

RELIABLE SINCE 1921

583 San Ysidro Road
Santa Barbara, CA 93108-2124

Phone: 805.969.2271
Email: info@montecitowater.com
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Board of Directors
Brian Goebel, President
Cori Hayman, Vice President
Kenneth Coates, Director
Tobe Plough, Director
Floyd Wicks, Director
**General Manager and
Board Secretary**
Nick Turner

AMENDED
REGULAR MEETING
of the
BOARD OF DIRECTORS
MONTECITO WATER DISTRICT
583 SAN YSIDRO ROAD, MONTECITO, CALIFORNIA

TUESDAY, MAY 19, 2026
9:30 A.M.

Attend in Person or Join by Teleconference:

<https://www.zoomgov.com/j/1602909979?pwd=rBoz5rz2QDI5UN5KnmIlgDU4chczJ46.1>

Webinar ID: 160 290 9979; Passcode: 616322

Tel: (669) 254 5252

AGENDA

- 1. CALL TO ORDER, ROLL CALL, DETERMINATION OF QUORUM**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PUBLIC FORUM**

This portion of the agenda may be utilized by any member of the public to address and ask questions of the Board of Directors on any matter not on the agenda within the jurisdiction of the Montecito Water District. Depending upon the subject matter, the Board of Directors may be unable to respond at this time, or until the specific item is placed on the agenda at a future MWD Board meeting in accordance with the Ralph M. Brown Act.

4. CONSENT CALENDAR

The following items are to be approved or accepted by vote on one motion unless a Board member requests separate consideration:

- *A. Meeting Minutes of April 28, 2026
- *B. Ratification of Disbursements for April 2026
- *C. Investment of District Funds and Cash Position as of April 30, 2026
- *D. Unaudited Financial Statements as of April 30, 2026
- *E. 2025 Annual Drinking Water Consumer Confidence Report
- *F. Report on District Staffing Vacancies Pursuant to Assembly Bill 2561
- *G. Authorize the Transfer of 900 Acre Feet of the District's 2026 Surplus State Water Project Table A Water to Homer LLC Pursuant to the 2024 *Water Management Program Agreement*

* Indicates attachment included for this item

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

- *A. ACTION ITEM: Approval of Professional Services Contracts and Amendments for the Alder Creek Flume Repair Project
- *B. INFORMATIONAL: Customer Relations and Public Information Update
- *C. INFORMATIONAL: General Manager Report

6. DISTRICT BUSINESS REPORT

- *A. ACTION ITEM: Ratification of the Cachuma Conservation Release Board (CCRB) Fiscal Year 2027 Budget
- *B. INFORMATIONAL: 10-Year Financial Plan Review in Connection with the Approved and Planned Annual Increase in Water Rates on July 1, 2026
- *C. INFORMATIONAL: Fiscal Year 2027 Budget Workshop
- *D. INFORMATIONAL: Discussion of Proposed Resolution No. 2319 Establishing a Water Availability Charge (WAC) for Implementation of Water Distribution System Upgrades for Fiscal Year 2027
- *E. INFORMATIONAL: Discussion of Proposed Resolution No. 2324 Adopting a Schedule of Miscellaneous Fees and Charges for Fiscal Year 2027
- *F. INFORMATIONAL: Discussion of Proposed Resolution No. 2325 Adopting Capital Cost Recovery Fees and Connection Fees Effective July 1, 2026

7. LEGAL MATTERS

- A. Recent and Pending Legal Matters Review – Oral Report
- B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) Conference with Legal Counsel – Initiation of Litigation; 1 case
- C. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) Conference with Legal Counsel – Existing Litigation, Montecito Water District v. Miradero LLC, Santa Barbara Superior Court Case No.26CV00403
- D. CLOSED SESSION: Pursuant to Government Code §54959.8 Conference with Real Property Negotiators
 - Property: State Water Project Assets
 - Agency Negotiator: Nicholas Turner, General Manager
 - Negotiating Parties: Solomon Hills Developer
 - Under Negotiation: Price and Terms of Payment

8. DIRECTOR AND COMMITTEE REPORTS

- A. President's Report: Director Goebel
- B. Operations & Customer Relations Committee: Director Wicks
- C. Finance Committee: Director Hayman

- D. Strategic Planning Committee: Director Coates
- E. Central Coast Water Authority: Director Coates
- F. Cachuma Operation and Maintenance Board: Director Hayman
- G. Cachuma Conservation Release Board: Director Plough
- H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks
- I. ACWA JPIA: Director Wicks
- J. CalDesal: Director Wicks
- K. Ad hoc Committee: Water Rights Opportunities: Director Coates
- L. Directors' List of Compensable and Reimbursable Meetings (Government Code §53232.1 and §53232.3)

9. DIRECTOR REQUESTS

Requests from Directors for items other than regular agenda items for the next regular Board meeting tentatively scheduled for Tuesday, June 23, 2026, or any future meeting.

10. ADJOURNMENT

Note: Montecito Water District conducts its meeting in person in accordance with the Brown Act and also provides alternative methods of participation which permit members of the public to observe and address public meetings telephonically and/or electronically. These methods of participation can be accessed through the internet link provided at the top of this agenda.

This agenda was posted on the District website, and at the Montecito Water District outside display case at 5:00 p.m. on May 15, 2026. The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the 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 805-969-2271. Notification at least twenty-four (24) hours prior to the meeting will enable the District to make appropriate arrangements.

Agendas, agenda packets, and additional materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available on the District website.

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**General Manager and
Board Secretary**
Nick Turner

REGULAR MEETING MINUTES
of the
BOARD OF DIRECTORS
MONTECITO WATER DISTRICT
583 SAN YSIDRO ROAD, MONTECITO, CALIFORNIA

TUESDAY, APRIL 28, 2026
9:30 A.M.

AGENDA

1. CALL TO ORDER, ROLL CALL, DETERMINATION OF QUORUM

President Goebel called the meeting to order at 9:31 a.m.

Directors present (In Person and via Zoom):

Directors Ken Coates, Brian Goebel, Tobe Plough, and Floyd Wicks participated in person.
Director Cori Hayman joined the meeting in person at 9:32 a.m.

Staff present (In Person and via Zoom):

Nick Turner, General Manager	Laura Camp, Public Information Officer
Adam Kanold, Asst. GM/Engineering Mgr.	Christina Perry, Administrative/HR Assistant
Emma Godinez, Business Manager	Ray Willefert, Financial Analyst/IT Specialist

Counsel present (In Person):

Walt Wendelstein, Wendelstein Law Group PC, District Counsel

Consultants present (In Person and via Zoom):

Ethan Knox, Rincon Consultants, Inc. (via Zoom)
Roselyn Prickett, Rincon Consultants, Inc. (via Zoom)
Blake Coffey, Water Systems Consulting, Inc. (In Person)

Others present (In Person and via Zoom):

ishane (via Zoom)
LMR (via Zoom)

2. PLEDGE OF ALLEGIANCE

All in attendance recited the Pledge of Allegiance.

3. PUBLIC FORUM

No public comments were made.

4. CONSENT CALENDAR

The following items were approved or accepted by vote on one motion:

- A. Meeting Minutes of March 24, 2026
- B. Payment of Bills for March 2026
- C. Investment of Funds and Cash Position as of March 28, 2026
- D. Unaudited Financial Statements as of March 31, 2026
- E. Waterworks Reports for March 2026
- F. Amendment to the Agreement with Nigro & Nigro for auditing services
- G. Award of Contract for Juncal Dam Emergency Release Valve #2 Rehabilitation Project
- H. Award of Contracts for Bid Phase Services for the Romero Reservoir Seismic Retrofit and Replacement Project (ASADRA)

Director Plough moved to approve the Consent Calendar. The motion was seconded by Director Coates and carried after a roll call vote with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

- A. INFORMATIONAL: Update on Construction Progress for the Terminal Reservoir Seismic Retrofit Project

Mr. Kanold introduced the item. Blake Coffey of Water Systems Consulting, Inc. (WSC) presented the Terminal Reservoir Progress Update. Staff and Mr. Coffey responded to questions from the Board.

- B. INFORMATIONAL: Review of the Draft *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*

Mr. Kanold introduced the item. Rosalyn Prickett of Rincon Consultants, Inc. presented an overview of the Draft *2025 Urban Water Management Plan* (UWMP) and *Water Shortage Contingency Plan* (WSCP). Ethan Knox of Rincon Consultants, Inc. was also present for the item. Staff and Ms. Prickett responded to questions from the Board. The Board directed staff to make the Draft 2025 UWMP and WSCP documents publicly available in advance of the Public Hearing at the regularly scheduled Board meeting on June 23, 2026.

- C. INFORMATIONAL: Quarterly Water Supply Update

Mr. Turner presented the item and responded to questions from the Board.

- D. INFORMATIONAL: Customer Relations and Public Information Update

Ms. Camp presented the item and responded to questions from the Board.

- E. INFORMATIONAL: General Manager Report

Mr. Turner presented the item and responded to questions from the Board.

6. DISTRICT BUSINESS REPORT

- A. No items

The Board paused for a break at 10:44 a.m. and returned at 10:55 a.m.

7. LEGAL MATTERS

- A. Recent and Pending Legal Matters Review – Oral Report

No report.

The Board recessed to Closed Session at 10:56 a.m.

The Board paused for lunch at 12:07 p.m. and returned at 12:48 p.m.

The Board returned to Open Session at 1:04 p.m.

- B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) Conference with Legal Counsel – Initiation of Litigation; 1 case

As to Item 7-B, the Board received an update from Counsel and no action was taken.

- C. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) Conference with Legal Counsel – Existing Litigation, Montecito Water District v. Miradero LLC, Santa Barbara Superior Court Case No.26CV00403

As to Item 7-C, the Board received an update from Counsel and no action was taken.

- D. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(2) Anticipated Litigation – 1 case.

As to Item 7-D, the Board received an update from Counsel and no action was taken.

- E. CLOSED SESSION: Pursuant to Government Code §54959.8 Conference with Real Property Negotiators

Property: State Water Project assets

Agency Negotiator: Nicholas Turner, General Manager

Negotiating Parties: Solomon Hills Developer

Under Negotiation: Price and Terms of Payment

As to Item 7-E, the Board received an update from the Real Property Negotiators and no action was taken.

- F. CLOSED SESSION: Pursuant to Government Code §54959.8 Conference with Real Property Negotiators

Property: Surplus District Property

Agency Negotiator: Adam Kanold, Assistant General Manager / Engineering Manager

Negotiating Parties: Surplus Land Act Letter of Interest Submitted

Under Negotiation: Price and Terms of Payment

As to Item 7-F, the Board received an update from the Real Property Negotiators and no action was taken.

G. CLOSED SESSION: Pursuant to Government Code §54957.6 Conference with Labor Negotiators

Agency designated representative: Nicholas Turner, General Manager
Employee organization: SEIU

As to Item 7-G, the Board received an update from the Labor Negotiator and no action was taken.

8. DIRECTOR AND COMMITTEE REPORTS

- A. President's Report: Director Goebel reported that he met with counsel and staff regarding the Alder Creek Flume Reconstruction Project.
- B. Operations & Customer Relations Committee: Director Wicks reported that relevant items were previously addressed.
- C. Finance Committee: Director Hayman reported that relevant items were previously addressed.
- D. Strategic Planning Committee: Director Coates reported that relevant items were previously addressed.
- E. Central Coast Water Authority: Director Coates reported attending a retirement event for outgoing Executive Director Ray Stokes and provided an update on the CCWA Fiscal Year 2026-27 Budget.
- F. Cachuma Operation and Maintenance Board: Director Hayman provided a report on the water levels at Lake Cachuma and the Proposed Fiscal Years 2027-2031 Infrastructure Improvement Plan; COMB Engineer/Operations Division Manager Joel Degner will attend a future District Board meeting to discuss the Infrastructure Improvement Plan.
- G. Cachuma Conservation Release Board: Director Plough reported that relevant items were previously addressed.
- H. Santa Barbara County Chapter of the California Special Districts Association: Directors Wicks and Plough attended the SBCCSDA Chapter Meeting on April 27, 2026.
- I. ACWA JPIA: Director Wicks reported that he will attend the May 4th Board meeting at the ACWA JPIA Spring Membership Summit.
- J. CalDesal: Director Wicks reported that he will attend the May 6th Board meeting during the ACWA JPIA Spring Membership Summit.
- K. Ad hoc Committee: Water Rights Opportunities: Director Coates reported that relevant items were previously addressed.
- L. Directors' List of Compensable and Reimbursable Meetings (Government Code §53232.1 and §53232.3): Directors Coates, Goebel, and Plough reported meetings attended in March and April.

9. DIRECTOR REQUESTS

Related to Item 5-A, the Board requested additional outreach to increase public awareness of the positive start on Terminal Reservoir updates emphasizing the large scale of the ASADRA Project and its favorable funding.

Director Hayman requested a future discussion relating to consumer preference of water supplies.

10. ADJOURNMENT

The meeting was adjourned at 1:21 p.m.

APPROVED:

Brian Goebel, Board President

ATTEST:

Nicholas Turner, Secretary

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**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 4-B

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: BUSINESS MANAGER

SUBJECT: RATIFICATION OF DISBURSEMENTS FOR APRIL 2026

RECOMMENDATION:

For information and discussion only.

BACKGROUND:

District staff are responsible for ensuring that District bills and payment obligations are paid in a timely manner. For this to occur, District staff pay bills and obligations when due and then seek ratification from the Board of Directors during the following regular Board meeting. For ratification, District staff prepare a summary of all disbursements as well as a copy of the check register. These items are taken to the Board as a consent item.

ATTACHMENTS:

1. Ratification Summary & Check Registers – APRIL 2026

**MONTECITO WATER DISTRICT
PAYMENT OF BILLS
TOTAL DISBURSEMENTS SUMMARY
FOR MONTH ENDED
April 30, 2026**

SECTION: 4-B

AP CHECK REGISTER	2,342,710
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NET PAYROLL DIRECT DEPOSITS ¹

CHECK DATE	4/6/2026	92,591
CHECK DATE	4/20/2026	97,321

Payroll Direct Deposits	189,913
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EXTERNAL WIRE TRANSFERS OUT FOR PAYMENT OF BILLS ²

CALPERS; EE BENEFITS; PAYROLL TAXES	162,332
AMERICAN RIVIERA BANK - DEPOSIT	5,000
EXPRESSION OF INTEREST (ASADRA RLOC)	11,981
BVTP CLARIFICATION STUDY, EPX FEES	11,981

Subtotal External Wire Transfers	179,313
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TOTAL DISBURSEMENTS	2,711,936
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INTERNAL WIRE TRANSFERS BETWEEN ACCOUNTS ³

N/A	0
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NET INTERNAL WIRE TRANSFERS	0
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¹ The Net Payroll Direct Deposits are the payroll amounts that are deposited into employee bank accounts through an ACH. Payments for employee benefits, both the employee and employer portions, are recorded on the Check Register, therefore are not included.

² External Wire Transfers Out are wire transfers which are made periodically for items such as debt service payments, the fixed portion of the State Water Project payment, supplemental water purchases and transfers to open new District bank or investment accounts.

³ Internal Wire Transfers Between Accounts held by Montecito Water District are made periodically for items such as transfers between investment accounts and bank accounts or for transfers to open new bank or investment accounts.

**MONTECITO WATER DISTRICT
CHECK REGISTER
APRIL 30, 2026**

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14684	04/09/2026	ACWA-JPIA	25-26 Q3 WORKERS' COMP MWD	25,293.50	25,293.50
14757	04/23/2026	ACWA-JPIA	000082 EMPLOYEE BENEFITS MWD	59,210.86	59,210.86
14758	04/23/2026	AG ENT INC	BVTP BACKFLOW REPAIRS	925.00	925.00
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P AIR FRESHENER	22.03	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P TREAT LABELS, OTTER POPS	83.11	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P HEAT SHRINK TUBE LABELS	77.23	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P ENVELOPE SEALER	17.97	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P SPACE HEATER	85.67	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P COFFEE RESTOCK	166.90	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P SOAP, TEA, CANDY RESTOCK	49.00	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P CANDY, KLEENEX, PLATES, CUPS	142.08	
14685	04/09/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P AIR FRESHENER	14.00	657.99
14759	04/23/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P PRESENTATION COVERS	26.66	
14759	04/23/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P INTERN HARD HAT	161.63	
14759	04/23/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQL6IP2P IPAD COVERS	141.40	329.69
14681	04/07/2026	AMERICAN PIPELINE SERVICES	P98 FREEHAVEN MAIN REPLACEMENT PP#7	71,307.66	71,307.66
14832	04/30/2026	AMERICAN PIPELINE SERVICES	P95 LAS TUNAS MAIN REPLACEMENT PP # 3	184,933.66	184,933.66
14760	04/23/2026	ANTHEM BLUE CROSS	649A63301 POST EE BENEFITS	483.65	483.65
14761	04/23/2026	ASTRA BACKFLOW INC	BACKFLOW TEST KIT FITTINGS	46.51	
14761	04/23/2026	ASTRA BACKFLOW INC	BACKFLOW TEST KIT CALIBRATION	165.00	211.51
14762	04/23/2026	AT&T MOBILITY	MWD CELL PHONES	1,838.62	1,838.62
14763	04/23/2026	BANK UP CORPORATION	03.26 LOCKBOX FEES	1,602.95	1,602.95
14686	04/09/2026	BEDROCK BUILDING SUPPLIES INC	505 SLURRY FOR VALVE REPLACEMENT	530.96	
14686	04/09/2026	BEDROCK BUILDING SUPPLIES INC	505 SLURRY FOR VALVE REPLACEMENT	235.98	766.94
14746	04/09/2026	BEST BEST & KRIEGER LLP	10230.00001 P132 PARK LANE SPECIAL LEGAL	14,572.35	14,572.35
14828	04/23/2026	BEST BEST & KRIEGER LLP	P132 PARK LANE RES SPECIAL LEGAL	15,310.89	15,310.89
14687	04/09/2026	BEYOND SOFTWARE SOLUTIONS	ANNUAL AMI DATA SUPPORT FEES	6,500.00	6,500.00
14688	04/09/2026	BIRNAM WOOD GOLF CLUB	RADIO DEVICE ACCESS AGREEMENT-ANNUAL PAYMENT	2,700.00	2,700.00
14689	04/09/2026	BLUE EARTH LABS, LLC	CHEMICALS FOR BVTP CLARIFIER MEDIA CLEANING	24,511.88	24,511.88
14690	04/09/2026	BPS SUPPLY GROUP	4" DEMCO BFV WAFER	363.72	363.72
14764	04/23/2026	CALIFORNIA ELECTRIC SUPPLY	HU-68080 ELECTRIC TAPE + CONDUIT	64.95	64.95
14765	04/23/2026	CANON FINANCIAL SERVICES, INC.	611341 OFFICE COPIER LEASE	1,553.00	1,553.00
14691	04/09/2026	CARAHSOFT TECHNOLOGY CORPORATION	MWD005 ZOOM PHONE FORWARDING OVERAGES	26.85	26.85
14831	04/29/2026	CITY OF SANTA BARBARA	14651 WSA DESAL	655,159.00	655,159.00
14692	04/09/2026	CONVERGED	TENABLE VULNERABILITY MGMT RENEWAL	3,500.00	
14692	04/09/2026	CONVERGED	04.26 NET ALERT	1,575.00	
14692	04/09/2026	CONVERGED	04.26 CYBERSECURITY SUITE	2,004.50	
14692	04/09/2026	CONVERGED	04.26 OFFICE 365	1,833.00	
14692	04/09/2026	CONVERGED	04.26 VPN LICENSES	170.00	
14692	04/09/2026	CONVERGED	04.26 DATTO CLOUD BACKUP	1,145.00	10,227.50
14766	04/23/2026	CONVERGED	03.26 IT SUPPORT	8,922.50	8,922.50
14693	04/09/2026	COSB PUBLIC WORKS - TRANSPORTATION DIVISION	3.20.26 STMT - LONGFORM PERMITS MWD	1,860.00	1,860.00
14694	04/09/2026	COUNTY OF SANTA BARBARA WATER AGENCY	IRWM PROGRAM (7/01/25 - 12/31/25)	111.39	
14694	04/09/2026	COUNTY OF SANTA BARBARA WATER AGENCY	COUNTY RWEP WATEROLOGY SHOWS	497.50	608.89
14767	04/23/2026	COUNTY OF SANTA BARBARA WATER AGENCY	IRWM PROGRAM (1.01.25 - 6.30.25)	106.92	106.92
14695	04/09/2026	COX COMMUNICATIONS	13011026150301 ADMIN INTERNET	337.84	337.84

**MONTECITO WATER DISTRICT
CHECK REGISTER
APRIL 30, 2026**

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14696	04/09/2026	COX COMMUNICATIONS	13011028261302 DTP INTERNET	72.54	72.54
14768	04/23/2026	COX COMMUNICATIONS	13011027671401 BVPT INTERNET	409.09	409.09
14697	04/09/2026	DOCUPRODUCTS	MW04 COPIER OVERAGES	110.51	110.51
14698	04/09/2026	DOUGLAS McCASKEY	RADIO DEVICE ACCESS AGREEMENT-ANNUAL PAYMENT	2,400.00	2,400.00
14769	04/23/2026	ECHO COMMUNICATIONS	2267 AFTER HOURS SERVICE	352.45	352.45
14699	04/09/2026	ESAU LANDSCAPES INC	DEMO GARDEN PROGRESS PAY #2	16,298.00	16,298.00
14770	04/23/2026	ESAU LANDSCAPES INC	DEMO GARDEN PROGRESS PAY # 3	10,910.00	10,910.00
14771	04/23/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	37.49	
14771	04/23/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	37.41	74.90
14700	04/09/2026	FERGUSON WATERWORKS #1083	1084 EXTRA GRIP EXTRACTOR SET	698.13	
14700	04/09/2026	FERGUSON WATERWORKS #1083	639 POWER GRIT CHAIN + BAR & SPROCKET	975.84	1,673.97
14701	04/09/2026	FGL ENVIRONMENTAL			
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	437.00	
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	38.00	
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 DOULTON TUNNEL TP - RAW	39.00	
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	38.00	
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	473.00	
14701	04/09/2026	FGL ENVIRONMENTAL	2016013 QUARTERLY RAW WATER BACTI	143.00	1,596.00
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 STAGE 2 DBP MONITORING	793.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 GROUNDWATER RECHARGE	414.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 ENNISBROOK 5 - PFAS	578.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 ENNISBROOK 5 - EC/TDS	158.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 FE & MN MONITORING	302.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 GROUNDWATER WELLS - COMPLIANCE	240.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 T MOSBY WELL - WATER QUALITY	359.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 ALUMINUM MONITORING	87.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	38.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 DOULTON TUNNEL TP - RAW	84.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 JAMESON LAKE MONITORING - CHLOROPHYLL	668.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 JAMESON LAKE TOC	292.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	83.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
14772	04/23/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	38.00	4,990.00
14774	04/23/2026	FRONTIER	80556504870405195 ADMIN INTERNET	242.95	242.95
14775	04/23/2026	FRONTIER	20918852180227065 TELEMETRY LINE	86.98	86.98
14702	04/09/2026	FUEL SMART SB	110101030 MWD FUEL	2,273.53	
14702	04/09/2026	FUEL SMART SB	110101030 MWD FUEL	2,166.04	4,439.57
14776	04/23/2026	FUEL SMART SB	110101030 MWD FUEL	2,013.68	2,013.68
14703	04/09/2026	GRAINGER INC.	818790453 CAM AND GROOVE COUPLINGS/ADAPTERS	61.91	
14703	04/09/2026	GRAINGER INC.	818790453 DRY WIPES	215.80	277.71
14777	04/23/2026	GRAINGER INC.	818790453 PRESSURE GAUGES (15)	594.53	
14777	04/23/2026	GRAINGER INC.	818790453 OFFICE IRRIGATION CONTROL PANEL	304.15	
14777	04/23/2026	GRAINGER INC.	818790453 IRRIGATION CONTROL ENCLOSURE	260.68	1,159.36
14778	04/23/2026	GRISWOLD INDUSTRIES	WALKER BOX CONTROL ACTUATOR	4,262.01	4,262.01
14779	04/23/2026	GSI WATER SOLUTIONS, INC.	00802.003 PILOT INJECTION STUDY (ASR)	2,795.00	2,795.00
14780	04/23/2026	HAMNER, JEWELL & ASSOCIATES	ON CALL ESMT SERVICES	171.25	171.25
14704	04/09/2026	HARRINGTON INDUSTRIAL	036731 POLYFELX TUBING	53.27	
14704	04/09/2026	HARRINGTON INDUSTRIAL	036731 POLYFLEX TUBING	65.73	119.00
14781	04/23/2026	HARRINGTON INDUSTRIAL	036731 TREAT UV LAMPS	301.56	301.56

