA FALL CONFERENCE	41043	11/1/2024	287.30
LANCE EDMONDSON				181.04
	EMPLOYEE RELATION REIMBURSE	41044	11/1/2024	181.04

Vendor	Description	Payment Number	Payment Date	Payment
LINCOLN LIFE				11,481.56
	DEFERRED COMPENSATION	DFT0001849	10/15/2024	5,040.78
	ROTH IRA	DFT0001849	10/15/2024	700.00
	DEFERRED COMPENSATION	DFT0001858	11/6/2024	5,040.78
	ROTH IRA	DFT0001858	11/6/2024	700.00
MONTECITO WATER DISTRICT				306.83
	ORTEGA SHARED COSTS - SEPTEMBER	41062	11/6/2024	306.83
NTS MIKEDON, LLC				185.75
	PROJ P61 - SANTA CLAUS LANE	APA001814	10/25/2024	185.75
OPENEDGE				974.24
	CREDIT CARD PROCESSING FEES - NOV 2024	DFT0001873	11/4/2024	974.24
P E R S				16,064.11
	PERS EMPLOYER	DFT0001859	11/6/2024	5,623.60
	PERS EMPLOYER PEPRA 6.25	DFT0001859	11/6/2024	2,783.53
	PERS EMPLOYER TIER 2	DFT0001859	11/6/2024	1,141.94
	PERS REG PEPRA 6.25	DFT0001859	11/6/2024	2,741.08
	PERS REGULAR	DFT0001859	11/6/2024	3,109.71
	PERS REGULAR TIER 2	DFT0001859	11/6/2024	664.25
PAYROLL TRANSFER				123,384.85
	XFER TO PR EMP FINAL CK	DFT0001853	10/22/2024	1,965.11
	XFER TO PR ACCT PPE102624	DFT0001852	10/26/2024	59,615.01
	XFER TO PR ACCT PPE110924	DFT0001876	11/7/2024	61,804.73
PERRY'S WELDING				1,200.00
	PROJ A88 - VALVE EXRCIS & REPLACE	41040	10/25/2024	1,200.00
PETERSON'S TREE CARE, INC.				3,840.00
	PROJ P58 - LIVR	41066	11/6/2024	3,840.00
PUEBLO WATER RESOURCES, INC				15,022.50
	SMILLIE REPLACEMENT WELL - SEPTEMBER	41032	10/25/2024	14,217.50
	EL CARRO REHAB 2	41048	11/5/2024	805.00
QUADIENT LEASING USA, INC.				1,124.77
	POSTAGE & LETTER - QUARTERLY	APA001815	10/25/2024	988.90
	POSTAGE & LETTER LEASE - ASSESSED TAX	APA001815	10/25/2024	135.87
ROBERT MCDONALD				143.38
	MILEAGE REIMBURSE - WATER REUSE CONF	41019	10/15/2024	143.38
RONALD S. O'BRIEN - BEE SPECIALIST				375.00
	REMOVE BEE HIVE FROM METER BOX	APA001829	11/6/2024	375.00
SAWASKE LANDSCAPE				482.00
	LYONS WELL - OCTOBER	APA001830	11/6/2024	482.00
SHIRLEY JOHNSON				73.70
	MILEAGE REIMBURSE - CCWA BOARD MTG - 102424	41067	11/6/2024	73.70
SIEMENS PUBLIC, INC.				134,669.33
	MASTER LEASE AGREEMNT & INTERST - #280-0006004-001	41033	10/25/2024	134,669.33
SIERRA TRAFFIC SERVICES				2,638.75
	MAINT OF METERS TRAFFIC CTRL 5294 EL CARRO LANE	APA001831	11/6/2024	2,638.75
STAPLES BUSINESS ADVANTAGE				832.19
	OFFICE SUPPLIES - JULY	41020	10/15/2024	215.64
	OFFICE SUPPLIES - SEPTEMBER	41020	10/15/2024	616.55
STATE OF CALIFORNIA - EDD				10,431.86
	STATE DISABILITY INSURANCE	DFT0001848	10/11/2024	1,012.41
	STATE WITHHOLDING	DFT0001848	10/11/2024	4,200.09
	STATE DISABILITY INSURANCE	DFT0001856	11/6/2024	989.01
	STATE WITHHOLDING	DFT0001856	11/6/2024	4,230.35
STRADLING YOCCA CARLSON & RAUTH				1,777.50
	LEGAL LABOR NEGOTIATOR - SEPTEMBER	APA001816	10/25/2024	1,777.50
SUN COAST RENTALS INC				280.63
	GOB RES ROAD REPAIR	41025	10/16/2024	110.00
	MINOR TOOLS	APA001832	11/6/2024	16.08
	PROJ A88 - PUMP RENTAL	APA001832	11/6/2024	154.55
T & T TRUCK & CRANE SERVICE				604.00
	WASTE ASPHALT DISPOSAL	APA001833	11/6/2024	604.00
TIERRA CONTRACTING, INC				355,064.96
	#3534: LATERAL ISOLATION VALVES (LIVR) - PHASE 2	41049	11/5/2024	355,064.96
TYLER TECHNOLOGIES, INC				66.10
	UTILITY BILLING NOTIFCATION - CALLS & SMS	APA001817	10/25/2024	66.10

Vendor	Description	Payment Number	Payment Date	Payment
UMPQUA BANK COMMERCIAL CARD				9,011.63
	MAINT OF MAINS & HYDRANTS	41021	10/15/2024	143.75
	MAINT OF METERS & SERVICES	41021	10/15/2024	27.46
	ENGINEERING OTHER SUPPLIES	41021	10/15/2024	288.54
	SAFETY SUPPLIES & EQUIPMENT	41021	10/15/2024	44.00
	EMPLOYEE PHYSICALS	41021	10/15/2024	48.57
	EMPLOYEE ED & TRAINING	41021	10/15/2024	975.00
	OFFICE EXPENSE & SUPPLIES	41021	10/15/2024	299.00
	COMPUTER SYSTEM MAINT .	41021	10/15/2024	1,847.68
	DUES, SUBSCR, AND LIC	41021	10/15/2024	19.99
	EMPLOYEE TRAINING TRAVEL	41021	10/15/2024	3,176.17
	PUBLIC INFORMATION EXPENSE	41021	10/15/2024	13.00
	ADVERTISING	41021	10/15/2024	396.81
	BOARD MEETINGS AND SUPPLIES	41021	10/15/2024	98.84
	MGMNT. MEETING SUPPLIES	41021	10/15/2024	166.68
	EMPLOYEE RELATIONS	41021	10/15/2024	64.59
	SOFTWARE MAINTENANCE	41021	10/15/2024	178.99
	UTILITY-TELEPHONE	41021	10/15/2024	1,133.64
	CONSERVATION PROGRAM EXPENSE	41021	10/15/2024	88.92
UNDERGROUND SERVICE				115.45
	57 NEW TICKET - NOVEMBER	APA001834	11/6/2024	115.45
UNUM LIFE INSURANCE COMPANY				727.97
	LIFE INSURANCE - NOVEMBER	41022	10/15/2024	727.97
US BANK				1,570.78
	10 2024 BANK ANALYSIS FEE	DFT0001845	10/15/2024	1,570.78
VERIZON WIRELESS				634.35
	CREW CELL PHONES - OCTOBER	41063	11/6/2024	634.35
VULCAN MATERIALS COMPANY				200.00
	WASTE CONCRETE DISPOSAL	APA001835	11/6/2024	200.00
WAGE WORKS DISBURSEMENTS				766.51
	HCFSA 2024 WAGWORKS 10.16.2024	DFT0001846	10/16/2024	247.20
	HCFSA 2024 WAGWORKS 10.22.2024	DFT0001850	10/22/2024	305.52
	HCFSA 2024 WAGWORKS 10.28.2024	DFT0001855	10/29/2024	15.92
	HCFSA 2024 WAGWORKS 11.05.2024	DFT0001872	11/5/2024	197.87
WAGWORKS INC				134.00
	2410 MONTHLY ADMIN/COMPLIANCE FEE	DFT0001851	10/23/2024	134.00
WATER SYSTEMS CONSULTING, INC.				29,103.75
	WATER SYS CONSULTG CAPP FINAL DESG & CONST MGMT	41050	11/5/2024	19,431.25
	WATER SYS CONSULTG CAPP FINAL DESG & CONST MGMT	41052	11/5/2024	9,672.50
WEX BANK				2,656.78
	FUEL CHARGES - OCTOBER	41068	11/6/2024	2,656.78
WOODARD & CURRAN INC				323,660.94
	WOODARD & CURREN CAPP FINAL DESIGN	41051	11/5/2024	323,660.94
ZWORLD GIS, LLC				3,465.00
	REGIONAL AERIAL IMAGERY PROJECT 2024	APA001836	11/6/2024	3,465.00
			Total:	\$ 1,530,447.98

Rancho Monte Alegre - Account Check Report

Total: \$ -

TRANSFERS

LOCAL AGENCY INVESTMENT FUND				
	XFER FM OP ACCT TO LAIF	151946968	11/8/2024	1,000,000.00
			Total:	\$ 1,000,000.00



Carpinteria Valley Water District

1301 Santa Ynez Avenue • Carpinteria, CA 93013
Phone (805) 684-2816

BOARD OF DIRECTORS

Case Van Wingerden
President

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Patrick O'Connor
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

STAFF REPORT

To: CVWD Board of Directors

From: Bob McDonald, General Manager

Date: December 11, 2024

SUBJECT: Amendment No. 2 to 2019 Short-Term Water Exchange Program

SUMMARY

Since 2008, the Irvine Ranch Water District (IRWD) has engaged in five unbalanced exchange programs with CVWD through the Central Coast Water Authority (CCWA). IRWD has expressed a willingness to implement another short-term exchange program in 2024/2025. To accommodate this, staff requested IRWD to update its Banking Terms which staff has attached to this report. In general, the terms remain a 2: 1 Exchange with no upfront costs. Some delivery and retrieval costs have gone up but not significantly.

BACKGROUND

Between 2008 and 2019, the CVWD entered into multiple agreements for short-term unbalanced exchanges of State Water Project (SWP) Table A water with IRWD through CCWA. In 2023, the CVWD participated in an exchange involving SWP Article 56 water (carryover water). These allowed CVWD to store water that would otherwise have been lost to spill and utilize that water in dry periods.

REQUEST FOR WINTER 2024/2025 EXCHANGE

In anticipation of potential spills from San Luis Reservoir in 2024/2025, CVWD is interested in an amendment to the 2019 Short-Term Water Exchange Program. The proposed terms, outlined in Exhibit "A," include:

- Extension of Agreement Term: Allows CCWA to deliver SWP water for recharge at IRWD's Water Bank on a 2-for-1 basis through 2025.
- Return Water Terms: IRWD would return one-half of the water (less proportional losses) to CCWA within six years of the amendment's execution.

- **Delivery Adjustment:** Reduces the delivery amount from 5,000 acre-feet (AF) to 2,000 AF, reflecting historical delivery volumes.
- **Priority of Access:** Modifies CCWA's access to IRWD Water Bank facilities from first priority to second priority, with allocations detailed in Attachment 1 to Exhibit "A."

FISCAL IMPACT Cost will only be realized upon retrieval of stored water . There are no upfront costs to store water. There are no financial impacts if Storage rights are not exercised.

RECOMMENDATION

RECOMMENDATIONS

Staff recommends that the Board authorize the General Manager to process, through CCWA, an Amendment No. 2 to the 2019 Short-Term Exchange Program with CCWA, based on the draft terms provided in Exhibit "A" .

ATTACHMENTS

Draft Amendment No. 2 Terms (Exhibit "A")

EXHIBIT “A”

**DRAFT Terms for Amendment No. 2 to 2019 Short-Term Exchange Program
Between Irvine Ranch Water District and Central Coast Water Authority**

Parties	The Irvine Ranch Water District (IRWD) and Central Coast Water Authority (CCWA)
State Contractors	<p>Santa Barbara County Flood Control and Water Conservation District (Santa Barbara) has a long-term water supply contract with the Department of Water Resources (DWR) that permits Santa Barbara to receive water supply, storage and conveyance services from the State Water Project (SWP). CCWA is a joint powers agency, members of which are individual water purveyors located in the County of Santa Barbara. In 1991, Santa Barbara and CCWA entered into a Transfer of Financial Responsibility Agreement, which, among other things, obligates CCWA to pay for all Water Supply Contract related costs.</p> <p>Metropolitan Water District of Southern California (Metropolitan) has a long-term water supply contract with the DWR. IRWD receives SWP supplies from Municipal Water District of Orange County, a member unit of Metropolitan.</p> <p>Kern County Water Agency (KCWA) also has a long-term Water Supply Contract with DWR. Consent from KCWA is required to deliver CCWA’s water into storage in Kern County.</p> <p>IRWD and CCWA would cooperate with DWR, KCWA, and Metropolitan in preparing all necessary agreements to facilitate the Exchange Program. IRWD and KCWA shall each be responsible for their own costs associated with coordination.</p>
Description	<p>IRWD and CCWA would implement a Short Term Exchange Program (Exchange Program) that would allow CCWA to schedule unused SWP water to Metropolitan on IRWD's behalf on a 2-for-1 exchange ratio basis. As part of the exchange, the water may be temporarily managed in IRWD's Strand and Stockdale Integrated Banking Projects (IRWD Water Bank). The Exchange Program would manage unused SWP supplies for CCWA and would provide increased water supply for both CCWA and Metropolitan including IRWD as a sub-agency of Metropolitan.</p> <p>All recharge and recovery facilities at both the Strand Ranch and Stockdale Integrated Banking Projects and any facilities operated in conjunction with the IRWD Water Bank could be used to deliver water into and out of storage.</p>
Term	Six years from the effective date of the Exchange Program Agreement Amendment No. 2. Delivery of the water into storage would be accomplished prior to the end of calendar year 2025. Upon mutual agreement the term may be extended as described under Return Water below.
IRWD’s Water Bank	The IRWD Water Bank, located in Kern County, is owned by IRWD and operated by Rosedale-Rio Bravo Water Storage District (Rosedale). IRWD holds first priority rights to the use of the recharge and recovery facilities except for when the Kern River Watermaster offers water to all

	<p>takers willing to sign a notice/order or the Kern River Watermaster offers Kern River water to the California Aqueduct/Kern River Intertie. Under such conditions, Rosedale has first priority right to the use of the recharge facilities.</p> <p>Attachment 1 hereto specifies storage and second-priority recharge and recovery capacity available after annual scheduling of dedicated first-priority recharge and recovery allocated to IRWD and existing programs. CCWA shall have a pro rata share of such second-priority capacity based on its proportion of the total second-priority capacity allocated through fully executed agreements with IRWD. IRWD annually may reallocate any unused second-priority capacity not scheduled for use by such approved programs.</p>
<p>Quantity</p>	<p>Up to 5,000 acre-feet (AF) of CCWA 's SWP water supplies may be delivered to Metropolitan at the IRWD Water Bank for storage in 2025. One-half of the water delivered into storage would be available to Metropolitan and IRWD at the time the water has been recharged at the IRWD Water Bank.</p>
<p>Exchange Water</p>	<p>CCWA expects to supply up to the specified Quantity of its SWP water supplies to the IRWD Water Bank by the end of 2025 (Exchange Water). The Parties would cooperate in scheduling the Exchange Water deliveries with deliveries associated with other IRWD exchange programs. The recharge of Exchange Water would be subject to available recharge capacity, as well as provisions of IRWD's Coordinated Operating, Water Storage, Exchange and Delivery Agreement with Metropolitan and the Municipal Water District of Orange County (Coordinated Agreement).</p>
<p>Return Water</p>	<p>Water shall be returned, when requested by CCWA by the end of the sixth calendar year after the delivery of Exchange Water. Returns from the IRWD Water Bank would be at an annual rate of no more than one-third of the amount delivered into storage allocated to CCWA, after losses and not to exceed 825 AF per year. The return of CCWA's share of the water would be subject to scheduling, actual well pumping rates, and would occur after the recovery needs of IRWD and its other exchange partners are met in accordance with Attachment 1. IRWD may allow CCWA to recover more water in a year, should IRWD determine that the use of additional recovery capacity by CCWA would not infringe on IRWD's ability to recover water for itself and/or IRWD's other partners.</p> <p>The Return Water delivered to CCWA shall be from Metropolitan's future approved SWP Table A water or by recovery and exchange of water from the IRWD Water Bank with subsequent delivery through the Cross Valley Canal (CVC) to the California Aqueduct.</p> <p>Upon mutual agreement, the Term of this Exchange Program may be extended for an additional 5 years and as approved by the DWR.</p>
<p>Quality</p>	<p>The quality of Exchange Water and Return Water will be limited as follows: If and to the extent that either party delivers water to and into the California Aqueduct, the quality of water shall meet the water</p>

	quality standards established by DWR for pump-in to the California Aqueduct.
Delivery Points	CCWA will deliver Exchange Water to the IRWD point of delivery (IRWD POD) which will be the Strand Ranch and/or Stockdale West Turnouts on the CVC, other Rosedale diversion locations as specified by Rosedale, or as directed by Metropolitan. IRWD will use IRWD Water Bank wells to extract Return Water for delivery to the pump-in location at Reach 12E of the California Aqueduct. CCWA shall coordinate with DWR for delivery of Return Water to the CCWA point of delivery (CCWA POD) which will be Check 28 of the California Aqueduct or to another delivery point as determined by CCWA.
Losses	Water banking losses shall be shared equally between IRWD and CCWA (estimated to be between 11 and 15%). CCWA and IRWD each may incur additional conveyance losses of 1% to 2% in the CVC for conveyance of each agency’s share of the water, as measured and assessed by Kern County Water Agency.
Recharge Costs	IRWD shall pay all costs assessed to IRWD by Rosedale for recharging water at the IRWD Water Bank. CCWA would reimburse IRWD for 50 percent of these costs paid by IRWD upon delivery of Return Water to CCWA. Costs are assessed by Rosedale consistent with that certain Water Banking and Exchange Program Agreement between Rosedale and IRWD dated January 13, 2009. These estimated costs may include Rosedale’s administrative charge of about \$4 per acre-foot (AF), third party wheeling charges assessed by the KCWA of \$5 per AF (a minimum of \$7,500), CVC Standby, applicable CVC pumping and O&M costs of about \$15 per AF, and applicable fixed and variable O&M water bank costs of about \$3 per AF. CCWA would also be responsible for paying one-half of the KCWA transaction request fee, estimated at \$3,000.
Recovery Costs	<p>IRWD and CCWA would each be responsible for actual costs of recovery for each agency's respective share of the water either through well pumping or by exchange as assessed by Rosedale, Recovery costs associated with extraction are estimated at \$79 per AF and are comprised of average groundwater pumping costs of \$68 per AF, Rosedale’s administrative charge of about \$4 per AF, CVC Standby, O&M, and applicable CVC pumping costs of about \$4 per AF, and applicable fixed and variable O&M water bank costs of about \$4 per AF. CCWA would reimburse IRWD for its share of these costs upon delivery of Return Water to CCWA. CCWA would also be responsible for paying a KCWA transaction request fee, estimated at \$3,000, associated with delivery of its Return Water.</p> <p>IRWD and CCWA would each share any costs assessed by Rosedale under its Long Term Operations Plan for implementing provisions of the MOUs to prevent impacts from operations. It is expected that banking projects, such as the IRWD Water Bank, will be required to contribute \$2.00 per AF for recovered water to a fund, which may be used to meet mitigation obligations.</p>

<p>SWP Variable OMP & R Costs</p>	<p>Metropolitan will pay the DWR Variable Operation, Maintenance, Power, and Replacement (OMP&R) charges estimated at \$30 per AF associated with the delivery of the Exchange Water from the Delta to IRWD POD consistent with the Coordinated Agreement.</p> <p>For delivery of Return Water to CCWA POD, CCWA will pay the DWR Variable OMP&R charges from the Delta to CCWA's turnout at Check 28 of the California Aqueduct.</p>
<p>Agency Coordination</p>	<p>IRWD and CCWA would cooperate with DWR, KCWA and Metropolitan in preparing all necessary agreements to facilitate the Exchange Program. IRWD and CCWA shall each be responsible for their own costs associated with such coordination.</p>
<p>Environmental Compliance</p>	<p>Both parties shall comply with California Environmental Quality Act (CEQA) and cooperate with one another with respect to CEQA compliance that may be required by the DWR for the proposed Exchange Program. IRWD has already conducted environmental review under CEQA for the Strand and Stockdale Integrated Banking Projects that takes into consideration the delivery, storage and recovery of SWP water. Rosedale certified and IRWD and approved the CEQA documents for the Strand and Stockdale Integrated Banking Projects. IRWD and CCWA will share equally any additional costs associated with environmental review or permitting deemed necessary for delivering CCWA water into storage (however, none are expected). Both IRWD and CCWA shall each be responsible for any other environmental review or permitting necessary to implement the Exchange Program within their own respective service areas.</p>
<p>Water Rights</p>	<p>It is expressly agreed by IRWD and CCWA that any existing or future delivery of Exchange Water to the IRWD Water Bank by CCWA will not result in or be considered a sale or transfer of CCWA's contractual rights to SWP Table A water.</p>
<p>General Expenses</p>	<p>Each Party would be responsible for its own fees and expenses arising out of the negotiation and execution of the Exchange Program Agreement, obtaining necessary approvals and the like.</p>



Carpinteria Valley Water District

1301 Santa Ynez Avenue • Carpinteria, CA 93013
Phone (805) 684-2816

BOARD OF DIRECTORS

Case Van Wingerden
President

Casey Balch
Polly Holcombe
Patrick O'Connor
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

STAFF REPORT

To: CVWD Board of Directors
From: Bob McDonald, General Manager
Date: December 11, 2024

SUBJECT: FY 25 Annual On-Call Contract for Miscellaneous Hydrogeologic Services

SUMMARY

Pueblo Water Resources (PWR) has provided hydrologic services to CVWD, including well design and construction, groundwater modeling, Aquifer Storage and Recovery (ASR) permit assistance, grant preparation, and the characterization of the Carpinteria Groundwater Basin. PWR has extensive knowledge of the Carpinteria Groundwater Basin and the District's well operations.

PWR is frequently called upon to provide input, review documents, and prepare guidance for the District regarding groundwater matters. These tasks are typically below \$10,000 and fall under the General Manager's authority. However, each task currently requires the development of a new professional services agreement, which is time-consuming. To streamline the process, staff recommends issuing an annual on-call contract, authorized by the Board, for an amount not to exceed \$20,000 per year for the sum of all task issued under the contract.

BACKGROUND

PWR has conducted extensive work on the Carpinteria Groundwater Basin, including developing a conceptual understanding of basin behavior, creating a numerical model, and evaluating various groundwater scenarios. Additionally, PWR's work related to the District's wells makes them particularly well-qualified to support staff with groundwater-related tasks.

Many of these tasks are small in scope, often requiring fewer than 20 hours of work and falling under the General Manager's spending authority. However, each task currently necessitates the preparation and execution of a new professional services contract, requiring 10–15 staff hours per contract. By establishing a single annual on-call contract for these services, the District will save staff time and complete necessary groundwater-related work more efficiently.

FISCAL IMPACT

The cost of the services will remain the same. However, there will be significant savings in staff time required to prepare and execute individual contracts.

RECOMMENDATION

Staff recommends that the Board authorize the Board President to execute an annual on-call contract with PWR for FY 2025.



December 6, 2024
Project No. 24-0071

Carpinteria Valley Water District
1301 Santa Ynez Avenue
Carpinteria, California 93014

Attention: Mr. Robert McDonald
General Manager

Subject: Proposal for On-Call Hydrogeologic Consulting Services; FY 2024-2025

Dear Bob:

In accordance with your request, we are pleased to submit this proposal to provide on-call hydrogeologic services to the Carpinteria Valley Water District (District) on an as-needed/as-requested basis for the remainder of Fiscal Year 2024-2025. As you know, the Principal Hydrogeologists from Pueblo Water Resources, Inc. (Pueblo), have been assisting the District with a variety of groundwater resource-related projects for over twenty-five years. These projects have included: design, construction management, and testing of groundwater production wells; design and construction management of monitoring wells and monitoring well clusters; assistance with well rehabilitations; permitting and implementation of pilot-scale aquifer storage and recovery (ASR) projects; assessment of Carpinteria Groundwater Basin (CGB) conditions through the AB3030 program and annual presentations to the District's Board of Directors on basin conditions; and a multitude of other groundwater-related projects.

In addition, Pueblo was a key member of the Technical Team that prepared the Groundwater Sustainability Plan for the CGB, responsible for developing the hydrogeologic conceptual model (HCM) of the basin, the historical and projected water budgets, and performing groundwater modeling of projects and management actions to achieve basin sustainability. Through the experience garnered by Pueblo with the District's facilities and the conditions within the CGB, we believe we are uniquely qualified to continue to assist the District with groundwater-related tasks on an on-call basis. As such, we are providing this proposal to establish a Professional Services Agreement (PSA) to facilitate the provision of on-call hydrogeologic services to the District.

Proposed Format for Task Orders. Tasks to be performed under the Professional Services Agreement will be identified by the District, and the scope, fees and schedule for each task will be developed Pueblo. Formal, individual Task Orders will be prepared by Pueblo for review and signature by District staff. Each Task Order will include a task description, the scope of work for the task, estimated costs, and the schedule established and agreed upon by the District and Pueblo. A proposed Task Order template is attached to this proposal.

PUEBLO WATER RESOURCES, INC
4478 Market Street, Suite 705 • Ventura, CA 93003



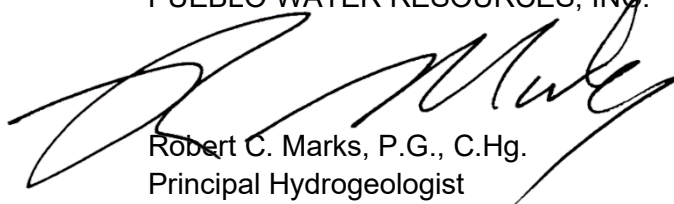
Costs. Cost estimates for each individual task will be developed. Costs will be billed on a monthly basis in accordance with our Standard Fee Schedule (2024 Fee Schedule is attached), and invoices will include a budget tracking spreadsheet which will include fees billed per task, total fees billed to date, and budget remaining. Task budgets will not be exceeded without District authorization. The cost of all tasks under the annual contract will not exceed \$20,000 without prior Board authorization.

Schedule. Pueblo is available and prepared to provide as-needed services to the District immediately upon finalization of the PSA. With respect to the schedules for individual tasks, Pueblo will work with the District to establish schedules that will meet the District's needs. Task schedules will be presented in individual Task Orders.

We appreciate the opportunity to continue to serve the District on an ongoing basis with groundwater-related tasks. If you have any questions about this proposal or the proposed Task Order format, please do not hesitate to contact us.

Sincerely,

PUEBLO WATER RESOURCES, INC.



Robert C. Marks, P.G., C.Hg.
Principal Hydrogeologist

Attachments: Task Order Template
2024 Fee Schedule

TASK ORDER

Professional Services Agreement

Carpinteria Valley Water District and Pueblo Water Resources, Inc.

Dated December xx, 2024

Task Order No.:

Task Order Description:

Scope of Services:

Estimated Fee:

Schedule:

Carpinteria Valley Water District

Pueblo Water Resources, Inc.

By:

By:

Title:

Title:

Date:

Date:



**PUEBLO WATER RESOURCES, INC.
2024 FEE SCHEDULE**

Professional Services

Principal Professional.....	\$235/hr
Senior Professional.....	\$220/hr
Project Professional.....	\$205/hr
Staff Professional.....	\$175/hr
Technician.....	\$165/hr
Illustrator.....	\$150/hr
Word Processing.....	\$130/hr

Other Direct Charges

Subcontracted Services.....	Cost Plus 15%
Outside Reproduction.....	Cost Plus 15%
Travel Expenses.....	Cost Plus 15%
Per Diem*.....	\$150/day
Vehicle	\$75/day

Equipment Charges

Drilling Fluid Test Kit.....	\$100/day, \$400/week
Field Water Quality Meter (Hach DR890).....	\$75/day, \$275/week
Orion ORP/pH/Temp Probe.....	\$75/day, \$275/week
Water Level Probes (In-Situ Level Troll).....	\$75/day, \$300/week
Water Level Probes – Long Term Deployment (> 6 months)....	\$150/month
Water Quality Probes (In-Situ Aqua Troll).....	\$100/day, \$325/week
Ultrasonic Flowmeter.....	\$200/day, \$750/week

*Regionally and seasonally specific to project.

PUEBLO WATER RESOURCES, INC • 4478 Market Street, Suite 705 • Ventura, CA 93003
805.644.0470 • 805.644.0480 FAX

Carpinteria Valley Water District Board Meetings 2025

JANUARY	8TH AND 22ND
FEBRUARY	12TH AND 26TH
MARCH	12TH AND 26TH
APRIL	9TH AND 23RD
MAY	14TH AND (28TH HELD AT DISTRICT)
JUNE	11TH AND 25TH
JULY	9TH AND 23RD
AUGUST	13TH AND 27TH
SEPTEMBER	10TH AND 24TH
OCTOBER	8TH AND 22ND
NOVEMBER	12TH (HELD AT DISTRICT)
DECEMBER	10TH



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS OF CARPINTERIA GROUNDWATER SUSTAINABILITY AGENCY

CARPINTERIA CITY HALL
5775 CARPINTERIA AVENUE
CARPINTERIA, CA 93013

Wednesday, December 11, 2024 at 5:35 p.m.

Join Zoom Meeting

<https://us06web.zoom.us/j/84583104513?pwd=Tqb0M97yrCZyuvRr5BJeZ6ub3faXbb.1>

Meeting ID: 845 8310 4513

Passcode: 439484

or

Dial by Phone: 1-669-444-9171

1. **CALL TO ORDER**
2. **PUBLIC FORUM (Any person may address the Board of Directors on any matter within its jurisdiction which is not on the agenda).**
3. **CONSENT AGENDA**
 - A. ****Minutes for the Regular Meeting of the Board held on November 13, 2024**
 - B. ****Disbursement Report for October 11, 2024 – November 10, 2024**
 - C. ****Consider Authorization to execute On Call Contract Services of Pueblo Water Resources for Hydrogeologic Services for FY 2025**
4. **UNFINISHED BUSINESS – none**
5. **NEW BUSINESS –**
 - A. ****Consider CGSA Well Registration and Metering Policy Framework (for information, Executive Director McDonald) *Presentation by Danielle Harmon***
 - B. **** Consider Letter Submitted to the CGSA by Alan Soicher and volunteer members of the GSPAC (for information, Executive Director McDonald)**
6. **EXECUTIVE DIRECTOR REPORTS (for information) – none**
7. **ADJOURNMENT**

**Indicates attachment of document to agenda packet.

The above matters are the only items scheduled to be considered at this meeting.

Note: The above Agenda was posted at Carpinteria Valley Water District Administrative Office in view of the public no later than 5:00 p.m., December 8, 2024. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied benefits of, the District's programs, services, or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at (805) 684-2816. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements. Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Carpinteria Valley Water district offices located at 1301 Santa Ynez Avenue, Carpinteria during normal business hours, from 8 am to 5 pm.