**MONTECITO WATER DISTRICT
CHECK REGISTER
APRIL 30, 2026**

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14705	04/09/2026	HAYWARD LUMBER	BVTP 2" TRASH PUMP REPLACEMENT	1,419.16	1,419.16
14706	04/09/2026	HAZEN AND SAWYER	RISK AND RESILIENCE ASSESSMENT	6,340.00	6,340.00
14782	04/23/2026	HAZEN AND SAWYER	20279-000 EPA RISK & RESILIENCE ASSESSMENT	3,180.00	3,180.00
14783	04/23/2026	INFOSEND	MWT-000 BILLING	2,127.90	
14783	04/23/2026	INFOSEND	MWT-000 FEES BILLING	707.98	2,835.88
14784	04/23/2026	IRON MOUNTAIN	229MB SHRED SERVICE	461.16	461.16
14785	04/23/2026	LARRY'S AUTO PARTS	GENERATOR LUBE FILTER	20.45	20.45
14707	04/09/2026	LOWE'S BUSINESS ACCOUNT	821 3105 075456 8 DTP SHED ELECTRICAL SUPPLIES	607.41	
14707	04/09/2026	LOWE'S BUSINESS ACCOUNT	821 3105 075456 8 CONDUIT + ALL PURPOSE CLEANERS	169.40	776.81
14786	04/23/2026	MARBORG DISPOSAL CO.	30-16830 9 BV PORTABLE	21.55	
14786	04/23/2026	MARBORG DISPOSAL CO.	30-1059740 6 DIST PORTABLE	181.74	
14786	04/23/2026	MARBORG DISPOSAL CO.	30-1078124 0 DIST PORTABLE	192.51	
14786	04/23/2026	MARBORG DISPOSAL CO.	1 -0002337 1 3 YD TRASH RECYCLE BINS	1,483.74	
14786	04/23/2026	MARBORG DISPOSAL CO.	1 -0008789 7 25 YD ROLLOFF	190.65	2,070.19
14708	04/09/2026	MCCORMIX CORP.	6082 MWD FUEL	121.99	121.99
14787	04/23/2026	MCCORMIX CORP.	6082 MWD FUEL	80.94	80.94
14709	04/09/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	100.06	
14709	04/09/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	281.35	
14709	04/09/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	154.86	536.27
14788	04/23/2026	MISSION LINEN SUPPLY	10265 TREAT UNIFORMS	102.53	
14788	04/23/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	410.65	
14788	04/23/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	145.86	
14788	04/23/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	347.37	
14788	04/23/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	100.00	
14788	04/23/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	102.53	
14788	04/23/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	281.35	1,490.29
14710	04/09/2026	MONTECITO JOURNAL	MONTHLY AD - GARDEN RECOG AWARD	450.05	450.05
14711	04/09/2026	MONTECITO VILLAGE HARDWARE	PAINT ROLLERS	25.83	25.83
14789	04/23/2026	MONTECITO VILLAGE HARDWARE	HOSE BIB + PVC	31.66	
14789	04/23/2026	MONTECITO VILLAGE HARDWARE	CAULKING	9.69	41.35
14790	04/23/2026	MOUNTAIN VIEW LANDSCAPING	03.26 LANDSCAPE MAINTENANCE	4,700.00	4,700.00
14712	04/09/2026	NORTHERN SAFETY CO INC	772863 LATEX FOAM COATED GLOVES	254.85	
14712	04/09/2026	NORTHERN SAFETY CO INC	772863 LEATHER GLOVES	90.77	345.62
14791	04/23/2026	OAK RIDGE CIVIL	25-006 P141 FAIRWAY BUTTERFLY WATERMAIN DESIGN	14,937.50	14,937.50
14713	04/09/2026	O'REILLY	1560132 ENGINE DE-GREASER	17.46	17.46
14792	04/23/2026	O'REILLY	1560132 OIL FILTER F-018	7.83	
14792	04/23/2026	O'REILLY	1560132 COOLANT TANK F-018	61.76	
14792	04/23/2026	O'REILLY	1560132 ADAPTER	10.37	
14792	04/23/2026	O'REILLY	1560132 CLUTCH KIT + FORK F-008	328.86	
14792	04/23/2026	O'REILLY	1560132 EXHAUST HDW F-008	63.43	472.25
14754	04/10/2026	PACIFIC HYDROTECH CORPORATION	C2527 P133 ASADRA TERMINAL RES CONSTRUCTION	245,144.37	245,144.37
14714	04/09/2026	PITNEY BOWES	8000-9090-1096-6484 POSTAGE METER REFILL	200.00	200.00
14793	04/23/2026	PROBER LAND SURVEYING	ANNUAL DAM DEFLECTION SURVEY	9,062.50	9,062.50
14715	04/09/2026	QUINN COMPANY	438325 JAMESON LAKE GENERATOR TROUBLESHOOTING	1,945.86	1,945.86
14794	04/23/2026	QUINN COMPANY	438325 TROUBLESHOOT DTP GENERATOR	864.54	864.54
14716	04/09/2026	RAUCH COMMUNICATION	MWD WEB DEVELOPMENT	298.50	298.50
14795	04/23/2026	RAYNE OF SANTA BARBARA	BVTP CHEMICAL SOFTENER	440.00	440.00

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REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14796	04/23/2026	RED WING BUSINESS ADVANTAGE ACCOUNT	8146 2026 BOOTS - EE # 177 INTERN	167.13	167.13
14717	04/09/2026	RINCON CONSULTANTS, INC	25-18059 UWMP 2025 UPDATE	46,931.50	46,931.50
14748	04/09/2026	RINCON CONSULTANTS, INC	25-18087 P133 TERMINAL RES ENVIRO SVCS	7,985.85	7,985.85
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 583 SAN YSIDRO	897.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 785 ROMERO CANYON	897.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 2297 E VALLEY RD	897.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 501 E MOUNTAIN	897.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 2750 BELLA VISTA	929.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 1075 TORO CANYON RD	897.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 482 ORTEGA RIDGE RD	897.25	
14718	04/09/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	100661 AB2588 GENERATOR FEES - 585 BARKER PASS RD	897.25	7,210.00
14719	04/09/2026	S.B. HOME IMPR CNTR	FLOODLIGHTS + OUTLET BOX	67.27	
14719	04/09/2026	S.B. HOME IMPR CNTR	2 X 4 + FRAMING ANGLER + JOIST HANGER	39.34	106.61
14797	04/23/2026	SAFETY-KLEEN SYSTEMS INC	OIL FILTER WASTE PICKUP	250.16	
14797	04/23/2026	SAFETY-KLEEN SYSTEMS INC	MO25413 WASTE OIL PICKUP	249.25	499.41
14798	04/23/2026	SANSUM CLINIC OCCUPATIONAL MEDICINE	PRE EMPLOYMENT EXAM - EE # 177 INTERN	490.00	490.00
14720	04/09/2026	SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS	AGMT # 05-UT-1808.471/472 - US101 CASING INSTALLS	322,361.97	322,361.97
14799	04/23/2026	SANTA BARBARA COUNTY CLERK-RECORDER-ASSESSOR	2026-0006533 COUNTY CLERK RECORDING FEE	29.00	29.00
14721	04/09/2026	SATCOM DIRECT INC	881651474254 JAMESON LAKE SAT PHONE	55.00	55.00
14800	04/23/2026	SATCOM DIRECT INC	881651474254 JAMESON LAKE SAT PHONE	55.00	55.00
14801	04/23/2026	SB HANDYMAN	TERMINAL PUMP STATION WILDFIRE PREP	3,200.00	3,200.00
14722	04/09/2026	SB LIBERTY CONSTRUCTION INC.	OFFICE PARKING LOT CURB & ASPHALT	7,145.00	7,145.00
14802	04/23/2026	SB PEST CONTROL, INC	DTP PEST CONTROL	550.00	550.00
14723	04/09/2026	SCHOCK CONTRACTING CORP	JAMESON ROAD DEBRIS REMOVAL & ELECTRICAL COMMS REP	44,050.00	
14723	04/09/2026	SCHOCK CONTRACTING CORP	P143 PUBLIC HYDRANT REPLACEMENTS	85,929.05	
14723	04/09/2026	SCHOCK CONTRACTING CORP	P125 JUNCAL ARCH DRAIN INSTALL PP # 1	89,434.25	219,413.30
14724	04/09/2026	SOAP MAN	DIST PAPER PLATES RESTOCK + BRAKE CLEANER	156.51	156.51
14803	04/23/2026	SOAP MAN	DIST TRASH BAGS PAPER TOWELS GLOVES CUTLERY	266.41	266.41
14725	04/09/2026	SOUTHERN CALIF EDISON CO ..0049	700571670049 PICAY SVC FEE	152.43	152.43
14726	04/09/2026	SOUTHERN CALIF EDISON CO ..0181	700869240181 PADEN WELL	801.36	801.36
14804	04/23/2026	SOUTHERN CALIF EDISON CO ..0377	700869220377 BUELL PUMP STATION	263.41	263.41
14727	04/09/2026	SOUTHERN CALIF EDISON CO ..0784	700869230784 OFFICE SHOP	286.48	286.48
14728	04/09/2026	SOUTHERN CALIF EDISON CO ..1093	700869251093 MOSBY WELL	1,158.98	1,158.98
14805	04/23/2026	SOUTHERN CALIF EDISON CO ..1687	700869211687 EDGEWOOD WELL # 3	649.22	649.22
14729	04/09/2026	SOUTHERN CALIF EDISON CO ..2790	700864982790 ENNISBROOK #2 WELL	4,563.05	4,563.05
14730	04/09/2026	SOUTHERN CALIF EDISON CO ..2891	700864982891 BVTP	8,995.98	8,995.98
14806	04/23/2026	SOUTHERN CALIF EDISON CO ..2891	700864982891 BVTP	1,905.38	1,905.38
14731	04/09/2026	SOUTHERN CALIF EDISON CO ..2915	700869252915 VALLEY CLUB WELL	439.06	439.06
14807	04/23/2026	SOUTHERN CALIF EDISON CO ..2992	700864982992 EAST VALLEY PUMP STATION	5,444.79	
14807	04/23/2026	SOUTHERN CALIF EDISON CO ..2992	700864982992 EAST VALLEY PUMP STATION	8,303.04	13,747.83
14808	04/23/2026	SOUTHERN CALIF EDISON CO ..3093	700864983093 ROMERO PUMP STATION	12,486.47	
14808	04/23/2026	SOUTHERN CALIF EDISON CO ..3093	700864983093 ROMERO PUMP STATION	11,151.52	23,637.99
14809	04/23/2026	SOUTHERN CALIF EDISON CO ..3295	700864983295 BARKER PASS PUMP STATION	15,511.03	
14809	04/23/2026	SOUTHERN CALIF EDISON CO ..3295	700864983295 BARKER PASS PUMP STATION	7,877.22	23,388.25

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REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14732	04/09/2026	SOUTHERN CALIF EDISON CO ..4181	700869434181 OFFICE PUMP STATION	2,307.93	2,307.93
14733	04/09/2026	SOUTHERN CALIF EDISON CO ..4457	700862554457 ORTEGA PUMP STATION	3,162.98	3,162.98
14810	04/23/2026	SOUTHERN CALIF EDISON CO ..4710	700869824710 MOUNTAIN DRIVE PUMP STATION	756.90	756.90
14734	04/09/2026	SOUTHERN CALIF EDISON CO ..5223	700869205223 AMAPOLA WELL	595.42	595.42
14735	04/09/2026	SOUTHERN CALIF EDISON CO ..5728	700869205728 OFFICE BUILDING	535.36	535.36
14811	04/23/2026	SOUTHERN CALIF EDISON CO ..6432	700869196432 DOULTON TREAT PLANT	668.91	668.91
14812	04/23/2026	SOUTHERN CALIF EDISON CO ..6830	700869176830 ENNISBROOK #5 WELL	350.92	350.92
14813	04/23/2026	SOUTHERN CALIF EDISON CO ..7543	700869197543 LAS FUENTES WELL	68.57	68.57
14736	04/09/2026	SOUTHERN CALIF EDISON CO ..9863	700869189863 EVR #3 WELL	356.76	356.76
14737	04/09/2026	SOUTHERN CALIF GAS CO	2761453006 BVTP GAS	42.32	
14737	04/09/2026	SOUTHERN CALIF GAS CO	10741464001 ADMIN GAS	35.79	78.11
14738	04/09/2026	STANDARD INSURANCE COMPANY	04.26 MWD DISABILITY INSURANCE	2,980.38	2,980.38
14739	04/09/2026	STAPLES	LA 1658991 PAPER RESTOCK	158.56	158.56
14740	04/09/2026	SUMMERLAND PRESBYTERIAN CHURCH	RADIO DEVICE ACCESS AGREEMENT-ANNUAL PAYMENT	4,500.00	4,500.00
14741	04/09/2026	SWRCB-DWOCF	T3 CERT RENEWAL - EE # 85	90.00	90.00
14814	04/23/2026	TAFT ELECTRIC COMPANY	BVTP RECLAIM PUMP REPAIRS - PP # 1	10,000.00	10,000.00
14749	04/09/2026	TETRA TECH, INC	200-106490-21001 P133 TERMINAL RES RFIS	6,348.00	6,348.00
14829	04/23/2026	TETRA TECH, INC	200-106490-21001 P136 ROMERO RES BID PREP	21,977.50	
14829	04/23/2026	TETRA TECH, INC	200-106490-21001 P133 TERMINAL RES ENGINEERING SVC	1,957.00	23,934.50
14815	04/23/2026	THE WHARF	2026 BOOTS - EE # 135 #1	203.00	
14815	04/23/2026	THE WHARF	2026 BOOTS - 135 #2	173.37	376.37
14816	04/23/2026	TRI-CO REPROGRAPHICS	A1 FEMA ALDER PRINTS	79.64	79.64
14742	04/09/2026	UNDERGROUND SERVICE ALRT	MON01WTR USA TICKETS	323.90	
14742	04/09/2026	UNDERGROUND SERVICE ALRT	MON01WTR USA REGULATORY FEES	79.99	403.89
14817	04/23/2026	UNITED HEALTHCARE INSURANCE COMPANY	399330727-11 POST EE BENEFITS	389.75	389.75
14818	04/23/2026	UPS	4.08.26 SHIP - TURBIDIMETER CALIBRATION	105.88	105.88
14819	04/23/2026	USC COMPANIES, INC.	03.26 ADMIN JANITORIAL	474.40	474.40
14820	04/23/2026	WANGER JONES HELSLEY PC	12183-002 A1 SPECIAL LEGAL	4,536.74	4,536.74
14750	04/09/2026	WATER SYSTEMS CONSULTING, INC	1229-11918 P133 TERMINAL RES CONSTRUCTION MGMT	35,092.50	35,092.50
14821	04/23/2026	WELLS FARGO BANK	4.03.26 STMT - MWD	4,286.29	4,286.29
14743	04/09/2026	WENDELSTEIN LAW GROUP PC	MWD GENERAL COUNSEL	15,084.00	15,084.00
14823	04/23/2026	WENDELSTEIN LAW GROUP PC	MWD GENERAL COUNSEL	19,596.00	19,596.00
14751	04/09/2026	WENDELSTEIN LAW GROUP PC	ASADRA GENERAL COUNSEL	1,080.00	1,080.00
14830	04/23/2026	WENDELSTEIN LAW GROUP PC	ASADRA GENERAL COUNSEL	1,080.00	1,080.00
14824	04/23/2026	WESTERN WATER WORKS	PRESSURE REG WYE STRAINERS	1,559.42	1,559.42
14744	04/09/2026	WESTMONT COLLEGE	RADIO DEVICE ACCESS AGREEMENT-ANNUAL PAYMENT	2,700.00	2,700.00
14825	04/23/2026	WESTWATER RESEARCH LLC	P130 WATER MARKETING STRATEGY SOLSTRA	5,737.50	5,737.50
14745	04/09/2026	WOOD RODGERS, INC.	8774015 P99 HIGHLINE PRELIM DESIGN REPORT	1,600.00	
14745	04/09/2026	WOOD RODGERS, INC.	8774021 WILDFIRE MODELING ANALYSIS	9,792.50	
14745	04/09/2026	WOOD RODGERS, INC.	8774022 P115 E VALLEY & LADERA WATER MAIN DESIGN	17,958.75	29,351.25

**MONTECITO WATER DISTRICT
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REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14752	04/09/2026	WOOD RODGERS, INC.	8774024 P133 TERMINAL RES PROJ MGMT	640.00	640.00
14753	04/09/2026	WOOD RODGERS, INC.	8774020 F25 FEMA HIGHLINE DESIGN	20,317.50	20,317.50
14826	04/23/2026	WORKSITE SOLUTIONS	CWMA29175 EE SUPPLEMENTAL INSURANCE	339.22	339.22
14827	04/23/2026	ZWORLD GIS, LLC	GIS PROGRAM SUPPORT	2,550.00	2,550.00
MWD REPORT TOTAL				2,342,709.58	2,342,709.58

**MONTECITO WATER DISTRICT
DIRECT DEPOSIT REGISTER
APRIL 30, 2026**

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
DFT0002277	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - MWD NET PAYROLL	79,545.74	79,545.74
DFT0002271	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - GSA NET PAYROLL	11,550.64	11,550.64
DFT0002280	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - ASADRA NET PAYROLL	130.00	130.00
DFT0002281	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - HIGHLINE NET PAYROLL	1,364.85	1,364.85
DFT0002299	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - MWD NET PAYROLL	81,942.44	81,942.44
DFT0002292	04/20/2026	PAYLOCITY CORPORATION	4/20 - GSA NET PAYROLL	13,115.64	13,115.64
DFT0002302	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - ASADRA NET PAYROLL	1,133.74	1,133.74
DFT0002303	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - HIGHLINE NET PAYROLL	1,129.52	1,129.52
MWD REPORT TOTAL				189,912.57	189,912.57

**MONTECITO WATER DISTRICT
ACH REGISTER
APRIL 30, 2026**

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
DFT0002285	04/06/2026	AMERICAN RIVIERA BANK	DEPOSIT - EXPRESSION OF INTEREST (ASADRA RLOC)	5,000.00	5,000.00
DFT0002267	04/06/2026	BENEFLEX INC	4/06 PR - FSA & DCP PLAN EMPLOYEE CONTRIBUTIONS	2,182.00	2,182.00
DFT0002287	04/20/2026	BENEFLEX INC	4/20 PR - FSA & DCP PLAN EMPLOYEE CONTRIBUTIONS	2,182.00	2,182.00
DFT0002268	04/06/2026	CALPERS	4/06 PR - 457 & LOAN PLAN EMPLOYEE CONTRIBUTIONS	5,683.25	5,683.25
DFT0002269	04/06/2026	CALPERS	4/06 PR - PEPRA EMPLOYEE CONTRIBUTIONS MWD	6,656.94	6,656.94
DFT0002270	04/06/2026	CALPERS	4/06 PR - PEPRA EMPLOYER CONTRIBUTIONS MWD	5,921.07	5,921.07
DFT0002273	04/06/2026	CALPERS	4/06 PR - CLASSIC EMPLOYEE CONTRIBUTIONS MWD	3,832.89	3,832.89
DFT0002274	04/06/2026	CALPERS	4/06 PR - CLASSIC EMPLOYER CONTRIBUTIONS MWD	6,972.61	6,972.61
DFT0002286	04/09/2026	CALPERS	4/06 PR - PEPRA EMPLOYER CONTRIBUTIONS GSA	916.25	916.25
DFT0002288	04/20/2026	CALPERS	4/20 PR - 457 & LOAN PLAN EMPLOYEE CONTRIBUTIONS	5,445.87	5,445.87
DFT0002289	04/20/2026	CALPERS	4/20 PR - PEPRA EMPLOYEE CONTRIBUTIONS	6,656.95	6,656.95
DFT0002290	04/20/2026	CALPERS	4/20 PR - PEPRA EMPLOYER CONTRIBUTIONS MWD	5,921.08	5,921.08
DFT0002291	04/20/2026	CALPERS	4/20 PR - PEPRA EMPLOYER CONTRIBUTIONS GSA	916.25	916.25
DFT0002294	04/20/2026	CALPERS	4/20 PR - CLASSIC EMPLOYEE CONTRIBUTIONS	3,832.89	3,832.89
DFT0002295	04/20/2026	CALPERS	4/20 PR - CLASSIC EMPLOYER CONTRIBUTIONS MWD	6,972.61	6,972.61
DFT0002296	04/20/2026	COLONIAL LIFE PROCESSING CENTER	E4901575 EE SUPPLEMENTAL INSURANCE	209.22	209.22
DFT0002309	04/30/2026	EPX	04.26 EPX FEES	9,621.27	9,621.27
DFT0002275	04/06/2026	LINCOLN FINANCIAL GROUP	4/06 PR - 457 PLAN EMPLOYEE CONTRIBUTIONS	1,588.00	1,588.00
DFT0002297	04/20/2026	LINCOLN FINANCIAL GROUP	4/20 PR - 457 PLAN EMPLOYEE CONTRIBUTIONS	1,742.31	1,742.31
DFT0002272	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - GSA EMPLOYER TAXES	862.85	862.85
DFT0002278	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - MWD EMPLOYEE TAXES	34,412.62	34,412.62
DFT0002279	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - MWD EMPLOYER TAXES	10,224.44	10,224.44
DFT0002293	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - GSA EMPLOYER TAXES	982.56	982.56
DFT0002300	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - MWD EMPLOYEE TAXES	35,792.39	35,792.39
DFT0002301	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - MWD EMPLOYER TAXES	10,417.99	10,417.99
DFT0002307	04/24/2026	PAYLOCITY CORPORATION	04.26 PAYROLL PROCESSING FEES	677.86	677.86
DFT0002282	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - ASADRA EMPLOYER TAXES	9.69	9.69
DFT0002304	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - ASADRA EMPLOYER TAXES	85.74	85.74
DFT0002283	04/06/2026	PAYLOCITY CORPORATION	4/06 PR - HIGHLINE EMPLOYER TAXES	102.09	102.09
DFT0002305	04/20/2026	PAYLOCITY CORPORATION	4/20 PR - HIGHLINE EMPLOYER TAXES	84.20	84.20
DFT0002276	04/06/2026	SANTA BARBARA COUNTY EMPLOYEE ASSOC	4/06 PR - UNION DUES	523.80	523.80
DFT0002298	04/20/2026	SANTA BARBARA COUNTY EMPLOYEE ASSOC	4/20 PR - UNION DUES	523.80	523.80
DFT0002308	04/24/2026	WATER QUALITY & TREATMENT SOLUTIONS, INC.	0131.0050 BVTP CLARIFICATION STUDY	2,360.00	2,360.00
MWD REPORT TOTAL				179,313.49	179,313.49

PROOF	
CHECK REGISTERS	2,342,709.58
DRAFTS	179,313.49
DIRECT DEPOSIT	189,912.57
	<hr/>
	2,711,935.64
INCODE CHECK REGISTER ALL	2,711,935.64

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**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 4-C
DATE: MAY 19, 2026
TO: BOARD OF DIRECTORS
FROM: BUSINESS MANAGER
SUBJECT: INVESTMENT OF DISTRICT FUNDS AND CASH POSITION AS OF
APRIL 30, 2026

RECOMMENDATION:

For information and discussion only.

SUMMARY:

This report is presented in accordance with the District's Investment Policy and California Government Code and provides a comprehensive overview of the District's cash position and investment portfolio as of April 30, 2026.

The report includes:

- A summary of all investments, including issuer, and current market value
- Portfolio allocation and performance metrics, including average yield and investment income
- Cash and cash equivalent balances across all District accounts, including beginning and ending balances for the reporting period
- A summary of monthly cash flow activity and changes in total cash position
- Liquidity metrics demonstrating the District's ability to meet operating and capital obligations

District funds are held in U.S. Treasury securities and cash equivalents within the Charles Schwab One Account, as well as in money market and checking (operating) accounts maintained at American Riviera Bank. All portfolio valuations are based on month-end statements provided by these institutions.

This report is intended to provide transparency into both the investment performance and the liquidity position of the District, ensuring alignment with policy requirements and supporting informed financial oversight by the Finance Committee and Board of Directors.

CASH POSITION SUMMARY

Category	Beginning Balance (4/1/26)	Ending Balance (4/30/26)	Change	Notes
Operating Cash (ARB)	\$4,509,104	\$4,395,992	(\$113,111)	Payroll, AP, Receipts
Money Market (ARB)	\$2,332,530	\$2,338,281	\$5,751	Liquidity Reserve
Investments (Schwab One)	\$12,448,365	\$12,493,591	\$45,226	
Total Cash & Equivalents	\$19,289,998	\$19,227,865	(\$62,134)	

INVESTMENT PORTFOLIO – SCHWAB ONE

As of April 30, 2026:

- The Schwab One Account Ending value is **\$12,493,591**
- Total Market Value (incl. accrued income) **\$12,543,665**

Portfolio Composition:

- Cash and cash equivalents (Money Market): **55% (\$ 6,913,501)**
- Fixed income (Treasuries): **45% (\$ 5,580,090)**

Performance

- Portfolio's Average Yield: **3.60–3.72%**
- Monthly Income: **\$45,226**
- Year-to-Date Income of **\$291,707**

MONEY MARKET ACCOUNT – AMERICAN RIVIERA BANK

As of April 30, 2026:

- Ending Balance : **\$2,338,281**
- Interest Earned (April) **\$5,751**
- Annual Percentage Yield Earned (APYE): **3.04%**
- Average Balance: **~\$2.33M**

Funds held in this account are invested in government money market products, are externally managed by the financial institution, and are maintained in accordance with the District's Investment Policy. This account provides daily liquidity for operational and programmatic needs while maintaining a low-risk investment profile.