**IIndicates attachment of document to agenda packet.

**CARPINTERIA VALLEY
WATER DISTRICT
June 30, 2024 and 2023
FINANCIAL STATEMENTS**



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

**CARPINTERIA VALLEY
WATER DISTRICT**

Table of Contents

	<u>Page</u>
Independent Auditor’s Report.....	1 - 3
Management's Discussion and Analysis (Unaudited).....	4 - 14
Basic Financial Statements:	
Statement of Net Position.....	15 - 16
Statement of Revenues, Expenses and Changes in Net Position.....	17
Statement of Cash Flows.....	18 - 19
Notes to Financial Statements	20 - 51
Required Supplementary Information (Unaudited):	
California Public Employees’ Retirement System – Schedule of Carpinteria Valley Water District’s Proportionate Share of the Net Pension Liability	52
California Public Employees’ Retirement System – Schedule of Carpinteria Valley Water District’s Contributions	53
Other Post-Employment Benefits (OPEB) Plan – Schedule of Changes in the Net OPEB Liability and Related Ratios.....	54

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Carpinteria Valley Water District:**

Opinion

We have audited the accompanying basic financial statements of the Carpinteria Valley Water District (the District) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Carpinteria Valley Water District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2024 and 2023, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute

assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 14, the California Public Employees' Retirement System Schedule of Carpinteria Valley Water District's Proportionate Share of the Net Pension Liability on page 52, the California Public Employees' Retirement System Schedule of Carpinteria Valley Water District's Contributions on page 53, and the Other Post-Employment Benefits (OPEB) Plan Schedule of Changes in the Net OPEB Liability and Related Ratios on page 54, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of

America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Santa Barbara, California
December 11, 2024

**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

DRAFT

Management's discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the years ended June 30, 2024 and 2023. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL STATEMENTS

This discussion and analysis provides an introduction and a brief description of the District's financial statements, including the relationship of the statements to each other and the significant differences in the information they provide. The District's financial statements include four components:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

The statement of net position includes all the District's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported as net position. Net position may be displayed in the categories:

- Net Investment in Capital Assets
- Restricted
- Unrestricted

The statement of net position provides the basis for computing rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The statement of revenues, expenses and changes in net position presents information which shows how the District's net position changed during the year. All of the current year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The statement of revenues, expenses and changes in net position measures the success of the District's operations over the past year and determines whether the District has recovered its costs through user fees and other charges.

The statement of cash flows provides information regarding the District's cash receipts and cash disbursements during the year. This statement reports cash activity in four categories:

- Operations
- Noncapital financing
- Capital and related financing
- Investing

This statement differs from the statement of revenues, expenses and changes in net position because the statement accounts only for transactions that result in cash receipts or cash disbursements.

The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles that are not otherwise present in the financial statements.

FINANCIAL HIGHLIGHTS

- For the year ending June 30, 2024, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$28,569,527. Of this amount, referred to as net position, 50% or \$14,254,315 is unrestricted and may be used for the District's operating expenses, ongoing obligations and future capital projects. The remaining net position is comprised of net investment in capital assets of \$14,315,212 or 50%. At June 30, 2023, unrestricted net position was \$11,663,987 or 45%, net investment in capital assets was \$12,623,319 or 49%, and restricted net position was \$1,642,968 or 6%.
- For the year ending June 30, 2023, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources by \$25,930,274. Of this amount, referred to as net position, 45% or \$11,663,987 is unrestricted and may be used for the District's operating expenses, ongoing obligations and future capital projects. The remaining net position is comprised of net investment in capital assets of \$12,623,319 or 49% and restricted net position of \$1,642,968 or 6%. At June 30, 2022, unrestricted net position was \$14,215,416 or 52%, net investment in capital assets was \$11,679,168 or 42%, and restricted net position was \$1,625,646 or 6%.

Adopted Financial Accounting Standards

During the years ended June 30, 2024 and 2023, no new accounting standards had a significant impact to the District.

FINANCIAL POSITION

The District's overall financial position continues to be strong and provides sufficient liquidity to support stable, ongoing operations. There are no restrictions, commitments or other limitations that would significantly affect the availability of fund resources for future use. Capital assets have continued to increase as new connections and investments continue to be made to upgrade and replace necessary infrastructure and facilities.

**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Condensed Statement of Net Position – Analysis:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>% Change FYE 2024 and 2023</u>	<u>% Change FYE 2023 and 2022</u>
Assets:					
Current and other assets	\$ 23,234,203	\$ 23,305,252	\$ 26,267,469	0%	-11%
Capital assets, net of depreciation	<u>45,107,193</u>	<u>43,719,441</u>	<u>44,227,844</u>	3%	-1%
Total assets	68,341,396	67,024,693	70,495,313	2%	-5%
Deferred outflows of resources:	2,154,850	2,299,753	2,271,559	-6%	1%
Liabilities:					
Current and other liabilities	6,200,607	5,950,444	5,408,746	4%	10%
Long-term liabilities	2,645,607	1,954,565	1,463,809	35%	34%
Long-term debt	<u>32,077,980</u>	<u>33,887,447</u>	<u>36,325,302</u>	-5%	-7%
Total liabilities	40,924,194	41,792,456	43,197,857	-2%	-3%
Deferred inflows of resources:	1,002,525	1,601,716	2,048,785	-37%	-22%
Net position:					
Net investment in capital assets	14,315,212	12,623,319	11,679,168	13%	8%
Restricted net position	-	1,642,968	1,625,646	-100%	1%
Unrestricted	<u>14,254,315</u>	<u>11,663,987</u>	<u>14,215,416</u>	22%	-18%
Total net position	<u>\$ 28,569,527</u>	<u>\$ 25,930,274</u>	<u>\$ 27,520,230</u>	10%	-6%

Analysis of Changes in Total Net Position from June 30, 2023 to June 30, 2024:

For the twelve months ended June 30, 2024, the District's total net position increased by \$2,639,253 or 10% from the prior year. The amount of net position invested in capital assets, net of related debt, increased by \$1,691,893 or 13% primarily due to current year capital asset additions and capital-related debt repayment exceeding depreciation (Notes 4 and 5). Restricted net position decreased \$1,642,968 or 100% primarily due to timing of transfer of pending bond principal payments to restricted accounts (Note 5). Unrestricted net position, the amount which may be used to meet the District's ongoing obligations, including future capital investments, increased by \$2,590,328 or 22%.

Capital Assets

At June 30, 2024, the District had \$45,107,193 invested in net capital assets, including construction in progress. This amount represents an increase of \$1,387,752 or 3% over the prior year. See Note 4 for a summary of the capital assets by asset type.

- Capital expenditures in the fiscal year ended June 30, 2024, included upgrades to the transmission, distribution and service infrastructure. Large infrastructure expenditures included replacing valves on the lateral pipeline carrying water from the Lake Cachuma and the purchase of a backhoe.

CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

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Condensed Statement of Net Position – Analysis: (Continued)

Long-Term Liabilities

At the end of the current fiscal year, the District had long term debt of \$32,077,980, which is a net decrease of \$1,809,467, or 5% over prior fiscal year, primarily due to debt service payments and debt retirement. See Note 5 for additional detailed information about the District's long-term debt.

- In the fiscal year ended June 30, 2024, principal payments on long term debt were \$1,408,694 (Note 5).

Analysis of Changes in Total Net Position from June 30, 2022 to June 30, 2023:

For the twelve months ended June 30, 2023, the District's total net position decreased by \$1,589,956 or 6% from the prior year. The amount of net position invested in capital assets, net of related debt, increased by \$944,151 or 8% primarily due to current year capital asset additions and capital-related debt repayment exceeding depreciation (Notes 4 and 5). Restricted net position increased \$17,322 or 1% primarily due to increases in bond principal payments and bond reserve funds (Note 5). Unrestricted net position, the amount which may be used to meet the District's ongoing obligations, including future capital investments, decreased by \$2,551,429 or 18%.

Capital Assets

At June 30, 2023, the District had \$43,719,441 invested in net capital assets, including construction in progress. This amount represents a decrease of \$508,403 or 1% over the prior year. See Note 4 for a summary of the capital assets by asset type.

- Capital expenditures in the fiscal year ended June 30, 2023, included upgrades to the transmission, distribution and service infrastructure and the installation of cellular endpoints for smart water meters. Large infrastructure expenditures included sealing the joints on a reservoir and purchase of a vacuum trailer.

Long-Term Liabilities

As of June 30, 2023, the District had long term debt of \$33,887,447, which is a net decrease of \$2,437,855 or 7% over the prior fiscal year, primarily due to debt service payments and debt retirement. See Note 5 for additional detailed information about the District's long-term debt.

- In the fiscal year ended June 30, 2023, principal payments on long term debt were \$1,357,500.
- In the fiscal year ended June 30, 2023, retirement payments on long term debt were \$676,314.

**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Condensed Statement of Revenues, Expenses, and Changes in Net Position – Analysis:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	% Change FYE 2024 and 2023	% Change FYE 2023 and 2022
Operating revenues	\$ 16,131,688	\$ 14,334,196	\$ 15,612,800	13%	-8%
Operating expenses	<u>13,404,861</u>	<u>15,201,969</u>	<u>12,791,992</u>	-12%	19%
Operating income	2,726,827	(867,773)	2,820,808	-414%	-131%
Interest and investment income (expense)	639,161	301,703	(72,983)	112%	-513%
Interest expense	(1,064,126)	(1,145,268)	(1,199,471)	-7%	-5%
Gain on disposal of assets	<u>52,550</u>	<u>-</u>	<u>-</u>	100%	0%
Net non-operating income (expense)	<u>(372,415)</u>	<u>(843,565)</u>	<u>(1,272,454)</u>	-56%	-34%
Excess (deficiency) before capital contributions	2,354,412	(1,711,338)	1,548,354		
Capital contributions	<u>284,841</u>	<u>121,382</u>	<u>129,706</u>	135%	-6%
Change in net position	<u>2,639,253</u>	<u>(1,589,956)</u>	<u>1,678,060</u>	-266%	-195%
Net position, beginning of year	25,930,274	27,520,230	25,842,170	-6%	6%
Net position, end of year	<u>\$ 28,569,527</u>	<u>\$ 25,930,274</u>	<u>\$ 27,520,230</u>	10%	-6%

As required by GASB Statement No. 34, capital contributions are presented as a component of Change in Net Position on the Statement of Revenues, Expenses and Changes in Net Position. Capital contributions consist of \$284,841 for the year ended June 30, 2024.

**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS**

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Condensed Statement of Revenues, Expenses, and Changes in Net Position – Analysis: (Continued)

OPERATING REVENUES

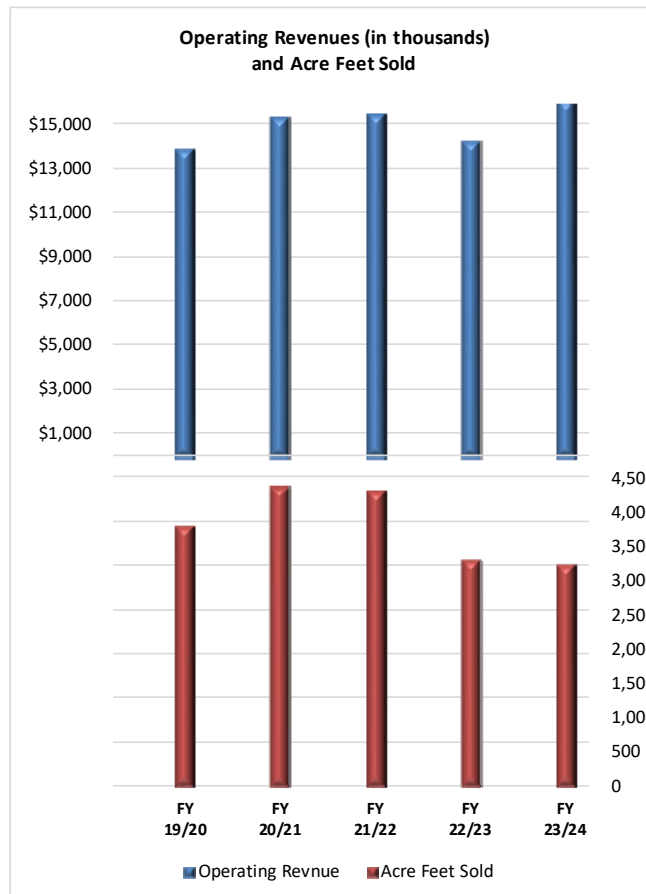
	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Water Sales and Service Charges	\$ 13,331,513	\$ 14,299,873	\$ 14,361,165	\$ 13,580,763	\$ 14,614,360
Capital Recovery Fees	162,058	266,181	245,563	144,354	(3,021)
Fire Protection	350,605	356,377	502,614	261,218	196,272
Grant Revenue	-	265,571	149,987	-	772,000
Other Operating Revenues	141,637	245,375	353,471	347,861	552,077
Total Operating Revenues	\$ 13,985,813	\$ 15,433,377	\$ 15,612,800	\$ 14,334,196	\$ 16,131,688

Definitions:

Water Sales and Service Charges: Water sales, based on the amount of water consumed, and service charges, based on meter location and size, type of service account and historical water consumption.

Capital Recover Fees: One-time fees paid to connect to the water distribution infrastructure.

Fire Protection: Revenue associated with providing service to private fire suppression systems.



CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

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Condensed Statement of Revenues, Expenses, and Changes in Net Position – *Analysis:* (Continued)

Operating Revenues (Continued)

Analysis of Changes in Operating Revenues from June 30, 2023 to June 30, 2024:

Water sales and service charge revenue increased \$1,033,597 or 8% in fiscal year ended June 30, 2024, primarily due to rate increases. Acre feet of sales decreased by 2% or 67 AF. Fire protection revenue decreased \$64,946 or 25% primarily due to a rate decrease for fire service accounts. Grant revenues increased \$772,000 due to receipt of grant funds from California's Integrated Water Resources Program related to expenditures for preliminary design of a proposed reclaimed water facility. Total operating revenues increased \$1,797,492 or 13%.

Analysis of Changes in Operating Revenues from June 30, 2022 to June 30, 2023:

Water sales and service charge revenue decreased \$780,402 or 5% in fiscal year ended June 30, 2023, primarily due to a decrease in water sales of 995 acre feet, or 23%, due to an exceptionally wet winter in FY23 that was preceded by a dry winter in FY22. Fire protection revenue decreased \$241,396 or 48% primarily due to a rate decrease for fire service accounts. Grant revenues decreased \$149,987 due to transfer of Proposition 68 grant funding responsibility to the Carpinteria Groundwater Sustainability Agency, a related party. Total operating revenues decreased \$1,278,604 or 8%.

Operating Expenses

Definitions:

Cost of Purchased Water: Water purchased from the Cachuma Project and other water agencies, as well as Central Coast Water Authority (CCWA) and Department of Water Resources (DWR) variable costs.

CCWA Source of Supply: CCWA bond principal & interest, CCWA operating expenses and DWR fixed costs.

Cachuma Operating Expense: Cachuma Operations and Maintenance Board (COMB) operating expenses, special projects, storm damage, barge operation and safety of dam (SOD) expenses.

Pumping Expense: Maintenance of wells and pumping equipment as well as power and telephone for pumping.

Water Treatment: Cater Treatment Plant, chlorination, AB3030 groundwater management plan updates, and water quality and water testing expenses.

Transmission & Distribution: Maintenance of mains, hydrants and meters, engineering expenses, vehicle maintenance, cross connection expenses and other miscellaneous expenses.

Customer Accounting and Service: Meter reading and customer service orders, and uncollectible accounts.

General & Administrative: Salaries and benefits, legal expenses, administration, utilities, water conservation, Cachuma Conservation Release Board cost share, auditor fees and public information.

**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS**

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Condensed Statement of Revenues, Expenses, and Changes in Net Position – *Analysis:* (Continued)

Operating Expenses (Continued)

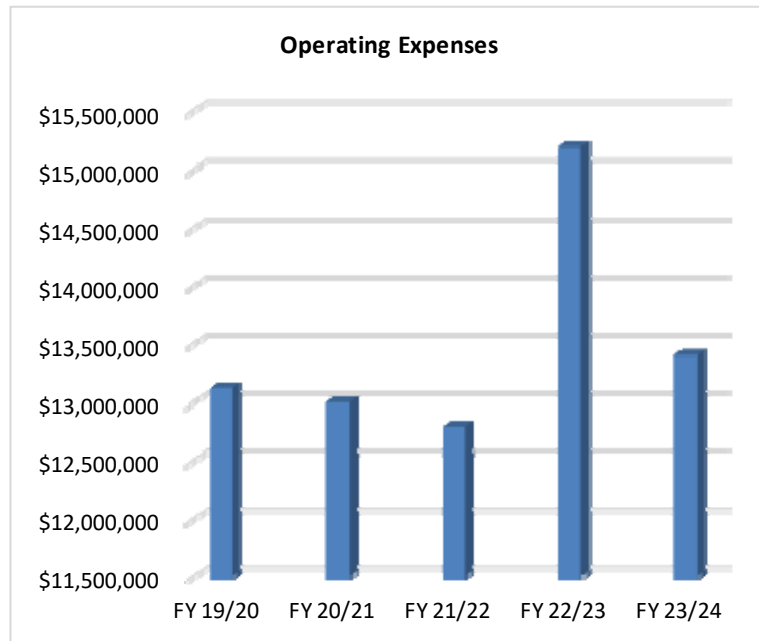
Definitions: (Continued)

Depreciation and Amortization: Depreciation and amortization of District capital and intangible assets.

Overhead charged to Customers: Overhead on work orders.

OPERATING EXPENSES

	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Cost of Purchased Water	\$ 510,007	\$ 476,019	\$ 1,652,546	\$ 1,289,852	\$ 189,012
CCWA Source of Supply	3,763,641	3,274,307	3,508,596	2,515,340	2,804,919
Cachuma Operating Expense	612,055	545,223	636,844	779,013	638,914
Pumping Expense	277,827	258,011	516,181	489,095	370,348
Water Treatment	1,317,448	1,586,907	1,224,578	1,495,057	1,954,767
Transmission and Distribution	1,227,081	1,193,288	1,690,125	1,404,098	1,407,075
Customer Accounting and Service	64,980	39,903	43,171	41,821	52,959
General and Administrative	2,906,470	3,174,496	1,107,770	4,736,089	3,399,818
Depreciation and Amortization	2,481,806	2,519,695	2,470,162	2,502,830	2,622,094
Overhead Charged to Customers	(37,805)	(68,163)	(57,981)	(51,226)	(35,045)
Total Operating Expenses	\$ 13,123,510	\$ 12,999,686	\$ 12,791,992	\$ 15,201,969	\$ 13,404,861



Analysis of Changes in Operating Expenses from June 30, 2023 to June 30, 2024:

- Overall operating expenses decreased by \$1,797,108 or 12%.

**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Condensed Statement of Revenues, Expenses, and Changes in Net Position – *Analysis:* (Continued)

Analysis of Changes in Operating Expenses from June 30, 2023 to June 30, 2024: (Continued)

- Cost of purchased water decreased by \$1,100,840 or 85% primarily due to a decrease in water purchases arising from a wet winter and increased water storage in Lake Cachuma.
- CCWA source of supply expenses increased by \$289,579 or 12% primarily due to CCWA and DWR operating cost increases.
- Water Treatment costs increased by \$459,710 or 31% primarily due to an increase in Cater Treatment Plant cost per AF over the prior year, and to a JPA member reducing their Cater water usage which increased the District's cost share.
- General and Administrative decreased \$1,336,271 or 28% primarily due to a GASB 68 adjustment to net pension liability.

Analysis of Changes in Operating Expenses from June 30, 2022 to June 30, 2023:

- Overall operating expenses increased by \$2,409,977 or 19%.
- Cost of purchased water decreased by \$362,694 or 22% primarily due to a decrease in water purchases arising from a wet winter in FY23 that was preceded by a dry winter in FY22.
- CCWA source of supply expenses decreased by \$993,256 or 28% primarily due to the FY23 payoff of State Water pipeline connection debt.
- Water Treatment costs increased by \$270,479 or 22% primarily due to an increase in Cater Treatment Plant cost per AF over the prior year.
- Transmission and Distribution decreased by \$286,027 or 17% primarily due to a decrease in groundwater professional services.
- General and Administrative increased \$3,628,319 or 328% primarily due a GASB 68 adjustment to net pension liability.

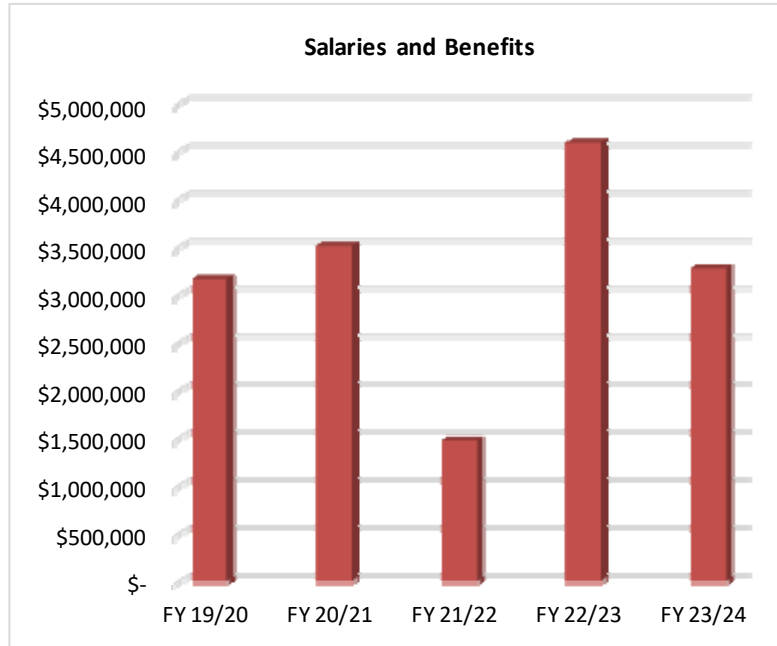
**CARPINTERIA VALLEY WATER DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS**

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Condensed Statement of Revenues, Expenses, and Changes in Net Position – *Analysis:* (Continued)

SALARIES AND BENEFITS

	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Salaries	\$ 1,846,959	\$ 1,792,275	\$ 2,072,955	\$ 1,943,742	\$ 2,188,308
Social Security	143,743	138,008	148,782	160,552	176,198
Employee Retirement - CalPERS	561,893	757,245	(1,433,219)	1,916,495	302,916
Employee Group Insurance	478,991	633,027	481,783	398,728	443,545
Deferred Compensation	36,170	34,162	33,794	34,899	35,697
Other Benefits	103,493	156,505	170,013	140,949	139,584
Total	\$ 3,171,249	\$ 3,511,222	\$ 1,474,108	\$ 4,595,365	\$ 3,286,248



Analysis of Changes in Salaries and Benefits from June 30, 2023 to June 30, 2024:

Salaries expense increased \$244,566 or 13% primarily due to a cost of living increase and the addition of one salaried position. Employee retirement expense decreased \$1,613,579 or 84% primarily due to a GASB 68 adjustment to net pension liability.

Analysis of Changes in Salaries and Benefits from June 30, 2022 to June 30, 2023:

Salaries expense increased \$166,416 or 9% primarily due to a cost of living increase and achieving full staffing. Employee retirement expense increased \$3,349,714 or 234% primarily due to a GASB 68 adjustment to net pension liability.

Condensed Statement of Revenues, Expenses, and Changes in Net Position – *Analysis:* (Continued)

Non-Operating Income and Expenses

Analysis of Changes in Non-Operating Income (Expenses) from June 30, 2023 to June 30, 2024:

Non-operating interest and investment income increased \$337,458 or 112% primarily due to improved portfolio performance over the prior year. Interest expense decreased \$81,142 or 7% primarily due to amortized pay down of long-term debt.

Capital contributions of \$284,841 consisted entirely of customer funded extensions to water service line installations, water service upgrades and fire hydrant installations.

Analysis of Changes in Non-Operating Income (Expenses) from June 30, 2022 to June 30, 2023:

Non-operating interest and investment income increased \$374,686 or 513% primarily due to improved portfolio performance over FY22. Interest expense decreased \$54,203 or 5% primarily due to amortized pay down of long-term debt.

Capital contributions of \$121,382 consisted entirely of customer funded extensions to water service line installations, water service upgrades and fire hydrant installations.

CARPINTERIA VALLEY WATER DISTRICT
STATEMENT OF NET POSITION
June 30, 2024 and 2023

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	<u>2024</u>	<u>2023</u>
ASSETS:		
Current Assets:		
Cash and cash equivalents (Note 2)	\$ 14,970,595	\$ 13,888,178
Restricted cash and investments (Note 2 and 3)	-	2,710,070
Accounts receivable:		
Water sales	1,649,359	1,558,918
Related party	1,243,583	542,257
Other	683,119	85,555
Inventories:		
Materials and meters	422,688	526,727
Water in storage	203,345	143,386
Prepaid expenses	3,079,788	2,887,158
Deposits with CCWA	981,726	963,003
Total current assets	<u>23,234,203</u>	<u>23,305,252</u>
Capital Assets:		
Property and equipment	72,863,289	71,201,729
Less: accumulated depreciation	(36,253,857)	(34,344,754)
Construction in progress	5,601,090	3,661,817
Capital lease right of use assets, net of amortization	200,003	133,750
Capacity rights, net of amortization	2,663,112	3,020,207
Intangible assets, net of amortization	33,556	46,692
Net capital assets (Note 4)	<u>45,107,193</u>	<u>43,719,441</u>
Total assets	<u>68,341,396</u>	<u>67,024,693</u>
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred pensions (Note 6)	1,593,867	2,043,461
Deferred other post-employment benefit (OPEB) (Note 7)	338,173	-
Deferred loss on refunding	222,810	256,292
Total deferred outflows of resources	<u>2,154,850</u>	<u>2,299,753</u>
Total assets and deferred outflows of resources	<u>\$ 70,496,246</u>	<u>\$ 69,324,446</u>

See accompanying notes

CARPINTERIA VALLEY WATER DISTRICT
STATEMENT OF NET POSITION
June 30, 2024 and 2023

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	2024	2023
LIABILITIES:		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 2,188,612	\$ 1,860,464
Customer deposits	243,365	243,159
Retainage payable	36,699	149,025
Interest payable	643,865	669,504
Advances for construction	1,124,170	1,104,235
Current portion of capital lease (Note 5)	63,380	76,117
Current portion of long-term debt (Note 5)	1,900,516	1,847,940
Total current liabilities	6,200,607	5,950,444
Long-Term Liabilities:		
Compensated absences payable	668,971	585,495
Capital leases	134,948	42,073
Siemens Master Lease purchase agreement	3,856,095	4,281,294
Revenue Bonds 2016A	4,835,177	5,435,199
Revenue Bonds 2020A	18,359,948	19,021,307
Revenue Bonds 2020B	3,320,000	3,425,000
Revenue Bonds 2020C	1,706,760	1,724,647
Net pension liability (Note 6)	916,812	594,250
Net OPEB liability (Note 7)	924,876	732,747
Total long-term liabilities (Note 5)	34,723,587	35,842,012
DEFERRED INFLOWS OF RESOURCES:		
Deferred pensions (Note 6)	597,410	1,300,464
Deferred other post-employment benefit (OPEB) (Note 7)	373,123	176,383
Deferred other	31,992	124,869
Total deferred inflows of resources	1,002,525	1,601,716
Total liabilities and deferred inflows of resources	41,926,719	43,394,172
NET POSITION:		
Net investment in capital assets	14,315,212	12,623,319
Restricted for debt service	-	1,642,968
Unrestricted	14,254,315	11,663,987
Total net position	\$ 28,569,527	\$ 25,930,274

See accompanying notes

CARPINTERIA VALLEY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2024 and 2023

	2024	2023
Operating Revenues:		
Water sales	\$ 14,614,360	\$ 13,580,763
Capital recovery fees	(3,021)	144,354
Fire protection	196,272	261,218
Grant revenue	772,000	-
Other revenue	552,077	347,861
Total operating revenues	16,131,688	14,334,196
Operating Expenses:		
CCWA source of supply	2,804,919	2,515,340
Cost of purchased water	189,012	1,289,852
Cachuma operating expense	638,914	779,013
Pumping expense	370,348	489,095
Water treatment	1,954,767	1,495,057
Transmission and distribution	1,407,075	1,404,098
Customer accounting and service	52,959	41,821
General and administrative	3,096,902	2,819,594
Employee retirement - CalPERS	302,916	1,916,495
Amortization	571,070	558,236
Depreciation	2,051,024	1,944,594
Overhead charged to customers	(35,045)	(51,226)
Total operating expenses	13,404,861	15,201,969
Operating income (loss)	2,726,827	(867,773)
Non-operating Income (Expenses):		
Investment income (loss)	639,161	301,703
Interest expense	(1,064,126)	(1,145,268)
Gain on disposal of assets	52,550	-
Net non-operating expenses	(372,415)	(843,565)
Income (loss) before contributions	2,354,412	(1,711,338)
Capital contributions	284,841	121,382
Change in net position	2,639,253	(1,589,956)
Net position, beginning of year	25,930,274	27,520,230
Net position, end of year	\$ 28,569,527	\$ 25,930,274

See accompanying notes

CARPINTERIA VALLEY WATER DISTRICT
STATEMENT OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Cash received from customers	\$ 14,886,667	\$ 14,533,818
Payments to suppliers for goods and services	(7,246,997)	(7,362,972)
Payments for employee services and benefits	(3,361,823)	(3,078,192)
Net cash and cash equivalents provided by operating activities	<u>4,277,847</u>	<u>4,092,654</u>
Cash Flows from Capital and Related Financing Activities:		
Repayments of long-term debt	(1,493,446)	(2,127,687)
Interest payments	(1,400,552)	(1,475,059)
Capital assets purchased	(3,457,863)	(1,807,163)
Proceeds from disposal of assets	52,500	-
Investment in water facilities	(102,202)	(65,882)
Net cash and cash equivalents used by capital and related financing activities	<u>(6,401,563)</u>	<u>(5,475,791)</u>
Cash Flows from Investing Activities:		
Interest income received	362,758	349,860
Fair value adjustment on cash equivalents	133,305	(22,086)
Net cash and cash equivalents provided by investing activities	<u>496,063</u>	<u>327,774</u>
Decrease in cash and cash equivalents	(1,627,653)	(1,055,363)
Cash and cash equivalents, beginning of year	<u>16,598,248</u>	<u>17,653,611</u>
Cash and cash equivalents, end of year	<u>\$ 14,970,595</u>	<u>\$ 16,598,248</u>
Reconciliation of cash and cash equivalents to Statement of Net Position:		
Unrestricted cash and cash equivalents	\$ 14,970,595	\$ 13,888,178
Restricted cash and investments - current	<u>-</u>	<u>2,710,070</u>
	<u>\$ 14,970,595</u>	<u>\$ 16,598,248</u>

See accompanying notes

CARPINTERIA VALLEY WATER DISTRICT
STATEMENT OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Operating income (loss)	\$ 2,726,827	\$ (867,773)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	2,051,024	1,944,594
Amortization	571,070	558,236
(Increase) decrease in:		
Accounts receivable	(1,246,233)	340,045
Inventories	44,080	(97,372)
Prepaid expenses	(192,630)	(194,779)
Deposit with CCWA	(18,723)	-
Deferred outflows of resources	111,421	(61,676)
Increase (decrease) in:		
Accounts payable	(49,827)	224,890
Customer deposits	265,855	560,615
Compensated absences payable	79,548	34,559
Net OPEB asset/liability	192,129	(188,332)
Deferred inflows of resources	(599,191)	(447,069)
Net pension liability	322,562	2,427,139
Advances for construction	19,935	(140,423)
Net cash and cash equivalents provided by operating activities	<u>\$ 4,277,847</u>	<u>\$ 4,092,654</u>
<i>Supplemental Disclosure of Noncash Investing and Financing Activities:</i>		
Capital Contributions	<u>\$ 284,841</u>	<u>\$ 121,382</u>

See accompanying notes

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

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Note 1 – Reporting Entity and Summary of Significant Accounting Policies

A) Reporting Entity

The Carpinteria Valley Water District (the District) (formerly known as Carpinteria County Water District) was incorporated on February 13, 1941 under authority of the California County Water Districts Act. By contract dated April 17, 1953, the District entered into an agreement with the U.S. Bureau of Reclamation for the construction of a distribution system to serve approximately 96% of the District, thereby creating Improvement District #1. The District is governed by a Board of Directors consisting of five members elected from voters of the District.

B) Accounting Basis

The District reports its activities as an enterprise fund, which is used to account for operations where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. Revenues and expenses are recognized on the accrual basis, as such, revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred.

An enterprise fund is accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with the activity are included on the statement of net position.

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and the producing and delivering of goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for water sales. Operating expenses of the District include the cost of sales and services, administrative expenses, amortization, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C) Budgetary Procedures

The District prepares an annual budget which includes estimates of its principal sources of revenue to be received during the fiscal year, as well as estimated expenditures and reserves needed for operation of District facilities.

D) Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments (including restricted assets) with a maturity period, at purchase, of three months or less to be cash equivalents.

E) Restricted Assets

These assets consist of cash and other monetary assets restricted by outside parties for various purposes.

NOTES TO FINANCIAL STATEMENTS

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

F) Basis for Recording Accounts Receivable and Allowance for Doubtful Accounts

The District grants credit to its customers, substantially all of whom are residents and businesses in Carpinteria, California. The District charges doubtful accounts arising from water receivables to bad debt expense when it is probable that the accounts will be uncollectible.

G) Inventories

The District’s inventories are recorded at cost on the first-in, first-out basis.

H) Prepaid expenses

Prepaid expenses consist primarily of State water debt service and operating expenses through the Central Coast Water Authority.

I) Long Term Assets

Property, plant and equipment and intangible assets are valued at cost. The capitalization threshold for all capital asset purchases is \$5,000. Donated property is valued at estimated acquisition value on the date donated. The assets, excluding land, are depreciated or amortized using the straight line method over estimated useful lives. Intangible assets consist of contract renegotiation costs and title transfers. The title transfers are being amortized over the life of the capital asset that was part of the transfer and the contract renegotiation costs are being amortized over the life of the contract.

Estimated useful lives are:

Buildings	30 years
Improvements other than buildings	25 years
Furnishings, machinery and equipment	5 years
Transmission and distribution infrastructure	30 years
Wells and water treatment infrastructure	30 years
Water storage infrastructure	30 years
Water delivery infrastructure	25 years
Intangible assets	25-30 years

J) Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Cash payment of unused vacation and sick leave is available to those qualified employees when retired or terminated.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

K) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Carpinteria Valley Water District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L) Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan (OPEB Plan) and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the accrual basis of accounting. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

M) Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows, and is classified into three components as follows:

Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds.

Restricted net position exists when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

It is the District's policy to first apply restricted resources when expenses are incurred for purposes for which both restricted and unrestricted resources are available.

N) Concentration of Credit Risk

The District grants credit to its customers, substantially all of whom are residents and businesses of the Carpinteria Valley.

NOTES TO FINANCIAL STATEMENTS

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

O) Construction Advances

Construction advances represent deposits received in advance of construction, which are refundable if the applicable construction does not take place. Construction advances are transferred to contributed capital when the applicable construction is completed.

P) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q) Future GASB Accounting Pronouncements

Statement No. 101 " <i>Compensated Absences</i> "	The requirements of this statement are effective for periods beginning after December 15, 2023. (FY 24/25)
Statement No. 102 " <i>Certain Risk Disclosures</i> "	The requirements of this statement are effective for periods beginning after June 15, 2024. (FY 24/25)
Statement No. 103 " <i>Financial Reporting Model Improvements</i> "	The requirements of this statement are effective for periods beginning after June 15, 2025. (FY 25/26)
Statement No. 104 " <i>Disclosure of Certain Capital Assets</i> "	The requirements of this statement are effective for periods beginning after June 15, 2025. (FY 25/26)

NOTES TO FINANCIAL STATEMENTS

Note 2 – Cash and Investments

As of June 30, 2024 and 2023, the District had the following cash and investments on hand:

	<u>2024</u>	<u>2023</u>
Cash in banks and on hand	\$ 3,287,674	\$ 2,397,062
Cash with fiscal agent	-	2,709,480
Local Agency Investment Fund	<u>11,682,921</u>	<u>11,491,706</u>
Total cash and investments	<u>\$ 14,970,595</u>	<u>\$ 16,598,248</u>

Investments Authorized by the California Code and the District’s Investment Policy

The District’s investment policy only authorizes investment in the local government investment pool administered by the State of California (LAIF). The District’s investment policy generally limits deposits to the previous Federal Deposit Insurance Corporation (FDIC) determined limit of \$250,000. This limitation does not apply to LAIF or amounts held with fiscal agents. The District’s investment policy does not contain any specific provisions intended to limit the District’s exposure to interest rate risk or credit risk. Investments in LAIF are not rated by a national rating agency.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity as of June 30, 2024 and 2023.

<u>2024</u>	<u>Carrying</u>	<u>12 Months</u>	<u>13-24</u>	<u>25-60</u>	<u>More than</u>
<u>Investment Type</u>	<u>Amount</u>	<u>or Less</u>	<u>Months</u>	<u>Months</u>	<u>60 Months</u>
Local Agency Investment Fund	\$ 11,682,921	\$ 11,682,921	\$ -	\$ -	\$ -
Total	<u>\$ 11,682,921</u>	<u>\$ 11,682,921</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>2023</u>	<u>Carrying</u>	<u>12 Months</u>	<u>13-24</u>	<u>25-60</u>	<u>More than</u>
<u>Investment Type</u>	<u>Amount</u>	<u>or Less</u>	<u>Months</u>	<u>Months</u>	<u>60 Months</u>
Cash with fiscal agent	\$ 2,709,480	\$ 2,709,480	\$ -	\$ -	\$ -
Local Agency Investment Fund	11,491,706	11,491,706	-	-	-
Total	<u>\$ 14,201,186</u>	<u>\$ 14,201,186</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS

Note 2 – Cash and Investments (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code and the District’s investment policy, and the actual rating as of June 30, 2024 and 2023 for each investment type.

2024	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End		
				AAA	Aa	Not Rated
Local Agency Investment Fund	\$ 11,682,921	N/A	\$ 11,682,921	\$ -	\$ -	\$ -
Total	<u>\$ 11,682,921</u>		<u>\$ 11,682,921</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2023	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End		
				AAA	Aa	Not Rated
Cash with fiscal agent	\$ 2,709,480	N/A	\$ -	\$ 2,709,480	\$ -	\$ -
Local Agency Investment Fund	11,491,706	N/A	11,491,706	-	-	-
Total	<u>\$ 14,201,186</u>		<u>\$ 11,491,706</u>	<u>\$ 2,709,480</u>	<u>\$ -</u>	<u>\$ -</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments (other than investments guaranteed by the U.S. Government or investments in external investment pools).

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provisions for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District’s deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

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Note 2 – Cash and Investments (Continued)

Custodial Credit Risk (Continued)

None of the District’s deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Fair Value Measurements

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying basic financial statements at the amounts based upon the District’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Note 3 - Restricted Cash and Investments

Restricted cash and investments consisted of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Restricted for capital improvements	\$ -	\$ 590
Restricted for debt service payments	-	2,709,480
Total restricted assets	<u>\$ -</u>	<u>\$ 2,710,070</u>
Restricted cash and investments - current	<u>\$ -</u>	<u>\$ 2,710,070</u>
	<u>\$ -</u>	<u>\$ 2,710,070</u>

CARPINTERIA VALLEY WATER DISTRICT

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NOTES TO FINANCIAL STATEMENTS

Note 4 – Capital Assets

Schedules of changes in capital assets, as well as depreciation and amortization for the fiscal year ended June 30, 2024 are shown below:

	Balance June 30, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Capital assets, non-depreciable:					
Land and land rights	\$ 1,034,008	\$ -	\$ -	\$ -	\$ 1,034,008
Construction in progress	3,661,817	3,456,575	(6,789)	(1,510,513)	5,601,090
Total capital assets, non-depreciable	<u>4,695,825</u>	<u>3,456,575</u>	<u>(6,789)</u>	<u>(1,510,513)</u>	<u>6,635,098</u>
Capital assets, depreciable/amortizable:					
Buildings	2,190,462	-	-	-	2,190,462
Improvements other than buildings	483,140	-	-	-	483,140
Furnishings, machinery and equipment	2,289,987	8,127	(141,921)	553,350	2,709,543
Transmission and distribution infrastructure	10,874,218	240,290	-	934,988	12,049,496
Wells and water treatment infrastructure	13,621,063	-	-	22,175	13,643,238
Water storage infrastructure	29,857,303	-	-	-	29,857,303
Water delivery infrastructure	10,851,548	44,551	-	-	10,896,099
Capacity rights	13,778,744	102,202	-	-	13,880,946
Right of use assets	509,274	164,890	(42,316)	-	631,848
Intangible assets	349,200	-	-	-	349,200
Total capital assets, depreciable/amortizable	<u>84,804,939</u>	<u>560,060</u>	<u>(184,237)</u>	<u>1,510,513</u>	<u>86,691,275</u>
Total capital assets	<u>89,500,764</u>	<u>4,016,635</u>	<u>(191,026)</u>	<u>-</u>	<u>93,326,373</u>
Capital assets, accumulated depreciation/amortization:					
Buildings	(1,173,319)	(108,157)	-	-	(1,281,476)
Improvements other than buildings	(325,741)	(15,347)	-	-	(341,088)
Furnishings, machinery and equipment	(1,907,718)	(160,723)	141,921	-	(1,926,520)
Transmission and distribution infrastructure	(6,037,607)	(268,456)	-	-	(6,306,063)
Wells and water treatment infrastructure	(6,958,354)	(373,242)	-	-	(7,331,596)
Water storage infrastructure	(13,479,172)	(822,503)	-	-	(14,301,675)
Water delivery infrastructure	(4,462,843)	(302,596)	-	-	(4,765,439)
Capacity rights	(10,758,537)	(459,297)	-	-	(11,217,834)
Right of use assets	(375,524)	(98,637)	42,316	-	(431,845)
Intangible assets	(302,508)	(13,136)	-	-	(315,644)
Total accumulated depreciation/amortization:	<u>(45,781,323)</u>	<u>(2,622,094)</u>	<u>184,237</u>	<u>-</u>	<u>(48,219,180)</u>
Net capital assets	<u>\$ 43,719,441</u>	<u>\$ 1,394,541</u>	<u>\$ (6,789)</u>	<u>\$ -</u>	<u>\$ 45,107,193</u>

Depreciation and amortization expense for the fiscal year ended June 30, 2024 was \$2,622,094.

NOTES TO FINANCIAL STATEMENTS

Note 4 – Capital Assets (Continued)

Schedules of changes in capital assets, as well as depreciation and amortization for the fiscal year ended June 30, 2023 are shown below:

	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Capital assets, non-depreciable:					
Land and land rights	\$ 1,034,008	\$ -	\$ -	\$ -	\$ 1,034,008
Construction in progress	2,636,151	1,807,165	-	(781,499)	3,661,817
Total capital assets, non-depreciable	3,670,159	1,807,165	-	(781,499)	4,695,825
Capital assets, depreciable/amortizable:					
Buildings	1,954,967	-	-	235,495	2,190,462
Improvements other than buildings	483,140	-	-	-	483,140
Furnishings, machinery and equipment	2,227,438	-	(24,031)	86,580	2,289,987
Transmission and distribution infrastructure	10,727,850	83,404	-	62,964	10,874,218
Wells and water treatment infrastructure	13,502,953	-	-	118,110	13,621,063
Water storage infrastructure	29,744,681	-	-	112,622	29,857,303
Water delivery infrastructure	10,647,844	37,976	-	165,728	10,851,548
Capacity rights	13,712,862	65,882	-	-	13,778,744
Right of use assets	509,274	-	-	-	509,274
Intangible assets	349,200	-	-	-	349,200
Total capital assets, depreciable/amortizable	83,860,209	187,262	(24,031)	781,499	84,804,939
Total capital assets	87,530,368	1,994,427	(24,031)	-	89,500,764
Capital assets, accumulated depreciation/amortization:					
Buildings	(1,059,395)	(113,924)	-	-	(1,173,319)
Improvements other than buildings	(310,394)	(15,347)	-	-	(325,741)
Furnishings, machinery and equipment	(1,822,005)	(109,744)	24,031	-	(1,907,718)
Transmission and distribution infrastructure	(5,818,359)	(219,248)	-	-	(6,037,607)
Wells and water treatment infrastructure	(6,586,235)	(372,119)	-	-	(6,958,354)
Water storage infrastructure	(12,661,519)	(817,653)	-	-	(13,479,172)
Water delivery infrastructure	(4,166,284)	(296,559)	-	-	(4,462,843)
Capacity rights	(10,307,378)	(451,159)	-	-	(10,758,537)
Right of use assets	(281,583)	(93,941)	-	-	(375,524)
Intangible assets	(289,372)	(13,136)	-	-	(302,508)
Total accumulated depreciation/amortization:	(43,302,524)	(2,502,830)	24,031	-	(45,781,323)
Net capital assets	\$ 44,227,844	\$ (508,403)	\$ -	\$ -	\$ 43,719,441

Depreciation and amortization expense for the fiscal year ended June 30, 2023 was \$2,502,830.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

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Note 5 – Long-Term Debt

Long-term debt of the District is as follows:

	Balance June 30, 2023	Additions	Retirements/ Amortization	Balance June 30, 2024	Due Within One Year
Series 2016A Refunding Revenue					
Bonds	\$ 5,015,000	\$ -	\$ (480,000)	\$ 4,535,000	\$ 500,000
Unamortized bond premium	1,000,221	-	(100,022)	900,199	100,022
Total Series 2016A Bonds	<u>6,015,221</u>	<u>-</u>	<u>(580,022)</u>	<u>5,435,199</u>	<u>600,022</u>
Series 2020A Refunding Revenue					
Bonds	16,720,000	-	(415,000)	16,305,000	435,000
Unamortized bond premium	2,942,666	-	(226,359)	2,716,307	226,359
Total Series 2020A Bonds	<u>19,662,666</u>	<u>-</u>	<u>(641,359)</u>	<u>19,021,307</u>	<u>661,359</u>
Series 2020B Refunding Revenue					
Bonds	3,525,000	-	(100,000)	3,425,000	105,000
Total Series 2020B Bonds	<u>3,525,000</u>	<u>-</u>	<u>(100,000)</u>	<u>3,425,000</u>	<u>105,000</u>
Series 2020C Refunding Revenue					
Bonds	1,510,000	-	-	1,510,000	-
Unamortized bond premium	232,534	-	(17,887)	214,647	17,887
Total Series 2020C Bonds	<u>1,742,534</u>	<u>-</u>	<u>(17,887)</u>	<u>1,724,647</u>	<u>17,887</u>
Siemens Master Lease Purchase					
Bonds	4,694,987	-	(413,694)	4,281,293	425,198
Capital Leases	118,190	164,890	(84,752)	198,328	63,380
Compensated Absences	680,474	335,232	(255,685)	760,021	91,050
Net Pension Liability	594,250	322,562		916,812	-
Net OPEB Liability	732,747	192,129	-	924,876	-
Long-term debt	<u>\$37,766,069</u>	<u>\$ 1,014,813</u>	<u>\$(2,093,399)</u>	<u>\$36,687,483</u>	<u>\$ 1,963,896</u>

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 5 – Long-Term Debt (Continued)

A) Revenue Certificates of Participation and Bonds

Series 2016A:

In May 2016, the District issued the Refunding Revenue Bonds, Series 2016A (2016A Bonds) with a principal amount of \$8,765,000 and premium of \$1,713,989 with interest rates ranging from 2% to 5%. The Bonds were executed and delivered 1) to refund the entire outstanding aggregate principal amount and interest of the 2006A COPs and 2) to refund a portion of the District’s obligations under the Safe Drinking Water State Revolving Fund Contract #SRF99CX125. The remaining obligations under the Safe Drinking Water State Revolving Fund Contract #SRF99CX125 were repaid by funds contributed by the District.

The refunding resulted in decreased total debt service payments from \$11,851,263 to \$10,302,396. This decreased cash flow created an economic gain of approximately \$1,344,787 when discounted at the 2016A Bonds’ effective interest rate of 1.8115713%. Total annual requirements to amortize the Series 2016A Bonds are as follows:

Fiscal Year End	Principal	Interest	Total
2025	\$ 500,000	\$ 214,250	\$ 714,250
2026	525,000	188,625	713,625
2027	555,000	161,625	716,625
2028	485,000	135,625	620,625
2029	510,000	110,750	620,750
2030 - 2033	1,960,000	186,000	2,146,000
	<u>\$ 4,535,000</u>	<u>\$ 996,875</u>	<u>\$ 5,531,875</u>

Series 2020A:

In March 2020, the District issued the Refunding Revenue Bonds, Series 2020A (2020A Bonds) with a principal amount of \$17,915,000 and premium of \$3,668,272 with interest rates of 5%. The Bonds were executed and delivered 1) to provide a portion of the money to refund all of the currently outstanding 2010A; 2) to prepay the District’s share of the outstanding balance of a Department of Water Resources joint loan contract; 3) to pay costs of issuance of the 2020 bonds. Total annual requirements to amortize the Series 2020A Bonds are as follows:

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 5 – Long-Term Debt (Continued)

A) Revenue Certificates of Participation and Bonds (Continued)

Series 2020A (Continued):

<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 435,000	\$ 804,375	\$ 1,239,375
2026	460,000	782,000	1,242,000
2027	485,000	758,375	1,243,375
2028	950,000	722,500	1,672,500
2029	1,290,000	666,500	1,956,500
2030 - 2034	7,540,000	2,283,000	9,823,000
2035 - 2036	5,145,000	279,625	5,424,625
	<u>\$16,305,000</u>	<u>\$ 6,296,375</u>	<u>\$22,601,375</u>

Series 2020B:

In March 2020, the District issued the Refunding Revenue Bonds, Series 2020B (2020B Bonds) with a principal amount of \$3,720,000 with interest rates ranging from 2.56% to 3.32%. The Bonds were executed and delivered 1) to refund the District’s net pension liability; and 2) to pay costs of issuance of the 2020 bonds. Total annual requirements to amortize the Series 2020B Bonds are as follows:

<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 105,000	\$ 129,434	\$ 234,434
2026	105,000	126,379	231,379
2027	110,000	123,143	233,143
2028	115,000	119,647	234,647
2029	120,000	115,916	235,916
2030 - 2034	650,000	513,664	1,163,664
2035 - 2039	795,000	370,110	1,165,110
2040 - 2044	975,000	192,369	1,167,369
2045 - 2046	450,000	18,359	468,359
	<u>\$ 3,425,000</u>	<u>\$ 1,709,020</u>	<u>\$ 5,134,020</u>

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 5 – Long-Term Debt (Continued)

A) Revenue Certificates of Participation and Bonds (Continued)

Series 2020C:

In March 2020, the District issued the Refunding Revenue Bonds, Series 2020C (2020C Bonds) with a principal amount of \$1,500,000 and premium of \$150,000 with interest rates of 5%. The Bonds were executed and delivered 1) to finance the cost of certain water utility system improvements and 2) to pay costs of executing and delivering the Certificates. Total annual requirements to amortize the Series 2020C Bonds are as follows:

<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ 75,500	\$ 75,500
2026	-	75,500	75,500
2027	-	75,500	75,500
2028	135,000	72,125	207,125
2029	145,000	65,125	210,125
2030 - 2034	835,000	207,375	1,042,375
2035 - 2036	395,000	19,875	414,875
	<u>\$ 1,510,000</u>	<u>\$ 591,000</u>	<u>\$ 2,101,000</u>

B) Cater Treatment Plant Expansion Project Financing Agreement

The District entered into a financing agreement with the City of Santa Barbara dated February 27, 2002, which requires the District to pay twenty percent of a loan obligation between the City of Santa Barbara and the California Drinking Water State Revolving Fund. The loan proceeds were used to finance certain improvements to the Cater Treatment Plant in order to meet new water quality standards imposed on public agencies. The loan provides for a 20 year loan amortization maturing on July 1, 2025, bearing an interest rate of approximately 2.5%. The improvements were completed in January 2005 and the District’s portion of the loan in the amount of \$3,580,170 was recorded on the statement of net position at June 30, 2005. The District is required to make semi-annual payments of interest and principal in the amount of \$114,425 payable to the City of Santa Barbara on December 15th and June 15th each year. During the year ended June 30, 2023, the loan was paid in full.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 5 – Long-Term Debt (Continued)

C) Siemens Master Lease Purchase Agreement

The District entered into a master lease agreement with Siemens Financial Services, Inc., on August 2, 2017, in the amount of \$6,468,656 to finance the replacement of all installed mechanical water meters with digital meters and the attendant remote reading and reporting infrastructure, installation of a solar carport, and retrofit of all headquarter buildings with LED lights. The projected benefits of increased revenue collection due to more accurate meters and savings in electrical costs due to solar panel and LED lighting installations are projected to offset the total lease costs over the life of the lease. The District entered into a performance contracting agreement with Siemens Industry, Inc., to guarantee the projected cost savings. The lease payment period is fifteen years, commencing August 2018, with an annual amount of \$538,677 paid quarterly and an interest rate of 2.7525%.

<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 425,198	\$ 113,479	\$ 538,677
2026	437,023	101,654	538,677
2027	449,177	89,500	538,677
2028	461,669	77,008	538,677
2029	474,508	64,169	538,677
2030 - 2033	2,033,718	120,992	2,154,710
	<u>\$ 4,281,293</u>	<u>\$ 566,802</u>	<u>\$ 4,848,095</u>

<u>Lease Element</u>	<u>Capital Asset Class</u>	<u>Amount</u>	<u>% Complete</u>
Meter replacement	Transmission and Distribution Infrastructure	\$ 5,557,156	100%
Lighting Retrofit	Buildings	25,500	100%
Solar Carport	Buildings	886,000	100%
Total Master Lease Purchased Assets		<u>\$ 6,468,656</u>	

NOTES TO FINANCIAL STATEMENTS

Note 5 – Long-Term Debt (Continued)

D) Capital Lease Commitments

The District routinely leases equipment on an ongoing basis. In accordance with GASB Statement No. 87, Leases, lease agreements with terms greater than one year are classified as leased assets, with a corresponding liability measured at the present value of payments to be made per lease terms. The following is a schedule showing the future minimum lease payments as of June 30, 2024:

Fiscal Year End	Principal	Interest	Total
2025	\$ 63,380	\$ 5,092	\$ 68,472
2026	41,974	3,379	45,353
2027	33,091	2,337	35,428
2028	34,098	1,330	35,428
2029	25,785	325	26,110
	<u>\$ 198,328</u>	<u>\$ 12,463</u>	<u>\$ 210,791</u>

As of June 30, 2024, the cost of assets and related accumulated depreciation under the capital leases were as follows:

	Gross	Accumulated Depreciation	Balance June 30, 2024
Furnishings, Machinery, and Equipment	<u>\$ 631,848</u>	<u>\$ (431,845)</u>	<u>\$ 200,003</u>

Note 6 – Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Descriptions – All qualified employees are eligible to participate in Carpinteria Valley Water District’s Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and local government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Eligible employees hired after January 1, 2013 that are considered new members as defined by the Public Employees’ Pension Reform Act (PEPRA) are participating in the PEPRA Miscellaneous Plan.

NOTES TO FINANCIAL STATEMENTS

Note 6 – Defined Benefit Pension Plan (Continued)

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, as discussed above. Members with five years of total service are eligible to retire at age 50 or 52 if in the PEPRA Miscellaneous Plan with statutorily reduced benefits. An optional benefit regarding sick leave was adopted. Any unused sick leave accumulates at the time of retirement will be converted to credited service at a rate of .004 years of service for each day of sick leave. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit. The cost of living adjustments for all plans are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2024 are summarized as follows:

	Miscellaneous Plan - For the Year Ended June 30, 2024		
	Tier 1	Tier 2	PEPRA
Hire date	Prior to February 10, 2011	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 63	50 - 63	52 - Minimum
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.0%	7.0%	7.8%
Required employer contribution rates	12.5%	11.8%	7.7%

The Plans’ provisions and benefits in effect at June 30, 2023 are summarized as follows:

	Miscellaneous Plan - For the Year Ended June 30, 2023		
	Tier 1	Tier 2	PEPRA
Hire date	Prior to February 10, 2011	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 63	50 - 63	52 - Minimum
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.0%	7.0%	6.8%
Required employer contribution rates	10.9%	10.3%	7.5%

NOTES TO FINANCIAL STATEMENTS

Note 6 – Defined Benefit Pension Plan (Continued)

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above, and as a dollar amount for contributions toward the unfunded liability.

For the years ended June 30, 2024 and 2023, the contributions for all Plans were as follows:

	Miscellaneous Plan	
	June 30, 2024	June 30, 2023
Contributions – employer	\$ 240,970	\$ 222,382

The net pension liability was paid down during fiscal year 2020 with proceeds from the Refunding Revenue Bonds, Series 2020B.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

The District’s net pension liability for all Plans is measured as the proportionate share of the net pension liability. As of June 30, 2024 and 2023, the District reported net pension liabilities for its proportionate shares of the net pension liability of all Plans as follows:

	Proportionate Share of Net Pension Liability	
	June 30, 2024	June 30, 2023
Miscellaneous	\$ 916,812	\$ 594,250

For the year ended June 30, 2024, the net pension liability of all of the Plans is measured as of June 30, 2023, and the total pension liability for all Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. For the year ended June 30, 2023, the net pension liability of all of the Plans is measured as of June 30, 2022, and the total pension liability for all Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures.

NOTES TO FINANCIAL STATEMENTS

Note 6 – Defined Benefit Pension Plan (Continued)

The District’s proportion of the net pension liability was based on a projection of their long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District’s proportionate share of the net pension liability for all Plans with an actuarial valuation date of June 30, 2022 and 2021 was as follows:

For the Year Ended June 30, 2024 (Measurement date of June 30, 2023)		For the Year Ended June 30, 2023 (Measurement date of June 30, 2022)	
	Miscellaneous		Miscellaneous
Proportion – June 30, 2023	0.01270%	Proportion – June 30, 2022	-0.09653%
Proportion – June 30, 2024	0.01833%	Proportion – June 30, 2023	0.01270%
Change – Increase (Decrease)	<u>0.00563%</u>	Change – Increase (Decrease)	<u>0.10923%</u>

For the years ended June 30, 2024 and 2023, the District recognized pension expense of \$310,072 and \$1,908,970, respectively. At June 30, 2024 and 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2024		June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 240,970	\$ -	\$ 222,382	\$ -
Differences between expected and actual experience	46,836	(7,265)	11,934	(7,993)
Changes in assumptions	55,352	-	60,893	-
Change in employer's proportion	1,102,269	-	1,639,401	(703,340)
Difference between the employer’s contributions and the employer’s proportionate share of contributions	-	(590,145)	-	(589,131)
Differences between projected and actual investment earnings	148,440	-	108,851	-
	<u>\$ 1,593,867</u>	<u>\$ (597,410)</u>	<u>\$ 2,043,461</u>	<u>\$ (1,300,464)</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

Employer contributions of \$240,970 reported at June 30, 2024 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. During the fiscal year ended June 30, 2023, \$222,382 in deferred outflows of resources related to contributions subsequent to the measurement date was recognized as a reduction of the net pension liability in the year ended June 30, 2024.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 6 – Defined Benefit Pension Plan (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30:	
2025	\$ 416,739
2026	266,326
2027	68,163
2028	4,259
2029	-
Thereafter	-
	\$ 755,487

Actuarial Assumptions – The total pension liabilities in the June 30, 2023 and 2022 actuarial valuations were determined using the following actuarial assumptions:

	For the Year Ended June 30, 2024	For the Year Ended June 30, 2023
	Miscellaneous	Miscellaneous
Valuation Date	June 30, 2022	June 30, 2021
Measurement Date	June 30, 2023	June 30, 2022
Actual Cost Method	Entry Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68	Entry Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by entry age and service (1)	Varies by entry age and service (1)
Investment Rate of Return	6.90 % (2)	6.90 % (2)
Mortality	Derived using CalPERS Membership Data for all Funds	Derived using CalPERS Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance (3) Floor on Purchasing Power applies, 2.3% thereafter	Contract COLA up to 2.3% until Purchasing Power Protection Allowance (3) Floor on Purchasing Power applies, 2.3% thereafter

(1) Depending on age, service and type of employment

(2) Net of pension plan investment and administrative expenses, including inflation

(3) Purchasing Power Protection Allowance (PPPA) is a benefit designed to restore the original purchasing power of CalPERS retirees to a predetermined limit

The mortality table used was developed based on CalPERS-specific data. For the June 30, 2022 and 2021 valuation dates, the demographic assumptions and inflation assumptions were based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details on these tables, please refer to the reports that can be found on the CalPERS website.

NOTES TO FINANCIAL STATEMENTS

Note 6 – Defined Benefit Pension Plan (Continued)

Change of Assumptions and Methods – During the measurement periods ended June 30, 2023 and 2022 there were no changes of assumptions.

Discount Rate – The discount rates used to measure the total pension liability was 6.90% for the measurement periods ending June 30, 2023 and 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return – The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return for measurement dates of June 30, 2023 and 2022, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The tables below reflect the long-term expected real rate of return by asset class at June 30, 2024 and 2023, respectively.

Asset Class	June 30, 2024 (Measurement date June 30, 2023)		Asset Class	June 30, 2023 (Measurement date June 30, 2022)	
	Net Strategic Allocation	Real Return Years 1-10 (1, 2)		Net Strategic Allocation	Real Return Years 1-10 (1, 2)
Global equity - cap-weighted	30.00%	4.54%	Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00%	3.84%	Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%	Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%	Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%	Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%	Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%	High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%	Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%	Private Debt	5.00%	3.57%
Real Estates	15.00%	3.21%	Real Estates	15.00%	3.21%
Leverage	-5.00%	-0.59%	Leverage	-5.00%	-0.59%

- (1) An expected inflation of 2.30% used for this period.
- (2) Figures are based on the 2021-22 Asset Liability Management study.