COMPLIANCE & CERTIFICATION

The Business Manager, as Chief Fiscal Officer of the District, certifies that:

- All investment actions carried out since the last report have been made in full compliance with the Investment Policy.
- The District will meet its expenditure obligations.

Certification Statement

I certify that the District's financial activities, internal controls, and reporting for the period are complete, accurate, and in compliance with applicable standards.

Key Assurances

1. Financial Reporting Framework

- Financial records are maintained in accordance with Generally Accepted Accounting Principles (GAAP) for state and local governments, as established by the Governmental Accounting Standards Board.
- Reporting aligns with the District's Annual Comprehensive Financial Report (ACFR) and audit requirements.

2. Investment Policy & Liquidity

- All investment activity complies with the District's Investment Policy.
- Adequate liquidity is maintained to meet operational needs.

3. Internal Controls

- Internal controls are in place and functioning effectively.
- Controls provide reasonable assurance that transactions are authorized, recorded, and assets are safeguarded.
- Segregation of duties and management oversight are maintained.

4. Reconciliations

- All bank and investment accounts were reconciled within 5 business after month-end.
- Reconciliations were prepared by staff and independently reviewed and approved.

5. Oversight & Monitoring

- Management performs regular review of financial activity and budget-to-actual performance.
- Any discrepancies or control issues were identified, resolved, and reported as appropriate.

6. Regulatory Compliance

- Financial practices comply with:
 - GAAP and applicable GASB standards
 - California Government Code
 - Federal requirements under Uniform Guidance (2 CFR Part 200), where applicable

7. Audit Readiness

- Financial records and supporting documentation are maintained in the District's ERP system in an organized, audit-ready format and are available for review.

Certification Approval

I certify, to the best of my knowledge, that the District is operating in compliance with applicable financial, regulatory, and internal control requirements.

Emma Godinez
Business Manager / Chief Fiscal Officer

5/6/2026
Date

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 4-D

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: BUSINESS MANAGER

SUBJECT: UNAUDITED FINANCIAL STATEMENTS AS OF APRIL 30, 2026

RECOMMENDATION:

For information and discussion only.

BACKGROUND:

The purpose of this memorandum is to provide the Board of Directors with a comprehensive review of the District's unaudited financial position and operating results on a year-to-date basis as of April 30, 2026. This information is intended to support the Board's oversight responsibilities by facilitating review of budgetary performance, overall financial condition, operational trends, and compliance with applicable accounting and financial reporting requirements.

Regular review of unaudited financial information enables the Board to monitor fiscal performance throughout the year, assess progress toward adopted budget and policy objectives, and identify emerging issues or trends that may require management attention or Board direction.

REGULATORY AND REPORTING REQUIREMENTS

The District's financial reports are prepared in accordance with Generally Accepted Accounting Principles (GAAP) for governmental entities. The Governmental Accounting Standards Board (GASB) serves as the authoritative standard-setting body for establishing accounting and financial reporting principles applicable to state and local governments.

Preparation of these reports in conformity with GASB and GAAP requirements promotes transparency, consistency, and comparability of financial information. Timely and accurate financial reporting supports sound fiscal management, including monitoring liquidity and financial flexibility, evaluating compliance with adopted financial policies, identifying material variances or emerging trends, and ensuring the District's ongoing ability to meet its financial obligations.

OVERVIEW OF INFORMATION PROVIDED

The monthly financial package presents year-to-date unaudited financial information, comparing actual results to the adopted budget, along with key operational and financial indicators. This

comparative analysis supports early identification of material variances, trends, or potential financial impacts that may warrant further analysis, corrective action, or Board consideration.

The information is first reviewed by the Finance Committee and subsequently presented to the Board of Directors for discussion and any appropriate direction or action.

APRIL 2026 FINANCIAL REPORTING

- **Unaudited Financial Statements (YTD):** Compare actual results to budget and summarize assets, liabilities, and net position to assess financial health.

BOARD OVERSIGHT AND DECISION-MAKING

These reports provide a clear, timely view of the District's financial condition and performance, supporting informed decision-making, accountability, and long-term sustainability.

ATTACHMENTS

1. Unaudited Financial Statements as of April 30, 2026
2. Water Sales Analysis, including supporting tables and graphical dashboards, for April 2026



BOARD OF DIRECTORS

UNAUDITED FINANCIAL STATEMENTS

as of

April 30, 2026

REGULAR MEETING OF THE BOARD OF DIRECTORS

May 19, 2026

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Budget Variance Report

As of: 04/30/2026

Fund: WATER	CURRENT MONTH			YEAR TO DATE			ANNUAL BUDGET		
	BUDGETED APRIL	ACTUAL APRIL	VARIANCE	BUDGETED	ACTUAL	VARIANCE	REMAINING	TOTAL	% BUDGET REMAINING
REVENUE SUMMARY									
Water Sales Revenue	1,753,248	2,117,338	364,090	21,970,159	21,130,807	(839,352)	(5,737,124)	26,867,931	21%
Other Operating Revenue	68,182	81,456	13,274	681,820	558,454	(123,366)	(259,735)	818,189	32%
Non-Operating Revenue	594,223	178,612	(415,611)	2,836,608	1,018,847	(1,817,762)	(3,786,789)	4,805,635	79%
Water Refunds/Rebates	(11,666)	(44,444)	(32,778)	(116,660)	(106,069)	10,591	33,931	(140,000)	24%
TOTAL REVENUE	2,403,987	2,332,962	(71,024)	25,371,927	22,602,038	(2,769,889)	(9,749,717)	32,351,755	30%
EXPENSE SUMMARY									
Water Purchases	849,767	1,186,604	(336,837)	12,584,607	12,258,405	326,202	(1,787,718)	14,046,123	13%
Jameson Lake	33,368	19,317	14,051	330,899	311,059	19,840	(74,399)	385,458	19%
Treatment Operations	175,400	135,675	39,725	1,989,492	1,862,751	126,741	(435,928)	2,298,679	19%
Transmission/Distributn	139,449	136,689	2,760	1,845,269	1,697,397	147,872	(504,533)	2,201,930	23%
Meter Reading/Customer	80,352	92,855	(12,503)	547,539	493,933	53,606	(152,532)	646,465	24%
Fleet	21,027	19,269	1,758	262,754	234,432	28,322	(77,466)	311,898	25%
Engineering	80,613	112,664	(32,051)	1,344,552	967,156	377,396	(565,217)	1,532,373	37%
Administration	148,143	121,796	26,347	2,402,915	2,138,141	264,774	(686,906)	2,825,047	24%
Board Administration	3,697	3,711	(14)	32,726	44,945	(12,219)	5,780	39,165	-15%
Conservation	18,853	16,544	2,309	298,426	206,158	92,268	(125,315)	331,473	38%
Public Information	19,474	16,531	2,943	214,765	170,494	44,271	(96,117)	266,611	36%
Interest Expense	-	-	-	148,500	148,500	-	(148,500)	297,000	50%
Other Commitments	-	-	-	30,415	59,482	(29,067)	(0)	59,482	0%
TOTAL EXPENSE	1,570,143	1,861,655	(291,512)	22,032,859	20,592,851	1,440,008	(4,648,853)	25,241,704	18%
REVENUE OVER/(UNDER) EXPENDITURE	833,844	471,307	(362,537)	3,339,068	2,009,187	(1,329,881)	(5,100,865)		



Monthly Budget Report

Account Summary

For Fiscal: 2025-2026 Period Ending: 04/30/2026

Revenue	CURRENT MONTH			YEAR TO DATE			% BUDGET REMAINING	TOTAL BUDGET
	BUDGETED APRIL	ACTUAL APRIL	\$ VARIANCE	BUDGETED	ACTUAL	\$ VARIANCE		
41 - WATER SALES REVENUE								
Water Sales - Single Family	974,821	1,231,904	257,083	12,784,521	11,794,108	(990,413)	26%	15,883,327
Water Sales - Multi Family	19,593	19,676	83	266,428	215,741	(50,687)	33%	320,647
Water Sales - Commercial	82,149	109,205	27,056	953,080	1,026,413	73,333	12%	1,160,856
Water Sales - Institu / Public	84,570	121,576	37,006	1,188,800	1,269,937	81,137	13%	1,458,135
Water Sales - Agricultural	34,811	72,733	37,922	555,434	590,503	35,069	15%	692,636
Water Sales - Non Potable	7,762	7,560	(202)	91,476	85,970	(5,506)	28%	118,831
Water Sales - Const/Other Consumpt	3,000	5,458	2,458	65,000	35,316	(29,684)	53%	75,000
Water Sales - Surplus SWP Sales	-	-	-	600,000	616,680	16,680	-3%	600,000
Water Sales - Monthly Meter Charges	546,542	549,226	2,684	5,465,420	5,496,137	30,717	16%	6,558,499
Total 41 - WATER SALES REVENUE	1,753,248	2,117,338	364,090	21,970,159	21,130,807	(839,352)	21%	26,867,931
42 - OTHER OPERATING REVENUE								
Late Charges	3,500	1,394	(2,106)	35,000	21,033	(13,967)	50%	42,000
DrTag/Cutoff/On/Rtn Chk/AftHr	1,000	893	(107)	10,000	13,137	3,137	-9%	12,000
Private Fire Line Srv Charge	25,349	26,288	939	253,490	265,236	11,746	13%	304,189
CWSA/Hydrant Flow Test Fees	5,000	3,903	(1,097)	50,000	47,767	(2,233)	20%	60,000
Service Connection Fees	8,333	29,538	21,205	83,330	73,952	(9,378)	26%	100,000
Capital Cost Recovery Fees	25,000	19,440	(5,560)	250,000	137,329	(112,671)	54%	300,000
Total 42 - OTHER OPERATING REVENUE	68,182	81,456	13,274	681,820	558,454	(123,366)	32%	818,189
43 - NON-OPERATING REVENUE								
Rent Revenue	7,757	2,204	(5,554)	78,949	76,654	(2,295)	20%	95,845
Interest Revenue	26,667	50,977	24,311	266,667	351,959	85,293	-10%	320,000
Federal Reimbursements	-	-	-	-	75,370	75,370	0%	-
Reimbursements	450	807	357	108,847	177,402	68,555	-23%	143,845
Water Avail Chg - Revenue	115,000	124,579	9,579	290,000	297,521	7,521	1%	300,000
Capital Grants & Reimbursements	354,700	-	(354,700)	1,186,000	-	(1,186,000)	100%	3,945,945
Other Income	-	46	46	-	36,548	36,548	0%	-
Gain - Sale of Assets	-	-	-	-	3,393	3,393	0%	-
Total : 43 - NON-OPERATING REVENUE	594,223	178,612	(415,611)	2,836,608	1,018,847	(1,817,762)	79%	4,805,635

Revenue	CURRENT MONTH			YEAR TO DATE			% BUDGET REMAINING	TOTAL BUDGET
	BUDGETED APRIL	ACTUAL APRIL	\$ VARIANCE	BUDGETED	ACTUAL	\$ VARIANCE		
51 - WATER REFUNDS/REBATES								
Water Loss Adjustments	(8,333)	(3,045)	5,288	(83,330)	(50,466)	32,864	50%	(100,000)
Customer Rebates	(3,333)	(888)	2,445	(33,330)	(12,146)	21,184	70%	(40,000)
Customer Credits	-	(40,512)	(40,512)	-	(43,457)	(43,457)	0%	-
Total 51 - WATER REFUNDS/REBATES	(11,666)	(44,444)	(32,778)	(116,660)	(106,069)	10,591	24%	(140,000)
Total Revenue	2,403,987	2,332,962	(71,024)	25,371,927	22,602,038	(2,769,889)	30%	32,351,755



Monthly Budget Report

Account Summary

Fiscal: 2026 Period Ending: 04/30/2026

Expense	CURRENT MONTH			YEAR TO DATE			% BUDGET REMAINING	TOTAL BUDGET
	BUDGETED APRIL	ACTUAL APRIL	\$ VARIANCE	BUDGETED	ACTUAL	\$ VARIANCE		
Department: 500 - Water Purchases								
USBR - Cachuma	-	165,235	(165,235)	226,820	246,153	(19,333)	-9%	226,820
SWP CCWA Fixed	-	-	-	1,092,792	1,092,792	0	0%	1,092,792
SWP DWR Fixed	-	-	-	3,225,482	3,225,482	0	0%	3,225,482
CCRB Cachuma	47,615	-	47,615	190,460	150,010	40,450	21%	190,460
COMB Cachuma	157,844	157,844	-	809,331	757,613	51,718	6%	809,331
CATER Treatment Operations	36,480	210,807	(174,327)	514,030	633,822	(119,792)	19%	779,998
CATER Capital Costs	20,113	53,650	(33,537)	60,339	98,197	(37,858)	-22%	80,454
DWR Variable Costs	-	-	-	147,418	-	147,418	100%	147,418
DESAL Plant Capital Charge	193,633	193,633	-	1,936,330	1,936,330	-	17%	2,323,594
DESAL Fixed O&M Charge (IDE)	197,138	197,138	-	1,971,380	1,971,380	-	17%	2,365,655
DESAL Fixed O&M Charge (City)	32,127	37,066	(4,939)	321,270	370,660	(49,390)	4%	385,528
DESAL Variable O&M Charge	106,975	106,975	-	1,069,750	1,069,750	-	17%	1,283,705
DESAL Administrative Charge	33,066	33,243	(177)	330,660	332,437	(1,777)	16%	396,793
DESAL Water Supply Develop Fee	22,276	22,276	-	222,760	222,760	-	17%	267,308
DESAL Plant Capital Maint(Paygo)	-	-	-	366,080	-	366,080	100%	366,080
Water Marketing & Storage	2,500	8,738	(6,238)	99,705	151,019	(51,314)	-44%	104,705
Total Department: 500 - Water Purchases	849,767	1,186,604	(336,837)	12,584,607	12,258,405	326,202	13%	14,046,123
Department: 511 - Jameson Lake								
PAYROLL/PERSONNEL	9,720	8,018	1,702	104,689	98,426	6,263	24%	129,172
TRAINING & TRAVEL	-	-	-	2,000	300	1,700	85%	2,000
MATERIAL & SUPPLIES	1,250	2,022	(772)	15,550	9,730	5,820	46%	18,050
CONTRACTUAL SERVICES	22,398	9,278	13,120	123,660	121,643	2,017	20%	151,236
OTHER OPERATING EXPENSES	-	-	-	85,000	80,960	4,040	5%	85,000
Total Department: 511 - Jameson Lake	33,368	19,317	14,051	330,899	311,059	19,840	19%	385,458
Department: 531 - Treatment Operations								
PAYROLL/PERSONNEL	88,257	80,358	7,899	1,221,682	1,170,438	51,244	19%	1,446,296
TRAINING & TRAVEL	1,785	-	1,785	8,515	8,031	484	20%	9,998
MATERIAL & SUPPLIES	44,515	22,396	22,119	249,324	230,676	18,648	19%	284,115
CONTRACTUAL SERVICES	40,843	31,808	9,035	509,971	452,357	57,614	19%	558,270
OTHER OPERATING EXPENSES	-	1,114	(1,114)	-	1,250	(1,250)	0%	-
Total Department: 531 - Treatment Operations	175,400	135,675	39,725	1,989,492	1,862,751	126,741	19%	2,298,679

Expense	CURRENT MONTH			YEAR TO DATE			% BUDGET REMAINING	TOTAL BUDGET
	BUDGETED APRIL	ACTUAL APRIL	\$ VARIANCE	BUDGETED	ACTUAL	\$ VARIANCE		
Department: 541 - Transmission/Distribution								
PAYROLL/PERSONNEL	101,599	94,397	7,202	1,408,249	1,311,660	96,589	22%	1,677,159
TRAINING & TRAVEL	6,000	70	5,930	14,000	8,289	5,711	45%	15,197
MATERIAL & SUPPLIES	11,050	11,638	(588)	137,820	91,501	46,319	44%	161,974
CONTRACTUAL SERVICES	20,800	30,584	(9,784)	285,200	285,082	118	18%	347,600
OTHER OPERATING EXPENSES	-	-	-	-	865	(865)	0%	-
Total Department: 541 Transmission/Distribution	139,449	136,689	2,760	1,845,269	1,697,397	147,872	23%	2,201,930
Department: 550 - Customer Service								
PAYROLL/PERSONNEL	29,111	25,537	3,574	305,868	287,619	18,249	24%	376,314
TRAINING & TRAVEL	2,001	-	2,001	6,001	539	5,462	91%	6,001
MATERIAL & SUPPLIES	330	4,030	(3,700)	5,270	6,865	(1,595)	-16%	5,930
CONTRACTUAL SERVICES	48,910	63,289	(14,379)	230,400	198,910	31,490	23%	258,220
Total Department: 550 - Customer Service	80,352	92,855	(12,503)	547,539	493,933	53,606	24%	646,465
Department: 561 - Fleet								
PAYROLL/PERSONNEL	12,537	12,055	482	175,655	167,635	8,020	19%	207,821
TRAINING & TRAVEL	-	-	-	1,999	95	1,904	95%	1,999
MATERIAL & SUPPLIES	8,058	7,194	864	80,580	64,571	16,009	33%	96,694
CONTRACTUAL SERVICES	432	20	412	4,520	2,130	2,390	60%	5,384
Total Department: 561 - Fleet	21,027	19,269	1,758	262,754	234,432	28,322	25%	311,898
Department: 563 - Engineering								
PAYROLL/PERSONNEL	52,263	42,925	9,338	571,252	467,316	103,936	34%	703,873
TRAINING & TRAVEL	-	-	-	4,500	192	4,308	97%	6,000
MATERIAL & SUPPLIES	4,100	11,129	(7,029)	54,800	43,115	11,685	31%	62,900
CONTRACTUAL SERVICES	24,250	58,394	(34,144)	714,000	456,074	257,926	40%	759,600
OTHER OPERATING EXPENSES	-	216	(216)	-	458	(458)	0%	-
Total Department: 563 - Engineering	80,613	112,664	(32,051)	1,344,552	967,156	377,396	37%	1,532,373
Department: 565 - Administration								
PAYROLL/PERSONNEL	88,938	82,592	6,346	936,272	848,585	87,687	26%	1,153,518
TRAINING & TRAVEL	917	-	917	11,170	3,194	7,976	75%	13,000
MATERIAL & SUPPLIES	9,900	(28,851)	38,751	139,150	106,109	33,041	30%	151,950
CONTRACTUAL SERVICES	48,362	67,722	(19,360)	1,244,061	1,102,109	141,952	23%	1,434,265
OTHER OPERATING EXPENSES	26	333	(307)	72,262	78,144	(5,882)	-8%	72,314
Total Department: 565 - Administration	148,143	121,796	26,347	2,402,915	2,138,141	264,774	24%	2,825,047

Expense	CURRENT MONTH			YEAR TO DATE			% BUDGET REMAINING	TOTAL BUDGET
	BUDGETED APRIL	ACTUAL APRIL	\$ VARIANCE	BUDGETED	ACTUAL	\$ VARIANCE		
Department: 566 - Board Administration								
PAYROLL/PERSONNEL	3,397	3,359	38	22,725	30,456	(7,731)	-7%	28,564
TRAINING & TRAVEL	300	-	300	10,001	11,959	(1,958)	-13%	10,601
OTHER OPERATING EXPENSES	-	352	(352)	-	2,529	(2,529)	0%	-
Total Department: 566 - Board Administration	3,697	3,711	(14)	32,726	44,945	(12,219)	-15%	39,165
Department: 568 - Conservation								
PAYROLL/PERSONNEL	11,958	11,927	31	130,576	124,984	5,592	22%	160,932
TRAINING & TRAVEL	-	-	-	1,800	1,467	333	54%	3,201
MATERIAL & SUPPLIES	50	4,400	(4,350)	500	4,304	(3,804)	-617%	600
CONTRACTUAL SERVICES	6,845	217	6,628	153,550	64,289	89,261	58%	154,740
OTHER OPERATING EXPENSES	-	-	-	12,000	11,115	885	7%	12,000
Total Department: 568 - Conservation	18,853	16,544	2,309	298,426	206,158	92,268	38%	331,473
Department: 568 - Public Information								
PAYROLL/PERSONNEL	13,809	13,237	572	146,766	135,264	11,502	25%	180,732
TRAINING & TRAVEL	-	-	-	1,999	1,401	598	30%	1,999
MATERIAL & SUPPLIES	-	3,106	(3,106)	5,350	3,106	2,244	77%	13,400
CONTRACTUAL SERVICES	5,665	188	5,477	60,650	30,723	29,927	56%	70,480
Total Department: 568 - Public Information	19,474	16,531	2,943	214,765	170,494	44,271	36%	266,611
Department: 570 - Interest Expense								
Interest 2020 COP Refunding Bonds	-	-	-	148,500	148,500	-	50%	297,000
Total Department: 570 - Interest Expense	-	-	-	148,500	148,500	-	50%	297,000
Department: 580 - Other Commitments								
Cater Ozone Project Loan	-	-	-	30,415	59,482	(29,067)	0%	59,482
Total Department: 580 - Non-Departmental	-	-	-	30,415	59,482	(29,067)	0%	59,482
Total Expense	1,570,143	1,861,655	(291,512)	22,032,859	20,592,851	1,440,008	18%	25,241,704

MONTECITO WATER DISTRICT
Capital Improvement Program — Year-to-Date Expenditures

Fiscal Year 2026 | July 1, 2025 through April 30, 2026

Funding Source Summary

Funding Source	YTD Expenditures	% of Total
ASADRA Loan	2,343,692	48%
FEMA / Disaster Recovery	307,881	6%
Rate Revenue Funded	2,276,959	46%
Total Year-to-Date CIP Expenditures	4,928,532	100%

Capital Projects by Program Area

Proj. No.	Project / Description	YTD Expenditures	% of Total
ASADRA Reservoir Program			
P133	ASADRA Terminal Reservoir	2,164,537	92.4%
P132	ASADRA Park Lane Reservoir	145,178	6.2%
P136	ASADRA Romero Reservoir	33,905	1.4%
P135	ASADRA Cold Springs Reservoir	72	0.0%
ASADRA Reservoir Program — Subtotal		2,343,692	47.6%
Storm Damage Repairs (FEMA)			
F025	Highline Pipeline Repair — Jan 2023 Storm	222,336	72.2%
A1	Alder Creek Flume Repairs	85,545	27.8%
Storm Damage Repairs (FEMA) — Subtotal		307,881	6.25%
Water Main Replacements			
P098	Freehaven Water Main Replacement	757,650	52%
P142	US 101 Casing Installations (Danielson & Miramar)	326,266	22%
P095	Las Tunas Rd Water Main Replacement	193,089	13%
P115	E. Valley, Ladera, Lambert Water Main (Design)	75,550	5%
P141	Fairway, Butterfly, Miramonte Main Replacement	67,636	5%
P099	Highline Water Main Replacement (Design)	33,435	2%
Water Main Replacements — Subtotal		1,453,626	100%
Treatment Plant & Dam Improvements			
P147	BVTP Filter #1 Media Replacement & Coating	209,621	4%
P125	Juncal Dam Arch Drain Replacement	109,929	2%
P122	Doulton Treatment Plant Road Replacement	54,963	1%
P146	BVTP Reclaim Basin Repair & Coating	2,335	0%
Treatment Plant & Dam Improvements — Subtotal		376,848	8%
Wells, Pump Stations & Site Facilities			
P143	Fire Hydrant Replacements (FY 2025-26)	280,811	6%
P145	Ortega Backup Generator Pad & Electrical	69,748	1%
P148	Ennisbrook 2 Well Roof Install	49,866	1%
P150	East Valley Pump Station Roof Install	46,060	1%
Wells, Pump Stations & Site Facilities — Subtotal		446,485	9%
Total Year-to-Date CIP Expenditures		4,928,532	100%

Source: Project Activity Report by Project Number, July 1, 2025 – April 30, 2026; 20 active capital projects. ASADRA Loan = the four ASADRA reservoir projects; FEMA / Disaster Recovery = the Alder Creek Flume and Highline Pipeline (Jan 2023 storm) repairs; all other projects shown as Rate Revenue Funded.

MONTECITO WATER DISTRICT

Fiscal Year 2026

Through April 30, 2026

(Variances greater than \$25,000)

Revenue – by Reporting Category

Annual budget \$32,351,755; \$9,749,717 remaining (30%) with two months left. Total YTD revenue is \$22,602,038 actual vs. \$25,371,927 YTD budget – \$(2,769,889) (11%) unfavorable.