NOTES TO FINANCIAL STATEMENTS

Note 6 – Defined Benefit Pension Plan (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District’s proportionate share of the net pension liability for all Plans, calculated using the discount rate of 6.90% for the years ended June 30, 2024 and 2023, respectively, for all Plans, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<u>Miscellaneous Plan</u>		<u>Miscellaneous Plan</u>	
<u>For the Year Ended June 30, 2024</u>		<u>For the Year Ended June 30, 2023</u>	
1% Decrease	5.90%	1% Decrease	5.90%
Net Pension Liability	\$ 2,955,358	Net Pension Liability	\$ 2,542,810
Current Discount Rate	6.90%	Current Discount Rate	6.90%
Net Pension Liability	\$ 916,812	Net Pension Liability	\$ 594,250
1% Increase	7.90%	1% Increase	7.90%
Net Pension Asset	\$ (761,085)	Net Pension Asset	\$ (1,008,930)

Pension Plan Fiduciary Net Position – Detailed information about all pension plan fiduciary net positions is available in the separately issued CalPERS financial reports.

Note 7 – Post-Employment Health Care Benefits

Plan Description

The District provides retiree medical, dental, vision, and prescription drug coverage to current and future eligible retirees under a single-employer plan. Under the Plan, retired employees who attain age 60 with at least 20 years of service are eligible to receive benefits. Spouses may elect to continue coverage at their own expense.

Benefits Provided

The contribution requirements of plan members and the District are established and may be amended by the District and its Board of Directors. The required contribution is based on projected pay-as-you-go financing requirements. Employees pay a portion of their monthly premium and the District contributes up to 5% of a retiree’s CalPERS benefit toward the cost of medical coverage for post-65 retirees.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 7 – Post-Employment Health Care Benefits (Continued)

Employees Covered

At the OPEB liability measurement date of the June 30, 2024 and 2023, the following employees were covered by the benefit terms:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Active and Fully Vested Eligible to Retire	0	0
Active and Terminated Vested Not Yet Fully Eligible to Retire	20	19
Retires	<u>6</u>	<u>5</u>
Total	<u><u>26</u></u>	<u><u>24</u></u>

Contributions

The contribution requirements of plan members and the District are established and may be amended by the District Board. These contributions are neither mandated nor guaranteed. The District has retained the right to unilaterally modify its payment for retiree health care benefits. For the fiscal years ended June 30, 2024 and 2023, the District contributed \$14,757 and \$16,361, respectively. Employees are not required to contribute to the OPEB Plan.

Net OPEB Liability and Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 7 – Post-Employment Health Care Benefits (Continued)

	OPEB Plan
Actual Cost Method	Entry-Age Actuarial Cost Method in accordance with the requirements of GASB Statement No. 75
Actuarial Assumptions:	
Investment Rate of Return	
Discount Rate (Unfunded)	
Measurement Date - 2024	4.21%
Measurement Date - 2023	4.13%
Salary Increases (1)	2.80%
Investment Rate of Return	
Measurement Date - 2024	4.21%
Measurement Date - 2023	4.13%
Mortality	CalPERS Active Mortality for Miscellaneous Employees; CalPERS Retiree Mortality for Miscellaneous Employees
Pre-Retirement Turnover	CalPERS Pre-Retirement Mortality Rates Public Agency Miscellaneous Table
Healthcare Trend Rate	4.50%-8.0% per year

(1) Benefits are not dependent upon salary

For the actuarial valuation the following time frames were used:

OPEB	June 30, 2024	June 30, 2023
Valuation Date	July 01, 2023	July 01, 2022
Measurement Date	June 30, 2024	June 30, 2023
Measurement Period	July 1, 2023 - June 30, 2024	July 1, 2022 - June 30, 2023

Discount Rate

The discount rate used to measure the total OPEB liability as 4.21%. The projection of cash flows used to determine the discount rate assumed that District contributions will be sufficient to fully fund the obligation over a period not to exceed 30 years. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Assumption Changes

The discount rate was increased from 4.13% to 4.21% for the measurement period ending June 30, 2024.

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 7 – Post-Employment Health Care Benefits (Continued)

Changes in the Net OPEB Liability

The District accrued the net OPEB liability of \$924,876 and \$732,747 as of June 30, 2024 and 2023, respectively, which is included on the statement of net position. The following table shows the components of the District’s annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the District’s net OPEB liability for plan benefits for the years ended June 30, 2024 and 2023:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset)/Liability (a) - (b)
Balance at June 30, 2023	\$ 732,747	\$ -	\$ 732,747
Changes Recognized for the Measurement Period:			
Service cost	34,551	-	34,551
Interest on Total OPEB Liability	31,309	-	31,309
Contributions - Employer	-	18,599	(18,599)
Changes in assumptions	(25,408)	-	(25,408)
Differences between expected and actual experience	170,276	-	170,276
Net investment income	-	-	-
Administrative expense	-	-	-
Benefit payments and refunds	(18,599)	(18,599)	-
Net Changes	192,129	-	192,129
Balance at June 30, 2024 (Measurement Date June 30, 2024)	\$ 924,876	\$ -	\$ 924,876
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset)/Liability (a) - (b)
Balance at June 30, 2022	\$ 921,079	\$ -	\$ 921,079
Changes Recognized for the Measurement Period:			
Service cost	34,930	-	34,930
Interest on Total OPEB Liability	27,889	-	27,889
Contributions - Employer	-	10,707	(10,707)
Changes in assumptions	(268,652)	-	(268,652)
Differences between expected and actual experience	28,208	-	28,208
Net investment income	-	-	-
Administrative expense	-	-	-
Benefit payments and refunds	(10,707)	(10,707)	-
Net Changes	(188,332)	-	(188,332)
Balance at June 30, 2023 (Measurement Date June 30, 2023)	\$ 732,747	\$ -	\$ 732,747

NOTES TO FINANCIAL STATEMENTS

Note 7 – Post-Employment Health Care Benefits (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

Measurement Date June 30, 2024			Measurement Date June 30, 2023		
Net OPEB Liability			Net OPEB Liability		
Current			Current		
1% Decrease	Discount Rate	1% Increase	1% Decrease	Discount Rate	1% Increase
\$ 1,033,448	\$ 924,876	\$ 831,228	\$ 833,723	\$ 732,747	\$ 646,872

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate.

Measurement Date June 30, 2024			Measurement Date June 30, 2023		
Net OPEB Liability			Net OPEB Liability		
Trend 1%	Valuation	Trend 1%	Trend 1%	Valuation	Trend 1%
Lower	Trend	Higher	Lower	Trend	Higher
\$ 886,051	\$ 924,876	\$ 970,856	\$ 703,979	\$ 732,747	\$ 767,842

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024 and 2023, the District recognized OPEB expense of \$69,295 and \$54,18, respectively.

As of the fiscal year ended June 30, 2024 and 2023, the District reported deferred outflows of resources and deferred inflows or resources related to OPEB from the following sources:

	June 30, 2024		June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 187,911	\$ (43,621)	\$ -	\$ (12,438)
Changes in assumptions	150,262	(329,502)	-	(163,945)
Net differences between projected and actual earnings on plan investments	-	-	-	-
Total	\$ 338,173	\$ (373,123)	\$ -	\$ (176,383)

NOTES TO FINANCIAL STATEMENTS

Note 7 – Post-Employment Health Care Benefits (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30:	
2025	\$ 3,435
2026	3,435
2027	3,435
2028	3,435
2029	3,435
Thereafter	<u>(52,125)</u>
	<u>\$ (34,950)</u>

Note 8 – Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits participating employees to defer a portion of their salary until future years. The District matches employee contributions up to 2.5% of a contributing employee’s annual salary. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

On June 8, 1997 the District amended the plan in accordance with the provisions of IRC Section 457(g). On that date, assets of the plan were placed in trust for the exclusive benefit of participants and their beneficiaries. The requirements of that IRC Section prescribes that the District no longer owns the amounts deferred by employees, including the related income on those amounts. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the District’s financial statements. Contributions to the Plan for the years ended June 30, 2024 and 2023 were \$35,697 and \$ 34,899, respectively.

Note 9 – Lease Obligations

The District has lease obligations for two of its well sites. The High School Well lease, dated March 1, 1989 and amended April 23, 2008 is for a term of thirty years, terminating July 1, 2030. There are no lease payments associated with this lease. In return the District provides the Carpinteria Unified School District with the irrigation water rate for specific water accounts.

During 2011, the District purchased a permanent easement from the City for the land that contains the El Carro Well. Prior to the purchase of the easement, the District had a lease with the City, dated November 16, 1990, for the useful life of the well. As “in-lieu of rent” for the first twenty year period, the District installed, at a cost of \$40,085, water line and fire hydrant facilities to accommodate future development of the property adjoining the well site.

NOTES TO FINANCIAL STATEMENTS

Note 10 – CAPP State and Federal Grants

During the year ended June 30, 2023, the District received a state grant from the Integrated Regional Water Management Program (IRWMP) for the Carpinteria Advanced Purification Project (CAPP) in the amount of \$1,150,610. The project total budget is estimated to be approximately \$45,900,000. As of June 30, 2024, the District had received \$772,000 in grant funds.

During the year ended June 30, 2024, the District received a Notice of Award for the Carpinteria Advanced Purification Project (CAPP) for Federal grant in the amount of \$9,659,990. The project total budget is estimated to be approximately \$45,900,000. As of June 30, 2024, the District had not submitted any amounts for reimbursement and had not received any amounts in grant funds.

Note 11 – Cachuma Project Authority

This joint exercise of powers authority was created by the participating agencies for the purpose of renegotiating with the United States Bureau of Reclamation (USBR) the contract for the operation of the Cachuma reservoir. Through the authority, the agencies collectively issued revenue bonds to refinance certain obligations each agency had incurred to finance its share of the expansion of the shared Water Treatment Plant.

The Cachuma Project Authority successfully renegotiated a contract with the USBR. The Authority, effective September 30, 1996 merged into the Cachuma Operations and Maintenance Board (COMB), which is responsible for all operational aspects of the Cachuma reservoir. All assets and liabilities of the Authority were transferred to COMB. The District continues to contribute its share of the operating expenses. The accumulated contract renegotiation costs are being amortized over the term of the new contract, which is twenty-five years. The Cachuma Master Contract was renewed in 2023 and extended to 2026.

Note 12 – Joint Powers Insurance Authority

The District participates in the property and liability program organized by the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA). ACWA/JPIA is a Joint Powers Authority created to provide a self-insurance program to water agencies in the State of California. The ACWA/JPIA is not a component unit of the District for financial reporting purposes, as explained below.

NOTES TO FINANCIAL STATEMENTS

Note 12 – Joint Powers Insurance Authority (Continued)

ACWA/JPIA provides liability, property and workers' compensation insurance for approximately 450 water agencies for losses in excess of the member districts' specified self-insurance retention levels. Individual claims (and aggregate public liability and property claims) in excess of specified levels are covered by excess insurance policies purchased from commercial carriers. ACWA/JPIA is governed by a separate board comprised of members from participating districts. The board controls the operations of ACWA/JPIA, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member shares surpluses and deficiencies proportionately to its participation in ACWA/JPIA.

To obtain complete financial information contact ACWA/JPIA at P.O. Box 619082 Roseville, CA 95661. The District paid premiums of \$108,298 and \$92,657 to ACWA/JPIA for property and liability insurance, and \$36,691 and \$67,862 for workers' compensation during the years ended June 30, 2024 and 2023, respectively.

Note 13 – Joint Ventures and CommitmentsA) Central Coast Water Authority

In 1991, the voters of the District elected to participate in the State Water Project (SWP). As a result, the District joined in the formation of the Central Coast Water Authority (CCWA) in August 1991. The purpose of the Central Coast Water Authority is to provide for the financing, construction, operation, and maintenance of certain local (non-state owned) facilities required to deliver water from the SWP to certain water purveyors and users in Santa Barbara County.

Each project participant, including the District, has entered into a Water Supply Agreement to provide for the development, financing, construction, operation and maintenance of the CCWA Project. The purpose of the Water Supply Agreement is to assist in carrying out the purposes of CCWA with respect to the CCWA Project by:

- 1) requiring CCWA to sell, and the project participants to buy, a specified amount of water from CCWA ("take or pay"); and
- 2) assigning the Santa Barbara project participant's entitlement rights in the State Water project to CCWA.

Although the District does have an ongoing financial interest pursuant to the Water Supply Agreement between the District and CCWA, the District does not have an equity interest as defined by GASB Code Sec. J50.105.

NOTES TO FINANCIAL STATEMENTS

Note 13 – Joint Ventures and Commitments (Continued)

A) Central Coast Water Authority (Continued)

Each project participant is required to pay to CCWA an amount equal to its share of the total cost of "fixed project costs" and certain other costs in the proportion established in the Water Supply Agreement. This includes the project participant's share of payments to the State Department of Water Resources (DWR) under the State Water Supply Contract (including capital, operation, maintenance, power and replacement costs of the DWR facilities), debt service on CCWA bonds and all CCWA operating and administrative costs.

Each project participant is required to make payments under its Water Supply Agreement solely from the revenues of its water system. Each project participant has agreed in its Water Supply Agreement to fix, prescribe and collect rates and charges for its water system which will be at least sufficient to yield each fiscal year net revenues equal to 125% of the sum of (1) the payment required pursuant to the Water Supply Agreement, and (2) debt service on any existing participant obligation for which revenues are also pledged.

CCWA is composed of eight members, all of which are public agencies. CCWA was organized and exists under a joint exercise of power agreement among the various participating public agencies. The Board of Directors is made up of one representative from each participating entity. Votes on the Board are approximately apportioned between the entities based upon each entity's allocation of State water entitlement. The Carpinteria Valley Water District share of the project, based upon number of acre-feet of water, is 10.487%.

Operating and capital expenses are allocated among the members based upon various formulas recognizing the benefits of the various project components to each member.

The Carpinteria Valley Water District estimated minimum State water payments for the next five fiscal years are summarized below:

Fiscal Year Ending June 30,	Fixed Costs	Variable Costs	Other Credits	Total
2025	\$ 2,794,540	\$ 306,747	\$ -	\$ 3,101,287
2026	2,784,434	543,968	-	3,328,402
2027	2,888,559	563,704	-	3,452,263
2028	3,222,062	-	-	3,222,062
2029	3,359,427	-	-	3,359,427
Thereafter (through 2035)	20,232,361	-	-	20,232,361
Total	<u>\$35,281,383</u>	<u>\$ 1,414,419</u>	<u>\$ -</u>	<u>\$36,695,802</u>

Additional information and complete financial statements for the CCWA are available for public inspection at 255 Industrial Way, Buellton, CA, between the hours of 8 a.m. and 5 p.m., Monday through Friday.

NOTES TO FINANCIAL STATEMENTS

Note 13 – Joint Ventures and Commitments (Continued)

B) Carpinteria Groundwater Sustainability Agency

The District is a participant of the Carpinteria Groundwater Sustainability Agency (CGSA) with the City of Carpinteria, Santa Barbara County Water Agency and County of Ventura under a Joint Powers Agreement. CGSA was established to ensure long-term sustainable use of the Carpinteria Groundwater Basin through monitoring, planning, and oversight. The GSA is governed by directors of the District with optional director seats from each of the other participating agencies.

C) Cater Advanced Treatment Project

The City of Santa Barbara’s Cater Reservoir Resiliency Project has a total estimated cost of approximately \$45,850,000. The project is in the planning phases with construction estimated to start in 2026. The District will be responsible for 20% of the project costs. As of June 30, 2024 and 2023, the District has not incurred any cost related to this project.

D) Ortega Reservoir

The Ortega Reservoir has construction defects to its basin. Although the reservoir is not a capital asset of the District, the District, along with Montecito Water District, will be required to pay for the repairs, which may be significant. The total cost of the repairs cannot be estimated.

E) Bradbury Dam

The District, as a member of the Cachuma Operations and Maintenance Board (COMB), is responsible for a portion of costs associated with certain capital improvements to the Bradbury Dam. The improvements are required to meet certain earthquake and seismic safety standards imposed by public agencies. Pursuant the “Bradbury Dam SOD ACT Repayment Agreement”, between COMB and the Bureau of Reclamation, the District will be required to make annual payments of \$18,037 commencing October 2002 through 2015, annual payments of \$28,649 commencing October 2016 through 2026 and annual payments of \$10,612 commencing October 2027 through 2051 to finance the project.

The District’s future obligations are as follows:

Fiscal Year Ending	Amount
<u>June 30,</u>	
2025	\$ 28,649
2026	28,649
2027	28,649
2028	10,612
2029	10,612
Thereafter (through 2051)	244,076
	<u>\$ 351,247</u>

NOTES TO FINANCIAL STATEMENTS

Note 13 – Joint Ventures and Commitments (Continued)

F) Siemens Master Lease Purchase Agreement

The District entered into a master lease agreement with Siemens Financial Services, Inc., on August 2, 2017, in the amount of \$6,468,856 to finance the replacement of all installed mechanical water meters with digital meters with remote read and reporting capabilities, the installation of a solar carport, and the replacement of all headquarter buildings with LED lights (see Note 5). The projected benefits of increased revenue collection more accurate meters and savings in electrical costs due to solar panel and LED lighting installations are projected to offset the total lease costs over the life of the lease. The District entered into a performance and maintenance contracting agreement with Siemens Industry, Inc., to guarantee the projected cost savings.

Under the performance and maintenance contracting agreement, the District will pay annual fees to Siemens Industry, Inc., for measuring and verifying cost savings.

Fiscal Year Ending June 30,	Amount
2025	\$ 38,724
2026	39,545
2027	40,383
2028	41,239
2029	44,643
Thereafter (through 2032)	139,680
	<u>\$ 344,213</u>

G) Construction Commitments

The District has various ongoing contracts for construction in process at June 30, 2024 as follows:

Project Description	Date Approved	Contract Amount	Cost Incurred June 30, 2024	Remaining Balance at June 30, 2024
CAPP Project Final Design	03/08/23	\$ 6,650,581	\$ 1,791,165	\$ 4,859,416
CAPP Project Construction	08/10/22	3,452,590	610,546	2,842,044
LIVR Project Construction	11/10/21	1,597,031	610,401	986,630
RMA Water System Design Phase 4 & 5	12/08/21	499,800	108,427	391,373
Santa Claus Lane Pipeline Relocation	06/12/24	161,675	-	161,675
Ratification of COMB's Res 751, Secured Pipeline	06/08/22	153,160	-	153,160
Potholing Services	12/13/23	62,900	-	62,900
		<u>\$ 12,577,737</u>	<u>\$ 3,120,539</u>	<u>\$ 9,457,198</u>

CARPINTERIA VALLEY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS

DRAFT

Note 13 – Joint Ventures and Commitments (Continued)

G) Construction Commitments (Continued)

At June 30, 2024 and 2023, the District had \$32,126 and \$26,743, respectively, of retainage payable related to the above open contracts. Also included with retainage payable at June 30, 2023, was \$121,506 related to a completed contract. In addition, at June 30, 2024 and 2023 accounts payable included approximately \$289,899 and \$34,306, respectively, related to costs incurred on open contracts.

H) Water Purchase Agreement

During the year ended June 30, 2023, the District entered into a Supplemental Water Purchase Program Participation Agreement. Under the agreement, the District purchased 400 acre-feet of water at a rate of \$1,500 per acre-feet.

Note 14 – Legal Contingencies

In the ordinary course of conducting business, various legal proceedings may be pending, however, in the opinion of the District's management, the ultimate disposition of these matters will have no significant impact on the financial position of the District.

Note 15 – Subsequent Events

Subsequent events have been evaluated through December 11, 2024, the date that the financial statements were available to be issued.

Effective November 20, 2024, the District entered into a Construction Installment Sale Agreement and Grant Agreement with the California State Water Resources Control Board (SWRCB) to assist in financing the Carpinteria Advanced Purification Project. The total project funding amount under the agreement is approximately \$44,300,000 of which \$39,300,000 is to be repaid by the District and \$5,000,000 is to be covered by the SWRCB as grant funding. The District will make principal and interest payments as construction costs are incurred in accordance with the provisions stipulated in the agreement.

REQUIRED SUPPLEMENTARY INFORMATION

CARPINTERIA VALLEY WATER DISTRICT
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
LAST 10 YEARS*

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CARPINTERIA VALLEY WATER DISTRICT'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Valuation date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Proportion of the net pension liability	0.00735%	0.00514%	-0.03389%	0.00101%	0.03675%	0.03703%	0.03815%	0.03815%	0.04122%	0.04535%
Proportionate share of the net pension liability	\$ 916,812	\$ 594,250	\$ (1,832,889)	\$ 109,401	\$ 3,720,554	\$ 3,540,891	\$ 3,672,110	\$ 3,300,879	\$ 2,829,302	\$ 2,822,007
Covered payroll	\$ 2,074,011	\$ 1,997,432	\$ 1,797,338	\$ 1,781,477	\$ 1,848,306	\$ 1,783,980	\$ 1,658,060	\$ 1,625,984	\$ 1,621,204	\$ 1,612,949
Proportionate share of the net pension liability as a percentage of covered payroll	44.20%	29.75%	-101.98%	6.14%	201.30%	198.48%	221.47%	203.01%	174.52%	174.96%
Plan's fiduciary net position	\$14,156,085	\$13,699,961	\$14,909,698	\$12,513,180	\$ 8,756,876	\$ 8,418,045	\$ 7,725,265	\$ 7,151,600	\$ 7,278,661	\$ 7,148,327
Plan's fiduciary net position as a percentage of the total plan pension liability	93.92%	95.84%	114.02%	99.14%	70.18%	70.39%	67.78%	68.42%	72.01%	75.96%

**CARPINTERIA VALLEY WATER DISTRICT
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
LAST 10 YEARS***

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CARPINTERIA VALLEY WATER DISTRICT'S CONTRIBUTIONS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 240,582	\$ 222,382	\$ 182,594	\$ 175,358	\$ 614,945	\$ 429,354	\$ 349,270	\$ 344,835	\$ 329,792	\$ 281,838
Contributions in relation to the actuarially determined contributions	240,582	222,382	182,594	175,358	614,945	429,354	349,270	344,835	329,792	281,838
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$2,074,011	\$1,997,432	\$1,797,338	\$1,781,477	\$1,848,306	\$1,783,980	\$1,658,060	\$1,475,024	\$1,627,135	\$1,557,019
Contributions as a percentage of covered payroll	11.60%	11.13%	10.16%	9.84%	33.27%	24.07%	21.06%	23.38%	20.27%	18.10%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year 2021-2022 were derived from the June 30, 2019 funding valuation.

**CARPINTERIA VALLEY WATER DISTRICT
OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 YEARS***

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability:							
Service cost	\$ 34,551	\$ 34,930	\$ 52,229	\$ 52,339	\$ 71,585	\$ 33,895	\$ 45,515
Interest on the total OPEB liability	31,309	27,889	19,564	17,321	48,040	23,555	7,189
Benefit changes	-	-	-	-	-	-	432,614
Experience gain/losses	170,276	28,208	(51,319)	8,343	(50,502)	-	-
Assumption changes	(25,408)	(268,652)	(77,458)	190,330	26,256	-	-
Benefit payments	(18,599)	(10,707)	(14,749)	(16,118)	(36,474)	(21,317)	(19,401)
Net change in total OPEB liability	192,129	(188,332)	(71,733)	252,215	58,905	36,133	465,917
Total OPEB liability - beginning	732,747	921,079	992,812	740,597	681,692	645,559	179,642
Total OPEB liability - ending (a)	\$ 924,876	\$ 732,747	\$ 921,079	\$ 992,812	\$ 740,597	\$ 681,692	\$ 645,559
Fiduciary Net Position							
Employer contributions	\$ 18,599	\$ 10,707	\$ 14,749	\$ 16,118	\$ 36,474	\$ 21,317	\$ 19,401
Net investment income	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-
Benefit payments	(18,599)	(10,707)	(14,749)	(16,118)	(36,474)	(21,317)	(19,401)
Net change in fiduciary net position	-	-	-	-	-	-	-
Total fiduciary net position- beginning	-	-	-	-	-	-	-
Total fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability- ending (a) - (b)	\$ 924,876	\$ 732,747	\$ 921,079	\$ 992,812	\$ 740,597	\$ 681,692	\$ 645,559
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered - employee payroll	\$2,154,379	\$1,895,890	\$1,904,751	\$1,982,425	\$1,713,603	\$1,613,620	\$1,543,895
Net OPEB liability as a percentage of covered-employee payroll	42.93%	38.65%	48.36%	50.08%	43.22%	42.25%	41.81%
Discount rate used:	4.21%	4.13%	2.28%	1.86%	3.36%	3.71%	3.71%

Notes to Schedule:

* Historical information is required only for measurement periods for which GASB 75 is applicable.
Future year's information will be displayed up to 10 years as information becomes available.

December 11, 2024

Board of Directors
Carpinteria Valley Water District

To the Board of Directors:

This letter is to inform the Board of Directors of Carpinteria Valley Water District about significant matters related to the conduct of our audit as of and for the year ended June 30, 2024, so that it can appropriately discharge its oversight responsibility and we comply with our professional responsibilities.

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibility under auditing standards generally accepted in the United States of America and the State Controller's *Minimum Audit Requirements for California Special Districts* has been described to you in our arrangement letter dated June 24, 2024. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated September 10, 2024 regarding the planned scope and timing of our audit and identified significant risks.

Significant Accounting Practices, Including Policies, Estimates and Disclosures

The following is a list of the matters you may wish to monitor for your oversight responsibilities of the financial reporting process:

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Significant Accounting Policies

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.

Significant Unusual Transactions

We did not identify any significant unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Management's Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the District's June 30, 2024 financial statements:

Depreciation

Depreciation for capital assets is taken on a straight-line basis over the expected life of each capital asset. This method meets the generally accepted accounting principles requirement of being systematic and rational.

Other Post-Employment Benefits

The cost of Other Post-Employment Benefits is calculated based on the annual required contribution of the employer. This amount is calculated by an actuary in accordance with the parameters of GASB 75.

Amortization

Amortization for contract renegotiation costs and title transfers are taken on a straight-line basis over the expected lives of the contracts and the expected lives of the capital assets that are part of the transfers. This method meets the generally accepted accounting principles requirement of being systematic and rational.

Net Pension Liability

In accordance with GASB Statement No. 68, each participating cost-sharing employer is required to report its proportionate share of the collective net pension liability, pension expense, and deferred outflows/inflows of resources. CalPERS actuaries calculated these amounts in accordance with the parameters of GASB 68.

Audit Adjustments and Uncorrected Misstatements

There were no required adjustments that were identified as a result of our audit procedures. A list of adjustments posted after the initial trial balance was received is attached.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Observations About the Audit Process

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed with or the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Difficult or Contentious Matters That Required Consultation

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Shared Responsibilities: AICPA Independence

Independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with AICPA independence rules. For Bartlett, Pringle & Wolf, LLP (BPW) to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and BPW each play an important role.

Our Responsibilities

- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. BPW is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.

The District's Responsibilities

- Timely inform BPW, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, officers, or person in financial reporting and compliance oversight roles.
 - New beneficial owners of the District's equity securities that have significant influence.
 - Change in corporate structure impacting affiliates such as add-on acquisitions or exits.
- Provide necessary affiliate information such as new or updated investment structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the District and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with BPW.
- Not entering into relationships resulting in BPW, BPW-covered persons or their close family members, temporarily or permanently acting as an officer, director,

or person in an accounting, financial reporting or compliance oversight role at the District.

Internal Control Matters

We have issued a separate communication dated December 11, 2024 regarding certain deficiencies in internal control that we identified during the planning or performance of our audit of the financial statements. This communication is attached.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of the District, including the draft representation letter to be provided to us by management, are attached.

Conclusion

This letter is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to Carpinteria Valley Water District.

Very truly yours,

BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants

December 11, 2024

Bartlett, Pringle & Wolf, LLP
1123 Chapala Street
Santa Barbara, CA 93101

Dear Sir or Madam:

This representation letter is provided in connection with your audits of the basic financial statements of Carpinteria Valley Water District as of and for the years ended June 30, 2024 and 2023, for the purpose of expressing an opinion on whether the basic financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, that as of December 11, 2024:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated June 24, 2024 for the preparation and fair presentation of the basic financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Types of related party transactions engaged in by the District include:
 - a. Those with other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting District's basic financial statements to be misleading or incomplete.
 - b. Those with jointly governed organizations in which the District participates.
6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
8. Management has followed applicable laws and regulations in adopting, approving and amending budgets.
9. Capital assets, including infrastructure, intangible assets, and right of use assets are properly capitalized, reported and, if applicable, depreciated.
10. The following have been properly recorded and or disclosed in the basic financial statements:
 - a. Net positions classifications (net investment in capital assets; restricted; and unrestricted) are properly classified.
 - b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
 - c. The fair value of cash equivalents and investments.
 - d. All significant estimates and material concentrations known to management which are required to be disclosed.
 - e. Deposits and investment securities categories of risk.
 - f. Significant amounts of contractual obligations for plant construction and/or purchase of real property, equipment, other assets and intangibles.
 - g. Assets and liabilities measured at fair value in accordance with the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification.
11. We have no plans or intentions that may materially affect the carrying value or classification of assets. In that regard:
 - a. The District has no significant amounts of idle property and equipment or permanent excess capacity.

- b. The District has no plans or intentions to discontinue the operations of any activities or programs or to discontinue any significant operations.
- c. Provision has been made to reduce all other investments and other assets that have permanently declined in value to their realizable values.
- d. We have reviewed long-lived assets, including certain identifiable intangibles, which are impaired or to be disposed of have been recorded at the lower of their cost or fair value.

12. There are no:

- a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the basic financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination. We have no environmental cleanup liabilities.
- b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by the Contingencies Topic of the FASB Accounting Standards Codification.
- c. Lines of credit or similar arrangements.
- d. Agreements to repurchase assets previously sold.
- e. Security agreements in effect under the Uniform Commercial Code.
- f. Liens or encumbrances on any assets or revenues which were pledged as collateral for any liability or which were subordinated in any way.
- g. Liabilities which are subordinated in any way to any other actual or possible liabilities.
- h. Authorized but unissued bonds and/or notes.
- i. Impairment of capital assets.
- j. Arbitrage rebate liabilities.
- k. Events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure.

13. The District has satisfactory title to all owned assets.

14. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private that is not disclosed in the basic financial statements.

15. We have complied with all aspects of contractual agreements that would have a material effect on the basic financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act and U.S. Office of Management and Budget Circular No. A 133 because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
16. We have reviewed the GASB Statements effective for the fiscal year ending June 30, 2024, and concluded the implementation of the following Statements did not have a material impact on the basic financial statements:
 - a. GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62 Absences*
17. We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.
18. We are responsible for and have reviewed and approved the proposed adjustments to the trial balance identified during the audit, which are included in the summarized schedule of posted adjustments and will post all adjustments accordingly.
19. With respect to the basic financial statement preparation services performed in the course of the audit:
 - a. We have made all management decisions and performed all management functions;
 - b. We assigned an appropriate individual to oversee the services;
 - c. We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;
 - d. We have accepted responsibility for the results of the services; and
 - e. We have accepted responsibility for all significant judgments and decisions that were made.

Information Provided

20. We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters;
 - b. Additional information that you have requested from us for the purpose of the audit;

- c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence; and
 - d. Minutes of the meetings of the Board of Directors and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 21. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.
- 22. We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.
- 23. It is our responsibility to establish and maintain internal control over financial reporting. One of the components of an District's system of internal control is risk assessment. We hereby represent that our risk assessment process includes identification and assessment of risks of material misstatement due to fraud. We have shared with you our fraud risk assessment, including a description of the risks, our assessment of the magnitude and likelihood of misstatements arising from those risks, and the controls that we have designed and implemented in response to those risks.
- 24. We have no knowledge of allegations of fraud or suspected fraud affecting the District's basic financial statements involving:
 - a. Management.
 - b. Employees who have significant roles in internal control.
 - c. Others where the fraud could have a material effect on the basic financial statements.
- 25. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's basic financial statements received in communications from employees, former employees, analysts, regulators, or others.
- 26. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
- 27. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the basic financial statements.
- 28. We have disclosed to you the identity of the District's related parties and all the related-party relationships and transactions of which we are aware.
- 29. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the District's ability to record, process, summarize and report financial data other than those reported by you in your letter dated December 11, 2024.
- 30. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

31. We believe that the actuarial assumptions and methods used by the actuary for funding purposes and for determining accumulated OPEB Plan benefits are appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plan's actuary.
32. We believe that the information obtained from the audited financial statements of and other participant information provided by CalPERS and the actuary is appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the Pension Plan or its auditor in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plan or its auditor.

Supplementary Information

33. With respect to supplementary information presented in relation to the basic financial statements as a whole:
 - a. We acknowledge our responsibility for the presentation of such information.
 - b. We believe such information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. When supplementary information is not presented with the audited basic financial statements, we will make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.
34. With respect to the presentation of Management's Discussion and Analysis, the Schedule of Carpinteria Valley Water District's Proportionate Share of the Net Pension Liability, and the Schedule of Carpinteria Valley Water District's Contributions, as required by the Governmental Accounting Standards Board to supplement the basic financial statements:
 - a. We acknowledge our responsibility for the presentation of such required supplementary information.
 - b. We believe such required supplementary information is measured and presented in accordance with the guidelines prescribed by U.S. GAAP.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.

35. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Carpinteria Valley Water District

Signature: _____
Robert McDonald
General Manager

Signature: _____
Norma Rosales
Assistant General Manager



Carpinteria Valley Water District

2025 - 2029 Strategic Plan

December 11, 2024



Carpinteria Valley Water District

1301 Santa Ynez Ave
Carpinteria, CA 93013
805-755-4081
www.cvwd.net

General Manager

Robert McDonald

Board of Directors

Case Van Wingerden, President
Matthew Roberts, Division 1
Polly Holcombe, Division 2
Casey Balch, Division 3
Patrick O'Connor, Division 5



TABLE OF CONTENTS

Executive Summary.....	3
Long-Term Goals.....	4
The Next Five Years.....	5
Focus Areas.....	5
Specific Objectives.....	9
Implementation Procedures	20



EXECUTIVE SUMMARY

The District's current strategic plan, developed two decades ago, has become outdated and no longer reflects the organization's evolving needs. This has resulted in fragmented efforts and a potential disconnect between departmental goals and the District's overarching mission. By updating the strategic plan, and formatting it as a management tool, the District aims to establish a centralized decision framework, promote alignment and collaboration among departments, and optimize resource utilization. This strategic plan will do all of the following.

- **Define the District's long-term goals.** These goals summarize high-level priorities that are relevant to the District's current needs, but will take longer than five years to achieve. These goals provide stability because they are unlikely to change when this plan is updated every five years. However, they could evolve over decades as the industry or the District's needs shift.
- **Describe the District's focus areas.** Focus areas, unlike long-term goals, may change every five years. Focus areas represent themes around the District's current challenges and opportunities. The District's objectives are grouped by these focus areas to enable management action.
- **Identify the District's 5-year objectives.** These objectives will serve as the incremental steps toward achieving the long-term goals. The District should aim to achieve these objectives within the next five years to remain on track toward its long-term goals.
- **Ensure alignment and efficiency throughout the District.** By unifying the efforts of all stakeholders, the plan will enhance operational efficiency and resource allocation. Because this plan is intended as a management tool, it can be referenced during planning meetings to inform management decisions.
- **Inform the public about District operations.** The plan will provide transparency and accountability by sharing the District's priorities and initiatives with the community. Documenting the District's goals will also ensure alignment between the District and its Board of Directors, who are the public's representatives.

Carpinteria Valley Water District's strategic plan serves as a foundational document guiding its operations and decision-making over the next five years. By establishing clear, achievable goals, this plan aligns the efforts of the District's Board of Directors, management, and staff, fostering a shared vision for the District's future.

Mission Statement: The Carpinteria Valley Water District's (CVWD) mission is to provide potable water to all residential, commercial and agricultural customers in the Carpinteria Valley at a reasonable cost.

LONG-TERM GOALS

An individual strategic plan focuses on the next five years. Long-term goals are broader in scope, spanning multiple strategic plans, and aligning with the organization's mission. They create an aligned vision of success across the District's staff, managers, and Board of Directors. Long-term goals provide an overarching framework for decision-making, resource allocation, and performance measurement, ensuring that the organization stays focused. Although specific projects, resources constraints, and funding opportunities may change from year to year, the long-term goals provide stability because they remain constant.

- The District has high staff retention.
- The District has reliable information for decision making and planning.
- The District is financially healthy.
- The public understands and accepts the District's rates.
- The District has a sustainable, optimized water supply.



THE NEXT FIVE YEARS

Over the next five years the District will work towards achieving the goals within this plan. Staff will predominantly use the results chains documented within this plan to facilitate regular check-ins on incremental progress. This plan itself has primarily two functions. First, it serves to document these results chains. More importantly, it provides the context for understanding why the strategies and goals within these results chains are relevant to the District at this point in time.

Focus Areas

Staff Retention & Hiring

With multiple staff potentially retiring in the next five years, it is important for the District to be able to fill those roles when they become vacant. This means the District needs to be able to hire and retain people.

Problem: Staff turnover at the District is high, especially in the Operations and Maintenance (O&M) department, because staff get competitive offers from other districts that CVWD can't match. As a result, the O&M department is chronically understaffed.

Problem: Recently the District has had trouble finding and hiring qualified candidates to fill vacant positions in a timely manner. It has taken the District years to fill some positions which can lead to increased workloads for other staff and gaps in knowledge.

Problem: The District has a limited budget compared to its responsibilities and customer base. This can make it difficult for the District to accomplish all of its goals without overburdening staff. Because of the District's geography, its fixed costs are higher than many of its neighbors so it has limited funding for additional staff or hiring contractors.

Technology

Technology is rapidly progressing, creating opportunities for the District to evolve its systems and practices to be more efficient. AI and automation tools are rapidly becoming widely accessible, and many are affordable. The District has access to many data automation features through its existing Microsoft 365 licenses. The District is already in the process of implementing asset management software through GIS and CityWorks. Additionally, the District has functional AMI meters and Badger's Beacon portal in continually evolving to provide better AMI data for decision making.

Opportunity: New technologies for increasing work efficiency are becoming affordable and widespread. These technologies can lead to efficiency improvements with the proper staff training. However, it is important implementation of these technologies maintains cybersecurity.

Problem: The District's billing system (Incode v10) doesn't integrate well with other platforms, can be difficult to learn, and it is difficult to extract information from the system. This hinders staff's ability to get the information they need for normal operations, required reporting, and program design.

Information Management

With technologies for capturing and storing information rapidly evolving, it is timely for the District to integrate these features into its procedures. As a small agency with each staff member “wearing multiple hats”, but no one person dedicated to establishing information systems, it is easy for existing procedures to evolve slowly and differ across departments. To maintain operational efficiency, which is critical for a small agency, and to facilitate knowledge transfer as staff transition and retire, it is important the District has consistent, documented, and efficient information management procedures.

Problem: Insufficient task tracking systems result in forgotten tasks, difficulty tracking task status, and a limited understanding of decisions and action items. Better task tracking will make it easier for the District to prepare information in advance of meetings, understand decisions that are made, the context of those decisions, and to track the action items related to those decisions.

Problem: Information from specific external sources is unreliable which makes it difficult for the District to do business. The District needs external agency partners to provide more consistent and transparent data on their water supply tracking and cost calculations.

Problem: Outdated or missing procedural documentation, inconsistent storage of documentation, and a lack of clear standards on creating and storing procedural documentation leads to slow onboarding, procedural differences, and knowledge loss.

Knowledge Management

With multiple staff potentially retiring in the next five years, it is important to create knowledge management procedures now so that it is possible to capture knowledge from existing staff before those staff retire and the knowledge is potentially lost.

Problem: Institutional knowledge may be lost as staff who have been at the District for decades retire.

Problem: Departmental operations are siloed from each other which can lead to redundant work, difficulty implementing cross-departmental programs, and a lack of big picture understanding of District operations. Thoughtful and specific areas of redundancy may increase work efficiency and prevent knowledge loss.

Agency Collaboration

Other agencies, as part of their capital projects, may require the District to spend large amounts of money which it could otherwise spend on its own capital project priorities.

Problem: Other agencies (City, County, Caltrans) force the district to spend large amounts of money and time on their capital projects. The project schedules of these other agencies may not align with the District’s priorities. If the District is better able to anticipate these projects, and schedule them at more convenient times, it could save effort and money.

Water Supply Reliability

The State is pushing for more housing and several large housing projects are proposed within the District's service area. The District has recently experienced very dry periods followed by a very wet period. Given this increased demand and increased supply variability, it is important the District have a clear understanding of its management options within the next 5 years.

Problem: The District does not have enough water in extended drought conditions to meet the needs of its existing customers, and its customer base is expected to grow as more local housing is built.

Opportunity: The District needs to evolve its management procedures to reflect the new normal of extreme climate variability. The District needs a system of clear, actionable steps with defined triggers for managing to this extreme variability.

Financial Management & Affordability

Because the District does not operate in a silo, its budget is impacted by several very expensive fixed costs from external facilities. The District is aware of planned projects at these external facilities which could further increase these costs.

Problem: Some of the District's fixed water supply costs are very high, which impacts the overall budget. Currently, the District has little control over these costs.

Problem: The District's energy costs are high and difficult to manage because the structure of charges is complex and addressing the main drivers of the charges (pumps and wells) may require operational changes.

Opportunity: The District has a complicated rate structure that is designed to meet the unique needs of two distinct types of customers. Changes that simplify this rate structure while continuing to meet the operational needs of the District and the needs of each customer class could be beneficial.

Communication & Outreach

The District has outreach procedures in place and a good relationship with its customers. To maintain this, the District may need to increase its outreach when considering new regulatory requirements and rate increases associated with CAPP and other economic pressures.

Problem: The District's rates are complicated and difficult for staff and the public to understand. It is important both staff and the public are able to understand the District's rates. This will ensure that information on the District's rates and charges is readily available, correct, and understandable.

Problem: CAPP may be a significant driver of rate increases over the next couple of years. All stakeholders need to understand cost drivers associated with the CAPP and why they are reasonable and necessary.

Specific Objectives

The specific objectives are the heart of this strategic plan. These objectives will serve as the incremental steps toward achieving the long-term goals. The District should aim to achieve these objectives within the next five years to remain on track toward its long-term goals. All specific objectives are presented in the following format.

Long-Term Goal

All specific objectives must relate to one of the District's long-term goals because the point of the specific objectives is to make progress towards long-term goals.

Threats Motivating This Goal

These threats, originally identified in relation to each focus area, have been tailored to this goal and its objectives. These help the reader understand why the specific objectives are relevant, now.

Current Opportunities

These opportunities, originally identified in relation to each focus area, have been tailored to this goal and its objectives. These help the reader understand why the specific objectives are relevant, now.

Objectives For The Next Five Years

These are the objectives the District is aiming to achieve to make progress toward long-term goals. Objectives are grouped by focus area to enable management action. As managers integrate each objective into their department's workload, they will identify the specific strategies to execute the objective, and the metrics to track progress.



***Long-Term Goal:* Staff longevity at the District is high because the District can retain staff.**

Threats Motivating This Goal

- **Staff turnover is high** because staff get competitive offers from other districts that the District can't match. As a result, the Operation & Maintenance department is chronically understaffed.
- It is **difficult for the District to quickly hire qualified candidates** to fill vacancies. This increases workloads for other staff and leads to gaps in knowledge which undermine staff retention.
- **Staff workloads are high** because of state reporting requirements, uncoordinated information management, limited staff size, and staff vacancies which can lead to staff burnout.

Current Opportunities

- New **low-tech, easy to learn software tools** for data processing and automation are becoming widely available. **Large language models and other AI-powered tools** are also widely available. By starting to integrate these technologies within the next the District can make staff workloads more manageable and be an industry leader.

Objectives For The Next Five Years

Staff retention & hiring

- The District has a **pipeline of potential candidates** so it can more quickly and efficiently hire new staff. This reduces the time the District is short staffed. This also reduces the chance for knowledge loss due to gaps in positions.
- The District is currently completing a salary survey. By adjusting staff salaries based on the results of the salary survey, **District salaries are competitive**, and the District is a competitive employer. Competitive salaries will help reduce turnover and retain staff.
- The District provides non-monetary incentives to retain staff, like fostering a positive work environment. **Staff value work relationships** which supports a positive work environment and reduces staff turnover.
- The District has **templates and tools that support effective performance management**. As a result, managers can efficiently support staff career development.

Technology

- The District's **enterprise system supports its operational needs** meaning that staff can efficiently access the information they need for regular operations and reporting.
- Staff have the **software and AI training** they need for their position without creating cybersecurity issues or disseminating misinformation.

Information Management

- The District has **clear and consistent procedures for information management**. Specifically, the District has procedures for task and project management; inventory, contract, and purchase order management; meeting preparation, execution, and follow-up; and assignment of new initiatives to departments. Clear and consistent information management procedures enable manageable staff workloads by increasing operational efficiency.

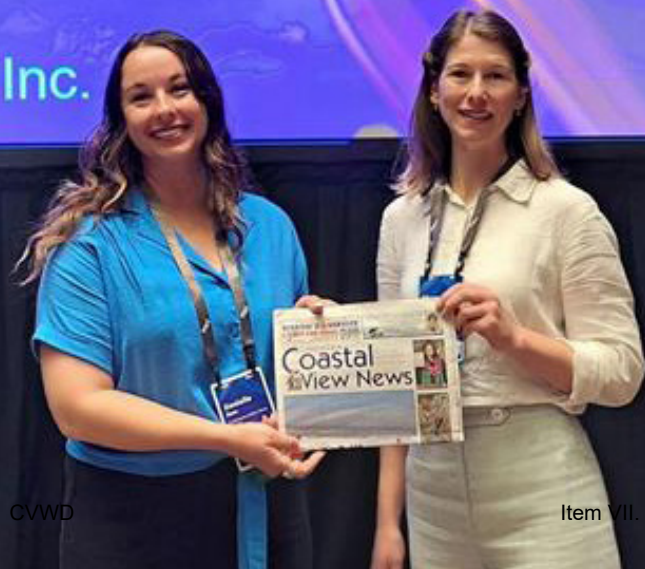
Knowledge Management

- **All departments and the Board are aligned on the District's priorities**. As a result, the District's scope is clearly defined and manageable for staff to execute.

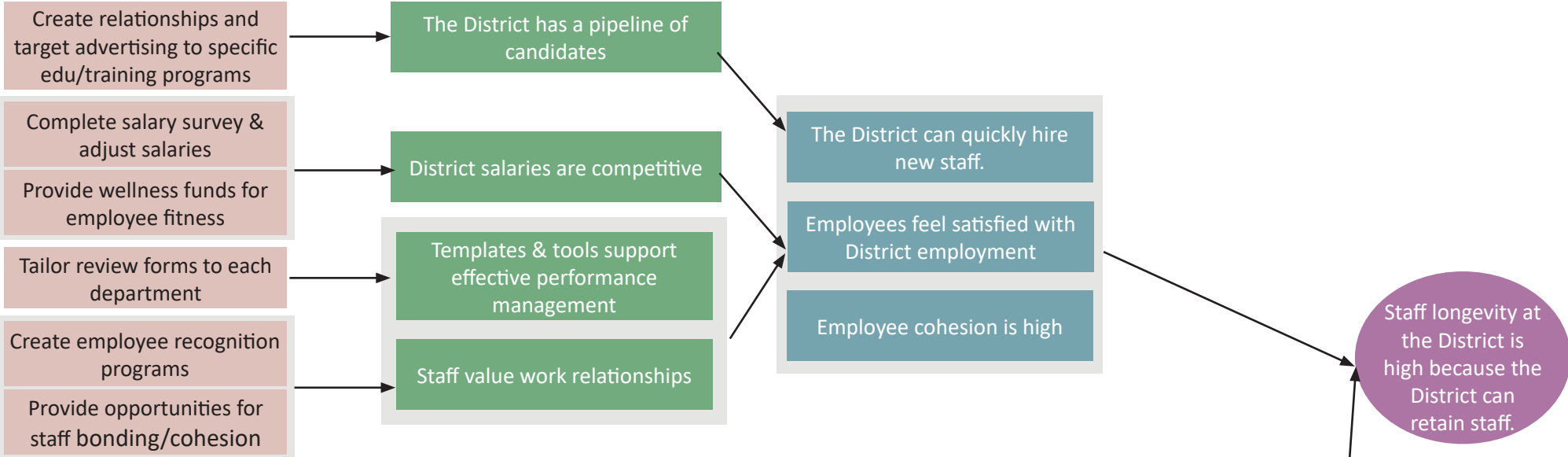
Carpinteria Valley Water District

Danielle Rose & Maso Motlow,
Carpinteria Valley Water District

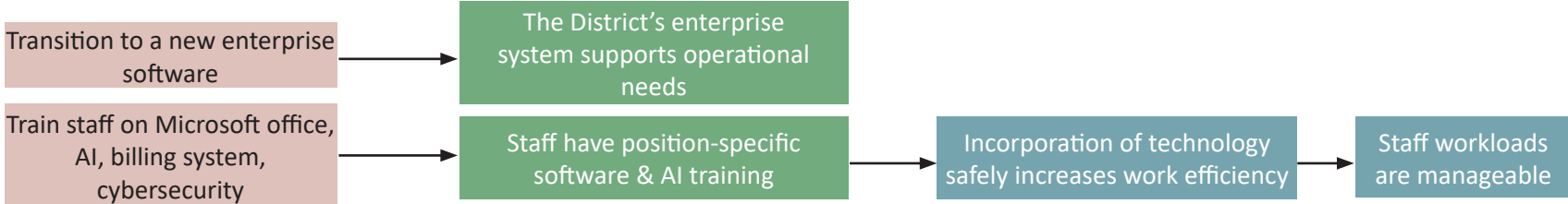
Tarlan Razzaghi, DCSE, Inc.



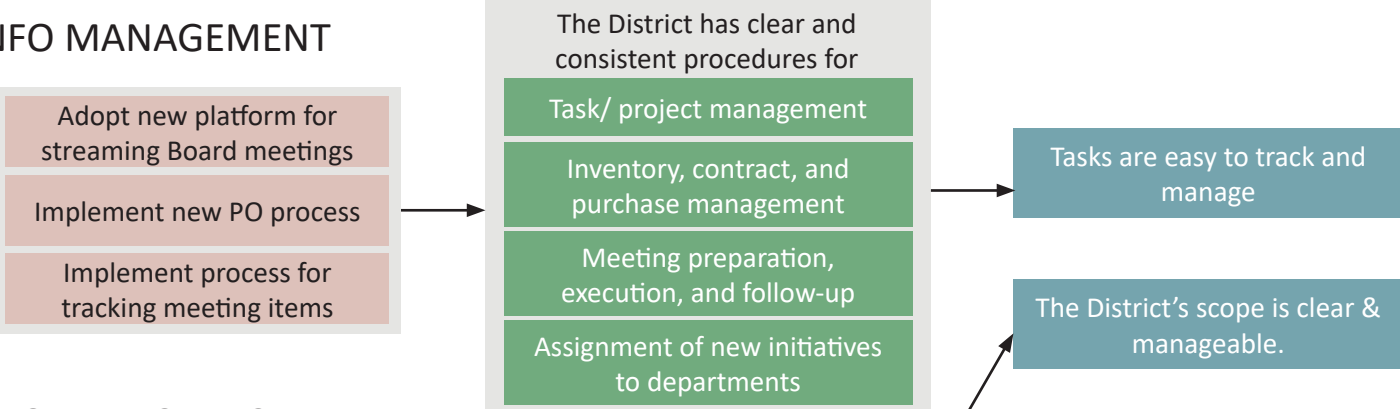
STAFF RETENTION & HIRING



TECHNOLOGY



INFO MANAGEMENT



KNOWLEDGE MGMT.



***Long-Term Goal:* The District has reliable information for decision making and planning.**

Threats Motivating This Goal

- **Several staff may be retiring in the next five years.** It is critical that knowledge is transferred as seamlessly as possible between staff. If the institutional knowledge of existing staff is not documented before they retire, it may be lost which can increase the workloads of existing staff because they will not have the knowledge they need to plan for the future or make decisions.
- Completing required reports and planning for the future is currently time intensive because it is difficult for staff to locate and access the information they need. **Existing procedures and information are documented inconsistently across departments and platforms.**
- Additionally, **information provided by external agencies can be of poor quality.** Tacking down the issues and correcting them can be extremely time intensive for staff because the methods of external agencies are often complicated and opaque.

Objectives For The Next Five Years

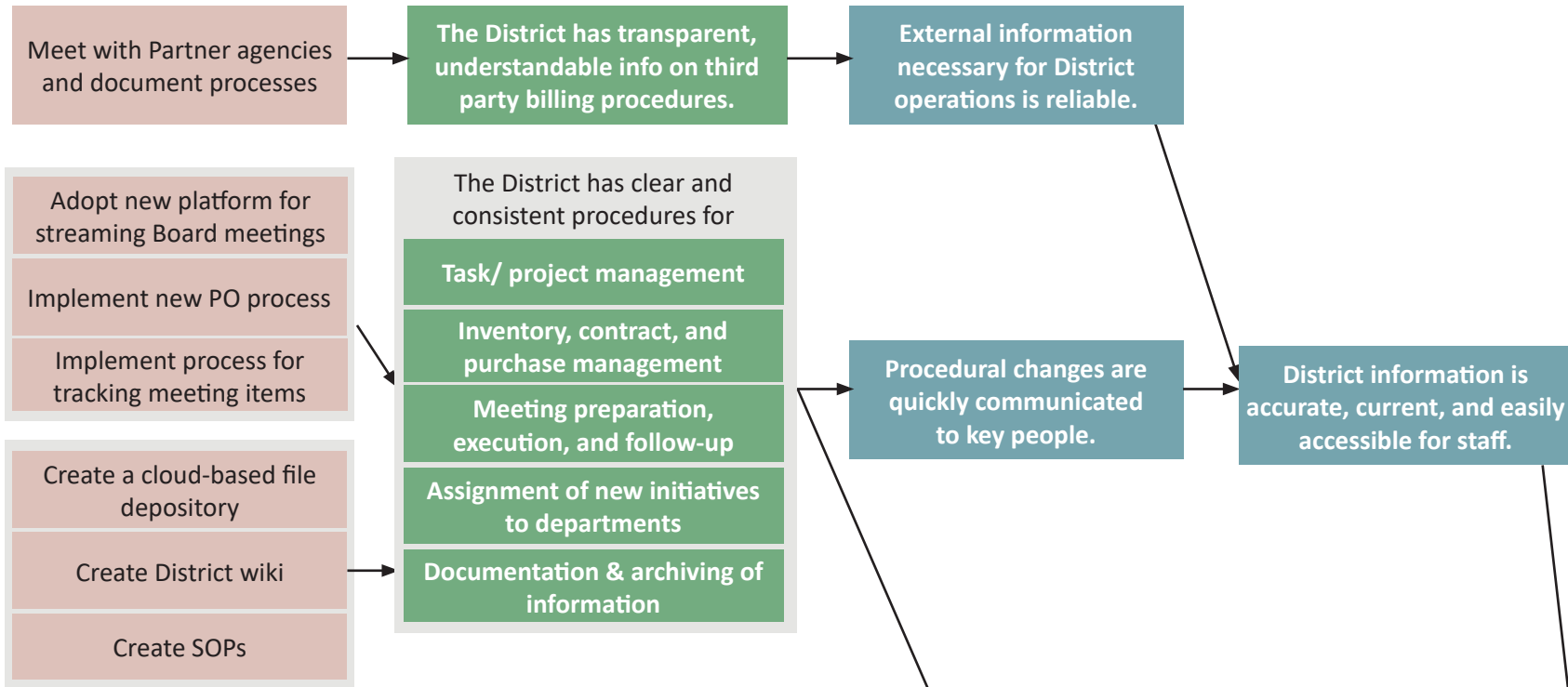
Information Management

- The **District has transparent, understandable information on third party billing procedures.** The District relies on information from other agencies for many aspects of its operation including its water supply use, water supply costs, and water treatment costs. As a result, the District can anticipate costs and prepare future budgets.
- The District has **clear and consistent procedures for information management.** Specifically, the District has procedures for task and project management; inventory, contract, and purchase order management; meeting preparation, execution, and follow-up; assignment of new initiatives to departments; and documentation and archiving of information. Consistent information management procedures ensure departments have the references they need to collaboratively and consistently make decisions and plan for the future.

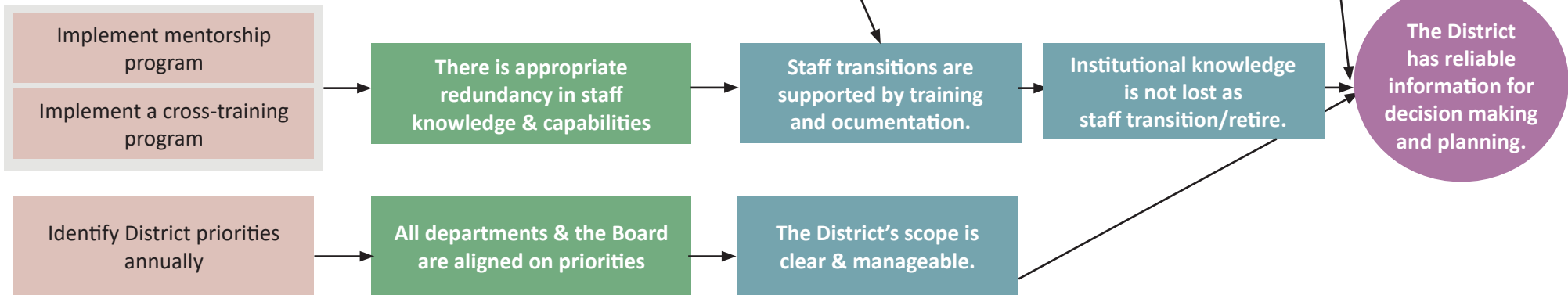
Knowledge Management

- To avoid knowledge loss as staff retire, **there is appropriate redundancy in staff knowledge & capabilities.** This proactive knowledge management supports staff transitions and ensures the District retains the institutional knowledge that supports thoughtful decision making and planning.
- **All departments & the Board are aligned on priorities** which enables a clearly defined set of goals and scope for the District. Decision making and planning is aligned when all departments understand the District's scope and goals.

INFO MANAGEMENT



KNOWLEDGE MANAGEMENT



Long-Term Goal: The District is financially healthy

Threats Motivating This Goal

- To maintain its financial health over time as conditions change, the District needs to be proactive. With **recent inflation, extreme variability in water supply, and expensive improvement projects required by other agencies**, the District's costs are high.

Current Opportunities

- The District has an opportunity to **examine its rate structure and cost collection methods** and determine whether adjustments to these methods be beneficial to the District and its customers.

Objectives For The Next Five Years

Agency Collaboration

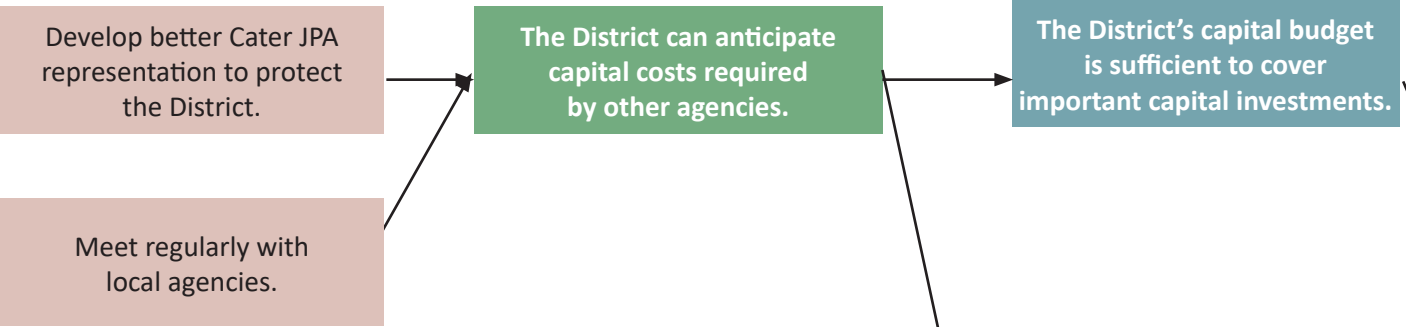
- The **District can anticipate capital costs required by other agencies**. By understanding anticipated capital costs from other agencies, the District can plan its capital budget to meet its own needs as well as its capital project obligations to other agencies.

Financial Management & Affordability

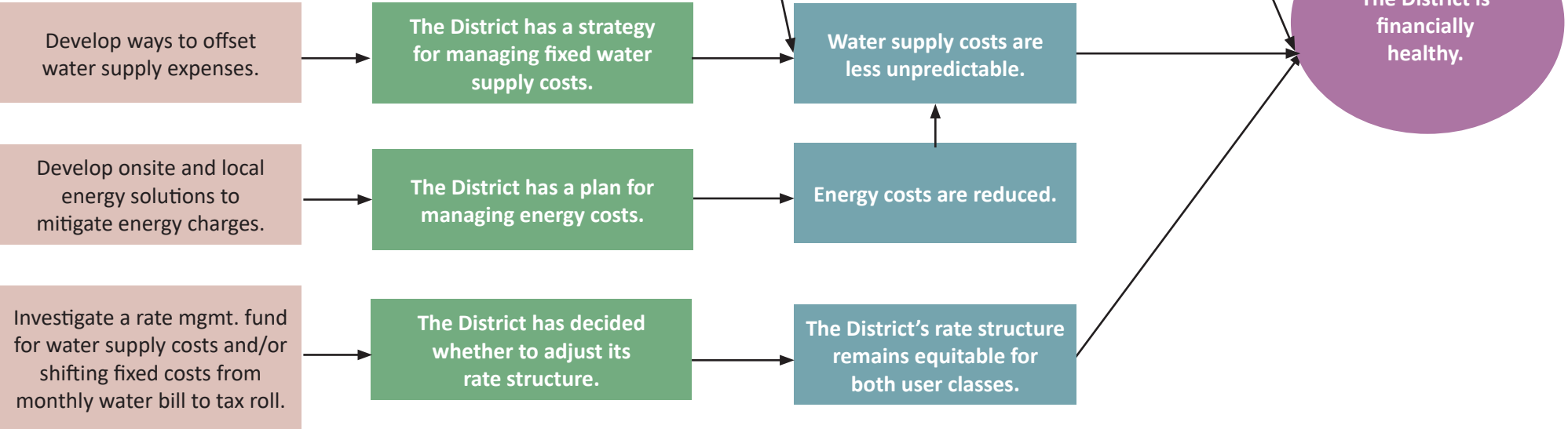
- **The District has a strategy for managing fixed water supply costs**. As a result, it is able to reasonably predict these costs when budgeting and can cover these costs while maintaining bill affordability.
- **The District has a plan for managing energy costs**. This plan may identify modifications to the District's operations, its energy plan, or similar changes that could enable the District to reasonably reduce its energy costs.
- **The District has decided whether to adjust its rate structure**. Based on this decision, and the information considered to make this decision, the District can be confident that its rates and charges are best structured to maintain affordability, financial health, and customer equity.