Water Sales Revenue | YTD Budget: \$21,970,159 | YTD Actual: \$21,130,807 | \$(839,352) unfavorable (4%)

1. **Water Sales – Single Family: \$(990,413) unfavorable (8%)**
 - YTD budget \$12,784,521 vs. actual \$11,794,108. Shortfall due to lower demand patterns resulting from wet weather conditions, reducing customer consumption through February. Annual budget \$15,883,327; \$4,089,219 remaining (26%) with two months left.
2. **Water Sales – Multi Family: \$(50,687) unfavorable (19%)**
 - YTD budget \$266,428 vs. actual \$215,741. Consistent with the wet weather demand reduction. Annual budget \$320,647; \$104,906 remaining (33%) with two months left.
3. **Water Sales – Commercial: \$73,333 favorable (8%)**
 - YTD budget \$953,080 vs. actual \$1,026,413. Commercial demand running ahead of budget. Annual budget \$1,160,856; \$134,443 remaining (12%) with two months left.
4. **Water Sales – Institutional / Public: \$81,137 favorable (7%)**
 - YTD budget \$1,188,800 vs. actual \$1,269,937. Institutional and public usage above planned. Annual budget \$1,458,135; \$188,198 remaining (13%) with two months left.
5. **Water Sales – Agricultural: \$35,069 favorable (6%)**
 - YTD budget \$555,434 vs. actual \$590,503. Agricultural demand modestly above budget. Annual budget \$692,636; \$102,133 remaining (15%) with two months left.
6. **Water Sales – Const/Other Consumption: \$(29,684) unfavorable (46%)**
 - YTD budget \$65,000 vs. actual \$35,316. Lower construction-related water usage. Annual budget \$75,000; \$39,684 remaining (53%) with two months left.
7. **Water Sales – Monthly Meter Charges: \$30,717 favorable (1%)**
 - YTD budget \$5,465,420 vs. actual \$5,496,137. Fixed monthly meter charges tracking slightly ahead of budget. Annual budget \$6,558,499; \$1,062,362 remaining (16%) with two months left.

Other Operating Revenue | YTD Budget: \$681,820 | YTD Actual: \$558,454 | \$(123,366) unfavorable (18%)

8. **Capital Cost Recovery Fees: \$(112,671) unfavorable (45%)**
 - YTD budget \$250,000 vs. actual \$137,329. Collections are at 55% of YTD budget through April; new development activity remains below forecast. Annual budget \$300,000; \$162,671 remaining (54%) with two months left.

Note: Service Connection Fees, called out in the prior period, is \$(9,378) unfavorable YTD (\$83,330 budget vs. \$73,952 actual) and no longer exceeds the \$25,000 reporting threshold.

Non-Operating Revenue | YTD Budget: \$2,836,608 | YTD Actual: \$1,018,847 |
\$(1,817,762) unfavorable (64%)

9. **Capital Grants & Reimbursements: \$(1,186,000) unfavorable (100%)**
 - YTD budget \$1,186,000 vs. actual \$0 as of April 30. Since that period, the District received \$1.5M related to ASADRA – Park Lane & Terminal draw submissions. The annual budget \$3,945,945; \$2,389,974 remaining, incl \$1.5M (60%) with two months left.
10. **Interest Revenue: \$85,293 favorable (+32%)**
 - YTD budget \$266,667 vs. actual \$351,959. Interest earnings above budget, reflecting portfolio balances and market rates.
Annual budget \$320,000; remaining \$31,959 with two months left.
11. **Reimbursements: \$68,555 favorable (+63%)**
 - YTD budget \$108,847 vs. actual \$177,402. Includes prior-year surplus reimbursements from COMB and CCRB. Annual budget \$143,845; \$33,557 over annual budget.
12. **Federal Reimbursements: \$75,370 favorable**
 - Recorded against a \$0 annual budget due to reclass. Reflects FEMA reimbursement activity (Alder Creek Flume).
13. **Other Income: \$36,548 favorable**
 - Recorded against a \$0 annual budget. \$25K from Montecito Community Foundation for Demo Garden and Equipment sales of \$8K.

Revenue Risks

Water Sales are unfavorable by \$(839,352) year-to-date, driven primarily by a \$(990,413) shortfall in single-family revenue and partially offset by favorable commercial, institutional, and agricultural sales. With \$5,737,124 remaining relative to the annual Water Sales budget and two months left in the fiscal year, there is a risk that revenues may not fully recover by year-end.

Expense – By Department

Annual budget \$25,241,704; \$4,648,853 remaining (18%) with two months left. Total YTD expenses are \$20,592,851 actual vs. \$22,032,859 YTD budget – \$1,440,008 (7%) favorable.

Water Purchases | YTD Budget: \$12,584,607 | YTD Actual: \$12,258,405 | \$326,202 favorable (3%)

14. **DESAL Plant Capital Maintenance – Paygo (WA7): \$366,080 favorable (100%)**
 - YTD budget \$366,080 vs. actual \$0. WSA PAYGO capital expenditure has not yet been incurred. Annual budget \$366,080; \$366,080 remaining (100%) with two months left.
15. **DWR Variable Costs: \$147,418 favorable (100%)**
 - YTD budget \$147,418 vs. actual \$0. No DWR variable costs incurred to date.
16. **COMB Cachuma: \$51,718 favorable (6%)**
 - YTD budget \$809,331 vs. actual \$757,613. Costs below YTD budget driven by postponement of Lauro Reservoir bypass Channel Project. Annual budget \$809,331; \$51,718 remaining (6%) with two months left.
17. **CCRB Cachuma: \$40,450 favorable (21%)**
 - YTD budget \$190,460 vs. actual \$150,010. Assessments below YTD budget. Annual budget \$190,460; \$40,450 remaining (21%) with two months left. Q4 assessment in the amount of \$40,450 will not be assessed due to lower operating expenses.
18. **CATER Treatment Operations: \$(119,792) unfavorable (23%)**
 - YTD budget \$514,030 vs. actual \$633,822. Costs have moved above YTD budget – \$210,807 was incurred in April against a \$36,480 monthly budget due to increased deliveries through Cater in Q3 – reversing the favorable position reported through March. Annual budget \$779,998; \$146,176 remaining (19%) with two months left.
19. **Water Marketing & Storage: \$(51,314) unfavorable (51%)**
 - YTD budget \$99,705 vs. actual \$151,019. Higher water banking/marketing activity compared to YTD budget. Annual budget \$104,705; \$46,314 over annual budget with two months remaining.
20. **DESAL Fixed O&M Charge – City (WA3): \$(49,390) unfavorable (15%)**
 - YTD budget \$321,270 vs. actual \$370,660. City DESAL fixed O&M charges YTD budget, reflecting costs above the budgeted rate. Annual budget \$385,528; \$14,868 remaining (4%) with two months left.
21. **CATER Capital Costs: \$(37,858) unfavorable (63%)**
 - YTD budget \$60,339 vs. actual \$98,197. Capital cost billings. Annual budget \$80,454; \$17,743 over annual budget with two months remaining.

Note: USBR – Cachuma, a favorable item in the prior period, is now \$(19,333) unfavorable YTD (\$226,820 budget vs. \$246,153 actual) following a \$165,235 April assessment and no longer exceeds the \$25,000 reporting threshold.

511 – Jameson Lake | YTD Budget: \$330,899 | YTD Actual: \$311,059 | \$19,840 favorable (6%)

22. **Outside Services: \$(30,409) unfavorable (38%)**
 - YTD budget \$80,230 vs. actual \$110,639. Road work and electrical repairs completed. Annual budget \$100,000; \$10,639 over annual budget with two months remaining.

23. Laboratory Services: \$32,032 favorable (88%)

- YTD budget \$36,330 vs. actual \$4,298. Laboratory services not yet incurred YTD due to lack of algal blooms. Annual budget \$43,596; \$39,298 remaining (90%) with two months left.

531 – Treatment Operations | YTD Budget: \$1,989,492 | YTD Actual: \$1,862,751 | \$126,741 favorable (6%)

24. Outside Services: \$59,872 favorable (18%)

- YTD budget \$335,058 vs. actual \$275,186. Contract services below YTD budget. Annual budget \$347,531; \$72,345 remaining (21%) with two months left.

25. Personnel: \$51,244 favorable (4%)

- YTD budget \$1,221,682 vs. actual \$1,170,438. Combination of lower overtime and standby hours. Annual budget \$1,446,296; \$275,858 remaining (19%) with two months left.

26. Laboratory Equipment & Supplies: \$40,753 favorable (42%)

- YTD budget \$96,000 vs. actual \$55,247. Laboratory equipment purchases. Annual budget \$96,000; \$40,753 remaining (42%) with two months left.

541 – Transmission & Distribution | YTD Budget: \$1,845,269 | YTD Actual: \$1,697,397 | \$147,872 favorable (8%)

27. Personnel: \$96,589 favorable (7%)

- YTD budget \$1,408,249 vs. actual \$1,311,660, due to labor capitalization and lower overtime. This variance is not fully indicative of net savings, as personnel costs are largely reallocated between operating and capital, and a portion is offset by grant reimbursements. Annual budget \$1,677,159; \$365,499 remaining (22%) with two months left.

28. Material & Supplies: \$46,319 favorable (34%)

- YTD budget \$137,820 vs. actual \$91,501. Materials and inventory spend below YTD budget. Annual budget \$161,974; \$70,473 remaining (44%) with two months left.

Note: Electric – Utility, a favorable item in the prior period, is now \$(9,717) unfavorable YTD (\$230,100 budget vs. \$239,817 actual) and no longer exceeds the \$25,000 reporting threshold.

550 – Meter Reading / Customer Service | YTD Budget: \$547,539 | YTD Actual: \$493,933 | \$53,606 favorable (10%)

29. Department Total: \$53,606 favorable (10%)

- YTD budget \$547,539 vs. actual \$493,933. No individual line item exceeds the \$25,000 reporting threshold; the favorable position is spread across Personnel (\$18,249 favorable), Meter Reading (\$16,198 favorable), and other contractual processing fees tracking below budget. Annual budget \$646,465; \$152,532 remaining (24%) with two months left.

561 – Fleet | YTD Budget: \$262,754 | YTD Actual: \$234,432 | \$28,322 favorable (11%)

30. Department Total: \$28,322 favorable (11%)

- YTD budget \$262,754 vs. actual \$234,432. No individual line item exceeds the \$25,000 reporting threshold; salary savings combine with lower supplies and fuel usage (Fuels \$4,171 favorable). Annual budget \$311,898; \$77,466 remaining (25%) with two months left.

563 – Engineering | YTD Budget: \$1,344,552 | YTD Actual: \$967,156 | \$377,396 favorable (28%)

31. **Outside Services: \$269,708 favorable (39%)**
 - YTD budget \$693,500 vs. actual \$423,792. Favorable variance due to delayed ERP & RRA, UWMP, and asphalt paving work – all timing related and expected before fiscal year-end. Annual budget \$738,600; \$314,808 remaining (43%) with two months left.
32. **Personnel: \$103,936 favorable (18%)**
 - YTD budget \$571,252 vs. actual \$467,316. Due to labor capitalization. This variance is not fully indicative of net savings, as personnel costs are largely reallocated between operating and capital, and a portion is offset by grant reimbursements. Annual budget \$703,873; \$236,557 remaining (34%) with two months left.

565 – Administration | YTD Budget: \$2,402,915 | YTD Actual: \$2,138,141 | \$264,774 favorable (11%)

33. **General Liability Insurance: \$71,584 favorable (15%)**
 - YTD budget \$487,398 vs. actual \$415,814. General liability insurance costs below budgeted. Annual budget \$487,398; \$71,584 savings (15%).
34. **Legal Expense: \$71,467 favorable (36%)**
 - YTD budget \$200,000 vs. actual \$128,533. Legal costs YTD budget. Annual budget \$240,000; \$111,467 remaining (46%) with two months left.
35. **Personnel: \$87,687 favorable (9%)**
 - YTD budget \$936,272 vs. actual \$848,585. Due to now-filled vacancy. Annual budget \$1,153,518; \$304,933 remaining (26%) with two months left.
36. **Network – IT Services: \$(34,067) unfavorable (26%)**
 - YTD budget \$132,465 vs. actual \$166,532. IT services costs above YTD budget due to project costs and additional new equipment installation. Annual budget \$154,603; \$11,929 over annual budget with two months remaining.

Note: Computer Equipment & Supplies, an unfavorable item in the prior period, is now \$10,422 favorable YTD (\$37,150 budget vs. \$26,728 actual) following completion of the cost allocation to other departments and no longer exceeds the \$25,000 reporting threshold.

568 – Conservation | YTD Budget: \$298,426 | YTD Actual: \$206,158 | \$92,268 favorable (31%)

37. **Outside Services: \$87,797 favorable (58%)**
 - YTD budget \$150,700 vs. actual \$62,903. The Office Demonstration Garden project; the majority of the remaining balance is expected before fiscal year-end. Annual budget \$151,200; \$88,297 remaining (58%) with two months left.

568 – Public Information | YTD Budget: \$214,765 | YTD Actual: \$170,494 | \$44,271 favorable (21%)

38. **Department Total: \$44,271 favorable (21%)**
 - YTD budget \$214,765 vs. actual \$170,494. No individual line item exceeds the \$25,000 reporting threshold; the favorable position is concentrated in Contractual Services (\$29,927 favorable), including printing/publishing and outside services tracking below budget. Annual budget \$266,611; \$96,117 remaining (36%) with two months left.

580 – Other Commitments | YTD Budget: \$30,415 | YTD Actual: \$59,482 | \$(29,067) unfavorable (96%)

39. CATER Ozone Project Loan: \$(29,067) unfavorable (96%)

- YTD budget \$30,415 vs. actual \$59,482. Loan payment consistent with the debt schedule for the Cater Ozone Project loan; a timing/billing-cycle difference rather than structural overspend. Annual budget \$59,482;

Conclusion

The primary financial watch item remains; continued water sales shortfall.

MONTECITO WATER DISTRICT
Statement of Net Position (Unaudited)
Summary — As of April 30, 2026

	30-Apr-26
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets — operating reserves and restricted advances	18,285,071
Restricted assets held by others (CCWA and WSA reserves)	3,180,777
Receivables, inventory, and prepaid expenses	5,362,254
Capital assets, net of accumulated depreciation	59,812,471
Total Assets	86,640,573
Deferred Outflows of Resources	2,342,180
Total Assets and Deferred Outflows of Resources	88,982,754
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	
Current liabilities	7,199,589
Noncurrent liabilities — long-term debt, OPEB, and net pension liability	19,766,868
Total Liabilities	26,966,458
Deferred Inflows of Resources	861,590
Net Position	
Net investment in capital assets	51,308,480
Board committed funds	6,288,283
Unreserved fund balance	3,319,055
Change in net position (year-to-date)	238,888
Total Net Position	61,154,706
Total Liabilities, Deferred Inflows, and Net Position	88,982,754

Condensed from the detailed Statement of Net Position included in the unaudited financial statements as of April 30, 2026. Amounts may not sum to totals due to rounding. FEMA and CalOES/FEMA advances of \$4,666,496 are recorded as both restricted current assets and current liabilities and are fully offsetting.

Source: Balance Sheet Consolidated INCODE as of 4/30/26

	30-Apr-26
BOARD-DESIGNATED RESERVES	
Rate Stabilization Fund	2,112,639
Operating Reserve	3,697,118
Capital and Emergency Reserve	500,000
SWP Prefunding Reserve	4,280,974
Total Board Designated Reserves	10,590,731
DEBT SERVICE	
2020 COP Refunding	1,637,625
Cater Ozone Loan	276,346
Total Debt Service	1,913,971
OTHER CASH ITEMS	
F025 Highline FEMA Advance	2,908,797
Total Other Cash Items	2,908,797
LIABILITY SETTLEMENTS	
CalOES Holdback Disbursements	1,514,874
Total Other Cash Items	1,514,874
Total Board Designated Reserves, Debt Service, Other Cash Items & Liability Settlements	16,928,373



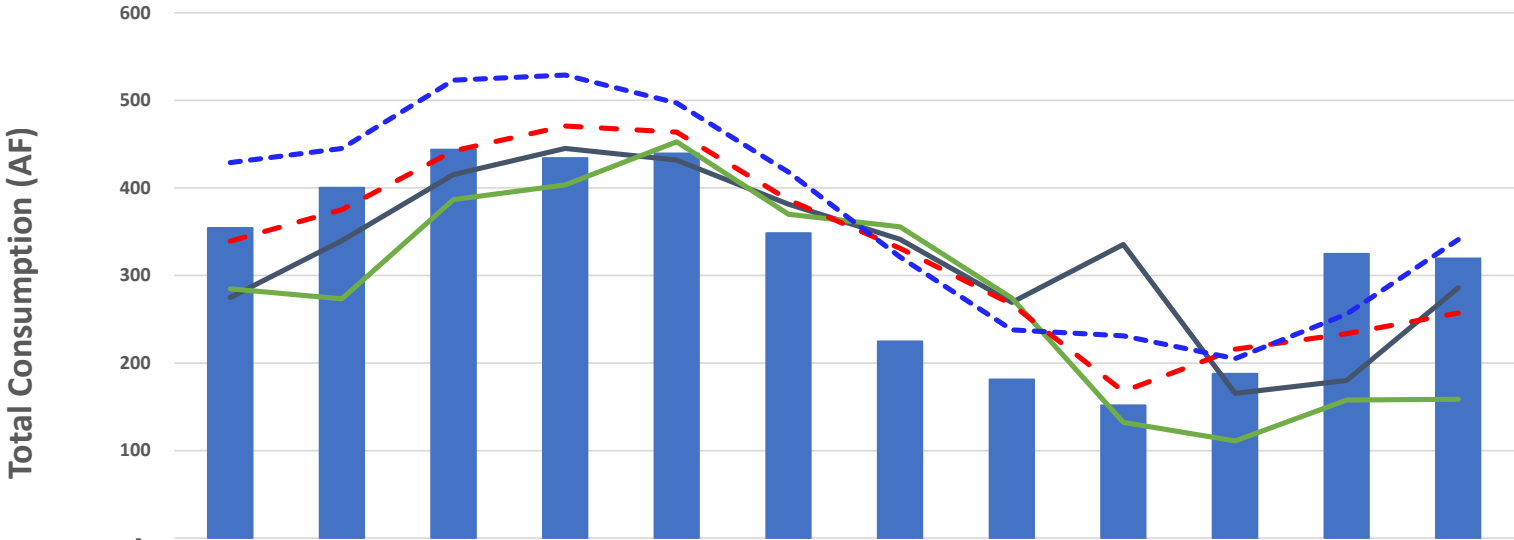
MONTH ENDING
4/30/2026

MONTH TO DATE WATER SALES								
CLASSIFICATION	(\$) MTD ACTUALS	(\$) MTD BUDGET	VARIANCE		(AF) MTD ACTUALS	(AF) MTD BUDGET	VARIANCE	
			\$	%			AF	%
Single Family	\$ 1,231,904	\$ 974,821	\$ 257,083	26%	231	197	34	17%
Multi Family	\$ 19,676	\$ 19,593	\$ 83	0%	7	7	0	4%
Agricultural	\$ 72,733	\$ 34,811	\$ 37,922	109%	29	14	15	110%
Institutional	\$ 121,576	\$ 84,570	\$ 37,006	44%	22	16	7	44%
Commercial	\$ 109,205	\$ 82,149	\$ 27,056	33%	22	16	6	39%
Non-Potable	\$ 7,560	\$ 7,762	\$ (202)	(3%)	8	8	(0)	(3%)
Monthly Total	\$ 1,562,654	\$ 1,203,706	\$ 358,948	30%	320	257	62	24%
YEAR TO DATE WATER SALES								
CLASSIFICATION	(\$) YTD ACTUALS	(\$) YTD BUDGET	VARIANCE		(AF) YTD ACTUALS	(AF) YTD BUDGET	VARIANCE	
			\$	%			AF	%
Single Family	\$ 11,794,108	\$ 12,784,521	\$ (990,413)	(8%)	2215	2431	(217)	(9%)
Multi Family	\$ 215,741	\$ 266,428	\$ (50,687)	(19%)	72	81	(9)	(11%)
Agricultural	\$ 590,503	\$ 555,435	\$ 35,068	6%	233	219	14	6%
Institutional	\$ 1,269,937	\$ 1,188,799	\$ 81,138	7%	234	219	15	7%
Commercial	\$ 1,026,413	\$ 953,079	\$ 73,334	8%	208	185	23	12%
Non-Potable	\$ 85,970	\$ 91,478	\$ (5,508)	(6%)	93	99	(6)	(6%)
Annual Total	\$ 14,982,672	\$ 15,839,740	\$ (857,068)	(5%)	3056	3236	-180	(6%)

Fiscal Year = July thru June
 1 AF = 435.6 HCF of Water
 1 HCF = 748 Gallons of Water



Water Sales (AF) Comparison

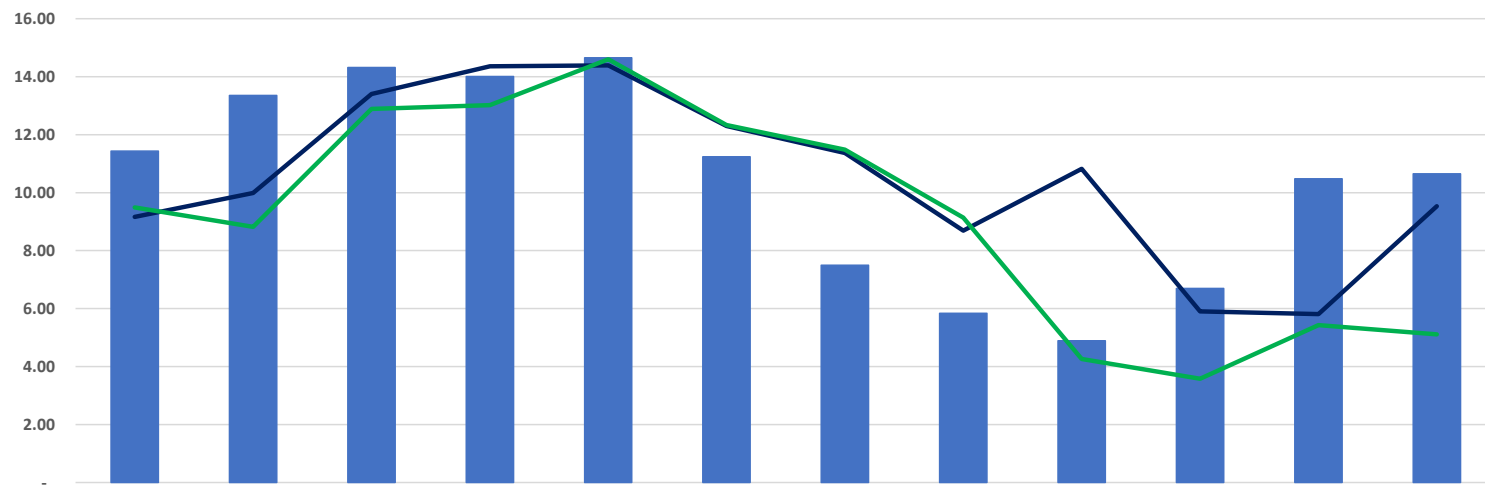


	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
Trailing 12 Months	354	400	444	434	440	348	225	181	152	188	325	320
Trailing 24 Months	275	340	415	445	432	381	341	269	335	165	180	286
Trailing 36 Months	285	273	387	404	453	370	356	274	132	111	158	159
Budget	339	375	442	471	464	387	331	267	168	216	234	257
SBX7-7	429	445	523	529	497	418	321	238	231	205	256	341



MONTH ENDING 4/30/2026

Average Daily Water Sales Per Month (AF)

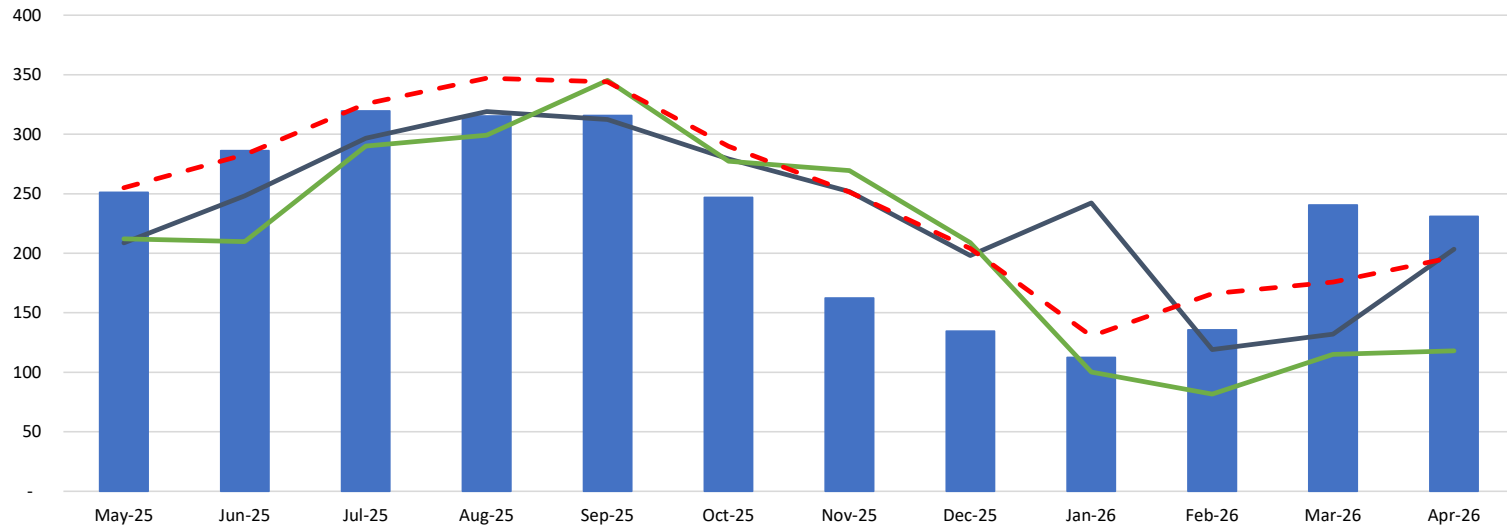


	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
Trailing 12 Months	11.43	13.35	14.32	14.01	14.65	11.24	7.50	5.84	4.89	6.70	10.48	10.65
Trailing 24 Months	9.16	9.99	13.40	14.36	14.39	12.30	11.37	8.69	10.82	5.90	5.81	9.53
Trailing 36 Months	9.49	8.82	12.89	13.02	14.60	12.33	11.48	9.14	4.26	3.58	5.43	5.11