AGENCY COLLABORATION



FINANCIAL MANAGEMENT & AFFORDABILITY



Long-Term Goal: The public understands and accepts the District's rates.

Threats Motivating This Goal

- The District has **complicated rates** which are difficult for the public and staff to understand which can lead to unnecessary confusion and frustration.

Current Opportunities

- **Proactive messaging** to maintain lines of communication between the District and the public can avoid issues that stem from a lack of communication. Proactive communication about water quality, rate changes, and capital projects can generate support and understanding for these initiatives.

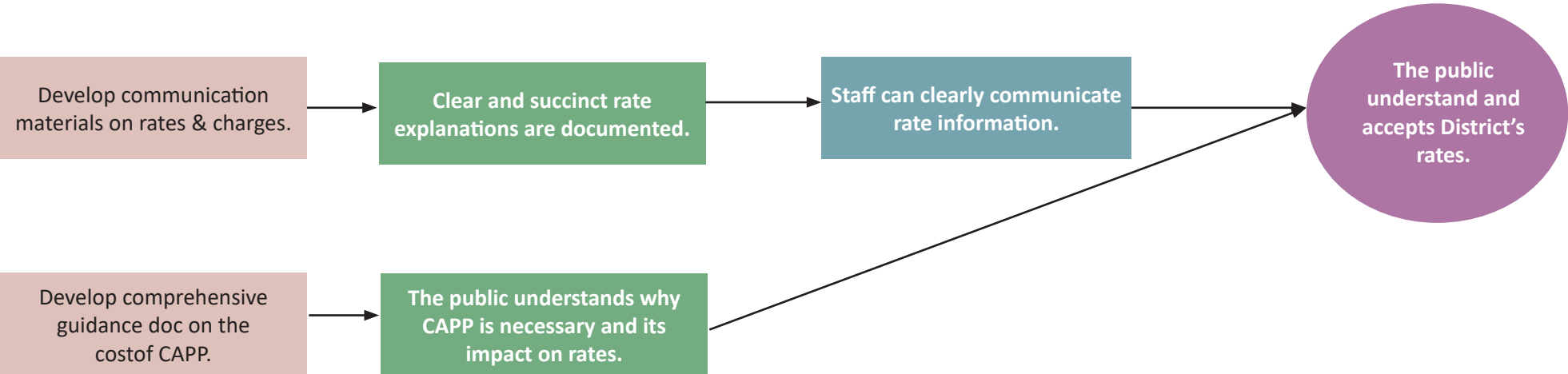
Objectives For The Next Five Years

Communication & Outreach

- **Clear and succinct rate explanations are documented.** Once the District has easily understandable documentation that staff and the public can easily reference, both staff and the public can quickly and easily understand the District's rates.
- With proactive communication, **the public understands why CAPP is necessary and its impact on rates.** If sufficient documentation is provided to customers so they understand why the District is making particular investments, the public is more likely to support those investments.



COMMUNICATION & OUTREACH



Long-Term Goal: The District has a sustainable, optimized water supply.

Threats Motivating This Goal

- **Problem:** The District has recently experienced very dry periods followed by a very wet period. This **increased supply variability** makes both long-term and short-term management difficult.
- **Problem:** The State is pushing for more housing and several large housing projects are proposed within the District's service area yet the **District does not have enough water in extended drought conditions to meet the needs of its existing customers, and its customer base is expected to grow** as more local housing is built. Purchasing supplemental water in extended drought and other water supply augmentation options are expensive.

Current Opportunities

- **Opportunity:** The District has an opportunity to **evaluate its supply management options** and make a plan to address extremely variable conditions.

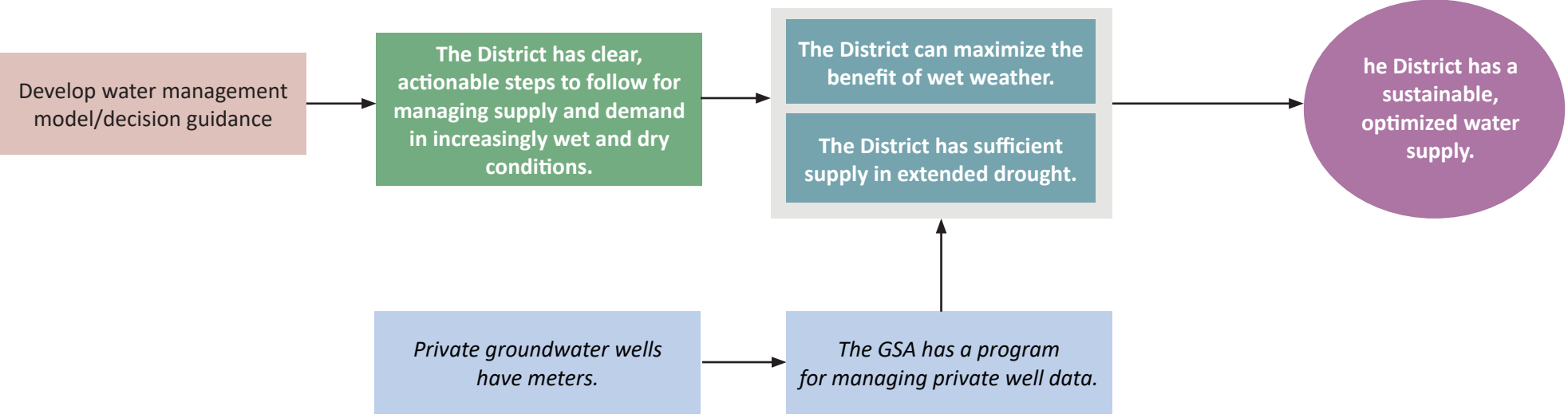
Objectives For The Next Five Years

Water supply reliability

- **The District has clear, actionable steps to follow for managing supply and demand in increasingly wet and dry conditions.** Once it identifies these steps, the District can quickly make decisions that maximize the benefit of surplus supply in wet conditions and that maximize the cost-effectiveness and longevity of supplies in extended drought conditions.



WATER SUPPLY RELIABILITY



Implementation Procedures

To maintain alignment among stakeholders (staff, managers, and the Board) on the District's priorities and how to reach them, it is important to regularly refer to this plan. To support regular progress towards the goals of the strategic plan, the District will integrate the strategic plan into its regular operations.

Meetings

The District has the following standing, recurring meetings for its staff, managers, and Board of Directors. This plan is not proposing to create additional meetings that will increase staff workloads. Instead, management of the objectives and goals within this plan should be integrated into the District's existing meetings.

Manager Meetings

Managers refer to the objectives relevant to their individual departments and discuss when to pursue the objective and what strategies to employ. By referencing this strategic plan, its results chains, or supporting materials during these meetings, the managers can remain aligned on the District's goals and consider how their current projects support each objective when deciding what to prioritize and how to allocate resources.

Staff Meetings

During staff meetings, everyone refers to a task tracking list. The District can modify this list to include a column that indicates how each task relates to a goal and objective of the strategic plan. This will help the District understand whether its current efforts align with its strategic goals and it will help align the staff's understanding of the District's goals.

Board of Director Meetings

When District managers feel they have achieved one of the objectives of the strategic plan they can communicate this information to the Board of Directors so it is aware of the District's progress towards its goals.

KPI Tracking

Each manager is responsible for identifying KPIs and metrics to track progress towards each of their objectives. This plan does not identify KPIs or metrics because the best tracking metric to use may change based on when a manager pursues an objective and what software, tools, and staff capacity are available. Additionally, the strategy which a manager selects to pursue an objective may dictate which metric is best to track progress.





STAFF REPORT Item VII.C.

From: Robert McDonald, General Manager

Prepared by: Maso Motlow, Administrative Analyst

For Adoption: Item VII.C. Consider Ordinance 24-2 Adoption of updated Allocation Methodology

Background

At the board meeting on August 25th and October 23rd the District presented the proposed revisions to the existing allocation methods and the new methods for calculating water use intensification. The District also held two public meetings on these topics on October 2nd and October 8th. Ordinance 24-2 reflects the revised allocation methodology. The District is now asking for adoption of Ordinance 24-2.

Ordinance 24-2 Revised allocation methodology

The District is asking for adoption of a revised version of allocation ordinance reflecting several modifications to the existing allocation program methodology.

- 1) Revise the methodology to provide an allocation for existing District meters with no historical use.
- 2) Add language describing when the District will consider revising an existing allocation.

Recommendation

Staff recommends that the Board Adopt Ordinance 24-2 revising the Allocation Methodology.

**ORDINANCE NO. 24-2
AN ORDINANCE OF THE BOARD OF DIRECTORS OF
CARPINTERIA VALLEY WATER DISTRICT
ADOPTING AND ESTABLISHING A METHODOLOGY
FOR THE CALCULATION OF INITIAL WATER ALLOCATIONS**

WHEREAS, the purpose of these allocations is to enable compliance with the State of California's Water Use Efficiency legislation which sets water use expectations for residential and landscape water use within Carpinteria Valley Water District (District); and

WHEREAS, another purpose of these allocations is to enable the District to consistently and responsibly respond to Applications for Intent to Serve Letters through land use-based estimates of water demand; and

WHEREAS, another purpose of these allocations is to more efficiently target conservation efforts to customers who exceed their account-specific allocation; and

WHEREAS, another purpose of these allocations is to support supply and demand planning and budgeting; and

WHEREAS, the District has reviewed the calculation methods published by the State and the methods of other water districts for calculating water use allocations, and prepared and presented data concerning the appropriate methodology for calculating the allocations, including the following documentation:

1. "Model Documentation for Allocation Program", dated August 23, 2023 ("Methods 1"), which describes the data sources, computational steps, and decisions within the model to calculate account-specific allocations.
2. "Allocation Calculation Methods Summary", dated September 13, 2023 ("Methods 2"), which summarizes the formulas used to calculate allocations for each customer class.

WHEREAS, Methods 1 and 2 were presented at the public Board meeting on September 13, 2023 and included in the board packet available for public inspection and review prior to this public hearing and notice was given in compliance with Government Code Section 66016(a); and

WHEREAS, a public hearing, noticed pursuant to Government Code Section 6066, was held at a regularly scheduled meeting of the Board; and

WHEREAS, after considering Methods 1 and 2, the analysis as referenced hereinabove, and the testimony received at the public hearing, the Board approves said methods, and incorporates methods 1 and 2 herein, and further finds that the initial allocation methodologies set forth in Studies 1 and 2 are reasonable.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Carpinteria Valley Water District as follows:

Allocations shall be calculated based on customer account class as described below.

Single-family residential, Multi-family residential, Master meter residential account allocations are based on the characteristics of the account and the land use of the associated parcel.

- a. Indoor allocation. Based on the number of dwelling units associated with the account in the District's billing system and the State of California's formula and factors for determining expected water use per dwelling unit.

$$\text{Indoor allocation (HCF per month)} = \frac{\text{Dwelling Units} \times 2.65 \text{ people} \times 55 \text{ Gallons Per Capita Day} \times \text{number of days in month}}{748}$$

I. The indoor allocation uses the following data.

- i. One hundred cubic feet (HCF) is equal to 748 gallons.
- ii. The District uses the 2020 Census estimate of 2.65 people per dwelling unit.
- iii. The District uses the State's expectation of efficient indoor water use per person.

- b. Outdoor allocation. Based on the irrigated area on the parcel according to the District's aerial imagery survey and the State of California's formula and factors for determining expected water use per irrigated square foot.

$$\text{Outdoor allocation (HCF per month)} = \frac{\text{Evapotranspiration (ET)} \times \text{Irrigated Area} \times \text{Plant Factor} \times 0.62}{748}$$

II. The outdoor allocation uses the following data

- i. The District uses monthly ET values from the California Irrigation Management Information System (CIMIS) Santa Barbara Station.
- ii. Irrigated areas are based on aerial imagery analysis using aerial imagery from 2020.
- iii. The District uses Plant Factors (also called ET factors) to represent efficient water demand of the landscape. Residential landscapes receive a plant factor of 0.55 (new construction) 0.65 (old construction) according to the State's water use efficiency guidance.
- iv. The conversion factor from inches to gallons is 0.62.
- v. One hundred cubic feet (HCF) is equal to 748 gallons.

Landscape irrigation accounts

- a. Outdoor allocation. Based on the irrigated area on the parcel according to the District's aerial imagery survey and the State of California's formula and factors for determining expected water use per irrigated square foot.

*Outdoor allocation (HCF per month) =
Evapotranspiration (ET) x Irrigated Area x Plant Factor x 0.62 ÷ 748*

- I. The outdoor allocation uses the following data
 - i. The District uses monthly ET values from the California Irrigation Management Information System (CIMIS) Santa Barbara Station.
 - ii. Irrigated areas are based on aerial imagery analysis using aerial imagery from 2020.
 - iii. The District uses Plant Factors (also called ET factors) to represent efficient water demand of the landscape. Landscape accounts receive a plant factor of 0.8 according to the State's water use efficiency guidance.
 - iv. The conversion factor from inches to gallons is 0.62.
 - v. One hundred cubic feet (HCF) is equal to 748 gallons.

Commercial, Industrial, Public Authority* accounts

- a. Total allocation. Based on historical water use. Within the context of the Water Use Efficiency regulations, the State of California does not specify a formula for determining indoor or outdoor water use for commercial, industrial, or public authority accounts.

Monthly allocation (HCF per month) = average historical water consumption

- I. The allocation uses the following data
 - i. *School fields and city parks classified as public authority accounts are treated as landscape irrigation accounts for the purpose of calculating an allocation.
 - ii. Historical water consumption is based on water use from 2017-2022.

Parks and school fields accounts

- a. Outdoor allocation. Based on the irrigated area on the parcel according to the District's aerial imagery survey and the State of California's formula and factors for determining expected water use per irrigated square foot.

*Outdoor allocation(HCF per month) =
Evapotranspiration (ET) x Irrigated Area x Plant Factor x Conversion Factor*

- I. The outdoor allocation uses the following data
 - i. The District uses monthly ET values from the California Irrigation Management Information System (CIMIS) Santa Barbara Station.
 - ii. Irrigated areas are based on aerial imagery analysis using aerial imagery from 2020.

- iii. The District uses Plant Factors (also called ET factors) to represent efficient water demand of the landscape. Residential landscapes receive a plant factor of 0.8 according to the State's water use efficiency guidance.
- iv. The conversion factor from inches to gallons is 0.62.
- v. One hundred cubic feet (HCF) is equal to 748 gallons.

Agriculture accounts

- a. Total allocation. Based on historical water use. Within the context of the Water Use Efficiency regulations, the State of California does not specify a formula for determining indoor or outdoor water use for agricultural accounts.

Monthly allocation (HCF per month) = average historical water consumption

- I. The allocation uses the following data
 - i. Historical water consumption is based on water use from 2017-2022.

Inactive accounts

Inactive accounts are existing District meters without 12 consecutive months of water use in the past ten years. Inactive accounts with the agricultural, commercial, industrial, or institutional customer class will receive an allocation of half the average water use of the corresponding customer class and meter size. The calculation of average water use is based on calendar years 2017-2022.

Parcels with no District water meter

Parcels with no District meter will have an allocation of zero. Allocations are intended to represent reasonable metered demand and these parcels have no meter.

Allocation revisions

Customers may request the District review allocations for accounts with at least six months of water use history. The District will consider revising allocations for the following:

- 1) The number of people residing in the dwelling unit(s) associated with the account average more than 2.65 people per residence AND as a result, the account is regularly exceeding its allocation.
- 2) The customer suspects the aerial imagery analysis incorrectly assessed the landscaping on their parcel because their allocation is too low to reasonably reflect the irrigated area on the parcel. As a rule of thumb, each 1000sqft of irrigated area is allocated 2-3 HCF per month.
- 3) There are multiple meters on the parcel and the customer suspects that the total landscape area for the parcel was not divided among the meters in a way that reflects actual water use because one or more accounts is regularly exceeding its allocation.

- 4) *Projects which received new or updated allocations through an intent to serve letter may request an adjustment to the way the total allocation for their development was apportioned across meters after those meters have been in use at least 6 months. Note the total allocation cannot be altered in this case, only the way the allocation is divided among the individual accounts associated with the development.*

To request revision of an existing allocation, an authorized user of the account should [submit the appeals form](#) to the District. The District will review the information and may adjust the allocation, at the General Manager's discretion.

BE IT FURTHER ORDAINED:

1. The above recitals are true and correct and are incorporated herein as though set forth in full.
2. By the adoption of this Resolution account-specific initial allocations will be determined using the methodology described.
3. Such allocation will, at this time not be associated with any fees or charges.
4. Any fees or charges associated based on account-specific initial allocations shall be separately adopted by Resolution or Ordinance by the Board.
5. The Allocation Methodology is effective upon adoption and shall continue until changed by action of the District Board.

BE IT FURTHER ORDAINED that this Ordinance shall take effect on December 11, 2024 by roll call as follows:

AYES:
NAYES:
ABSENT:
ABSTAIN:

PASSED AND ADOPTED by the Board of the Carpinteria Valley Water District this 11th day of December, 2024

APPROVED:

Case Van Wingerden, President

ATTEST:

Lisa Silva, Board Secretary



STAFF REPORT Item VII.D.

From: Robert McDonald, General Manager

Prepared by: Maso Motlow, Administrative Analyst

For Adoption: Item VII.D. Consider Ordinance 24-3 Adoption of Intensification Methodology

Background

At the board meeting on August 25th and October 23rd the District presented the proposed revisions to the existing allocation methods and the new methods for calculating water use intensification. The District also held two public meetings on these topics on October 2nd and October 8th. Ordinance 24-3 describes the methods for calculating water use intensification. The District is now asking for adoption of ordinance 24-3.

Ordinance 24-3 Intensification calculation methodology

On October 2nd and October 8th, the District held public meetings on the methods for calculating water use intensification resulting from development and redevelopment projects. The District advertised these meetings with printed flyers at the District office and City Hall, on social media, and on the District website. A couple of members of the public showed up to the meetings, and one member of the public provided a written comment through email. No members of the public proposed changes to specific methods.

Recommendation

Staff Recommends the Board Adopt Ordinance 24-3 Establishing a Methodology to Calculate Intensification.

**ORDINANCE NO. 24-3
AN ORDINANCE OF THE BOARD OF DIRECTORS OF
CARPINTERIA VALLEY WATER DISTRICT
ADOPTING AND ESTABLISHING A METHODOLOGY
FOR THE CALCULATION WATER SUPPLY INTENSIFICATION FROM PROPOSED
DEVELOPMENT AND REDEVELOPMENT PROJECTS**

WHEREAS, the purpose of this calculation is to enable the District to consistently and responsibly respond to Applications for Intent to Serve Letters through land use-based estimates of water demand; and

WHEREAS, another purpose of this calculation is to quantify the water demand of new development and redevelopment projects to determine the additional water supply the District may need to develop or purchase in times of extended drought; and

WHEREAS, another purpose of this calculation is to acknowledge the District's water supply is over allocated in periods of extended drought without supply augmentation projects or purchase of supplemental water; and

WHEREAS, another purpose of this calculation is to enable levying of water supply impact fees on development and redevelopment projects which intensify parcel water use to support future water supply augmentation; and

WHEREAS, the District expects the magnitude of the impact fee to be similar to neighboring agencies (e.g., Goleta Water District's New Water Supply Charge is \$62,553/AF, Ventura Water's Net Zero Fee was \$22,806/AF) ; and

WHEREAS, the District has reviewed calculation methods of neighboring agencies, and prepared and presented data concerning the appropriate methodology for calculating parcel water use intensification at public meetings of its Board of Directors and public workshops; and

WHEREAS, a public hearing, noticed pursuant to Government Code Section 6066, was held at a regularly scheduled meeting of the Board; and

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Carpinteria Valley Water District as follows:

Water use intensification from development and redevelopment projects shall be calculated as described below. Adoption of the intensification calculation methods is intended to support levying of Water Supply Impact Fees.

The District calculates water use intensification for two types of projects.

- Projects that are both adding meters to a parcel, and changing the land use of the parcel are subject to the intensification calculation.
 - Changing the land use of a parcel means demolishing existing buildings, increasing the overall floor area, or exceeding the maximum density of the existing zoning designation.
- Projects that are both adding meters to a parcel, and subdividing a parcel or creating condominiums, are subject to the intensification calculation.

Exempt projects

Accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) are exempt from the intensification calculation as long as the proposed modifications comply with the City of Carpinteria and County of Santa Barbara's residential density rules. Residences on agricultural parcels are exempt within the limits of the City of Carpinteria and County of Santa Barbara's zoning codes.

Calculation method

$$\text{Total Fee (\$)} = \text{Water use intensification (AF)} \times \text{Impact fee (\$/AF)}$$

$$\text{Water use intensification (AF)} = \text{Water use of proposed project (AF)} - \text{Existing allocation (AF)}$$

Water use of proposed project

Projects which qualify for the intensification calculation must submit a water demand estimate. Applicants are encouraged to submit their water demand calculation using the Request for Letter of Intent to Serve Form linked above. This form uses industry best practices (i.e., the [City of Santa Barbara's water demand factors](#) to calculate indoor water use and the [MWELo](#) method to calculate outdoor water use). Alternatively, applicants may submit their water demand calculation separately from the Request for Letter of Intent to Serve Form.

Existing allocation

Parcels within the District's service area with at least one District water meter have an existing allocation. The existing allocation of a proposed project is the aggregate allocation of all existing meters associated with the project. See the District's Allocation Program for detailed calculation methods.

Intensification

If the proposed water use of the project is greater than the existing allocation, then the project is intensifying the water use of the parcel. Because the District's supply is overallocated in times of extended drought, the District will need additional water

supplies to meet the intensified (i.e., increased) demand. To fund the development, or purchase of this additional supply, applicants must pay a water supply impact fee per acre-foot of intensification.

BE IT FURTHER ORDAINED:

1. The above recitals are true and correct and are incorporated herein as though set forth in full.
2. By the adoption of this Ordinance, project-specific water use intensification will be determined using the methodology described.
3. Any fees or charges associated with water use intensification shall be separately adopted by Resolution or Ordinance by the Board.
4. This methodology is effective upon adoption and shall continue until changed by action of the District Board.

BE IT FURTHER ORDAINED that this Ordinance shall take effect on December 11, 2024 by roll call as follows:

AYES:

NAYES:

ABSENT:

ABSTAIN:

PASSED AND ADOPTED by the Board of the Carpinteria Valley Water District this 11th day of December, 2024

APPROVED:

Case Van Wingerden, President

ATTEST:

Lisa Silva, Board Secretary

ORDINANCE NO. 24-4

AN ORDINANCE OF THE BOARD OF DIRECTORS OF CARPINTERIA VALLEY WATER DISTRICT ADOPTING AN ADMINISTRATIVE REMEDIES PROCEDURE FOR CHALLENGES TO FEES, CHARGES, AND ASSESSMENTS

SECTION 1. AUTHORITY. This Ordinance is authorized by the District's statutory authority to adopt fees and charges for its services, to impose assessments on real property, and to establish rules and regulations governing such fees, charges, and assessments, Government Code section 53759.1, and other applicable law.

SECTION 2. Exhaustion of Administrative Remedies for Challenges to Fees, Charges, and Assessments on Real Property

A. Scope. The duty to exhaust administrative remedies imposed by this section extends to:

- a. any fee or charge subject to articles XIII C or XIII D of the California Constitution,
- b. any assessment on real property levied by the District, and
- c. the methodology used to develop and levy such a fee, charge, or assessment.

B. "Hearing" as used in this section means the hearing referenced in paragraph 4 of subsection D of this Ordinance.

C. Duty to Exhaust Issues. No person may bring a judicial action or proceeding alleging noncompliance with the California Constitution or other applicable law for any new, increased, or extended fee, charge, or assessment levied by the District, unless that person submitted to the Board Secretary timely, written objection to that fee, charge, or assessment specifying the grounds for alleging noncompliance. The issues raised in any such action or proceeding shall be limited to those raised in such an objection unless a court finds the issue could not have been raised in such an objection by those exercising reasonable diligence.

D. Procedures. The District shall:

(1) Make available to the public any proposed fee, charge, or assessment to which this section is to apply no less than 45 days before the deadline for a ratepayer or assessed property owner to submit an objection pursuant to paragraph 4 of this subsection D.

(2) Post on its internet website a written basis for the fee, charge, or assessment, such as a cost of service analysis or an engineer's report, and include a link to the

internet website in the written notice of the Hearing, including, but not limited to, a notice pursuant to subdivision (c) of Section 4 or paragraph (1) of subdivision (a) of Section 6 of Article XIII D of the California Constitution.

(3) Mail the written basis described in paragraph 2 of this subsection D to a ratepayer or property owner on request.

(4) Provide at least 45 days for a ratepayer or assessed property owner to review the proposed fee or assessment and to timely submit to the Board Secretary a written objection to that fee, charge, or assessment that specifies the grounds for alleging noncompliance. Any objection shall be submitted before the end of the public comment portion of a Hearing on the rate, charge or assessment.

(5) Include in a written notice of the Hearing, a statement in bold-faced type of 12 points or larger that:

(A) All written objections must be submitted to the Board Secretary by the end of public comment period at the Hearing and that a failure to timely object in writing bars any right to challenge that fee, charge, or assessment in court and that any such action will be limited to issues identified in such objections.

(B) All substantive and procedural requirements for submitting an objection to the proposed fee, charge, or assessment such as those specified for a property-related fee under California Constitution, article XIII D, section 6(a) or for an assessment on real property under California Constitution, article XIII D, section 4(e).

E. Board Consideration; District Responses. Before or during the Hearing, the Board of Directors shall consider and the District shall respond in writing to, any timely written objections. The Board may adjourn the Hearing to another date if necessary to respond to comments received after the agenda is posted for the meeting at which the Hearing occurs. The District's responses shall explain the substantive basis for retaining or altering the proposed fee, charge, or assessment in response to written objections, including any reasons to reject requested amendments.

F. Board Determinations. The Board of Directors, in exercising its legislative discretion, shall determine whether:

(1) The written objections and the District's response warrant clarifications to the proposed fee, charge, or assessment.

(2) To reduce the fee, charge or assessment.

(3) To further review the proposed fee, charge, or assessment before determining whether clarification or reduction is needed.

(4) To proceed with the Hearing, to continue it, or to abandon the proposal.

SECTION 3. CEQA FINDINGS. The Board of Directors finds that adoption of this Ordinance is exempt from CEQA because: (i) it is not a project within the meaning of Public Resources Code, section 21065 because it has no potential to alter the physical environment; (ii) and pursuant to CEQA Guidelines section 15061(b)(3), the so-called “common sense” exemption, for this same reason.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase or portion of this Ordinance or its application to any person or circumstance is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to other persons and circumstances. The Board of Directors declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof despite the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are hereby declared to be severable.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be in full force and effect upon its adoption pursuant to Water Code section 31027.

SECTION 6. PUBLICATION. The Secretary of the Board of Directors shall give published notice of this Ordinance as required by Water Code section 31027.

BE IT FURTHER ORDAINED that this Ordinance shall take effect on XXXXXXX, 2024 by roll

AYES:
NAYES:
ABSENT:
ABSTAIN:

PASSED AND ADOPTED by the Governing Board of the Carpinteria Valley Water District on the XXX day of XXXX, 2024, by the following roll call vote:

APPROVED:

Case Van Wingerden, Board President

ATTEST:

Lisa Silva, Board Secretary



Carpinteria Valley Water District

1301 Santa Ynez Avenue • Carpinteria, CA 93013
Phone (805) 684-2816

BOARD OF DIRECTORS

Case Van Wingerden
President

Casey Balch
Polly Holcombe
Patrick O'Connor
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

To: CVWD Board of Directors
From: Bob McDonald, General Manager
Date: December 11, 2024

For Consideration: Item VII.G. - Consider engaging FM3 Research to conduct customer polling on CAPP concerns.

Background

As part of ongoing efforts to inform the community and strengthen the Carpinteria Advanced Purification Project (CAPP), the General Manager, in consultation with the project team, recommends conducting a community poll. This poll aims to gauge public attitudes toward CAPP, as well as assess general awareness, concerns, and knowledge gaps regarding water supply issues, including drought preparedness and the reputation of the District. Given the significant role that community perception plays in the success of this project, gathering actionable, data-driven feedback will help guide future communications, mitigate risks, and ensure that the District is aligned with the needs and concerns of its stakeholders.

The proposed survey will be conducted by FM3 Research, a respected firm with extensive experience in public opinion research for water districts. An important benefit of working with FM3 is that the District and CAPP project team will have the opportunity to help craft and personalize the survey questions, ensuring the poll addresses the most relevant community concerns. FM3 will provide expert guidance in the process, ensuring the survey is clear, focused, and effective in gathering actionable insights.

The poll will focus on

- **Community knowledge and understanding** of water supply issues, including drought concerns and water conservation.
- **Attitudes toward the CAPP project** and its potential impact on local water resources.
- **Public perceptions of the CVWD**, with a focus on its reputation and trustworthiness in handling water-related issues.
- **Identifying gaps in knowledge** that could inform future educational campaigns.

The insights gained will provide the board with essential feedback directly from the community, allowing for more informed decision-making as the project progresses.

Purpose and Objectives

The primary goals of the survey are to:

- **Identify knowledge gaps** about water use, the need for CAPP, and water conservation.
- **Gauge public sentiment** about the CAPP project and assess its perceived value and potential risks.
- **Evaluate the District's reputation** and its role in educating and engaging with the community on water issues.
- **Provide actionable feedback** to inform communication strategies and public outreach before critical decisions are made regarding the project's next phases.

Key Topics Covered

- Public awareness of drought impacts and the need for sustainable water sources.
- Perceived value of the CAPP project and public support or concerns regarding its implementation.
- Public trust in the CVWD and its approach to communication on water management.
- Understanding of alternative water solutions, including desalination and groundwater recharge.

Methodology

The survey will use a dual-mode methodology, incorporating both cell phone and landline interviews, as well as email and text message invitations. The target sample will include 400 registered voters, ensuring a representative demographic of the district's ratepayers and residents. The survey will be conducted over a 2-week period to ensure sufficient data collection and a diverse range of responses.

Cost and Timeline

The total cost for the survey, which includes questionnaire design, sample acquisition, data analysis, and a comprehensive report, is \$31,500. The timeline for the survey is approximately 5-8 weeks from the project kick-off, with data available for presentation by early 2025, ensuring that results can inform the next round of public outreach and decision-making.

Recommendation

Staff recommends approval of the proposal to conduct the community poll with FM3 Research. The survey will provide valuable insights into public attitudes toward the CAPP project, as well as inform future communication strategies. The findings will be presented to the Board prior to any significant project milestones, ensuring that the Board has the information needed to make informed decisions.

Suggested Motion

Authorize Board President execute an agreement with FM3 Research to conduct with the survey as described above for an amount not to exceed \$31,500.



OPINION
RESEARCH
& STRATEGY

TO Amy Stevens
WSC Inc.

FROM Miranda Everitt
FM3 Research

RE: Proposal to Conduct Opinion Research on the Carpinteria Advanced Purification Project

DATE November 13, 2024

Fairbank, Maslin, Maullin, Metz & Associates (FM3) is pleased to submit this brief proposal to conduct opinion research on local voter attitudes toward the Carpinteria Advanced Purification Project (CAPP).

FM3 Background

Fairbank, Maslin, Maullin, Metz & Associates (FM3 Research or FM3) has been conducting public policy-oriented opinion research since 1981 on issues of major economic and social concern. As a California-based company, we are a medium-sized research firm with 23 full-time employees working out of our Los Angeles, Oakland and Portland, OR, offices. The research FM3 conducts goes far beyond simply documenting the knowledge, views, and behaviors of various populations. Rather, our work produces actionable data that provides a strategic roadmap for policy makers and informs community outreach and communication efforts.

As our client, you will have direct access to not only the senior researcher working on your project, but also several other key staff members with advanced degrees in public policy, research methods, and/or extensive experience working in state and local government. While our firm is not so big that you will wonder who to call with your questions, we are big enough to have our own in-house data analysis/processing team and graphic design resources. This means we can provide our clients with a level of personal attention and service from firm partners and other senior staff more often associated with much smaller organizations, while also providing rapid project turnaround and more sophisticated data analysis and presentations tailored to client needs that one might expect from larger firms.

Project Team Lead: Miranda Everitt, Senior Vice President

Senior Vice President Miranda Everitt joined FM3 in 2015 as a research associate. Miranda has experience with recycled water, water conservation, and public finance measures to combat water pollution and repair infrastructure for a variety of public agencies in Oregon and California.

Her research has contributed to success of state and local ballot measures and candidates in Arizona, California, Colorado, Florida, Idaho, Maine, Massachusetts,



Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, North Dakota, Oregon, Rhode Island, South Dakota, Texas, Utah, Washington and Washington, D.C.

More broadly, she has led scores of projects to better understand voter attitudes in a variety of communities across the country, with particular interest in the unique opportunities and challenges of life in small towns and rural areas from Alaska and Hawai'i to the Pacific Coast to the intermountain West.

Miranda came to FM3 with experience in communications and policy research at California Budget and Policy Center, SEIU Healthcare MN, Chief Justice Earl Warren Institute for Law and Social Policy, Justice in Aging, and the Alameda County Community Food Bank. Prior to her policy career, she worked for the *Oakland Tribune*, *San Jose Mercury News* and *Toledo Free Press*.

Miranda holds a Master's of Public Policy from the Goldman School of Public Policy at UC Berkeley and a journalism degree from Bowling Green State University in Ohio.

Relevant Experience

We will not be starting from scratch when it comes to evaluating voter opinions of your proposal, but instead building on decades of research across the West on voter views of water agencies and their infrastructure plans. This includes projects with goals similar to your own:

Advanced Purification Research Case Studies

- **Metropolitan Water District:** In 2022 and again in 2024, FM3 conducted survey and focus group research for Metropolitan Water District in Los Angeles County to assess public views of Pure Water Southern California, a regional water recycling program that would purify and reuse cleaned wastewater. This research was designed to assess awareness and understanding of sources of water for the region; gauge familiarity and comfort with recycled water, for non-potable and potable use, including direct potable reuse; measure initial support for the Pure Water Southern California Program; and review key messages and communications materials.

As part of our work on this project, we tested scientific data, videos, maps, examples of successful projects in other communities, and even samples of treated recycled water for focus group participants to handle and view. Our findings have helped to guide MWD's communications plan for the project.

- **El Paso Water:** In 2016, FM3 conducted a bilingual telephone survey of 600 El Paso Water customers to assess support for advanced purified water use in El Paso. Our research found that among survey respondents, 80% said they were concerned about the availability of drinking water. Additionally, even though approximately two-thirds rated the tap water quality as "Good" or "Excellent", more than half of respondents said they regularly drink bottled water at home (up 13% from the previous survey in 2013).

When we initially asked respondents about the proposal to purify and treat wastewater for use as drinking water, we found that two-thirds of were supportive of the idea. Those who weren't supportive were primarily

skeptical of the effectiveness of treatment and mentioned health concerns as a reason they weren't in favor of treating wastewater. However, once we discussed with respondents the effectiveness of the treatment process, the cost of alternative approaches, and its environmental benefits, support jumped to 89%.

Ultimately, our research was able to provide evidence that reaching out to customers and tying the advanced water purification process to the need for water—as well as discussing its safety, cost effectiveness, and other benefits—could further secure already broad customer support for the proposal.

Water Agencies and Water Issues More Broadly

FM3 has long provided opinion research for many of the leading water and wastewater agencies across the west, including:

- | | |
|---|---|
| Alameda County Water District | San Diego County Water Authority |
| California American Water | San Jose Water |
| Central Basin Municipal Water District | San Juan Water District |
| City of San Bernardino Municipal Water Department | Sonoma County Water Agency |
| City of San José Municipal Water System | Soquel Creek Water District |
| Eastern Municipal Water District | South Bay Water Recycling |
| Irvine Ranch Water District | Tri-Valley Water |
| Las Vegas Valley Water District | Valley Water |
| Los Angeles County Waterworks Districts | Ventura Water |
| Los Angeles Department of Water and Power | Victor Valley Wastewater Reclamation Authority |
| Metropolitan Water District of Southern California | West Basin Municipal Water District |
| Milwaukee Metropolitan Sewerage District | Willamette Water Supply Program |
| Riverside Public Utilities | Zone 7 Water Agency |
| San Francisco Public Utilities Commission | |

Our research on behalf of these agencies has helped to address an array of topics and concerns, ranging from assessing ratepayers' satisfaction with services provided and opportunities for improvement to messaging advanced water purification projects to agency budgets, financing, and policy priorities.

A diverse selection of our recent work for water agencies includes:

- Willamette Water Supply Program:** The Willamette Water Supply System, owned by the cities of Hillsboro and Beaverton, and the Tualatin Valley Water District in Oregon, is a once-in-a-generation regional infrastructure project that will provide an additional drinking water supply from the Willamette River to 450,000 customers in Washington County. Leaders were concerned that they would receive pushback from customers based on interruptions from construction, concern about potential changes in water quality, and the Willamette River's long (but now outdated) reputation as polluted. FM3 was brought in to conduct opinion research among customers of these water agencies. We completed focus groups and surveys with customers

to better understand the needs, concerns and values of customers to ensure that messaging about the project reached people "where they are" and on the platforms they prefer.

- **San Francisco Public Utilities Commission:** Since 2005, FM3 has worked extensively for the San Francisco Public Utilities Commission, conducting research on issues related to water supply, water quality and wastewater disposal, as well as other issues. Most recently, in December 2022-January 2023 FM3 conducted survey research on ratepayers' attitudes toward a potential rate increase to fund various projects, including improving infrastructure and protecting public health.
- **California PFAS Messaging:** In early 2023, FM3 conducted a statewide survey for a coalition of water and wastewater agencies across California, led by the **Central Contra Costa Sanitary District**, to inform public communications about per- and polyfluoroalkyl substances (PFAS). The survey explored public awareness of the issue; support for a range of state and local policy initiatives to address their impact, and reactions to messaging designed to inspire greater public engagement with the issue.
- **Marin Water:** FM3 has completed a QualBoard and several surveys for Marin Water over the last few years, exploring the views and attitudes of high-volume water users among their customer base, and testing a variety of incentives and messaging campaigns that might be deployed in order to promote greater water conservation.
- **Main San Gabriel Watermaster:** In 2020, FM3 conducted a dual-mode survey among a random sample of voters in the area covered by the Main San Gabriel Valley Watermaster in Los Angeles, which includes most of the cities and unincorporated areas in the San Gabriel Valley. Through this research, we examined respondents' familiarity with the Main San Gabriel Water Basin and its significant source of water for Valley residents, as well as their perceptions of whether the Basin has recovered from drought. We also provided respondents with facts about the Basin to determine which types of information impacted their perceptions of the Basin's significance in their region. This was used to identify which demographic and geographic groups were willing to change their behavior to be more water efficient and determine the most trusted sources of information used by local residents.
- **Los Angeles Department of Water and Power (LADWP):** In May 2018, FM3 conducted a series of focus groups among local residents served by LADWP to identify participants' general opinions on recycled water, gauge how comfortable they would be utilizing recycled in a variety of ways, and explore their initial reactions to the Los Angeles Groundwater Replenishment Project. Using the data collected in the focus groups, FM3 then developed a survey to test residents' general concerns, levels of comfort using recycled water, and the resiliency of messaging in favor of the Groundwater Replenishment Project. The survey, conducted among more than 800 residents within LADWP's service area, provided crucial data to help shape outreach and educational materials for the Groundwater Replenishment Project. In October, FM3 conducted additional focus group research to assess views of LADWP and its policies and programs.

- **Eastern Municipal Water District (EMWD):** In 2018, FM3 conducted a telephone survey among EMWD registered voters that examined awareness of and attitudes toward EMWD, as well as perceptions of the drinking water it provides. The primary focus of this project was to assess public awareness and perceptions of various water supply issues related to the District's Groundwater Reliability Plus program, including both water banking and the use of cleaned and filtered water to augment local drinking water supplies. Later in 2018, FM3 conducted three focus groups to examine the attitudes of EMWD customers in Hemet, Moreno Valley, and San Jacinto regarding EMWD itself, local water quality and supply issues, recycled water, and the agency's water purification and storage plans. We also tested collateral and messaging in these groups.

Furthermore, we have extensive experience working on water issues for foundations, conservation organizations, and more. Some examples of our past work include:

- FM3 has provided annual national surveys for the **US Water Alliance (USWA)** since 2017, exploring public awareness of the condition of water infrastructure and gauging their support for major public investments in improving it. The surveys have also tested messaging on a wide range of topics, from the value of water to issues like PFAS. FM3 regularly briefs USWA's member agencies on the results of the surveys and their implications for the work of local water agencies.
- FM3 has served as the primary pollster for the **Association of California Water Agencies (ACWA)** since 2007, and over the past decade we have conducted survey and focus group research to assist the Association and its members in developing an effective public education program about the challenges facing the state's water supply system and the need to increase conservation efforts. We also conducted extensive research for ACWA in coordination with the office of former Governor Jerry Brown to test the efficacy of various messages for use in drought-awareness and pro-conservation public awareness campaigns around the state.
- In addition to our research on behalf of various water infrastructure and conservation bond measures, FM3 has conducted research for the **Water Foundation** since its inception. This work has included a survey that explored public concerns about unsafe drinking water; a policy survey that explored California residents' views on issues such as the drought, personal water conservation behaviors, and willingness to pay higher water rates to improve the state's water infrastructure; and a survey to assess the political viability of a proposed ballot measure that would change the amount public agencies are allowed to bill their customers for stormwater.

Santa Barbara County Research

FM3 has extensive experience conducting research in Santa Barbara County, which has provided us with a comprehensive understanding of the county's residents and voters. As a result, our team is deeply familiar with not only the local electorate but also the issues, cycles and rhythms of local public opinion and its evolution over time. Our clients have included **the County** itself; **Santa Barbara Unified School District** and **Carpinteria Unified School District**; **Santa Barbara County Association of Governments (SBCAG)**; and the **cities of Santa Barbara**,

Goleta, and Carpinteria. Notably, our research has contributed to the passage of ten local finance measures in Santa Barbara County over the past 25 years.

FM3 has also conducted non-revenue-related research throughout the County. In 2018, we conducted a survey to assess voter opinions on a possible measure to overturn the ban on short-term rentals in areas zoned for residential use in the City of Santa Barbara. In 2008, we also conducted survey research among City of Santa Barbara voters and voters in surrounding zip codes to measure support for UC Santa Barbara’s expansion plans, as well as examine voter attitudes toward the plans’ projected impact on County services.

Proposed Research Approach and Costs

FM3’s quantitative survey research is an opportunity to get a general sense of the thoughts and opinions of a group of people as a whole. The demographics of survey respondents will be reflective of the population being surveyed, allowing you to also look at differences and similarities by dozens of characteristics including gender, age, party registration, homeowner/renter, race/ethnicity, level of education, preferred communications methods, and more. FM3 collaborates closely with clients to ensure the survey sample and questionnaire capture everyone and everything necessary to generate the most useful data for you.

Survey research can be done at various junctures throughout the course of a project. The client team may wish to conduct a baseline survey prior to beginning any communications work in order to get a sense of where people are at initially and help inform how best to move forward (or sometimes, whether to move forward at all). It is also very common for FM3 to conduct a baseline survey, wait for the client or a partner firm to do some community outreach, then conduct a follow-up survey to measure the impact of the engagement on public attitudes. Follow-up surveys can be used to test refinements to the project description and/or messaging based on the learnings from the baseline survey and community engagement process.

As a starting point, our proposed research approach is as follows:

Methodology	Dual-mode survey obtaining interviews via cell phone, landline, email and text message invitation
Sample	400 voters
Margin of Sampling Error	±4.9% for a sample of 400 interviews at the 95% confidence level (i.e., in 95 out of 100 cases)
Questionnaire	15 to 20 minutes
Language	Spanish translation and interviewing available for a modest additional cost.
Deliverables	<p>Following the completion of the survey, we will provide:</p> <ul style="list-style-type: none"> • A questionnaire with the topline results of the survey for easy reference • A complete set of crosstabs in an easy-to-read, comprehensive format

- Verbatim responses to any open-ended questions
- A complete analysis of survey results in PowerPoint
- A presentation of the survey results

FM3 will also be available for ongoing consultation and any further analysis of the research.

Cost

The prices below are comprehensive and include all costs for questionnaire design; sample acquisition and preparation; programming; email and text invitations; survey hosting; telephone interviewing; data entry and analysis; and reporting.

Spanish translation and interviewing would add \$3,000 to any cost below.

Length	400 Voters
15 minutes	\$29,750
20 minutes	\$31,500

Timeline

FM3 is prepared to begin work on this research project immediately, with an eye toward results to inform an April board meeting. At this time of year, you may choose to interview respondents between the Thanksgiving and year-end holidays, or you may wait until the new year for data with a "2025" date on it, which can feel fresher and more relevant to key stakeholders.

Regardless of the cadence of work, we would approach it in three distinct phases: research design, data collection, and data analysis and reporting. As shown in Figure , the entire process would take approximately five to eight weeks from kick-off, though we would be happy to extend or compress the timeline to best meet your needs.

At the conclusion of Phase 3, FM3 would remain available for ongoing consultation and any further analysis and presentation of the research as needed.

Figure 1: Dual-mode Survey Research Phases and Timeline

Phase 1: Research Design (2-3 weeks)

- Kick-off meeting/confirmation of research specifications
- Review necessary background materials
- Draft, refine, and finalize survey questionnaire
- Draft, refine, and finalize invitation email
- Finalize sample parameters and order/prep sample
- Translate survey questionnaire (if desired)
- Program and test survey questionnaire

Phase 2: Data Collection (1-2 weeks)

- Send email invitations and email reminders (as necessary)
- Analyze demographics of online survey respondents
- Initiate and conduct telephone interviews
- Continually review responses and sample quotas
- Begin development of cross-tabulated report structure

Phase 3: Data Analysis and Reporting (2-3 weeks)

- Generate topline survey results
- Generate cross-tabulated results
- Conduct statistical analysis
- Generate PowerPoint presentation of key findings, conclusions, and actionable recommendations
- Present findings

Contact

Our team would welcome the opportunity to work with you on this research. If there is any further information we can provide, please do not hesitate to contact me:

Miranda Everitt
Senior Vice President
(419) 944-9616 (Cell)

Miranda@FM3Research.com



AGENDA

RATE & BUDGET COMMITTEE
At
CARPINTERIA VALLEY WATER DISTRICT
1301 SANTA YNEZ AVENUE
CARPINTERIA, CALIFORNIA

November 20, 2024 at 12:15 p.m.

BOARD OF DIRECTORS

Case Van Wingerden
President
Shirley L. Johnson
Vice President

Casey Balch
Polly Holcombe
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

If interested in participating in a matter before the Committee, you are strongly encouraged to provide the Committee with public comment in one of the following ways:

1. Submitting a Written Comment. If you wish to submit a written comment, please email your comment to the Board Secretary at Public.Comment@cvwd.net by **11:00 A.M. on the day of the meeting**. Please limit your comments to 250 words. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations.

2. Providing Verbal Comment Telephonically. If you wish to make either a general public comment or to comment on a specific agenda item as it is being heard please send an email to the Board Secretary at Public.Comment@cvwd.net by **11:00 A.M. on the day of the meeting** and include the following information in your email: (a) meeting date, (b) agenda item number, (c) subject or title of the item, (d) your full name, (e) your call back number including area code. During public comment on the agenda item specified in your email, District staff will make every effort to contact you via your provided telephone number so that you can provide public comment to the Committee electronically.

Please note the President has the discretion to limit the speaker's time for any meeting or agenda matter.

I. CALL TO ORDER

II. PUBLIC FORUM (Any person may address the Rate & Budget Committee on any matter within its jurisdiction which is not on the agenda)

III. OLD BUSINESS – None

IV. NEW BUSINESS

A. Consider status of District Investments

B. Consider CVWD Revenue Collection Methods

V. ADJOURNMENT

**Indicates attachment of document to agenda packet.

Note: The above Agenda was posted at Carpinteria Valley Water District Administrative Office in view of the public no later than 12:00 p.m., November 17, 2024. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied benefits of, the District's programs, services, or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at (805) 684-2816. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Carpinteria Valley Water district offices located at 1301 Santa Ynez Avenue, Carpinteria during normal business hours, from 8 am to 5 pm.



AGENDA
RECYCLED WATER MANAGEMENT COMMITTEE

At

CARPINTERIA VALLEY WATER DISTRICT
1301 SANTA YNEZ AVENUE
CARPINTERIA, CALIFORNIA

December 9, 2024 at 12:15 p.m.

BOARD OF DIRECTORS

Case Van Wingerden
President
Shirley L. Johnson
Vice President

Casey Balch
Polly Holcombe
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

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1. Submitting a Written Comment. If you wish to submit a written comment, please email your comment to the Board Secretary at Public_Comment@cvwd.net by **11:00 A.M. on the day of the meeting**. Please limit your comments to 250 words. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations.

2. Providing Verbal Comment Telephonically. If you wish to make either a general public comment or to comment on a specific agenda item as it is being heard please send an email to the Board Secretary at Public_Comment@cvwd.net by **11:00 A.M. on the day of the meeting** and include the following information in your email: (a) meeting date, (b) agenda item number, (c) subject or title of the item, (d) your full name, (e) your call back number including area code. During public comment on the agenda item specified in your email, District staff will make every effort to contact you via your provided telephone number so that you can provide public comment to the Committee electronically.

Please note the President has the discretion to limit the speaker's time for any meeting or agenda matter.

I. CALL TO ORDER

II. PUBLIC FORUM (Any person may address the Recycled Water Management Committee on any matter within its jurisdiction which is not on the agenda)

III. OLD BUSINESS – None

IV. NEW BUSINESS

A. ** Consider Proposal from FM3 Research to conduct customer polling on CAPP concerns.

**B. [CLOSED SESSION] CONFERENCE WITH REAL PROPERTY NEGOTIATORS
GOVERNMENT CODE SECTION 54956.8; PROPERTY: ST. JOSEPH'S CATHOLIC
CHURCH; AGENCY NEGOTIATOR: ROBERT MCDONALD**

V. ADJOURNMENT

Note: The above Agenda was posted at Carpinteria Valley Water District Administrative Office in view of the public no later than 12:00 p.m., December 6, 2024. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied benefits of, the District's programs, services, or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at (805) 684-2816. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Carpinteria Valley Water district offices located at 1301 Santa Ynez Avenue, Carpinteria during normal business hours, from 8 am to 5 pm.

**Indicates attachment of document to agenda packet.



AGENDA

RATE & BUDGET COMMITTEE
At
CARPINTERIA VALLEY WATER DISTRICT
1301 SANTA YNEZ AVENUE
CARPINTERIA, CALIFORNIA

December 10, 2024 at 12:15 p.m.

BOARD OF DIRECTORS

Case Van Wingerden
President

Casey Balch
Polly Holcombe
Patrick O'Connor
Matthew Roberts

GENERAL MANAGER

Robert McDonald, P.E. MPA

If interested in participating in a matter before the Committee, you are strongly encouraged to provide the Committee with public comment in one of the following ways:

1. Submitting a Written Comment. If you wish to submit a written comment, please email your comment to the Board Secretary at Public.Comment@cvwd.net by **11:00 A.M. on the day of the meeting**. Please limit your comments to 250 words. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations.
2. Providing Verbal Comment Telephonically. If you wish to make either a general public comment or to comment on a specific agenda item as it is being heard please send an email to the Board Secretary at Public.Comment@cvwd.net by **11:00 A.M. on the day of the meeting** and include the following information in your email: (a) meeting date, (b) agenda item number, (c) subject or title of the item, (d) your full name, (e) your call back number including area code. During public comment on the agenda item specified in your email, District staff will make every effort to contact you via your provided telephone number so that you can provide public comment to the Committee electronically.

Please note the President has the discretion to limit the speaker's time for any meeting or agenda matter.

I. CALL TO ORDER

II. PUBLIC FORUM (Any person may address the Rate & Budget Committee on any matter within its jurisdiction which is not on the agenda)

III. OLD BUSINESS – None

IV. NEW BUSINESS

A. Review Independent Auditor's Report and Financial Statement for FY 23-24.
Presentation by Tracey Solomon, Bartlett, Pringle & Wolf, LLP

V. ADJOURNMENT

**Indicates attachment of document to agenda packet.

Note: The above Agenda was posted at Carpinteria Valley Water District Administrative Office in view of the public no later than 12:00 p.m., December 7, 2024. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied benefits of, the District's programs, services, or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at (805) 684-2816. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Carpinteria Valley Water district offices located at 1301 Santa Ynez Avenue, Carpinteria during normal business hours, from 8 am to 5 pm.



**REGULAR MEETING
OF THE
CACHUMA OPERATION AND MAINTENANCE BOARD**

**Monday, November 18, 2024
1:00 P.M.**

HOW TO OBSERVE THE MEETING

Join by Teleconference or Attend in Person

COMB follows Centers for Disease Control and Prevention (CDC), California Department of Public Health (CDPH) and local public health guidelines with respect to COVID-19 protocols and masking requirements, based on local conditions and needs. COMB will have available masks for use during public meetings.

Members of the public may observe the meeting electronically as set forth below.

Join via Video Conference

<https://us02web.zoom.us/j/85865570203?pwd=wAzngTtJ0OSd18mkeyL5hDyZa69CKl.1>

Passcode: 123705

Join via Teleconference

US +1 669 900 6833 Webinar ID: 858 6557 0203 Passcode: 123705

HOW TO MAKE A PUBLIC COMMENT

Any member of the public may address the Board on any subject within the jurisdiction of the Board of Directors. The total time for this item will be limited by the President of the Board. The Board is not responsible for the content or accuracy of statements made by members of the public. No action will be taken by the Board on any Public Comment item.

In person: Those observing the meeting in person may make comments during designated public comment periods.

By Video: Those observing the meeting by video may make comments during designated public comment periods using the “raise hand” feature. Commenters will be required to unmute their respective microphone when providing comments.

By Telephone: Those observing the meeting by telephone may make comments during the designated public comment periods by pressing *9 on the keypad to indicate such interest. Commenters will be prompted to press *6 to unmute their respective telephone when called upon to speak.

AMERICANS WITH DISABILITIES ACT

In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Cachuma Operation and Maintenance Board office at (805) 687-4011 at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements.

**REGULAR MEETING
OF THE CACHUMA OPERATION AND MAINTENANCE BOARD**
held at
**3301 Laurel Canyon Road
Santa Barbara, CA 93105**

Monday, November 18, 2024

1:00 PM

AGENDA

NOTICE: This Meeting shall be conducted in-person and through remote access as authorized and in accordance with Government Code section 54953, AB 361 and AB 2449.

- 1. CALL TO ORDER, ROLL CALL**
- 2. PUBLIC COMMENT** (*Public may address the Board on any subject matter within the Board's jurisdiction. See "Notice to the Public" below.*)
- 3. CONSENT AGENDA** (*All items on the Consent Agenda are considered to be routine and will be approved or rejected in a single motion. Any item placed on the Consent Agenda may be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Board Member.*)
Action: Recommend Approval of Consent Agenda by motion and roll call vote of the Board
 - a. Minutes of September 23, 2024 Regular Board Meeting
 - b. Investment of Funds
 - Financial Reports
 - Investment Reports
 - c. Review of Paid Claims
- 4. FINANCIAL REVIEW – 1ST QUARTER FISCAL YEAR 2024-25**
Action: Receive and file information on the 1st Quarter Fiscal Year 2024-25 Financial Review
- 5. LATERAL ISOLATION VALVE REPLACEMENT (LIVR) PROJECT**
Receive information on the completion of the Carpinteria Reach LIVR Project
- 6. HABITAT ENHANCEMENT PROJECTS COMPLETION**
Receive information on the Quiota Creek and El Jaro Creek Habitat Enhancement Projects
- 7. GENERAL MANAGER REPORT**
Receive information from the General Manager on topics pertaining to COMB, including but not limited to the following:
 - Administration
 - Personnel
 - U.S. Bureau of Reclamation
- 8. ENGINEER'S REPORT**
Receive information from the COMB Engineer, including but not limited to, the following:
 - Climate Conditions
 - Lake Elevation
 - Winter Storm Damage and Repairs
 - Infrastructure Improvement Projects Update

9. OPERATIONS DIVISION REPORT

Receive information regarding the Operations Division, including but not limited to, the following:

- Lake Cachuma Operations
- Operation and Maintenance Activities

10. FISHERIES DIVISION REPORT

Receive information from the Fisheries Division Manager, including but not limited to, the following:

- LSYR Steelhead Monitoring Elements
- Surcharge Water Accounting
- Reporting/Outreach/Training

11. PROGRESS REPORT ON LAKE CACHUMA OAK TREE PROGRAM

Receive information on the Oak Tree Program, including but not limited to, the following:

- Maintenance and Monitoring
- End of Program Plan

12. MONTHLY CACHUMA PROJECT REPORTS

Receive information regarding the Cachuma Project, including but not limited to, the following:

- a. Cachuma Water Reports
- b. Cachuma Reservoir Current Conditions
- c. Lake Cachuma Quagga Survey

13. DIRECTORS' REQUESTS FOR AGENDA ITEMS FOR FUTURE MEETING

14. MEETING SCHEDULE

- **Regular Board Meeting – December 16, 2024 at 1:00 PM**
- **Board Packages available on COMB website www.cachuma-board.org**

15. COMB ADJOURNMENT

NOTICE TO PUBLIC

Posting of Agenda: This agenda was posted at COMB's offices, located at 3301 Laurel Canyon Road, Santa Barbara, California, 93105 and on COMB's website, in accordance with Government Code Section 54954.2. The agenda contains a brief general description of each item to be considered by the Governing Board. The Board reserves the right to modify the order in which agenda items are heard. Copies of staff reports or other written documents relating to each item of business are on file at the COMB offices and are available for public inspection during normal business hours. A person with a question concerning any of the agenda items may call COMB's General Manager at (805) 687-4011.

Written materials: In accordance with Government Code Section 54957.5, written materials relating to an item on this agenda which are distributed to the Governing Board less than 72 hours (for a regular meeting) or 24 hours (for a special meeting) will be made available for public inspection at the COMB offices during normal business hours. The written materials may also be posted on COMB's website subject to staff's ability to post the documents before the scheduled meeting.

Public Comment: Any member of the public may address the Board on any subject within the jurisdiction of the Board. The total time for this item will be limited by the President of the Board. The Board is not responsible for the content or accuracy of statements made by members of the public. No action will be taken by the Board on any Public Comment item.

Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Cachuma Operation and Maintenance Board office at (805) 687-4011 at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements.

Note: If you challenge in court any of the Board's decisions related to the listed agenda items you may be limited to raising only those issues you or someone else raised at any public hearing described in this notice or in written correspondence to the Governing Board prior to the public hearing.



CACHUMA OPERATION AND MAINTENANCE BOARD

Administrative Committee Meeting

Wednesday, December 4, 2024
11:30 A.M.

HOW TO OBSERVE THE MEETING

Join by Teleconference or Attend in Person

COMB follows Centers for Disease Control and Prevention (CDC), California Department of Public Health (CDPH) and local public health guidelines with respect to COVID-19 protocols and masking requirements, based on local conditions and needs. COMB will have available masks for use during public meetings.

Members of the public may observe the meeting as set forth below.

Join via Video Conference

<https://us02web.zoom.us/j/81686591315?pwd=0rCrrwetDPPS1PKpSqzEdj2ZEy8eCz.1>

Passcode: 968255

Join via Teleconference

US +1 669 900 6833 Webinar ID: 816 8659 1315 Passcode: 968255

HOW TO MAKE A PUBLIC COMMENT

Any member of the public may address the Committee on any subject within the jurisdiction of the Committee Directors. The total time for this item will be limited by the Chair of the Committee. The Committee is not responsible for the content or accuracy of statements made by members of the public. No action will be taken by the Committee on any Public Comment item.

In person: Those observing the meeting in person may make comments during designated public comment periods.

By Video: Those observing the meeting by video may make comments during designated public comment periods using the “raise hand” feature. Commenters will be required to unmute their respective microphone when providing comments.

By Telephone: Those observing the meeting by telephone may make comments during the designated public comment periods by pressing *9 on the key pad to indicate such interest. Commenters will be prompted to press *6 to unmute their respective telephone when called upon to speak.

AMERICANS WITH DISABILITIES ACT

In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Cachuma Operation and Maintenance Board office at (805) 687-4011 at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements.

CACHUMA OPERATION & MAINTENANCE BOARD

Administrative Committee Meeting

Wednesday, December 4, 2024
11:30 A.M.