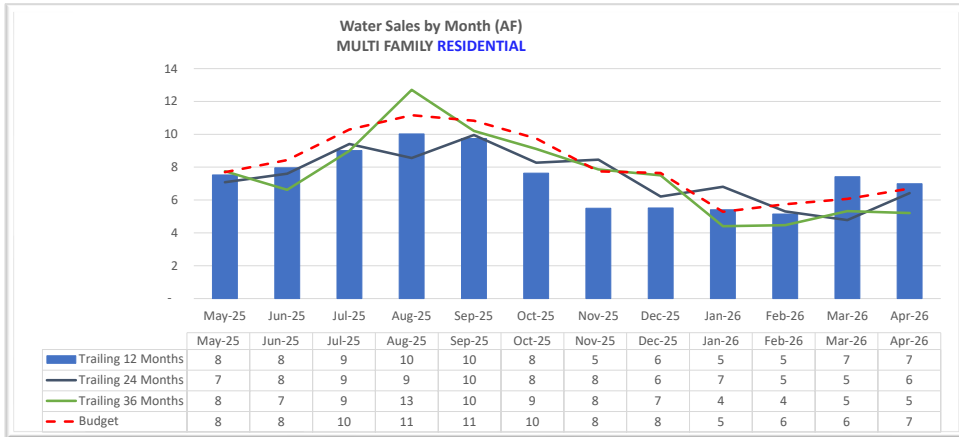
MONTH ENDING 4/30/2026

Water Sales by Month (AF)
SINGLE FAMILY RESIDENTIAL

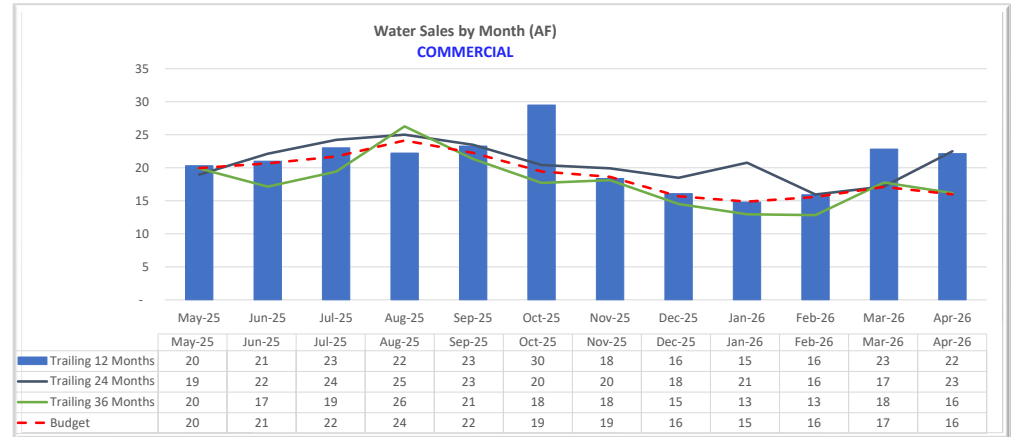


	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
Trailing 12 Months	251	286	320	315	316	247	163	135	113	136	241	231
Trailing 24 Months	209	248	297	319	312	279	252	198	242	119	132	203
Trailing 36 Months	212	210	290	299	345	277	269	209	100	82	115	118
Budget	255	283	326	347	344	290	251	204	130	166	176	197

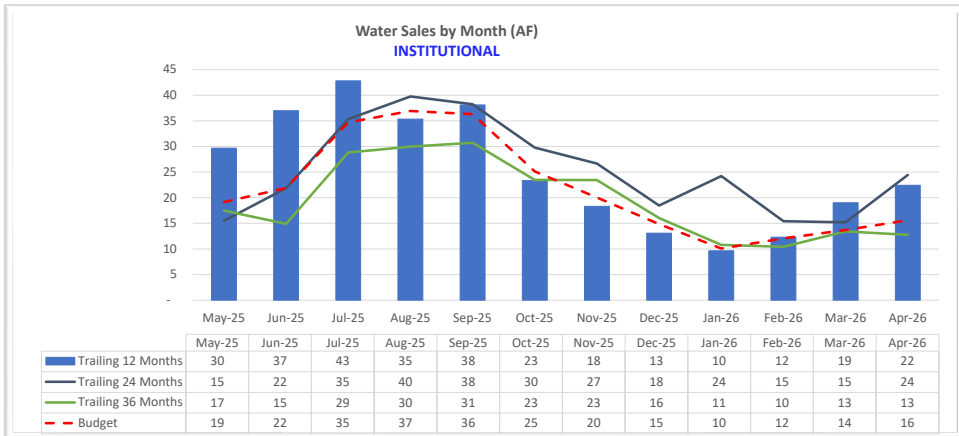
■ Trailing 12 Months	2,752 AF		
■ Trailing 24 Months	2,811 AF		
■ Trailing 36 Months	2,527 AF		
- - - Trailing 12 Month Budget	2,969 AF		
Trailing 12 Months	versus	Trailing 24 Months	(2.1%)
Trailing 24 Months	versus	Trailing 36 Months	8.9%
Trailing 12 Months	versus	Budget	(7.3%)



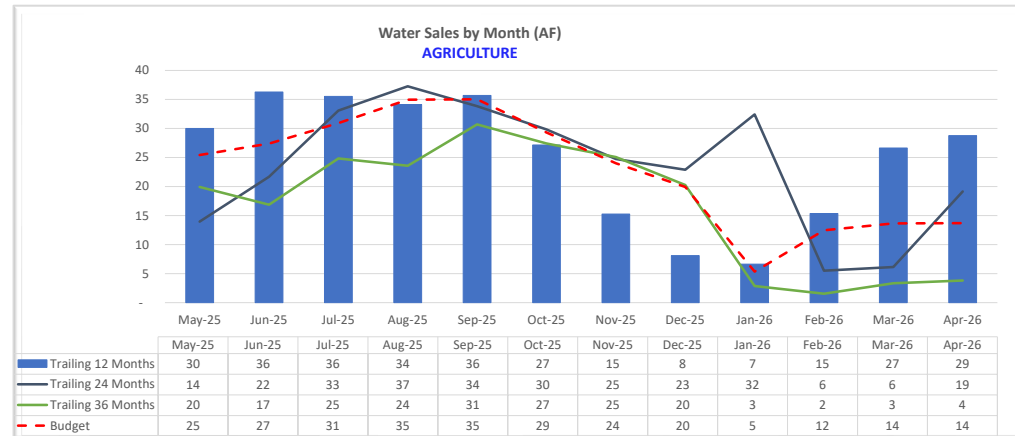
Trailing 12 Months 88 AF
 Trailing 24 Months 89 AF
 Trailing 36 Months 90 AF
 Trailing 12 Month Budget 97 AF
 Trailing 12 Months versus Trailing 24 Months (1.1%)
 Trailing 24 Months versus Trailing 36 Months (2.5%)
 Trailing 12 Months versus Budget (9.7%)



Trailing 12 Months 250 AF
 Trailing 24 Months 249 AF
 Trailing 36 Months 214 AF
 Trailing 12 Month Budget 226 AF
 Trailing 12 Months versus Trailing 24 Months 0.2%
 Trailing 24 Months versus Trailing 36 Months 16.5%
 Trailing 12 Months versus Budget 10.4%



Trailing 12 Months 301 AF
 Trailing 24 Months 305 AF
 Trailing 36 Months 232 AF
 Trailing 12 Month Budget 260 AF
 Trailing 12 Months versus Trailing 24 Months (1.3%)
 Trailing 24 Months versus Trailing 36 Months 29.6%
 Trailing 12 Months versus Budget 15.6%



Trailing 12 Months 300 AF
 Trailing 24 Months 281 AF
 Trailing 36 Months 200 AF
 Trailing 12 Month Budget 272 AF
 Trailing 12 Months versus Trailing 24 Months 6.8%
 Trailing 24 Months versus Trailing 36 Months 49.6%
 Trailing 12 Months versus Budget 10.1%

**MONTECITO WATER DISTRICT
WATER SALES ANALYSIS
FOR FISCAL YEAR 2025-26**

MONTH	% SALES BREAKDOWN	2024-25 ACTUAL SALES (*)		2025-26 BUDGET SALES		2025-26 ACTUAL SALES (*)		YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR				YTD VARIANCE BUDGET VS. ACTUAL			
		AF		AF		AF		AF		%		AF		%	
		\$	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%		
JUL	11.4%	415.4	1,991,935	442.2	\$2,239,217	443.8	\$2,287,327	28.4	6.8%	\$295,391	14.8%	1.6	0.4%	48,109	2.1%
AUG	12.3%	445.2	2,162,412	470.7	\$2,418,227	434.4	\$2,223,282	(10.8)	(2.4%)	\$60,870	2.8%	(36.3)	(7.7%)	-\$194,946	(8.1%)
SEP	12.1%	431.7	2,101,578	463.8	\$2,383,914	439.5	\$2,246,351	7.8	1.8%	\$144,773	6.9%	(24.3)	(5.2%)	-\$137,563	(5.8%)
OCT	9.8%	381.4	1,813,518	386.5	\$1,931,943	348.4	\$1,707,069	(33.0)	(8.6%)	-\$106,449	(5.9%)	(38.1)	(9.9%)	-\$224,874	(11.6%)
NOV	8.3%	341.2	1,611,862	331.1	\$1,620,000	224.9	\$1,036,229	(116.3)	(34.1%)	-\$575,633	(35.7%)	(106.2)	(32.1%)	-\$583,770	(36.0%)
DEC	6.4%	269.4	1,225,484	267.1	\$1,258,365	181.2	\$820,198	(88.2)	(32.7%)	-\$405,286	(33.1%)	(85.9)	(32.2%)	-\$438,167	(34.8%)
JAN	3.7%	335.4	1,557,835	167.5	\$736,044	151.6	\$658,321	(183.8)	(54.8%)	-\$899,514	(57.7%)	(15.9)	(9.5%)	-\$77,723	(10.6%)
FEB	5.0%	165.3	686,413	215.8	\$983,075	187.7	\$836,596	22.4	13.5%	\$150,184	21.9%	(28.1)	(13.0%)	-\$146,478	(14.9%)
MAR	5.4%	180.0	773,393	233.6	\$1,065,250	324.8	\$1,604,647	144.8	80.4%	\$831,254	107.5%	91.2	39.1%	\$539,397	50.6%
APR	6.1%	286.0	1,299,033	257.2	\$1,203,706	319.6	\$1,562,654	33.6	11.7%	\$263,621	20.3%	62.4	24.3%	\$358,948	29.8%
MAY	9.0%	354.5	1,640,052	359.0	\$1,765,741	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
JUN	10.3%	400.5	1,910,340	405.0	\$2,028,952	0.0	\$0	0.0	0.0%	\$0	0.0%	0.0	0.0%	\$0	0.0%
TOTAL	100.0%	4,006.0	18,773,854	3,999.6	\$19,634,432	3,055.9	\$14,982,674	(195.2)	(6.0%)	(\$240,788)	(1.6%)	(179.7)	(5.6%)	(\$857,066)	(5.4%)

**YTD ACTUAL WATER SALES COMPARISON
FOR FISCAL YEAR 2025-26**

	2024-25 ACTUAL SALES (YTD)		2025-26 BUDGET SALES (YTD)		2025-26 ACTUAL SALES (YTD)		YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR				YTD VARIANCE BUDGET VS. ACTUAL			
	AF		AF		AF		AF		%		AF		%	
	\$	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%		
YTD	3,251.1	15,223,461	3,235.6	\$15,839,740	3,055.9	\$14,982,674	(195.2)	(6.0%)	(240,788)	(1.6%)	(179.7)	(5.6%)	(857,066)	(5.4%)

QUARTERLY COMPARISON - ACTUALS THROUGH APRIL 2026 (*)

	2024-25 ACTUAL SALES		2025-26 BUDGET SALES		2025-26 ACTUAL SALES (*)		VARIANCE PRIOR YEAR VS. CURRENT YEAR				VARIANCE BUDGET VS. ACTUAL			
	AF		AF		AF		AF		%		AF		%	
	\$	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%		
Jul-Sep (Actual)	1,292.3	6,255,925	1,376.7	\$7,041,358	1,317.7	\$6,756,959	25.4	2.0%	\$501,034	8.0%	(59.0)	(4.3%)	(\$284,399)	(4.0%)
Oct-Dec (Actual)	992.0	4,650,864	984.8	4,810,307	754.5	\$3,563,496	(237.5)	(23.9%)	(\$1,087,367)	(23.4%)	(230.3)	(23.4%)	(\$1,246,811)	(25.9%)
Jan-Mar (Actual)	680.8	3,017,640	616.9	2,784,368	664.1	\$3,099,564	(16.7)	(2.4%)	\$81,924	2.7%	47.2	7.7%	\$315,196	11.3%
Apr-Jun (Actual)	1,041.0	4,849,425	1,021.2	4,998,399	319.6	\$1,562,654	(721.4)	(69.3%)	(\$3,286,771)	(67.8%)	(701.6)	(68.7%)	(\$3,435,744)	(68.7%)
Total (Actual)	4,006.0	\$18,773,854	3,999.6	\$19,634,432	3,055.9	\$14,982,674	(950.1)	(6.0%)	(\$3,791,180)	(1.6%)	(943.7)	(5.6%)	(\$4,651,759)	(5.4%)

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 4-E

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

**FROM: GENERAL MANAGER / WATER TREATMENT & PRODUCTION
SUPERINTENDENT / PUBLIC INFORMATION OFFICER**

**SUBJECT: 2025 ANNUAL DRINKING WATER CONSUMER CONFIDENCE
REPORT**

RECOMMENDATION:

Information only.

DISCUSSION:

The District has completed an update of the Annual Drinking Water Consumer Confidence Report (CCR) as shown in Attachment 1. The 2025 CCR provides summary information on District water sources and water quality sampling results from calendar year 2025. This report shows that the District's drinking water met, or was better than, State and Federal water quality standards.

The CCR was published on the District's web site on May 19, 2026, in accordance with the annual deadline of July 1. The CCR is distributed using electronic delivery methods in compliance with the State Water Resources Control Board's Guidance Document for Electronic Delivery of the Consumer Confidence Report. Printed copies of the CCR are mailed to customers upon request.

CCR notification methods include: E-News, bill insert, bill message, website, social media, advertisement in Montecito Journal and delivery to community organizations such as the Montecito Association and Summerland Citizens Association. Landlords and institutions are encouraged to share the document with interested parties who may not receive communications directly from Montecito Water District.

ATTACHMENTS:

1. 2025 Consumer Confidence Report for the Montecito Water District

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2025 ANNUAL DRINKING WATER CONSUMER CONFIDENCE REPORT

This report explains where your water comes from, provides information on water quality and how it is measured, and presents the District's 2025 test results which show that **drinking water met, or was better than, State and federal water quality standards.**

Montecito Water District takes pride in the work we do. This annual report provides the opportunity for you to learn more about your water, and for us to reassure the community that the water delivered to your tap meets or exceeds the highest standards, year after year.

High Quality: Your drinking water is treated to comply with federal and State standards in accordance with the United States Environmental Protection Agency (EPA) Federal Safe Drinking Water Act and the State of California's Water Resources Control Board requirements. In addition to round-the-clock monitoring, regularly scheduled and required programs further ensure water quality.

Rigorous Testing: The District's efforts to safeguard this community's drinking water include sampling at our local schools. In 2025 the District completed sampling at all school sites in accordance with the EPA's Lead and Copper Rule. These test results met all State and federal standards.

Reliable, Rain or Shine: The District's diverse water supply sources are projected to meet expected customer demands under various hydrologic conditions for the foreseeable future. Primary sources are now predominantly local and include the Water Supply Agreement with the City of Santa Barbara (desalination), the Cachuma Project, Jameson Lake, and groundwater.

Quality. Service. Reliability. District tradition for more than a century.

A Note on PFAS: As reported last year, in 2024-2025 the District completed sampling for enhanced detection of PFAS (Per- and polyfluoroalkyl substances).

PFAS were not detected in District water sources when testing in compliance with State and Federal requirements began in 2014-2015 and testing detected parts per billion (ppb or micrograms per liter - ug/L or one drop in 500 barrels of water).

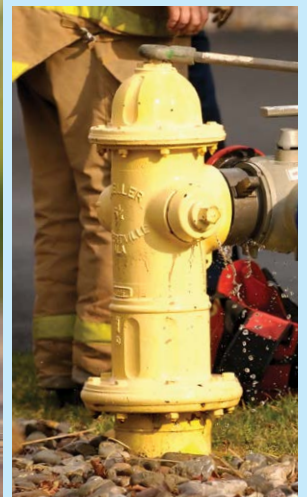
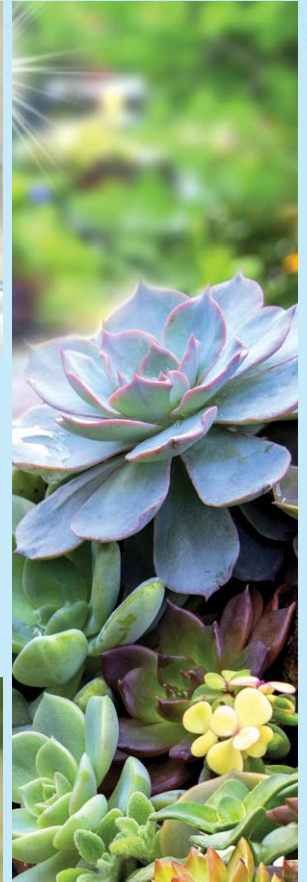
In 2024-2025, PFAS were not detected in District water sources through advanced sampling completed for 29 types of PFAS using current EPA standards that can detect parts per trillion (ppt or nanogram per liter - ng/L or one drop in 500,000 barrels of water). More information on PFAS may be found here: <https://www.waterboards.ca.gov/pfas>



Nick Turner,
General Manager



Reliable water service is essential for our health and safety, fire protection and to preserve the community's unique character.



Water quality meets or exceeds all State and federal standards



Certified/Licensed Distribution Staff and Engineers maintain and repair infrastructure



Certified/Licensed Treatment Staff and Engineers ensure testing and compliance



Drinking Water Consumer Confidence Report published annually



Monitoring and sampling occur 24 hours/day, 365 days/year

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien. Para información en español llame al 805.969.2271.

MONTECITO WATER DISTRICT

583 San Ysidro Road, Santa Barbara, CA 93108

phone: 805.969.2271

email: info@montecitowater.com

Montecito Water District's Water Quality Summary 2025

Primary Standards (PDWS)	Units	Maximum Contaminant Level	Public Health Goal (MCLG)	Jameson Lake Average	Jameson Lake Range	Ground Water Average	Ground Water Range	Cachuma Lake Average	Cachuma Lake Range	Common Sources of Contamination in Drinking Water
Water Clarity										
Treated Turbidity	NTU	TT = 1 NTU TT = 95% of Samples ≤ 0.3	NA	0.07	0.03 - 0.20 100.0%	0.43	0.1 - 1.0	NA	ND - 0.09 100%	Soil runoff.
Radioactive Contaminants (2024)										
Gross Alpha Particle Activity	pCi/L	15	(0)	3.01	3.01	2.49	1.92 - 3.47	NA	NA	Erosion of natural deposits.
Inorganic Contaminants										
Aluminum	µg/L	1000	600	13.3	ND - 40	ND	ND	ND	NA	Erosion of natural deposits; residue from some surface water treatment processes.
Barium	mg/L	1	2	ND	ND	0.08	0.06 - 0.10	NA	NA	Discharges of oil drilling wastes; erosion of natural deposits.
Fluoride	mg/L	2	1	0.2	0.2	0.9	0.5 - 1.3	0.45	0.42-0.50	Erosion of natural deposits; discharge from fertilizer.
Mercury	µg/L	2	1.2	ND	ND	0.05	ND - 0.09	ND	ND	Erosion of natural deposits; runoff from landfills and cropland.
Nickel	µg/L	100	12	ND	ND	0.33	ND - 1.0	ND	NA	Erosion of natural deposits.
Nitrate as N (Nitrogen)	mg/L	10	10	ND	ND	3.2	0.8 - 6.3	ND	NA	Runoff or leaching from fertilizer use; leaching from septic tanks and sewage; erosion from natural deposits
Nitrate as NO3	mg/L	45	2	ND	ND	ND	ND	0.25	0.14-0.49	
Perchlorate	µg/L	6	1	ND	ND	1.0	ND - 2.2	ND	ND	Perchlorate is an inorganic chemical used in solid rocket propellant, fireworks, explosives, flares, matches, and a variety of industries. It usually gets into drinking water as a result of environmental contamination from historic aerospace or other industrial operations that used or use, store, or dispose of perchlorate and its salts.
Selenium	µg/L	50	30	ND	ND	4.0	2.0 - 6.0	ND	NA	Discharge from petroleum, glass, and metal refineries; erosion of natural deposits; discharge from mines and chemical manufacturers; runoff from livestock lots (feed additive).
Synthetic Organic Contaminants										
Atrazine	µg/L	1	0.15	ND	ND	0.056	0.056	ND	ND	Herbicide runoff
Simazine	µg/L	4	4	ND	ND	0.059	0.059	ND	ND	Herbicide runoff

Nitrate as N (Nitrogen) Nitrate in drinking water at levels above 10 mg/L is a health risk for infants of less than six months of age. Such nitrate levels in drinking water can interfere with the capacity of the infant's blood to carry oxygen, resulting in a serious illness; symptoms include shortness of breath and blueness of the skin. Nitrate levels above 10 mg/L may also affect the ability of the blood to carry oxygen in other individuals, such as pregnant women and those with certain specific enzyme deficiencies. If you are caring for an infant, or you are pregnant, you should ask advice from your health care provider.

MWD's highest nitrate level in 2025 was 6.3 mg/L.

Primary Standards Distribution System	Units	Maximum Contaminant Level	Public Health Goal (MCLG)	Distribution System Average	Distribution System Range	Common Sources of Contamination in Drinking Water
Microbiological Contaminant Samples						
Fecal Coliform Bacteria and E. Coli	% Tests Positive	0	0	0.00%	0	Naturally present in the environment.
Disinfectant						
Free Chlorine Residual	mg/L	MRDL, 4.0	MRDLG, 4.0	0.81	0.20-1.79	Drinking water disinfectant added for treatment
Disinfection Byproducts (DBP)						
Total Trihalomethanes	µg/L	80	NA	Highest LRAA, 33.1	17-45	By-product of drinking water disinfection
Haloacetic Acids	µg/L	60	NA	Highest LRAA, 24.3	10-31	By-product of drinking water disinfection

Units	Maximum Contaminant Level	Public Health Goal (MCLG)	Jameson Lake Average	Jameson Lake Range	Cachuma Lake Average	Cachuma Lake Range	Common Sources of Contamination in Drinking Water	
Bromate	µg/L	10	NA	NA	NA	3.3	ND - 3.6	Byproduct of drinking water disinfection.
Total Organic Carbon (DBP Precursor)	mg/L	TT	NA	1.5	0.8 - 1.8	1.89	1.55 - 2.52	Various natural and manmade sources. Total Organic Carbon (TOC) has no health effects. However, it provides a medium for the formation of disinfection byproducts.

Lead and Copper Rule (2023)	Units	AL	PHG	Samples collected	Above AL	90th Percentile	Schools (range)	Schools tested in 2025	Common Sources of Contamination in Drinking Water
Lead	µg/L	15	0.2	34	0	ND	ND		Internal corrosion of household water plumbing systems; discharges from industrial manufacturers; erosion of natural deposits.
Copper	µg/L	1300	300	34	0	470	ND - 900		Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives.

Lead and Copper Rule Every three years, a minimum of 30 residences are tested for lead and copper levels at the tap. The most recent set of 34 samples was collected in 2023. All of the samples were well below the regulatory action level (RAL). Copper was detected in 26 samples. The 90th percentile value was at 470 ug/L. Lead was not detected in any of the samples. The 90th percentile value was Non-Detect. Lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Montecito Water District is responsible for providing high quality drinking water and removing lead pipes, but cannot control the variety of materials used in plumbing components in your home. You share the responsibility for protecting yourself and your family from the lead in your home plumbing. You can take responsibility by identifying and removing lead materials within your home plumbing and taking steps to reduce your family's risk. Before drinking tap water, flush your pipes for several minutes by running your tap, taking a shower, doing laundry or a load of dishes. You can also use a filter certified by an American National Standards Institute accredited certifier to reduce lead in drinking water. If you are concerned about lead in your water and wish to have your water tested, contact Montecito Water District at (805) 969-2271. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available at <http://www.epa.gov/safewater/lead>.

In 2024, the District completed a systemwide service line inventory as required by the 2021 Federal Lead and Copper Rule Revisions. With the completion of the systemwide service inventory, the District has confirmed that there are no lead service lines or galvanized service lines requiring replacement within the service area. For more information please visit our website at www.montecitowater.com/pipe-inventory.

Montecito Water District's Water Quality Summary 2025

Secondary Standards	Units	Maximum Contaminant Level	Jameson Lake Average	Jameson Lake Range	Ground Water Average	Ground Water Range	Cachuma Lake Average	Cachuma Lake Range	Common Sources of Contamination in Drinking Water
Aesthetic Standards									
Chloride	mg/L	500	10	10	142	98 - 230	16	14 - 18	Runoff or leaching from natural deposits; seawater influence.
Copper	mg/L	1	ND	ND	ND	ND	0.025	0.012 - 0.067	Internal corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives.
Iron	µg/L	300	ND	ND	18	ND - 160	ND	NA	Leaching from natural deposits; industrial wastes.
Manganese	µg/L	50	2.3	2.3	10	ND - 50	ND	NA	Leaching from natural deposits.
Threshold Odor at 60 degrees celcius	Units	3	ND	ND	ND	ND	8	8 - 8	Naturally-occurring organic materials.
Specific Conductance	umhos/cm	1600	828	661 - 1236	1369	877 - 1994	975	964 - 1051	Substances that form ions in water; seawater influence.
Sulfate	mg/L	500	234	234	170	130 - 235	286	250 - 330	Runoff or leaching from natural deposits; industrial wastes.
Total Dissolved Solids	mg/L	1000	580	580	983	640 - 1290	666	568 - 748	Runoff or leaching from natural deposits.
Zinc	mg/L	5	0.2	0.2	0.007	ND - 0.020	0.011	0.0074 - 0.020	Runoff or leaching from natural deposits; industrial wastes.

Secondary Standards	Units	Maximum Contaminant Level	Jameson Lake Average	Jameson Lake Range	Ground Water Average	Ground Water Range	Cachuma Lake Average	Cachuma Lake Range
Additional Constituents Analyzed								
pH	pH units	NS	7.47	6.90 - 8.12	6.89	6.60 - 7.41	7.72	7.54 - 7.89
Total Hardness	mg/L	NS	404	304 - 620	527	296 - 940	420	360 - 464
Total Alkalinity	mg/L	NS	199	120 - 252	211	172 - 240	189	173 - 204
Boron	ug/L	1 (AL)	ND	ND	0.2	ND - 0.6	0.38	0.37 - 0.39
Calcium	mg/L	NS	99	99	88	64 - 109	95.4	83.3 - 106
Magnesium	mg/L	NS	29	29	33	27 - 41	44	38 - 49
Sodium	mg/L	NS	31	31	95	60 - 149	51	48 - 53
Potassium	mg/L	NS	2	2	1.0	1.0	2.8	2.3 - 2.9
Vanadium	mg/L	NS	2	2	7.7	7.0 - 8.0	ND	ND

Unregulated Contaminant Monitoring Rule 5 (2024) (5 year reporting requirement)								
	Units	Maximum Contaminant Level	Jameson Lake Average	Jameson Lake Range	Ground Water Average	Ground Water Range	Cachuma Lake Average	Cachuma Lake Range
Lithium	µg/L	NS	32.6	29.0 - 38.0	43.5	20.0 - 56.0	22.7	ND - 42.5

Drinking Water Info

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the U.S. Environmental Protection Agency's (U.S. EPA's) Safe Drinking Water Hotline (1-800-426-4791).

In order to ensure that tap water is safe to drink, the U.S. Environmental Protection Agency (USEPA) and the Division of Drinking Water prescribe regulations that limit the amount of certain contaminants in water provided by public water systems. U.S. Food and Drug Administration regulations and California law also establish limits for contaminants in bottled water that provide the same protection for public health.

Source Water Assessment: A comprehensive source water assessment of the District's drinking water sources was adopted in June 2021. A copy of this report is available for public inspection at the District Office.

People with Sensitive Immune Systems

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in source water include:
Microbial contaminants, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
Inorganic contaminants, such as salts and metals, that can be naturally-occurring or result from urban storm water runoff,

Last year, as in years past, your tap water met all EPA and State drinking water health standards. Montecito Water District vigilantly safeguards its water supplies and once again we are proud to report that our system has never violated a maximum contaminant level or any other water quality standard. This brochure is a snapshot of last year's water quality. Included are details about where your water comes from, what it contains, and how it compares to State standards. We are committed to providing you information because informed customers are our best allies.

can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Centers for Disease Control (CDC) guidelines on appropriate means to lessen the risk of infection by Cryptosporidium and other microbial contaminants are available from the Safe Drinking Water Hotline (1-800-426-4791).

industrial or domestic wastewater discharges, oil and gas production, mining, or farming.

Pesticides and herbicides, that may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.

Organic chemical contaminants, including synthetic and volatile organic chemicals, that are by-products of industrial processes and petroleum production, and can also come from gas stations, urban storm water runoff, agricultural application, and septic systems.

Radioactive contaminants, that can be naturally-occurring or be the result of oil and gas production and mining activities.

WATER QUALITY TERMINOLOGY

Maximum Contaminant Level (MCL): The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG): The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.

Public Health Goal (PHG): The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

Primary Drinking Water Standard (PDWS): MCLs and MRDLs for contaminants that affect health along with their monitoring and reporting requirements, and water treatment requirements.

Maximum Residual Disinfectant Level (MRDL): The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG): The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.

Action Level (AL): The concentration of a contaminant which, if exceeded, triggers treatment or other requirements that a water system must follow.

Treatment Technique (TT): A required process intended to reduce the level of a contaminant in drinking water.

mg/L: Milligrams per liter, or parts per million. 1 mg/L is equal to about one drop in 17 gallons of water.

µg/L: Micrograms per liter, or parts per billion. 1 µg/L is equal to about one drop in 17,000 gallons of water.

< : Less than.

NA: Not applicable. **ND:** Non-detected.

NS: No Standard. **DNQ:** Detected, not quantified.

pCi/L: Pico curies per liter, a measure of radiation.

umhos/cm: Micromhos per centimeter (an indicator of dissolved minerals in water).

NTU: Nephelometric turbidity unit.

LRAA: Locational Running Annual Average

For Water Softeners: MWD's surface water has a hardness range of 18 to 36 grains per gallon, while groundwater has a hardness range of 17 to 55 grains per gallon. One grain per gallon equals 171 mg/L.

Footnotes: The State allows us to monitor for some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, are more than one year old.

Surface water sources include the District's Jameson Lake and Lake Cachuma. The District's Amapola Well, Paden Well No. 2, Ennisbrook Well No. 5, Ennisbrook Well No. 2 and T Mosby Well No. 2 were used as groundwater supply sources.

An average number of 60 coliform samples were collected each month at 12 District sampling stations in compliance with the Federal Revised Total Coliform Rule. All sample results were negative.

Turbidity is a measure of the cloudiness of the water. Montecito Water District monitors for it continuously because turbidity is a good indicator of water quality. High turbidity can hinder the effectiveness of disinfectants. 100% of the District's samples met the Turbidity Performance standard. The highest single surface water turbidity measurement during the year was 0.20 NTU.

WATER SOURCES 2025

Most water supplies are rainfall dependent, and become limited in times of drought. As the District prepares for the future, it is increasing its portfolio of local, reliable supplies.



RELIABLE SINCE 1921
www.montecitowater.com



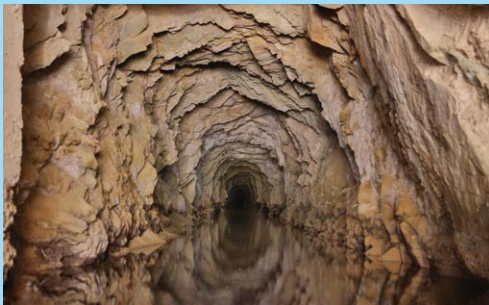
Water Supplied by the City of Santa Barbara, secured by Charles E. Meyer Desalination facility.



Jameson Lake, a District owned surface water facility.



Cachuma Project (Lake Cachuma), a federally owned surface water facility.



Doulton Tunnel, a horizontal well, source of groundwater and conveyance from Jameson Lake.



Groundwater wells, source from the Montecito Groundwater Basin.



Conservation - Water efficiency.



State Water Project & Supplemental Water Purchase.

FACILITIES

The District's water source portfolio and array of facilities is highly diversified. The combination of its own assets and collaboration with many partners provides added resiliency.

Conservation — water supply that is attained through efficiency of use — is unique in that it is dependent on people rather than rainfall. The District will continue to look to its customers for their partnership in using water wisely.



2 Surface Water Treatment Plants



7 Pumping Stations



9 Storage Reservoirs



12 Groundwater Wells



114 (approximate) Miles of Pipeline



1 Surface Water Reservoir, Dam and Groundwater Conveyance Tunnel



943 Fire Hydrants



For more information please contact **Chad Hurshman**, Water Treatment and Production Superintendent, at 805.969.7924



We encourage public participation.

For meeting times, agendas, and additional resources: www.montecitowater.com

Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien. Para información en español llame al 805.969.2271.

Section 4-E Page 4 of 4

BOARD OF DIRECTORS:
Brian Goebel, *President*
Cori Hayman, *Vice President*
Kenneth Coates, *Director*
Tobe Plough, *Director*
Floyd Wicks, *Director*
Nick Turner, P.E.,
General Manager & Board Secretary

MEMORANDUM

SECTION: 4-F

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER & DISTRICT COUNSEL

SUBJECT: REPORT ON DISTRICT STAFFING VACANCIES PURSUANT TO ASSEMBLY BILL 2561

RECOMMENDATION:

Pursuant to California State Assembly Bill 2561 (codified at California Government Code § 3502.3), present information on the status of District vacancies and recruitment and retention efforts.

BACKGROUND:

Assembly Bill (AB) 2561 was introduced to address the issue of job vacancies in local government, which adversely affects the delivery of public services and employee workload. Among other requirements, the bill mandates that public agencies present the status of vacancies and recruitment and retention efforts during a public hearing before the District's governing body at least once per fiscal year. The bill was enacted into law and is codified as Government Code section 3502.3. This report discusses the District's legal obligations under the new law, which took effect January 1, 2025.

In compliance with the new legal obligations, the District is required to do the following:

1. **Public Hearing:** At least once each fiscal year, at a public hearing before the Board of Directors, the District shall present information regarding the status of vacancies and recruitment and retention efforts (Gov. Code § 3502.3(a)(1)) and identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process (Gov. Code § 3502.3(a)(3)). This presentation must occur prior to the Board of Director's adoption of the annual budget for the District (Gov. Code § 3502.3(a)(2)).
2. **Employee Organization Participation:** Allow the recognized employee organization the option to make a presentation during the public hearing concerning vacancies and recruitment and retention efforts. There is one (1) bargaining unit at the District, Service Employee International Union (SEIU), Local 620. (Gov. Code § 3502.3(b))
3. **Additional Reporting for High Vacancy Rates:** If vacancies within a single bargaining unit meet or exceed 20% of authorized full-time positions in that bargaining unit, upon request of the recognized employee organization for that bargaining unit, the District must provide additional information during the public hearing, including the following: (1) the

total number of vacancies; (2) the number of applicants; (3) the average time to fill positions; and (4) opportunities to improve compensation and working conditions for employees in the bargaining unit. (Gov. Code § 3502.3(c)).

DISCUSSION:

Pursuant to AB 2561, at the District’s May 19, 2026 meeting of the Board of Directors, information will be provided on current vacancies within the District, including those represented by SEIU, as well as the District’s recruitment and retention efforts. The District is committed to positive employee engagement and has numerous programs in place to foster positive employee experiences such as a comprehensive onboarding program, employee engagement and recognition programs, and training and career growth opportunities. As of the date of this memorandum, the District has no vacancies.

On May 5, 2026, SEIU was notified of this agenda item and invited to make a presentation on District vacancies and recruitment and retention efforts. SEIU declined the offer due to the lack of vacancies.

The District’s typical recruitment process is led by District staff or a professional recruiter and involves posting open positions and conducting an interview/selection process. The District is committed to effective and efficient recruitment processes designed to attract well-qualified candidates.

AB 2561 also provides that the District should identify any necessary changes to policies, procedures, and recruitment activities that may lead to hiring obstacles. Staff have not identified any necessary changes to policies and/or procedures that may present obstacles in the hiring process. Staff continue to employ comprehensive recruitment processes to fill vacant positions and will continue to review hiring processes to look for ways to improve their effectiveness.

ATTACHMENT:

None

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 4-G (Amended 5-18-26)

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: AUTHORIZE THE TRANSFER OF 900 ACRE FEET OF THE DISTRICT'S 2026 SURPLUS STATE WATER PROJECT TABLE A WATER TO HOMER LLC PURSUANT TO THE 2024 *WATER MANAGEMENT PROGRAM AGREEMENT*

RECOMMENDATION:

That the Board of Directors determine that 900 Acre Feet (AF) of the District's 2026 State Water Project (SWP) Table A supply is surplus to its needs and direct the General Manager to transfer this surplus supply to Homer, LLC pursuant to the 2024 *Water Management Program Agreement*.

DISCUSSION:

The District's latest quarterly water supply update, provided on April 28, 2026, indicates adequate water to meet projected customer water demand through Water Year (WY) 2028 without projected water shortages, or the need for imported water (i.e., State Water Project (SWP), supplemental, Semitropic). This favorable outlook is attributable to extraordinary actions taken by the District over the past decade to improve water supply reliability for Montecito and Summerland including participating in the Semitropic Groundwater Banking and Exchange Program, securing a 50-year contract with the City of Santa Barbara for desalinated supplies, and forming the Montecito Groundwater Basin Groundwater Sustainability Agency to ensure a reliable and sustainable groundwater supply.

Additionally, in Spring 2025, the District completed an update of its *Future Demand and Water Supply Options* report. This report is one of the District's long-range water supply planning tools, and projects future customer water demand and water supply availability by source over the next 20 years to evaluate the potential for the existence of future shortages. The report is also used to consider various water supply strategies to evaluate the impact of those actions on long-term water supply reliability and to inform future decisions. An important conclusion of the report is that the need for imported supplies to meet customer demand under nearly all modeled scenarios, is extremely limited.

The District participates in the Semitropic Groundwater Banking and Exchange Program (Semitropic). During average or wet conditions, the District stores surplus SWP water in a groundwater basin located in the Central Valley of California for future use during below average

or dry conditions. Participation in this program provides a guaranteed right to withdraw or recover up to 1,500 acre feet per year (AFY) of District-stored water and store up to 4,500 AF at any time. The District's contract with Semitropic also allows for the storage of water in excess of the stored water right of 4,500 AF if Semitropic has available capacity within their groundwater banking program. The District has maximized storage of surplus SWP water in Semitropic through the end of 2025. As of May 2026, the District has 5,802 AF of its surplus SWP water stored in Semitropic and available for use. This quantity of stored supply equates to about a year and a half of the District's total annual water demand or, alternatively, approximately four years' worth of guaranteed extractions at 1500 AFY. Based on the conclusions of the latest *Future Demand and Water Supply Options* report and the latest 3-year water supply outlook, storing additional surplus SWP supplies in Semitropic may not be needed.

On May 15, 2026, the California Department of Water Resources (DWR) issued an increase in the SWP Table A allocation from 30% to 45% for 2026. While DWR has not confirmed as much, this 45% allocation is anticipated to be the final allocation for 2026. Based on the District's SWP Table A full entitlement of 3,300 AF, this equates to 1,485 AF available to the District for use as of the date of this memorandum. Any allocated Table A water not used in the year it is allocated will become classified as Article 56C, i.e. carryover water, on January 1 and will become subject to loss under certain hydrologic conditions. It has been the District's policy to maximize efficient use of supplies and limit carryover water and any potential loss of supplies by placing surplus SWP supplies in storage in Semitropic or by transferring or possibly selling surplus water.

As a reminder, the District is party to an agreement with the Santa Ynez River Water Conservation District Improvement District No.1 (ID1), referred to as the Santa Ynez River / State Water Project Exchange Agreement, which involves an annual exchange of the District's SWP water with ID1's Cachuma Project water when supplies are available and ID1 has a need. The District's portion of the 2026 exchange is about 600 AFY. Pursuant to the Exchange Agreement, the District reserves a portion of its SWP supplies each year when supplies are available to effectuate the exchange, but depending on various water supply and demand conditions, ID1 may not fully utilize the exchange. Therefore, assuming the final 2026 SWP Table A allocation is 45%, the District has approximately 900 AF to deliver for use, store in Semitropic, or transfer (sale).

In March 2024, the Board approved a multi-year *Water Management Program Agreement* (Transfer Agreement) with Homer LLC. Pursuant to the Transfer Agreement, the District annually determines the quantity of SWP water that is surplus to its needs, if any, and Homer is then obligated to purchase that water at a predetermined price.

The District has three options available for utilization of its 2026 SWP Table A supplies and to prevent any potential loss of this water in early 2027, should conditions emerge.

1. Deliver the water to Cachuma for District use
2. Store the water in the Semitropic
3. Transfer (or sell) the water to Homer

In consideration of the information provided above, including the lack of a need for delivery of SWP water in 2026, the risk of loss should the SWP water remain in the SWP system in early 2027, and the significant volume of water already stored in Semitropic, staff are recommending that the Board of Directors declare 900 AF of its 2026 SWP Table A allocation as surplus and direct staff to pursue its timely transfer to Homer pursuant to the *Water Management Program Agreement*.

This matter was discussed during the Quarterly Water Supply Report presented at the April 28, 2026 meeting of the Board of Directors. During the discussion, the Board expressed support for a proposed transfer of 400 AF of the District's 2026 State Water Project (SWP) Table A supply to Homer, LLC, which at the time was based on a 2026 SWP Table A allocation of 30%.

FISCAL IMPACT:

In accordance with the *Water Management Program Agreement*, the Transfer Water Rate for a 26-60% SWP Table A allocation is \$600 per AF in 2024 dollars. The agreement provides for an annual adjustment in the Transfer Water Rate beginning in 2025, which is determined to be \$634.92/AF for 2026. Assuming the allocation does not increase beyond the current 45% allocation for 2026, which change is not currently anticipated, a transfer of 900 AF of surplus SWP Table A water to Homer would produce revenue in the amount of \$571,428.

The District's 2024 Water Rate Study, which set water rates for the period of fiscal year ending June 30, 2025 through 2029, incorporated revenue from water sales to Homer in Fiscal Year 2027 in the amount of \$570,277. Additionally, the District proposed Fiscal Year 2027 budget would be updated to include \$571,428 of revenue from the sale of water.

ATTACHMENTS:

None

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**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 5-A

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: ASSISTANT GENERAL MANAGER & GENERAL MANAGER

**SUBJECT: APPROVAL OF PROFESSIONAL SERVICES CONTRACTS AND
AMENDMENTS FOR THE ALDER CREEK FLUME REPAIR PROJECT**

RECOMMENDATION:

1. That the Board of Directors authorize the General Manager to execute a professional services contract with Waters Cardenas Surveying for Land Surveying Services for the Alder Creek Flume Repair Project for a not-to-exceed amount of \$27,100 of which 94% is reimbursable through the Federal Emergency Management Agency (FEMA).
2. That the Board of Directors authorize the General Manager to execute contract Amendment No. 3 with Cannon Corporation for Engineering Services for the Alder Creek Flume Repair Project for a not-to-exceed amount of \$46,000 of which 94% is reimbursable through the Federal Emergency Management Agency (FEMA).
3. That the Board of Directors authorize the General Manager to execute Contract Amendment No. 10 with Rincon Consultants for Permitting and Environmental Services for the Alder Creek Flume Repair Project for a not-to-exceed amount of \$258,175 of which 94% is reimbursable through the Federal Emergency Management Agency (FEMA).

DISCUSSION:

The Alder Creek Flume is an above-ground steel channel diverting water from Alder Creek into Jameson Lake. The District has continuously operated the flume since the 1930s. The flume operates under an existing Special Use Permit (SUP) from the United States Forest Service (USFS) since the flume is located on federal land. The flume was partly destroyed by the Thomas Fire in December 2017 and then further damaged by debris flow within Alder Creek on January 9, 2018. The flume is located on federal land.

The flume replacement project was approved by FEMA in August 2018. The District completed the engineering design of the project in June 2019. The construction of the flume repair project was awarded to Schock Contracting Corporation (Schock) in December 2019.

Rincon Consultants (Rincon) has been assisting the District with the environmental documentation and permitting for the Alder Creek Flume Project since 2018. Rincon helped the District perform field surveys and develop environmental documentation required by the USFS. Those documents,

including the Biological Assessment (BA), Biological Evaluation (BE), and Management Indicator Species (MIS), and Cultural Assessment (CA) were submitted to the USFS in June 2020.

The District spent significant time and cost between 2020 and 2025 to respond to USFS inquiries and opinions concerning the scope of the Alder Creek Flume Repair Project. On September 29, 2025, the District received a clarifying letter from National Forest System Deputy Chief John Crockett stating that environmental review would be “limited to the immediate and temporal effects of accessing and repairing the flume”. On April 10, 2026, the District and staff from the Los Padres National Forest (LPNF) local USFS office met on site at the Alder Creek Flume to discuss the project scope and schedule. The LPNF provided guidance to District staff and Rincon on expectations for the environmental documentation. Additionally, the topography has changed significantly since the original design plans were completed in 2019, creating a need to update the topographic survey and design plans.

The District has developed a proposed project schedule, shown in Attachment 1. The schedule shows the District must complete the survey, design and environmental work in June and July 2026. The consultants are supportive of the schedule and understand the quick turnaround required for the documentation to be provided to the LPNF.

Surveying Services

The original survey from 2019 was performed by Cannon Corporation. With the significant changes in the topography since 2019, a new survey is needed. Cannons’ surveying team was not available for the tight project schedule; therefore, the District obtained a proposal from Waters Cardenas Land Surveying (Waters Cardenas) to perform an updated survey of the project area. Waters Cardenas is a reputable local surveying firm with significant experience on similar projects. The proposal from Waters Cardenas to perform the updated survey is provided in Attachment 2 and includes a not-to-exceed cost of \$27,100. District staff recommend an award of contract to Waters Cardenas for a not-to-exceed amount of \$27,100 for land surveying services for the project.

Engineering Services

Cannon Corporation (Cannon) completed the original design in 2019. With the changes in topography, the design requires minor updates to the background contours and locations of project access and staging. The engineer and contractor have also worked together to create a less impactful construction method using the flume itself to transport materials along the flume alignment instead of using a temporary access road down below in Alder Creek. This method will utilize a small movable cart and crane mounted to the top of the flume to place large steel members. This new construction method requires re-engineering of structural supports to ensure they can support both the temporary cart/crane and long-term flume weight. Cannon has provided the proposal in Attachment 3 to perform the updated design work. A contract amendment with Cannon is recommended for a not-to-exceed amount of \$38,500 to complete the design work.

Environmental Services

Since the project is located on federal land, the project must consider potential impacts to species and critical habitat listed under the federal Endangered Species Act (ESA). Rincon Consultants (Rincon) has supported the District with the Alder Creek Flume project since 2018. Rincon prepared the original environmental documents and has assisted the District throughout the process with LPNF over the years. Rincon attended the April 10, 2026 site visit with staff from LPNF where the scope of environmental review was confirmed by LPNF staff. Rincon provided a proposal to perform environmental document preparation and permitting services, shown in Attachment 1. The total proposed fee is \$258,175. The scope of work includes biological resources field surveys and documentation, cultural field surveys and documentation, permit application support with the United States Army Corps of Engineers (USACE), California Department of Fish and Wildlife (CDFW), and Regional Water Quality Control Board (RWQCB). The proposal also includes significant time to prepare the documents required by LPNF including the operations plan, fire plan, stormwater documents, water quality management plan, and attend meetings with the District and LPNF. Rincon has a deep understanding of the Alder Creek Flume project and is effective at working with LPNF staff. Staff recommend award of a contract amendment with Rincon for a not-to-exceed amount of \$285,175.

FISCAL IMPACT:

The proposed contracts listed above total \$331,275. These costs are included in the Fiscal Year (FY) 2027 draft budget. The District is responsible for paying these costs and requesting reimbursement from FEMA. The expenses will be tracked as FEMA reimbursable and will be submitted monthly for reimbursement from the state, which generally occurs 6 to 9 months after reimbursements are requested.