AGENDA

Chair: Director Holcombe
Member: Director Hanson

1. Call to Order
2. Public Comment (*Public may address the Committee on any subject matter within the Committee's jurisdiction*)
3. Total Compensation Systems, Inc. Presentation of Other Post-Employment Benefits (OPEB) Actuarial Report as of June 30, 2024 (*for information and possible recommendation*)
4. Bartlett, Pringle Wolf, LLP Presentation of Draft Annual Comprehensive Financial Report (ACFR) – Fiscal Year Ending June 30, 2024 (*for information and possible recommendation*)
5. California State Controllers Report – Fiscal Year Ending June 30, 2024 (*for information and possible recommendation*)
6. Unexpended Funds - Fiscal Year Ending June 30, 2024 (*for information and possible recommendation*)
7. Adjournment

NOTICE TO THE PUBLIC

Public Comment: The public is welcome to attend and observe the meeting. A public comment period will be included at the meeting where any member of the public may address the Committee on any subject within the Committee's jurisdiction. The total time for this item will be limited by the Chair.

Americans with Disabilities Act: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Cachuma Operation & Maintenance Board (COMB) at 687-4011 at least 48 hours prior to the meeting to enable staff to make reasonable arrangements.

[This Agenda was posted at COMB offices, 3301 Laurel Canyon Road, Santa Barbara, CA and Noticed and Delivered in Accordance with Section 54954.1 and .2 of the Government Code.]



Carpinteria Valley Water District

Statement of Change in Net Position

(unaudited)

For Fiscal: 2024-2025 Period Ending:

10/31/2024

% Year Completed:

33%

		Current Total Budget	Year to Date Activity	Budget Remaining	Encum- brances	% Earned ¹
WATER SALES						
01-4000	RESIDENTIAL WATER SALES	2,838,592	1,104,461	1,734,131	-	38.9%
01-4001	COMMERCIAL WATER SALES	578,268	176,153	402,116	-	30.5%
01-4002	INDUSTRIAL WATER SALES	133,017	48,826	84,191	-	36.7%
01-4003	PUBLIC AUTHORITY WATER SALES	164,241	121,489	42,752	-	74.0%
01-4004	IRRIGATION WATER SALES	1,873,244	855,121	1,018,123	-	45.6%
01-4005	BASIC SERVICE CHARGES	771,736	239,880	531,857	-	31.1%
01-4006	SWP SERVICE CHARGES	3,434,522	1,091,543	2,342,978	-	31.8%
01-4007	CAPITAL IMPROVEMENT PROJECT	5,132,658	1,596,366	3,536,291	-	31.1%
01-4008	DWELLING UNIT EQUIV CHARGE (SWP DEQ)	-	(77,145)	77,145	-	-
01-4009	LIFE CREDITS	(39,000)	(8,687)	(30,313)	-	22.3%
01-4010	RESIDENTIAL EQUIVALENCY FEE	116,112	36,377	79,735	-	31.3%
01-4013	AG FIXED O&M	1,000,945	317,226	683,719	-	31.7%
	WATER SALES Total:	16,004,335	5,501,611	10,502,724	-	34.4%
CAPITAL RECOVERY FEES						
01-4100	CAPITAL RECOVERY	150,000	-	150,000	-	0.0%
01-4120	INTENSIFICATION FEE	-	-	-	-	-
	CAPITAL RECOVERY FEES Total:	150,000	-	150,000	-	0.0%
FIRE PROTECTION						
01-4200	FIRE PROTECTION	189,820	60,321	129,499	-	31.8%
	FIRE PROTECTION Total:	189,820	60,321	129,499	-	31.8%
OTHER REVENUE						
01-4300	MISCELLANEOUS SERVICE	85,000	28,483	56,517	-	33.5%
01-4310	OTHER REVENUE	103,434	10,350	93,084	-	10.0%
01-4312	GRANT REVENUE	-	300	(300)	-	-
01-4314	GSA PERS COSTS REIMB	100,000	44,000	56,000	-	44.0%
30-4318	CAPP GRANT REVENUE	-	-	-	-	0.0%
	OTHER REVENUE Total:	288,434	83,133	205,301	-	28.8%
OVERHEAD CHARGED TO CUSTOMER						
01-4450	OVERHEAD REVENUE	50,000	11,275	38,725	-	22.5%
	OVERHEAD CHARGED TO CUSTOMER Total:	50,000	11,275	38,725	-	22.5%
INTEREST REVENUE - NON OPERATING						
01-4500	INTEREST REVENUE	120,000	137,322	(17,322)	-	114.4%
	INTEREST REVENUE - NON OPERATING Total:	120,000	137,322	(17,322)	-	114.4%
CONTRIBUTED CAPITAL - NON OPERATING						
01-4611	INTEREST REVENUE	-	130,071	(130,071)	-	-
	INTEREST REVENUE - NON OPERATING Total:	-	130,071	(130,071)	-	-
	TOTAL REVENUE	16,802,589	5,923,733	10,878,856	-	35%

% Year Completed: **33%**

		Current Total Budget	Year to Date Activity	Budget Remaining	Encum- brances	% Used ¹
PERSONNEL						
01-540-6001	MAINT OF WELLS-LABOR	82,246	21,435	60,811	-	26.1%
01-550-6001	WTR TSTS & TRTMNT-WELLS-LABOR	83,481	21,767	61,714	-	26.1%
01-550-6004	ELECTRICAL/INSTRUMTN- LABOR	32,807	4,363	28,444	-	13.3%
01-560-6001	ENGINEERING OFFICE LABOR	239,488	76,041	163,447	-	31.8%
01-560-6002	ENGINEERING-VAC, SICK & HOLIDY	98,969	14,612	84,357	-	14.8%
01-560-6003	FIELD OFFICE LABOR	198,544	69,170	129,374	-	34.8%
01-560-6004	FIELD-SICK LV, VAC, HOLIDAYS	150,316	24,942	125,374	-	16.6%
01-560-6005	FIELD - STANDBY TIME	67,000	24,026	42,974	-	35.9%
01-560-6006	VEHICLE MAINTENANCE LABOR	14,442	1,800	12,642	-	12.5%
01-560-6007	MAINT. OF MAINS & HYDS-LABOR	168,306	79,864	88,442	-	47.5%
01-560-6008	MAINT OF METERS & SERV- LABOR	168,306	10,056	158,250	-	6.0%
01-560-6009	MAINT. OF PUMPING EQUIP. LABOR	18,423	2,929	15,494	-	15.9%
01-560-6010	UTILITY SERVICE ALERT-LABOR	16,742	2,133	14,609	-	12.7%
01-560-6011	CROSS CONNECTION LABOR	13,449	5,780	7,669	-	43.0%
01-560-6012	ENGINEERING FIELD LABOR	81,094	19,351	61,743	-	23.9%
01-560-6013	MAINT TANKS & RESERVOIRS-LABOR	11,833	8,970	2,863	-	75.8%
01-570-6001	OFFICE OF GEN'L MANAGER-LABOR	189,586	59,771	129,815	-	31.5%
01-570-6002	OFFICE OF GM-VAC, SICK & HOLDY	31,885	15,611	16,274	-	49.0%
01-570-6003	SALARY OFFICE	767,741	245,820	521,921	-	32.0%
01-570-6004	OFFICE-SICK LV, VAC, HOLIDAYS	135,851	34,265	101,586	-	25.2%
01-570-6005	DIRECTORS FEES	19,096	4,810	14,286	-	25.2%
01-570-6006	EMPLOYEES RETIREMENT	263,625	97,551	166,074	-	37.0%
01-570-6007	DEFERRED COMP-EMPLOYEES	48,772	11,523	37,249	-	23.6%
01-570-6008	EMPLOYEES GROUP INS.	483,000	155,992	327,008	-	32.3%
01-570-6009	EMPLOYEES-FICA-SOCIAL SECURITY	191,566	60,174	131,392	-	31.4%
01-570-6010	WORKERS COMP. INSURANCE	68,959	7,701	61,257	-	11.2%
01-570-6011	EMPLOYEES SAFETY SHOES	6,000	683	5,317	-	11.4%
01-570-6012	EMPLOYEES PHYSICALS	3,090	49	3,041	-	1.6%
01-570-6013	COMPENSATED ABSENCES	25,000	-	25,000	-	0.0%
01-570-6014	EMPLOYEE ED & TRAINING REGISTRATION	31,190	4,457	26,734	-	14.3%
01-570-6015	TRAINING/SEMINARS-LABOR	65,227	15,240	49,987	-	23.4%
01-570-6016	MAINTENANCE OF PLANT-LABOR	25,753	3,226	22,527	-	12.5%
01-570-6017	PUBLIC INFORMATION-LABOR	12,027	6,519	5,508	-	54.2%
01-570-6019	WTR CONS BMP 12-CONS CRDTR LBR	67,521	19,775	47,746	-	29.3%
01-570-6020	TEMPORARY LABOR	13,261	-	13,261	-	0.0%
01-570-6022	UNEMPLOYMENT INSURANCE	8,000	-	8,000	-	0.0%
01-570-6206	VEHICLE ALLOWANCE	6,365	4,500	1,865	-	70.7%
01-580-6001	METER READING & ORDERS LABOR	52,508	16,507	36,001	-	31.4%
	PERSONNEL Total:	3,961,470	1,151,411	2,810,059	-	29.1%
GENERAL AND ADMINISTRATIVE						
01-570-6100	OFFICE EXPENSE & SUPPLIES	15,000	3,878	11,122	-	25.9%
01-570-6101	COMPUTER SYSTEM MAINT	82,000	26,970	55,030	-	32.9%
01-570-6102	DUES, SUBSCR, AND LIC	28,135	10,342	17,793	-	36.8%
01-570-6103	EMPLOYEE TRAVEL	20,600	5,027	15,573	-	24.4%
01-570-6104	MISC OFFICE EXPENSE	2,000	-	2,000	-	0.0%
01-570-6105	PUBLIC INFORMATION EXPENSE	20,600	5,950	14,650	-	28.9%
01-570-6106	ADVERTISING	4,328	1,894	2,435	-	43.7%
01-570-6107	MEETINGS & EVENTS	3,183	-	3,183	-	0.0%
01-570-6108	BOARD MEETINGS AND SUPPLIES	7,210	1,704	5,506	-	23.6%
01-570-6109	MGMNT. MEETING SUPPLIES	3,713	582	3,131	-	15.7%
01-570-6110	EMPLOYEE RELATIONS EXP	2,705	65	2,641	-	2.4%
01-570-6111	SOFTWARE MAINTENANCE	71,442	18,346	53,096	-	25.7%
01-570-6112	INCODS MAINTENANCE	60,858	16,159	44,699	-	26.6%
01-570-6113	OFFICE EQUIPMENT LEASES	19,096	6,409	12,687	-	33.6%
01-570-6114	CUSTOMER BILLING EXPENSES	75,000	60,353	14,647	-	80.5%
01-570-6115	BANK AND FINANCE FEES EXP	32,888	66,404	(33,516)	-	201.9%
01-570-6116	BOARD MEMBER TRAINING	5,411	92	5,318	-	1.7%
01-570-6119	CYBERSECURITY INSURANCE	16,500	1,096	15,404	-	6.6%
	GENERAL AND ADMINISTRATIVE Total:	470,669	225,271	245,399	-	47.9%

		% Year Completed:				33%
		Current	Year to Date	Budget	Encum-	%
		Total Budget	Activity	Remaining	brances	Used ¹
UTILITIES						
01-540-6200	PWR & TEL FOR PMPNG-PMP STN	198,493	78,658	119,835	-	39.6%
01-540-6201	PWR & TEL FOR PMP-WELLS	162,268	149,784	12,484	-	92.3%
01-570-6200	UTILITY-ELECTRIC	7,851	3,369	4,482	-	42.9%
01-570-6201	UTILITY-GAS	3,605	228	3,377	-	6.3%
01-570-6202	UTILITY-TELEPHONE	33,036	11,919	21,117	-	36.1%
01-570-6203	UTILITY-WASTE DISPOSAL	3,787	1,143	2,645	-	30.2%
01-570-6204	OTHER UTILITIES	1,100	-	1,100	-	0.0%
01-570-6208	SECURITY	3,713	1,493	2,220	-	40.2%
01-570-6205	FLEET AND VEHICLE FUEL	37,874	7,954	29,920	-	21.0%
01-570-6207	EQUIPMENT FUEL	11,044	4,099	6,945	-	37.1%
UTILITIES Total:		462,772	258,648	204,124	-	55.9%
PROFESSIONAL SERVICES						
01-560-6300	ENGINEERING PROFESSIONAL SERVICES	140,332	10,715	129,618	120,504	7.6%
01-560-6301	GROUNDWATER PROFESSIONAL SVCS	15,000	900	14,100	-	6.0%
01-560-6306	SIEMENS O&M SERVICES	37,740	9,071	28,670	-	24.0%
01-570-6300	AUDITORS FEES	36,050	25,974	10,076	-	72.1%
01-570-6301	LEGAL SERVICES	79,568	58,949	20,619	-	74.1%
01-570-6303	ADMIN PROFESSIONAL SERVICES	63,654	13,761	49,893	-	21.6%
01-570-6305	LEGAL-LABOR NEGOTIATOR	3,000	4,819	(1,819)	-	160.6%
PROFESSIONAL SERVICES Total:		375,344	124,189	251,155	120,504	33.1%
REPAIR & MAINTENANCE						
01-540-6500	MAINT. OF PUMPING EQUIP.	24,945	2,178	22,767	-	8.7%
01-540-6501	MAINTENANCE OF WELLS	36,100	1,338	34,762	-	3.7%
01-560-6500	VEHICLE MAINTENANCE	29,992	2,852	27,139	-	9.5%
01-560-6501	MAINT OF MAINS & HYDRANTS	170,308	42,135	128,173	-	24.7%
01-560-6502	MAINT OF TANKS & RESERVOIRS	18,000	134	17,866	-	0.7%
01-560-6503	MAINT OF METERS & SERVICES	104,500	11,514	92,986	-	11.0%
01-560-6504	MAINT OF SCADA EQUIPMENT	30,855	13,812	17,043	-	44.8%
01-560-6505	METER READING CELLULAR CHGS	43,497	14,665	28,831	-	33.7%
01-570-6209	FLEET MAINTENANCE	-	1,498	(1,498)	-	0.0%
01-570-6210	EQUIPMENT MAINTENANCE	-	9,928	(9,928)	-	0.0%
01-570-6500	MAINT-OFFICE, PLANT & SITES	66,658	34,641	32,017	-	52.0%
REPAIR & MAINTENANCE Total:		524,855	134,696	390,159	-	25.7%
GENERAL OPERATING						
01-560-6600	ENGINEERING OTHER SUPPL & EXP	12,985	3,848	9,137	-	29.6%
01-560-6601	CLOUD SEEDING	13,767	-	13,767	-	0.0%
01-560-6602	UNIFORMS EXPENSE	15,914	60	15,854	-	0.4%
01-560-6603	SAFETY SUPPLIES & EQUIPMENT	15,753	5,422	10,331	-	34.4%
01-560-6604	MINOR TOOLS & EQUIPMENT	24,284	7,588	16,696	-	31.2%
01-560-6606	UTILITY SERVICE ALERT	2,884	1,254	1,630	-	43.5%
01-570-6600	FLEET VEHICLE LEASE EXPENSE	113,622	29,946	83,676	-	26.4%
01-570-6610	MATERIAL INV SHORT-LONG	-	(693)	693	-	-
01-570-6620	METER INV SHORT-LONG	-	-	-	-	-
GENERAL OPERATING Total:		199,209	47,424	151,785	-	23.8%
COST OF PURCHASED WATER						
01-520-6600	PURCHASED WATER	241,000	44,280	196,720	-	18.4%
01-520-6601	RENEWAL FUND-CACHUMA PROJECT	26,500	4,300	22,200	-	16.2%
01-520-6608	SUPPLEMENTAL WATER	-	-	-	-	-
01-520-6700	CCWA-VARIABLE	12,669	51,637	(38,968)	-	407.6%
01-520-6701	DWR-VARIABLE	155,184	19,427	135,757	-	12.5%
COST OF PURCHASED WATER Total:		435,353	119,644	315,709	-	27.5%
WATER TREATMENT						
01-550-6800	TREATMENT - CATER PLANT	1,312,301	284,202	1,028,099	-	21.7%
01-550-6801	WATER QUALITY ANALYSIS	36,000	5,706	30,294	-	15.9%
01-550-6802	TREATMENT - WELLS	60,118	32,335	27,783	-	53.8%
01-550-6803	CHLORINATION-ORTEGA/CARP RSRVR	45,882	5,208	40,673	-	11.4%
01-550-6805	TESTING - PRODUCTION METERS	10,492	-	10,492	-	0.0%
WATER TREATMENT Total:		1,464,793	327,452	1,137,341	-	22.4%
CACHUMA OPERATING EXPENSE						
01-530-6900	COMB-OPERATING EXPENSE	768,976	277,206	491,770	-	36.0%
01-530-6903	COMB-SAFETY OF DAM (M&I)	34,407	11,469	22,938	-	33.3%
CACHUMA OPERATING EXPENSE Total:		803,383	288,675	514,708	-	35.9%

		% Year Completed:				33%
		Current	Year to Date	Budget	Encum-	%
		Total Budget	Activity	Remaining	brances	Used ¹
OTHER EXPENSE						
01-530-6920	CARPINTERIA GROUNDWTR SUST JPA (CGSA)	156,183	52,062	104,121	-	33.3%
01-550-7000	PERMITTING FEES	34,628	10,900	23,728	-	31.5%
01-570-7000	LAFCO	12,731	4,344	8,386	-	34.1%
01-570-7001	INSURANCE GENERAL	84,872	41,494	43,378	-	48.9%
01-570-7002	DISTRICT ELECTION EXPENSE	7,000	-	7,000	-	0.0%
01-580-7000	UNCOLLECTABLE ACCOUNTS	15,000	-	15,000	-	0.0%
OTHER EXPENSE Total:		310,414	108,801	201,613	-	35.1%
WATER CONSERVATION						
01-570-7100	WTR CONS BMP 1-WTR SRVY PRG	2,500	-	2,500	-	0.0%
01-570-7101	WTR CONS BMP 3 RESIDENTIAL	5,000	-	5,000	-	0.0%
01-570-7102	WTR CONS BMP 5 LANDSCAPE (CII)	5,000	-	5,000	-	0.0%
01-570-7103	WTR CONS BMP 2.1 PUBLIC INF	21,961	6,756	15,205	-	30.8%
01-570-7104	WTR CONS BMP 2.2 SCHOOL EDUC	1,591	185	1,407	-	11.6%
01-570-7105	WTR CONS BMP 4 CII	3,000	-	3,000	-	0.0%
01-570-7108	WTR CONS BMP 1.4 WTR LOSS CTRL	2,122	-	2,122	-	0.0%
01-570-7109	CONSERVATION PROGRAM EXPENSE	2,122	339	1,783	-	16.0%
01-570-7110	Wtr Cons BMP A3A-On Farm Evals	2,652	-	2,652	-	0.0%
01-570-7111	Wtr Cons BMP B3-On Farm Improv	2,652	-	2,652	-	0.0%
01-570-7112	WTR CONS DISTRICT MEMBERSHIP DUES	4,500	1,049	3,451	-	23.3%
WATER CONSERVATION Total:		53,100	8,328	44,772	-	15.7%
-						
CCWA SOURCE OF SUPPLY						
01-510-7000	CCWA-OPERATING EXPENSE	745,611	259,644	485,967	-	34.8%
01-510-7300	CCWA-SOURCE OF SUPPLY (DWR)	2,230,738	712,388	1,518,350	-	31.9%
		2,976,349	972,031	2,004,318	-	32.7%
INTEREST EXPENSE						
01-599-7308	INTEREST EXP-2016A REV BONDS	214,250	67,250	147,000	-	31.4%
01-599-7309	SIEMENS LEASE - INTEREST	114,240	38,314	75,926	-	33.5%
01-599-7310	INTEREST EXPENSE - 2020A	804,375	264,500	539,875	-	32.9%
01-599-7311	INTEREST EXPENSE - 2020B	129,434	42,640	86,794	-	32.9%
10-599-7312	INTEREST EXPENSE - 2020C	75,500	25,000	50,500	-	33.1%
01-599-7314	INTEREST EXPENSE-CATER SRF	152,000	-	152,000	-	0.0%
INTEREST EXPENSE Total:		1,489,799	437,704	1,052,095	-	29.4%
-						
TOTAL EXPENSES		13,527,510	4,204,273	9,323,237	120,504	31.1%
NET OPERATING REVENUE		3,275,079	1,719,460	1,555,619	(120,504)	53%
REPORT SUMMARY						
		Current	Year to Date	Budget	Encum-	Earned/Used
		Total Budget	Activity	Remaining	brances	
WATER SALES		16,004,335	5,501,611	10,502,724	-	34.4%
CAPITAL RECOVERY FEES		150,000	-	150,000	-	0.0%
FIRE PROTECTION		189,820	60,321	129,499	-	31.8%
OTHER REVENUE		288,434	83,133	205,301	-	28.8%
OVERHEAD CHARGED TO CUSTOMER		50,000	11,275	38,725	-	22.5%
INTEREST REVENUE - NON OPERATING		120,000	137,322	(17,322)	-	114.4%
CONTRIBUTED CAPITAL - NON OPERATING		-	130,071	(130,071)	-	-
PERSONNEL		3,961,470	1,151,411	2,810,059	-	29.1%
GENERAL AND ADMINISTRATIVE		470,669	225,271	245,399	-	47.9%
UTILITIES		462,772	258,648	204,124	-	55.9%
PROFESSIONAL SERVICES		375,344	124,189	251,155	120,504	33.1%
REPAIR & MAINTENANCE		524,855	134,696	390,159	-	25.7%
GENERAL OPERATING		199,209	47,424	151,785	-	23.8%
COST OF PURCHASED WATER		435,353	119,644	315,709	-	27.5%
WATER TREATMENT		1,464,793	327,452	1,137,341	-	22.4%
CACHUMA OPERATING EXPENSE		803,383	288,675	514,708	-	35.9%
OTHER EXPENSE		310,414	108,801	201,613	-	35.1%
WATER CONSERVATION		53,100	8,328	44,772	-	15.7%
CCWA SOURCE OF SUPPLY		2,976,349	972,031	2,004,318	-	32.7%
INTEREST EXPENSE		1,489,799	437,704	1,052,095	-	29.4%
NET OPERATING REVENUE		3,275,079	1,719,460	1,555,619	(120,504)	52.5%

1. Percentage excludes encumbrances.



Carpinteria Valley Water District

Statement of Net Position (unaudited)

As of: **10/31/2024**

	Account	Name	Balance	
Assets				
		Cash and Investments	14,559,770	
		Receivables	3,477,778	
		Inventories	661,610	
		Prepayments	2,455,718	
		Deposits	981,726	
		Intangibles, Net of Amort.	2,900,235	
		CIP Property, Plant & Equip., Net of Depr.	38,587,300	
		CAPP Outlays	5,711,685	
		Deferred Outflows	2,154,850	
		Total Assets:	71,490,671	\$ 71,490,671
Liability				
		Payables	2,029,389	
		Other Current Liabilities and Accrued Expenses	2,821,930	
		Long-Term Debt	32,636,305	
		Other Long-Term Liabilities	2,109,215	
		Deferred Inflows	1,603,952	
		Total Liability:	41,200,791	
Net Position				
		Funds Balance	28,570,420	
		Total Fund Balance:	28,570,420	
		Total Revenue	5,923,733	
		Total Expense	4,204,273	
		Revenues Over/Under Expenses	1,719,460	
		Total Equity and Current Surplus (Deficit):	30,289,880	
		Total Liabilities, Equity and Current Surplus (Deficit):		\$ 71,490,671

Engineering Monthly Report

Proj No.	Name	Status	% Done this month	% Done	Completion Date
1	Website Updates	<p>CVWD.net: Updates to pages as directed and review of website pages to determine what pages should remain or be removed prior to conversion to Streamline platform.</p> <p>CarpGSA.org: No new updates posted to the website.</p>	-	-	Ongoing
2	Water Conservation	<p>Community Outreach:</p> <ul style="list-style-type: none"> • Continued Messaging via print and social media promoting conservation as a way of life, fixing leaks, available rebates, with an emphasis on the landscape conversion rebate and EyeOnWater. • Outreach for Santa Barbara County High School Video Contest to begin within the next month. <p>Rebates:</p> <ul style="list-style-type: none"> • No rebates were issued for this reporting month. <p>Continuous Flow Outreach: Daily outreach to customers by phone, email and/or door tag to advise of continuous flow greater than 60 gallons per hour.</p>			
3	Eye on Water	<ul style="list-style-type: none"> • Continued timely notification of possible leaks identified by Beacon Continuous Flow/Leak Alert system to customers via phone call, email, letter or door tag. EyeOnWater sign-ups are steady; totaling 679 customers signed up for the program; which is 15% of District customers. Below is a pie chart showing the percentage of customers signed up for EyeOnWater designated by account class code. 		-	Ongoing

Engineering Monthly Report

		<h3 style="text-align: center;">EYE ON WATER BY CODE CLASS</h3> <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Water Code Class Distribution</caption> <thead> <tr> <th>Code Class</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Residential</td> <td>56%</td> </tr> <tr> <td>Agriculture</td> <td>14%</td> </tr> <tr> <td>Multi Residential</td> <td>10%</td> </tr> <tr> <td>Multi Family</td> <td>5%</td> </tr> <tr> <td>Public</td> <td>4%</td> </tr> <tr> <td>Commercial</td> <td>4%</td> </tr> <tr> <td>Fire</td> <td>2%</td> </tr> <tr> <td>Industrial</td> <td>2%</td> </tr> <tr> <td>Landscape</td> <td>2%</td> </tr> <tr> <td>Hotel</td> <td>1%</td> </tr> <tr> <td>Water District.</td> <td>1%</td> </tr> </tbody> </table>	Code Class	Percentage	Residential	56%	Agriculture	14%	Multi Residential	10%	Multi Family	5%	Public	4%	Commercial	4%	Fire	2%	Industrial	2%	Landscape	2%	Hotel	1%	Water District.	1%			
Code Class	Percentage																												
Residential	56%																												
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Industrial	2%																												
Landscape	2%																												
Hotel	1%																												
Water District.	1%																												
4	LIVR	The construction part of the project is completed. The last remaining items are finalize the Billing between COMB and CVWD and working with COMB as for sending the contractor Notice of Completion.			99%																								
5	Santa Claus Lane Improvement	District will be relocating an existing hydrant at the west end of Padaro Lane. And will be doing a water main offset of 4 inch main as to be clear of purposed new 30 inch storm drain.,			Ongoing																								
6	Pollo Villas	Developer moving along. Started construction on 3 Model homed with goal of completing model by January of 2025. And has started work on the construction of the 15 condos on for the development. Will			Ongoing																								

Engineering Monthly Report

		be meeting with Project Manger as for the last section of water main tie-in should be completed with the construction of water main by the end of the year. Developer hopes to have on the market by summer 2025			
7	Carpinteria Avenue Bridge	Working with the City for the bridge improvements our part is to reconstruct the tie ins on the West and East end of the bridge. City is paying for the installastion of the new 12 inch main on the bridge. Goal is to start our part May of 2025.			Ongoing

**Engineering Monthly Report
Intent to Serve Letters
(10/12/2024 – 12/3/2024)**

Letters Issued

Address	Description	Date Letter Issued
4244 Foothill Road	New 1,200 sq ft ADU . Will be added as an additional dwelling unit (existing service 2 dwellings already, will serve 3 dwellings at end of project). Will result in classification change from ag meter and ag rate to residential master meter rates because 3/4" meter is not used for agricultural purposes is used just for houses and 3/4" does not meet acreage requirements per rules.	10/15/2024
1300 Taranto Circle	Proposed remodel and addition to the existing single-family residence including addition to existing 1st floor bedroom, kitchen and bath remodel, 2nd floor bedroom and bath remodel, new 1st floor exterior doors, reconstruct front porch, and remove existing fireplace and chimney.	11/20/2024
7243 Gobernador Canyon Rd	New single-family residence and detached garage on vacant lot	10/30/2024
4213 Carpinteria Ave	New 2-car garage alongside existing 3-car garage with an open deck and 1,000 sq. ft. ADU on the second floor. This is being constructed on a property with an existing single-family residence and 3/4" water meter.	10/31/2024
588 Elm Ave	New 527 sq. ft. ADU addition to an existing single-family residence. ADU <750 sq. ft. so no changes to the account billing.	11/19/2024
1028 Cramer Rd	New 796 sq. ft. ADU addition to an existing duplex (duplex has two 3/4" meters already). Flow test to be performed and meter with ADU behind it will be updated to two dwelling units behind the meter at time of final sign off.	11/19/2024

**Engineering Monthly Report
Intent to Serve Letters
(10/12/2024 – 12/3/2024)**

Intake of Letters and in Review

Address	Description	Date Received
1360 Cravens Lane	Four new, multi-family residential apartment buildings totaling ~28,600 SF on a portion of an existing 3.53-acre parcel using Builder's Remedy SB330 and State Density Bonus. The proposed project is comprised of 46 residential units consisting of 20 studio units, 18 one-bedroom units, and 4 two-bedroom units, and 4 three-bedroom units; 48 parking spaces and landscaping to also be included.	10/29/2024
141 & 151 Holly Ave	New paint for existing buildings. Renovate landscape - turfgrass removal, to be replaced with drought-tolerant plants. New paving. Waiting on Board approval of R&R language regarding SF of landscaped area.	8/19/2024

December 2024 Monthly Operations Report

Project No.	Job / Facility	Status	Monitoring Frequency	Information Received From
1	HQ Well	HQ Well online in normal operation.	Daily	O & M Treatment
2	El Carro Well	El Carro Well is online in normal operation.	Daily	O & M Water Treatment
3	Smillie Well	Smillie Well is Well online in normal operation.	Daily	O & M Water Treatment
4	Well Status	HQ Well 1300 GPM Offline	Daily	O&M Water Treatment
		El Carro Well 930 GPM Offline		
		Smillie Well 250 GPM Offline		
5	Gobernador Aeration System	The new aeration mixer was received and installed and is back in operation	Daily	O & M Water Treatment
6	Water Quality	District Water Filtration facilities are operating within normal parameters and producing high quality water. All routine sampling was completed and all results met the CDPH & EPA guidelines.	Daily	O&M Water Treatment
7	Electrical Motor Control & VFD Systems	The Shepard Mesa Pump Station & Tank PLC and OIT upgrade was completed and the system is functioning properly. The Foothill Reservoir and pump station PLC and OIT upgrade is scheduled to take place in FY 25/26.	Daily	O&M Water Treatment
8	Hydrant Maintenance & Repair	District staff performed maintenance on 360 hydrants in 2024	Daily	O&M Water Distribution
9	Valve Exercise & Replacement	Staff exercised 943 and replaced 27 valves in 2024	Daily	O&M Water Distribution
10	Mainline Leak Repairs	Nothing to report this month	Daily	O & M Water Distribution
11	Service Reairs	Nothing to report this month.	Daily	O&M Water Distribution
12	Meter Replacement / Testing	Nothing to report this month	Daily	O&M Water Distribution
13	Fleet	Two new rangers have been ordered to replace our existing rangeers. The 2018 Ford Escape was turned in to be auctioned in November.	Daily	O&M
15	Landscape	Nothing to report at this time.	Daily	O & M