ATTACHMENTS:

1. Project Schedule for the Alder Creek Flume Repair
2. Waters Cardenas Proposal for Land Surveying Services for Alder Creek Flume Repair
3. Cannon Corporation Proposal for Engineering Services for Alder Creek Flume Repair
4. Rincon Consultants Proposal for Permitting Services for Alder Creek Flume Repair

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Project Component	Responsible Party	Start	End
Forest Service			
SF-299	MWD/Rincon	April 11, 2026	April 27, 2026
Updated Topo Survey and Design Drawings	Schock/Cannon	April 11, 2026	June 5, 2026
Revised Biological Evaluation	Rincon	May 25, 2026	July 1, 2026
<i>Operations Plan</i>			
Project Description	MWD/Schock/Rincon	May 22, 2026	June 5, 2026
SWPPP including USFS measures and compatibility	Rincon	May 22, 2026	June 19, 2026
Water Quality Management Plan	Rincon w/Schock	May 22, 2026	June 26, 2026
Environmental Conditions Compilation*	Rincon	May 22, 2026	December 18, 2026
Fire Plan	Rincon	May 22, 2026	June 26, 2026
Restoration Plan	Rincon	May 25, 2026	July 1, 2026
Milestone - Initial Submittal to LPNF	Rincon		July 1, 2026
Milestone - USFS Issues Temporary Special Use Permit	LPNF		December 31, 2026
NHPA Section 106			
Records Search	Rincon/Info Center	May 4, 2026	May 25, 2026
Field Survey	Rincon	May 25, 2026	May 29, 2026
Cultural Resources Study	Rincon	May 25, 2026	June 30, 2026
Built Environment Evaluation	Rincon	May 25, 2026	June 30, 2026
Milestone - CR Studies Delivered to LPNF	Rincon		July 1, 2026
Milestone - LPNF Requests No Adverse Effect Concurrence	LPNF		August 3, 2026
SHPO Reviews Concurrence Request (statutory 30 days)	SHPO	August 3, 2026	September 2, 2026
Milestone - Section 106 Complete	LPNF/SHPO		September 2, 2026
ESA Section 7			
Field Survey	Rincon	May 25, 2026	May 29, 2026
Revised Biological Assessment	Rincon	May 25, 2026	June 30, 2026
Milestone - BA delivered to LPNF	Rincon		July 1, 2026
Milestone - USFS initiates Section 7 consultation	LPNF		August 3, 2026
USFWS Section 7 Consultation Period (statutory 135 Days)	USFWS	August 3, 2026	December 16, 2026
Milestone - Biological Opinion Received	USFWS		December 16, 2026
NEPA			
CalEx Applicability Memo Re-submitted to LPNF	Rincon		April 27, 2026
Agency coordination for FONEC document	Rincon/LPNF	April 27, 2026	July 27, 2026
Milestone - USFS Finalizes NEPA CatEx w/FONEC**	LPNF		July 27, 2026
CDFW			
Revised LSAA notification	Rincon	May 25, 2026	July 1, 2026
Milestone - LSA Notification Submitted	Rincon		July 1, 2026
Coordination with CDFW and processing (statutory 90 days)	Rincon/CDFW	July 1, 2026	September 29, 2026
Milestone - Draft Agreement Received	CDFW		September 29, 2026
Negotiate Final Agreement	MWD/CDFW/Rincon	September 29, 2026	October 30, 2026
Milestone - Final LSAA Executed	CDFW		November 6, 2026
USACE			
Renewed waters delineation and report	Rincon	May 11, 2026	June 2026
Revise PCN	Rincon	May 2026	June 2026
Milestone - PCN Submitted	Rincon		July 1, 2026
Coordination with USACE and Processing	Rincon/USACE	July 1, 2026	December 31, 2026
Milestone - Section 404 VL Received	USACE		December 31, 2026
RWQCB			
Revised dredge/fill application	Rincon	May 25, 2026	July 1, 2026
Alternatives Analysis	Rincon/MWD	May 25, 2026	July 1, 2026
Mandatory Pre-Filing Meeting	Rincon	May 25, 2026	May 29, 2026
Milestone - Dredge/Fill Application Submitted	Rincon		July 1, 2026
Coordination w/RWQCB and Processing	Rincon/RWQCB	July 1, 2026	September 29, 2026
Milestone - 401 Certification Received	RWQCB		September 29, 2026
* Final compilation will need to wait for final BO, Section 106, stormwater, and other conditions from LPNF. This component will be a placeholder in the Ops Plan submitted on July 1.			
** Date assumes final Section 7/Section 106 doc not required for FONEC			

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WATERS CARDENAS

LAND SURVEYING LLP

April 29, 2026

Adam Kanold, Montecito Water District
 E-mail: akanold@montecitowater.com

Re: **Jameson Lake**

Adam,

Thank you for the opportunity to provide a proposal for your project. The following scope and fee are based on preliminary research, site visit and current Google imagery.

Scope: Aerial Survey

Topo flum alignment area and fly LiDar for DTM and Orthophoto.

The mapping basis will be NAD 83 horizontally and NAVD 88 vertically.

Cost:

Two Person Field Crew	40 hrs.	@	\$270.00\hr.	\$10,800.00
AutoCAD Drafting	30 hrs.	@	\$130.00\hr.	\$ 3,900.00
Project Surveyor	20 hrs.	@	\$100.00\hr.	\$ 2,000.00
Principal Surveyor	10 hrs.	@	\$190.00\hr.	\$ 1,900.00
Field Survey Total				\$18,600.00
Aerial Mapping and Orthophoto			Fixed	\$ 8,500.00
Total for Both:				\$27,100.00

Our estimated cost of the services outlined hereon is based on our understanding of the scope and complexity of the task. However, our services will be performed on a time and materials basis, and therefore our actual charges could exceed the amount estimated. If, during the performance of our services, the need for additional or expanded services arises, we will make every reasonable effort to keep you informed of our progress and costs incurred.

X: _____
 Party Responsible for Payment Print Name Date

 Email address and Phone number for the Party responsible for payment

P 26-2402 Jameson Lake Aerial

FEE SCHEDULE 2026

<u>SURVEYING SERVICES</u>	<u>HOURLY RATE</u>
Principal Surveyor	\$190.00
Two Person Crew	\$270.00
One Person Robotic	\$230.00
Two Person Crew (Prevailing Wage)	\$300.00*
One Person Robotic (Prevailing Wage)	\$270.00*
Project Surveyor Preparation/Review	\$100.00
AutoCAD	\$130.00
Archives Research/Recovery	\$100.00
Drone Surveyor	\$200.00
Forensic Surveyor	\$500.00
Survey Retrieval	\$75.00+

***NOTE:**

Subject to adjustment when prevailing wage adjustments are mandated by the California Labor Board.

REIMBURSABLE EXPENSES

Use of outside consultants and materials such as aerial photos, survey monuments and markers may be charged at cost plus 15%.

Map printing, copying and other expenses associated with the project will be charged at cost.

BILLING

Bills will be sent monthly or at completion of specific phase or task. Payments are due and payable upon completion of task and presentation of billing statement.

A finance charge of 2% may be assessed per month for late payment

We accept Credit Cards and ACH with an additional fee. Please contact our office if you wish to use this method of payment.



May 8, 2026

Adam Kanold, PE
Engineering Manager
Montecito Water District
583 San Ysidro Road
Montecito, CA 93108

PROJECT: ALDER CREEK DIVERSION DESIGN

Adam,

This proposal is to rework our original Alder Creek Flume design to address critical issues that have arisen since our original design, completed in 2021.

The Alder Creek flume diverts surface water from an adjacent watershed into Jameson Lake to be used by the Montecito Water District (MoWaD). The elevated open channel flume is 1,300 feet long and was supported by wood and steel posts and bracing. Approximately 800 linear feet of the flume were destroyed in the Thomas Fire and subsequent debris flows. The original foundations were further damaged/dislocated in more recent storm seasons that widened the creek bed and washed a large volume of soils away. The intake diversion was at the top, approximately 500 feet of steel structure-supported flume, and the tunnel that feeds into the lake remain serviceable. Approximately 800 feet of flume needs replacement.

Cannon provided a survey and design for the reconstruction of the flume and development of an access road in 2021; prior to the recent flooding that made major changes to the creek bed. There is no longer a viable access path along the creek bed for delivery of materials to the top end of the flume without major imposition into the current creek bed due to the recent flooding. We understand that a new survey will modify the original survey to update changes in the topography.

Per our recent conversations and discussions with John Schock, a revised design is needed to address the inability to use many of the original foundations and modification of the design including a walkway for transporting materials as to minimize the impact of the reconstruction work on the ground.



Our familiarity with the original design and the additional needs will allow for Cannon to revise our original designs to optimize the efficiency of construction.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Pihl", with a stylized flourish at the end.

Marshall R. Pihl, SE
Structural Senior Principal Engineer
S 5101



PROJECT UNDERSTANDING AND APPROACH

The Alder Creek flume diverts surface water from an adjacent watershed into Jameson Lake to be used by the Montecito Water District (MoWaD). The elevated open channel flume is 1,300 feet long and was supported by wood and steel posts and bracing. Approximately 800 linear feet of the flume were destroyed in the Thomas Fire and subsequent debris flows. The original foundations were further damaged/dislocated in more recent storm seasons that widened the creek bed and washed a large volume of soils away. The intake diversion weir at the top, approximately 500 feet of steel structure-supported flume, and the tunnel that feeds into the lake remain serviceable. Approximately 800 feet of flume needs to be replaced.

A revised design is needed to address the inability to use many of the original foundations, account for the changed topography, and design modifications. Design modifications will include a walkway for transporting materials, increase constructability through including some field welding, a revised foundation system eliminating placement of concrete, and minimizing the impact of the reconstruction work on the ground.

Our approach to the project will include four primary tasks:

Task 1: Review of the revised topography and identify optimal locations of the flume bents. Cannon will coordinate with John Schock Construction.

Task 2: Design of members spanning between flume bents for support of construction and flume loads. Coordination with John Schock Construction to maximize ability for safe transport of materials.

Task 3: Redesign and detail of the flume bent structures for additional load combinations and construction flexibility allowing for field adjustments to facilitate an even slope along the length of the flume.

Task 4: Construction Assistance. We will provide assistance during the construction phase of the work. that may include site visits to review existing conditions requiring design adjustments.

DELIVERABLES

Deliverables will include the following:

Task 1: Flume layout adjustments. A preliminary layout plan for the diversion structure for review by the contractor and District.



Task 3: Design and detail of the reworked flume structure and foundations.

Task 4: Construction Assistance. We will provide copies of detail changes and other modifications to address discovered field conditions.

ASSUMPTIONS AND EXCLUSIONS

- No geotechnical information is available. New foundations will be designed using driven pipes to eliminate the need to place concrete. Existing damage concrete foundations will be abandoned.
- It must be understood that future natural disasters including seismic and flood events could impact the flume and its foundations. We believe that the proposed new pipe foundations should perform well and allow for efficient repairs should they be impacted by flood debris or other impacts.
- Montecito Water District will obtain all required permits and approvals.
- Jurisdiction – The completed permit calculations and drawings package will be reviewed by Santa Barbara County. Plan check revisions will be made at no additional cost with the following exception: Plan check review comments that result in design revisions that are not the responsibility of Cannon or are beyond the original structural design scope will be reviewed with District. The additional design work will be coordinated with District and/or completed on a time and material basis.
- Re-Work – Should there be large or multiple revisions to the plans after we have started design, we reserve the right to request additional fees to compensate for design revisions and/or a larger design scope. We will make every reasonable effort to maintain the design schedule and will notify you in writing when such situations arise.
- Specifications - We have not included development of a separate specification booklet in this proposal. General structural notes, submittal requirements, material properties, and inspection requirements will be included in the structural drawings.
- The Conditions of Approval for the project are not currently known and may affect the project design requirements. It is our understanding that the governing agency for this project will be Santa Barbara County.

SCHEDULE

Should our proposal be accepted, we will work with Montecito Water District to develop on a formal schedule. We understand the intent of Montecito Water District is for all work to be complete by June 5, 2026.



FEES

We propose to provide the design services described above on a fixed fee basis and construction administration services on a Time & Material basis. Reimbursable expenses are not included in the fixed fee; see "Reimbursable Expenses" below for rates. It is our understanding that this project qualifies for California Prevailing Wages.

Task 1: Flume bent locations and updated layout	\$ 3,500.00
Task 2: Design and detail of the horizontal flume components	\$ 5,500.00
Task 3: Redesign and detailing of the replacement flume	<u>\$ 23,000.00</u>
TOTAL FIXED FEES:	<u>\$ 38,500.00</u>

Task 5: Construction Assistance	<u>\$ 7,500.00</u>
TOTAL TIME AND MATERIALS FEES:	<u>\$ 7,500.00</u>

Fixed Fee:	\$38,500.00
Reimbursables:	Time and Materials

Reimbursable Rate Schedule

Black Line Plots	\$2.00 per page
Outside Reproduction	Cost + 15%
Mylar Plots	\$12.00 per sheet
Automation & Electrical Materials	Cost + 25% (+tax)
Subconsultant Fees	Cost + 10%
Technology Fee	\$30/Day
Color Plots	\$5.00 per page
Travel and Related Subsistence	Cost + 15%
Standard Mileage Rate	IRS Rate per mile
Airplane Mileage Rate	GSA Rate per mile

Expenses, such as special equipment, shipping costs, travel other than by automobile, parking expenses, and permit fees will be billed at the actual cost plus 15%. The stated rates are subject to change, typically on an annual basis.



2025/2026 Fee Schedule

Bill Rate Ranges
Subject to change

Assistant Resident Engineer I - II	\$ 173 - \$ 201
Associate Engineer	\$ 196 - \$ 235
Associate Land Surveyor	\$ 230 - \$ 245
Automation Specialist	\$ 180 - \$ 195
Automation Technician	\$ 140 - \$ 155
CAD Tech	\$ 127 - \$ 142
CAD Manager	\$ 145 - \$ 160
Construction Coordinator I - II	\$ 138 - \$ 153
Construction Inspector I - III	\$ 132 - \$ 176
Construction Manager	\$ 215 - \$ 230
Design Engineer	\$ 160 - \$ 185
Director/ Department Manager	\$ 247 - \$ 307
Dry Utilities Coordinator I - II	\$ 189 - \$ 204
Engineering Assistant I - IV	\$ 122 - \$ 153
Grant Funding Manager I - II	\$ 175 - \$ 205
Information Systems Admin/Manager	\$ 138 - \$ 160
Land Surveyor	\$ 218 - \$ 233
Lead Automation Specialist	\$ 194 - \$ 209
Lead Automation Technician	\$ 170 - \$ 185
Lead Designer	\$ 155 - \$ 193
Office Engineer / Document Control I-III	\$ 138 - \$ 171
Plan Check Engineer I - II	\$ 152 - \$ 202
Plan Check Manager	\$ 288 - \$ 303
Principal Automation Specialist	\$ 212 - \$ 227
Principal Automation Technician	\$ 190 - \$ 205
Principal Construction Manager	\$ 247 - \$ 262
Principal Designer	\$ 147 - \$ 195
Principal Engineer	\$ 239 - \$ 269
Project Designer	\$ 143 - \$ 172

Other Direct Charges

Black Line Plots	\$2.00 per page
Outside Reproduction	Cost + 15%
Mylar Plots	\$12.00 per sheet
Automation & Electrical Materials	Cost + 25% (+tax)
Subconsultant Fees	Cost + 10%
Technology Fee	\$30/Day
Color Plots	\$5.00 per page
Travel and Related Subsistence	Cost + 15%
Standard Mileage Rate	IRS Rate per mile
Airplane Mileage Rate	GSA Rate per mile

Project Engineer	\$ 172 - \$ 198
Resident Engineer	\$ 223 - \$ 238
Sr. Associate Architect	\$ 239 - \$ 254
Sr. Associate Engineer	\$ 212 - \$ 254
Sr. Associate Land Surveyor	\$ 235 - \$ 250
Sr. Automation Specialist	\$ 200 - \$ 215
Sr. Automation Technician	\$ 175 - \$ 190
Sr. CAD Tech	\$ 138 - \$ 153
Sr. Construction Manager	\$ 233 - \$ 248
Sr. Consultant / Principal-in-Charge	\$ 307 - \$ 335
Sr. Land Surveyor	\$ 247 - \$ 262
Sr. Plan Check Engineer	\$ 193 - \$ 208
Sr. Principal Designer	\$ 162 - \$ 211
Sr. Principal Engineer I - III	\$ 239 - \$ 307
Sr. Project Designer	\$ 143 - \$ 185
Sr. Project Engineer	\$ 185 - \$ 223
Sr. Resident Engineer	\$ 239 - \$ 254
Survey Assistant	\$ 133 - \$ 148
Survey Manager	\$ 253 - \$ 268
Survey Technician I - V	\$ 152 - \$ 211
Technical Writer I - IV	\$ 150 - \$ 165

Survey Crew Rates - Regular

One-Man Field	\$ 231 - \$ 246
Two-Man Field	\$ 312 - \$ 327
Three-Man Field	\$ 417 - \$ 432
Two-Man - HDS	\$ 373 - \$ 388

Survey Crew Rates - Prevailing Wage

One-Man Field	\$ 278 - \$ 293
Two-Man Field	\$ 415 - \$ 430
Three-Man Field	\$ 570 - \$ 585

Electrical - Prevailing Wage

Electrician	\$ 238 - \$ 253
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Building and Construction Inspector - Prevailing Wage

BCI Construction Inspector	\$ 176 - \$ 191
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Forensics Engineering / Expert Testimony Fee Schedule Available Upon Request.

Expenses, such as special equipment, shipping costs, travel other than by automobile, parking expenses, and permit fees will be billed at the actual cost plus 15%. If the client requests, or the client's schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the stated rates for weekdays for daily hours in excess of 8 as well as weekends, and a multiplier of 2.0 for daily hours in excess of 12 and holidays. If the client requests field services to be provided outside of normal working hours, a multiplier of 1.5 will be applied to the stated rates. For prevailing wage projects, if the client requests field services to be provided on any given Sunday, a multiplier of 2.0 will be applied to the stated rates; on or around an observed holiday, other rates may be applied. Survey Crews and Automation Field staff are billed portal to portal. A minimum charge of four hours will be charged for any Automation Field Service calls outside of normal working hours. The stated rates are subject to change, typically on an annual basis.

(effective 7/1/2025)



CALIFORNIA PREVAILING WAGE

It is our understanding that this project qualifies for California Prevailing Wages.

If the scope of our work requires the skilled trades which are subject to Prevailing Wage requirements, then our rates will reflect this. If the scope of our work does not require skilled trades which are subject to Prevailing Wage requirements, our rates will not reflect prevailing wage rates.

We will need a DIR Project ID so that we can file our 72-hour notification prior to performing on-site work.

PREVAILING WAGE INFORMATION REQUEST

Thank you for this opportunity to be of service on your public works project. Please complete and return this form to allow us to comply with California’s prevailing wage requirements. Thank you!

Legal Name of Cannon PWC Registration No.	Cannon Corporation 1000001861
Cannon Project Number	

PUBLIC WORKS PROJECT REGISTRATION INFORMATION:

Client’s Project Name	
DIR Project ID (PWC-100)	
Applicable Bid Advertisement Date	
Client’s Representative for DIR Project ID Information	Name: E-mail: Phone No.:
Labor Compliance Program (LCP) Applicable to this Project?	Yes <input type="checkbox"/> or No <input type="checkbox"/> If yes, please confirm if Cannon will be subject to the LCP and provide a copy of the LCP manual to Cannon before the start of the project. Thank you.



ACCEPTANCE OF PROPOSAL

Proposal Date:	<u>May 8, 2026</u>
Client:	<u>Montecito Water District</u> <u>583 San Ysidro Road</u> <u>Montecito, CA 93108</u>
Project:	<u>Alder Creek Diversion Design</u>
Scope of Work:	<u>Structural Design</u>
Fixed Fees:	<u>\$38,500.00</u>
T&M Fees:	<u>Time and Materials</u>

Appendix A details the terms for work.

- If this work is subject to California Prevailing Wages; please provide us with the DIR Project ID.
- If the client requests, or the client’s schedule requires work to be done on an overtime basis, a multiplier of 1.5 will be applied to the above rates for weekdays for daily hours in excess of 8 as well as weekends and a multiplier of 2.0 for daily hours in excess of 12 and holidays.

Please indicate your acceptance of this proposal by signing below.

In witness whereof, the parties hereto have caused this agreement consisting of proposal letter, Appendix A and any other necessary and applicable documents to be executed of the date and year first above written. In Appendix A, Cannon Corporation hereinafter referred to as Cannon. The Client, as noted below, hereinafter referred to as Client.

Client: <u>Montecito Water District</u>	<u>Cannon</u>
X <u>Adam Kanold, PE</u> Engineering Manager	<u>Marshall R. Pihl, SE</u> Structural Senior Principal Engineer S 5101
Date: _____	_____

May 13, 2026
Rincon Project No. 26-19134

Adam Kanold, Engineering Manager
Montecito Water District
583 San Ysidro Road
Santa Barbara, California 93108
Via email: akanold@montecitowater.com

Subject: Proposal for Regulatory Permitting Support - Alder Creek Flume Replacement Project (Santa Barbara County, California)

Dear Mr. Kanold:

On behalf of Rincon Consultants, Inc. (Rincon), we are pleased to submit this proposal to provide continued regulatory permitting support to the Montecito Water District (District) for the Alder Creek Flume Replacement Project.

Project Understanding

The Alder Creek Flume is an elevated, open-channel flume located in the Los Padres National Forest near Jameson Lake in Santa Barbara County. Alder Creek, a perennial stream that is tributary to the Santa Ynez River, collects surface water from the watershed around Jameson Lake. The Alder Creek Flume, originally constructed in the early 1900s, diverts water from a concrete diversion dam in Alder Creek into Jameson Lake to be used as a primary water supply for the District. Constructed of wood and steel, the flume is approximately 1,300 feet in length. The open channel is elevated between four feet and 60 feet above the ground surface, with structural supports spaced approximately 16 feet apart along the alignment.

The Thomas Fire (December 2017) and subsequent debris flows (January 9, 2018) destroyed approximately 800 feet of the flume and its support structures between the concrete diversion dam and the downstream tunnel. Approximately 500 feet of flume, constructed entirely of steel, remained intact in the northern portion of the alignment, closest to Jameson Lake. Most of the concrete footings also remain in place.

The Alder Creek Flume Repair Project ("project") includes the reconstruction of the approximately 800 feet of flume previously destroyed. The project does not include any modifications at the existing diversion dam on the upstream end. The new flume and support structure will follow the same alignment and have the same capacity as the destroyed portion of flume. Existing concrete footings that remain in place will be re-used. The flume will be reconstructed in-kind, with the exception of the use of steel instead of wood members for the support structure to avoid future fire damage. A temporary construction access road may be installed to deliver materials and equipment along the alignment; this would be removed upon completion of construction.

The destroyed portion of the flume alignment crosses a segment of Alder Creek. The support structure's concrete footings in the creek bed remain in place. The project may construct a temporary access bridge across the creek bed to deliver equipment and materials. The project would not fill the creek bed to build this crossing. It is our understanding that any concrete work near the creek would be hand-mixed and isolated.

It is Rincon's understanding that the District's existing permit with the United States Forest Service (USFS) remains valid and in full effect, and that the USFS acknowledges this permit covers the Alder Flume. However, authorization from the USFS to establish access and perform flume reconstruction activities



will be required. The District is also seeking Federal Emergency Management Agency funding. Due to the federal nexus, the project will need to consider impacts to species and critical habitat listed under the federal Endangered Species Act (ESA). The project is also subject to Section 106 of the National Historic Preservation Act (NHPA). We assume USFS will be the lead agency under the National Environmental Policy Act for the project, and that a Categorical Exclusion will apply.

Scope of Work

Task 1 Biological Resources

Task 1.1 Field Survey

Rincon will perform a site visit by two qualified and experienced biologists to survey the site for rare plants, assess the habitat suitability for potential special-status wildlife, map the existing vegetation, document any wildlife connectivity / movement features, and record all observations of special-status plants and wildlife species. Rincon will survey the proposed project work areas, including staging/laydown areas, access routes, and work zones as confirmed by the contractor. Due to the steep terrain, Rincon will extend the survey area to approximately a 100-foot buffer area only where accessible (referred to as the Survey Area).

In addition, the field survey will assess the potential jurisdictional limits of the Alder Creek channel using current regulatory guidance and methodologies. Wetlands within the project site will be classified, documented, and mapped in general accordance with the United States Army Corps of Engineers (USACE) Wetlands Delineation Manual (1987) and Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Arid West Region (2008). The Ordinary High Water Mark (OHWM) will be delineated in general accordance with the methods prescribed in A Field Guide to the Identification of the OHWM in the Arid West Region of the Western United States (2008).

The limits of jurisdiction for each agency, and other biologically significant findings, will be documented in the field using a Trimble® Global Positioning System (GPS) unit with sub-meter accuracy. All appropriate data sheets will be completed and submitted along with a kmz file of the delineated areas and important findings.

Task 1.2 Aquatic Resources Delineation Report

Following the field survey, an Aquatic Resources Delineation Report will be prepared. The report will be based on the prior version prepared in 2020 but will be revised to account for the present project footprint, significant changes to the alignment and Alder Creek that have occurred since the prior delineation (primarily due to heavy rain in 2023), and changes in agency regulations and delineation procedures. The report will present the results of the delineation and will include a discussion providing context for the results. The report will also include a discussion of methodologies, a summary project description, a regulatory overview, and a discussion of potential project impacts. Rincon will overlay data collected from the field onto high-resolution aerial imagery and will provide this information as figures in the report. Data observation forms and site photographs will be included as appendices. The overall intent of the report is to substantiate the existing resource conditions, acreage, and length that would be affected by the proposed project, as these are key considerations in the permitting process.



Task 1.3 Biological Evaluation Report

The field information collected under Task 1.1 will be summarized in a Biological Evaluation Report (BE), which will be based on the version previously drafted in 2021. Rincon will supplement this field data with a new literature review to address any newly listed species, new species occurrence records in the area, and the current project footprint. Based on the biological conditions and proposed activities, the report will address the potential for project impacts on regulated biological resources, including impacts from the access routes, staging areas, and will provide recommendations for impact avoidance and minimization.

If any suitable habitat for special-status species is present, special-status species will be assumed present for the potential effects analysis, and mitigation measures will be developed based on this assumption. No focused, species-specific biological surveys are proposed as part of this scope.

Specifically, the report will include the following:

- Project/construction footprint description
- Survey area description and survey methodology
- Biological inventory
- Physical site characteristics (topography, soil, drainages)
- General habitat characterization including classifications and mapping
- Analysis of plant and wildlife species potentially occurring on-site
- Potential jurisdictional area(s) evaluation
- Description of project impacts
- Recommended avoidance/minimization measures

The BE will be submitted to the USFS for approval, and will be used to support their NEPA determination for the project as well as to provide technical reasoning behind the species selected for inclusion in a Biological Assessment and Section 7 consultation (see Task 1.4).

Task 1.3 Biological Assessment

A Biological Assessment (BA) is a specialized document used by federal agencies for compliance with Section 7 of the Endangered Species Act. The purpose of the BA is to evaluate the project's effects on federally listed species and designated critical habitat. Rincon will prepare the BA and provide the completed draft to the USFS for review, acknowledging that the BA is officially the USFS's document and they may request changes to Rincon's draft. Once approved, the USFS will then provide the BA to the U.S. Fish and Wildlife Service (USFWS) and initiate Section 7 consultation.

Based on recent discussions with USFS staff, Rincon understands that the Biological Assessment will likely need to include the following species/critical habitat:

- California red-legged frog (threatened)
- California red-legged frog critical habitat
- Least Bell's vireo (endangered)
- Southwestern willow flycatcher (endangered)
- Western yellow-billed cuckoo (threatened)
- Gray wolf (endangered)



The structure of the BA will follow USFWS guidelines and will include a description of the proposed action, a description of the “action area” and the potential for each covered species to occur there, an analysis of the ways in which each covered species or critical habitat would be affected by the project, and a conclusion as to whether the identified effects would be adverse. Following submittal of the BA, Rincon will support the District with any necessary conversations or negotiations with the USFS or USFWS.

Task 1 Assumptions

- Rincon assumes the USFS is the lead agency and BA/BE reporting will be required.
- One BA/BE will be prepared in accordance with Los Padres National Forest standards.
- The biological reconnaissance field survey and the formal jurisdictional delineation will be conducted in a single field day (up to 8 hours in length) with two biologists.
- Rincon will address one round of consolidated comments on each report from the District and one round from USFS, to be provided in an electronic, editable format. We assume the comments are fairly minor and we reserve the right to revisit the scope if we receive major comments.
- Focused species-specific protocol and/or presence/absence surveys for regulated resources will not be required.

Task 2 Cultural Resources

Task 2.1 Delineate Area of Potential Effects

Rincon will prepare the Draft Area of Potential Effects (APE) Map and narrative to be submitted to USFS for approval. The APE defines limits of the cultural resources study area, circumscribing both archaeological and built environment subareas. For the purposes of this proposal, Rincon assumes the APE will entail all areas subject to ground disturbance, and will be limited to the direct project footprint (i.e. no indirect APE). The resulting APE will limit the extent of the cultural resources study for the project.

Task 2.2 Archaeological Resources Protection (ARPA) Permit

Rincon assumes that an Archaeological Resources Protection Act (ARPA) permit will be required to complete the study. As part of the ARPA permit application scope, Rincon will prepare the appropriate paperwork and mapping documentation required for the permit application. Upon completion of project mapping, Rincon will submit an ARPA permit application to the USFS that includes a brief project description and maps depicting the APE.

Task 2.3 Cultural Resources Records Searches

Upon approval of the ARPA permit, Rincon will contact the USFS Archaeologist and request a heritage records search of the project plus a 0.5-mile buffer. Rincon assumes the heritage search will be conducted by a Rincon archaeologist at the Supervisor’s Office at no direct cost, and the search will be completed in no more than eight (8) hours, including travel time. Rincon assumes the heritage search will be negative for previously recorded cultural resources in the APE.

Rincon will also conduct a California Historical Resources Information System records search of the project APE and a 0.5-mile radius at the Southern San Joaquin Valley Information Center (SSJVIC). The primary purpose of the records search is to identify any previously recorded cultural resources known to exist within or near the APE.



Rincon will also request a records search of the Sacred Lands File (SLF) from the Native American Heritage Commission (NAHC). The SLF search will indicate whether cultural resources important to Native Americans are present within the vicinity of the APE.

Task 2.4 Cultural Resources Field Survey

Upon completion of the cultural resources record searches, Rincon will conduct a Phase I pedestrian survey of the APE. A Rincon cultural resources specialist will conduct the survey using transects spaced at maximum intervals of 15 meters with transect accuracy maintained through use of a hand-held GPS unit. For the purposes of this proposal and cost estimate, Rincon assumes the survey will be completed within one 8-hour field day and only one resource, the approximately 800-foot segment of the Alder Creek Flume, will require recordation and evaluation. Should any additional cultural resources be identified during the survey, the budget would need to be augmented to record or update the resources. No subsurface testing will be conducted, nor will any artifacts, samples, or specimens be collected during the survey.

Task 2.5 Cultural Resources Technical Report

Upon completion of the records search and pedestrian survey, Rincon will prepare a cultural resources technical report. The report will be prepared in general conformance with Section 106 of the NHPA and will address the potential for project effects on cultural resources located within the APE and will provide recommendations for the avoidance of adverse effects. The report will be prepared following the *California Office of Historic Preservation's Archaeological Resource Management Reports: Recommended Contents and Format*. The report will include figures depicting the area surveyed and studied for cultural resources. If locations of sensitive archaeological sites or Native American cultural resources will be depicted or described in the report, such locational data will be considered confidential and the report may not be distributed to the public. Rincon assumes that one round of revisions will be required addressing comments/review from the District, and one round from the USFS.

(Optional) Task 2.6 Built Environment Evaluation

Rincon understands that USFS may require an expanded APE and the recordation/evaluation of a larger portion of the Alder Creek Flume than initially presented in 2021. This task includes expansion and refinement of the APE, preparation of updated mapping and documentation, and completion of additional recordation and evaluation consistent with current USFS guidance and National Register criteria. The task also includes preparation of a Section 106 effects assessment addressing potential project-related effects to the Alder Creek Flume and supporting agency consultation and review.

If, through completion of this task, it is determined that the project would result in an adverse effect on the Alder Creek Flume, additional consultation, analysis, and effect resolution would be required. Such efforts are not included in this scope and would be addressed through a separate change order.

Task 2 Assumptions

- The APE delineation will require a maximum of one meeting with and one round of comments from the USFS and the APE will be limited to the damaged portion of the flume.
- The ARPA permit will not exceed \$500 in direct costs to obtain.
- Heritage search will be conducted by a Rincon archaeologist at the Supervisor's Office at no direct cost, and the search will be completed in no more than eight (8) hours, including travel time.
- The SSJVIC records search will be conducted in person within a maximum direct expense of \$500 in direct costs.



- Phase 1 pedestrian survey will be completed within one 8-hour field day and only one resource, the approximately 800-foot segment of the Alder Creek Flume, will require recordation and evaluation.
- Rincon will address one round of consolidated comments on the report from the District and one round from USFS, to be provided in an electronic, editable format. We assume the comments are fairly minor and we reserve the right to revisit the scope if we receive major comments.

Task 3 Regulatory Permitting Support

The project is likely to be within the limits of jurisdiction of the USACE, Central Coast Regional Water Quality Control Board (RWQCB) and California Department of Fish and Wildlife (CDFW), and will therefore require a federal Clean Water Act (CWA) Section 404 permit from the USACE, a CWA Section 401 Water Quality Certification from the Central Coast RWQCB, and a Streambed Alteration Agreement (SAA) from the CDFW pursuant to Section 1600 et seq. of the California Fish and Game Code. This task includes the preparation/compilation of these permit application packages, including cover letters, supporting documents, and necessary figures.

Task 3.1 United States Army Corps of Engineers

This task includes updating and revising the previously prepared USACE Section 404 Nationwide Permit (NWP) Pre-Construction Notification (PCN) package to reflect project changes that have occurred since it was last prepared. The update will be completed under the assumption that the revised project will continue to qualify for coverage under a Clean Water Act Nationwide Permit, anticipated to be NWP 18 or NWP 58, depending on jurisdictional impacts and final review of the updated project description. Rincon will revise the PCN package to incorporate current project design, impact information, and supporting documentation; submit the revised package to the District for review and signature; and incorporate any agency-requested revisions. Upon District approval, Rincon will submit the updated PCN package to the USACE, unless otherwise directed.

Task 3.2 California Department of Fish and Wildlife

Impacts to the Alder Creek drainage will require authorization from CDFW through a SAA. This task includes updating and revising the previously prepared CDFW notification and supporting documentation to reflect project changes that have occurred since the materials were last prepared. Rincon will revise the SAA notification package to incorporate updated project design, impact information, and supporting materials; provide the revised package to the District for review and comment; incorporate any requested changes; and, upon the District's approval, submit the updated application to the CDFW unless otherwise directed.

Task 3.3 Regional Water Quality Control Board/State Water Resources Control Board

This task includes updating and revising the previously prepared Section 401 Water Quality Certification application package to reflect project changes that have occurred since the application was last prepared. Section 401 of the Clean Water Act requires that any applicant for a federal permit or license that may result in a discharge to waters of the United States obtain state certification that the activity will comply with applicable state water quality standards. Rincon will revise the Section 401 application and supporting documentation to incorporate the current project design, updated impact information, and a revised alternatives analysis, as required. The updated application package will be provided to the District for review and comment, and Rincon will incorporate any requested revisions. Upon the District's approval, Rincon will submit the updated application to the Central Coast Regional Water Quality Control Board or, if the applicable NWP is pre-certified, to the State Water Resources Control Board as part of a Notice of Intent, unless otherwise directed. Rincon will also facilitate and attend the required pre-application meeting with the RWQCB.



Task 3.4 Permit Tracking and Agency Coordination

This task includes anticipated coordination and negotiation necessary to obtain the required permits/authorizations in a timely manner, and to see that the approvals are reasonably conditioned. Following submittal of the applications, Rincon will coordinate an on-site meeting with all three agencies, if requested (and expected), to allow the agencies to see the site and ask specific questions. Rincon will also maintain regular communication with agency representatives to ensure that the project remains a priority and will support the District with any agency requests for additional information, which arise frequently during projects of this nature.

Task 3 Assumptions

- Project design plans, including files denoting the limits of project disturbance, will be provided by the District.
- If project design details change during the permitting process, additional Rincon effort and cost may be required.
- It is assumed that a NWP will be applicable for the project and an Individual Permit from the USACE will not be required.
- Rincon will incorporate one round of consolidated comments from the District following draft permit application submittals. Comments will be provided in an electronic, editable format.
- The District will be responsible for all application fees and will pay these fees directly.
- The resources agencies will adhere to typical permit processing timeframes. Rincon cannot guarantee that permits will be issued within any particular time period.
- If the resources agencies require preparation of more comprehensive application materials or extensive consultations than assumed above, we will notify you immediately and determine if an amendment to the work scope is necessary.

Task 4 Finding of No Extraordinary Circumstances Support

Rincon previously prepared an analysis demonstrating that no unusual circumstances would preclude application of a NEPA Categorical Exclusion for the project. Under this task, Rincon will support preparation of a Finding of No Extraordinary Circumstances (FONEC) by USFS. Rincon will coordinate with USFS staff, respond to agency comments, and provide supplemental analysis as needed to support the FONEC determination. Preparation and final approval of the FONEC will remain the responsibility of the USFS.

Task 5 Restoration Plan

Rincon will update the previously prepared Restoration Plan to reflect project changes since it was last completed and to ensure consistency with current USFS requirements and the refined project footprint. The updated Restoration Plan will address revegetation of temporarily impacted areas and will describe restoration goals, methods, and materials based on current site conditions and design details. The plan will document the revised restoration areas, applicable conditions and requirements, and overall restoration objectives, and will include an updated implementation strategy addressing site preparation, seeding methods, proposed species and seed mixes, plant material specifications, installation procedures, and seeding schedule. The plan will also include updated maintenance and monitoring components describing weed control, supplemental seeding, erosion control measures, monitoring methods and timing, success criteria, reporting requirements, and adaptive management and contingency measures. Revised GIS-based maps depicting site location, existing habitats, and restoration areas will be prepared to support implementation and agency review.



Task 6 SF-299 Support

Rincon will update previously prepared SF-299 application support materials to reflect project refinements, updated design information, and current USFS requirements. Updates will ensure consistency with the revised project description and associated environmental and permitting documentation and will support agency review and processing.

Task 7 Operating Plan

Task 7.1 Project Description

Rincon will prepare a detailed Project Description describing the purpose and need, project location, footprint, construction activities, sequencing, duration, access routes, staging areas, and equipment. The updated description will be cross-checked for consistency with permit applications, environmental analyses, and supporting technical plans. Rincon expects that the District's construction contractor and/or engineer will be available to confirm details and address technical questions from Rincon regarding the construction methods, materials, or impact limits.

Task 7.2 Water Quality Management Plan

Rincon will develop a conceptual, project-specific best management practice (BMP) approach aligned with the USFS National Best Management Practices for Water Quality (2012) and relevant California Stormwater Quality Association (CASQA) guidance. The BMP framework will be tailored to the project's construction methods, diversion approach, and site conditions and will be designed to meet USFS and RWQCB water quality protection expectations. Rincon will identify applicable water quality parameters and monitoring considerations, including turbidity, pH, and visual indicators, as required by the USFS and RWQCB. Rincon will coordinate with the USFS during development of the BMP approach to confirm assumptions, review proposed BMPs, and address agency comments. Draft materials will be provided for USFS review and revised as needed to support agency approval.

As part of this task, Rincon will review the existing Alder Creek Water Quality Management Plan to evaluate consistency with the current project design, proposed diversion and construction approach, and updated agency requirements. Based on this review and coordination, Rincon will revise or prepare the Water Quality Management Plan, as necessary, to support USFS authorization and RWQCB permitting.

Task 7.3 Storm Water Pollution Prevention Plan

Rincon will confirm the anticipated project disturbance area based on the current project design, construction footprint, access routes, staging areas, and temporary impact areas. The confirmed disturbance area will be used to support permit applicability determinations and SWPPP development. Rincon will evaluate the applicability of the 2022 CGP to the Project and identify the anticipated project Risk Level based on disturbance extent, site characteristics, and receiving water considerations, consistent with CGP requirements. This evaluation will inform monitoring, reporting, and BMP implementation requirements included in the SWPPP. Rincon will identify receiving waters associated with the project and evaluate applicable Total Maximum Daily Loads (TMDLs) and other water quality constraints relevant to construction-related discharges. This information will be incorporated into the SWPPP to ensure compliance with applicable water quality standards.

The SWPPP will incorporate the project-specific BMP framework developed under Task 7.2, including erosion and sediment control measures, stormwater controls, and source control practices. BMPs will be presented in a manner consistent with the 2022 CGP and the USFS National Best Management Practices for Water Quality (2012), and will be tailored to the project's construction methods and site conditions.



Based on the above, Rincon will prepare a SWPPP in accordance with the 2022 CGP, including required site descriptions, maps, BMP details, inspection and maintenance procedures, monitoring considerations, and implementation responsibilities.

Task 7.4 Environmental Conditions Compilation

Rincon will prepare a summary of existing environmental conditions within the project area, drawing from available biological, cultural, hydrologic, and other resource information prepared for the project. This section will provide baseline context for USFS review and will be coordinated with supporting environmental analyses and permitting documentation. While Rincon will provide a brief list of environmental commitments with the Operating Plan at the time of initial submittal to the USFS, the Operating Plan will be considered a “living document” during the permitting process. When various elements of the process are completed, such as NEPA review and required consultations under the ESA and NHPA, the resulting requirements or mitigation measures will be added to the Operating Plan.

Task 7.5 Fire Management Plan

Rincon will prepare a Fire Management Plan addressing wildfire risk associated with project activities. The Fire Management Plan will describe fire prevention measures, equipment and spark-producing activity controls, required firefighting equipment, weather and fire condition monitoring, communication protocols, emergency response procedures, and coordination with USFS fire management personnel. The Fire Management Plan will adhere to recent examples found acceptable by the USFS, such as the plan prepared for the Juncal Pipeline repair at Fox Creek.

Task 8 U.S. Forest Service Meetings

To ensure that the project moves forward at the desired pace, Rincon has been supporting regular in-person meetings between the District and the USFS to discuss the project. These meetings have included general discussions of the project with the broader USFS team as well as topical meetings held between subject matter experts (biologists, archaeologists, stormwater personnel, NEPA planners, etc.) representing the District’s project team and the USFS. Rincon will continue to support these meetings during project permitting, so that any USFS concerns may be surfaced and addressed at the earliest possible time. Meetings will be attended by Rincon’s Project Manager, Principal-in-Charge, and/or subject matter experts as appropriate.

Task 9 Project Management and Internal Strategy Meetings

This task includes coordination with the District, and includes hours required for professional project management, such as external meetings, regular communication and status updates, monitoring of the project budget and schedule, invoicing, and other similar tasks. This task also includes facilitating and attending internal meetings with the District and its legal counsel to prepare for agency discussions or discuss project strategy.

Cost

As shown in Table 1 below, the scope of work will be completed for a fee not to exceed **\$220,218**. Should optional Task 2.6 be approved, the scope of work will be completed for a fee not to exceed **\$228,268**. These estimates will not be exceeded without prior written authorization from the District. All services will be billed on a Time and Materials basis in accordance with Rincon’s current schedule of fees and charges (Attachment 1).



Table 1 Cost Summary

Task	Estimated Cost
Task 1 Biological Resources	\$38,200
Task 1.1 Field Survey	\$6,200
Task 1.2 Aquatic Resources Delineation Report	\$10,000
Task 1.3 Biological Evaluation Report	\$12,000
Task 1.4 Biological Assessment	\$10,000
Task 2 Cultural Resources	\$39,343
Task 2.1 Delineate Area of Potential Effects	\$3,765
Task 2.2 Archaeological Resources Protection Permit	\$2,519
Task 2.3 Cultural Resources Records Searches	\$5,901
Task 2.4 Cultural Resources Field Survey	\$9,791
Task 2.5 Cultural Resources Technical Report	\$17,367
Task 3 Regulatory Permitting Support	\$51,000
Task 3.1 United States Army Corps of Engineers	\$9,000
Task 3.2 California Department of Fish and Wildlife	\$10,000
Task 3.3 Regional Water Quality Control Board/State Water Resources Control Board	\$15,000
Task 3.4 Permit Tracking and Agency Coordination	\$17,000
Task 4 Finding of No Extraordinary Circumstances Support	\$2,000
Task 5 Restoration Plan	\$9,000
Task 6 SF-299 Support	\$2,500
Task 7 Operating Plan	\$52,400
Task 7.1 Project Description	\$5,000
Task 7.2 Water Quality Management Plan	\$19,400
Task 7.3 Storm Water Pollution Prevention Plan	\$22,000
Task 7.4 Environmental Conditions Compilation	\$3,000
Task 7.5 Fire Management Plan	\$3,000
Task 8 U.S. Forest Service Meetings	\$14,000
Task 9 Project Management and Internal Strategy Meetings	\$40,675
Total without Optional Task	\$249,118
Optional Task 2.6 – Built Environment Evaluation	\$9,057
Total including Optional Task	\$258,175

Schedule

The proposed services will be delivered in accordance with the schedule provided to the District via email in May 2026, which reflects receipt of all required regulatory approvals by the end of 2026. However, it is important to note that this schedule assumes permitting agencies will adhere to typical/statutory review timelines and work cooperatively with the District’s team. We do not control the agencies’ priorities, workloads, or staffing constraints, and cannot guarantee that permits will be issued within any particular timeframe.



Thank you for your consideration and for this opportunity to support your project. Please do not hesitate to contact us if you have questions about this proposal or need additional information.

Sincerely,
Rincon Consultants

A handwritten signature in black ink, appearing to read "Nicholas Carter".

Nicholas Carter
Project Manager

A handwritten signature in black ink, appearing to read "Christopher Julian".

Christopher Julian
Principal

Attachments

Attachment 1: Rincon 2026 Schedule of Fees and Charges



Standard Fee Schedule for Environmental Sciences and Planning Services

Professional, Technical and Support Personnel*	January 1, 2026 – December 31, 2026
Senior Principal	\$342
Principal	\$329
Director	\$329
Senior Supervisor II	\$313
Supervisor I	\$292
Senior Professional II	\$273
Senior Professional I	\$255
Professional IV	\$226
Professional III	\$210
Professional II	\$186
Professional I	\$166
Associate III	\$140
Associate II	\$125
Associate I	\$117
Field Technician	\$100
Technical Editor	\$157
Project Accountant	\$134
Billing Specialist	\$115
Publishing Specialist	\$128
Clerical	\$115

* Professional classifications include environmental scientists, urban planners, biologists, geologists, marine scientists, GHG verifiers, sustainability, cultural resources, GIS, data technology, and other professionals. Expert witness services consisting of depositions or in-court testimony are charged at the hourly rate of \$400.

Reimbursable Expenses

Equipment	Rate
Equipment Package (covers field equipment)	\$150/day
UAS Drone	\$300/day
Boat (20-foot Boston Whaler or Similar)	\$800/day
Light-Duty and Passenger Vehicles*	\$90/day
4WD and Off-Road Vehicles*	\$150/day

* Current IRS mileage rate for mileage over 50 and for all miles incurred in employee-owned vehicles.

Direct Costs. Other direct costs associated with the execution of a project, that are not included in the hourly rates above, are billed at cost plus 16%. These may include, but are not limited to, printing and production, laboratory and drilling services, subcontractors, vendors, authorized travel expenses, permit charges and filing fees, mailings and postage, performance bonds, sample handling and shipment, rental equipment, and vehicles other than covered by the above charges.

Budget Reallocation. Rincon reserves the right to reallocate the budget between tasks and staff classifications, while remaining within the approved contract amount.

Annual Escalation. Standard rates subject to 3.5% annual escalation on January 1.

Payment Terms. All fees will be billed to Client monthly and shall be due and payable upon receipt or as indicated in the contract provisions for the assignment. Invoices are delinquent if not paid within 10 days from receipt or per the contractually required payment terms.

Effective January 1, 2026

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 5-B

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: PUBLIC INFORMATION OFFICER

SUBJECT: CUSTOMER RELATIONS AND PUBLIC INFORMATION UPDATE

RECOMMENDATION:

Information only.

DISCUSSION:

District outreach methods include e-News, bill inserts, bill messages, press releases, website updates, articles, social media posts, advertisements, regular updates in meeting presentations to community organizations, and participation in events. Communications are consistent with the District's 2022 5-Year Strategic Plan and regional and State initiatives including "Water Conservation is a California Way of Life". Recent initiatives include:

Reservoir Seismic Replacement and Retrofit Project Public outreach pertaining to the ASADRA project is ongoing. (Attachment 1)

Annual Water Quality Report – 2025 CCR Distributed electronically by June 1 annually, this report provides the public with important information on water quality, District water sources, and current relevant programs such as PFAS detection, sampling at schools, and the lead pipe service line inventory. (Per agenda item 4-E)

ATTACHMENTS:

1. Attachment 1: The Water Column, Montecito Journal May 14, 2026

The Water Column

Project Update: Seismic Upgrades on Track for First Reservoir




Construction is underway on Terminal Reservoir, the first of eight essential water storage facilities to be upgraded through the MWD's Reservoir Seismic Retrofit and Replacement Project (courtesy photo)

by *Laura Camp*

Construction is underway on the first of eight of the Montecito Water District's existing water storage reservoirs which are slated for seismic retrofit and/or replacement to reduce vulnerability to potential future disasters such as earthquakes. Updates began December 2025 on Terminal Reservoir, originally completed in 1952. Terminal's needed improvements include extensive reinforcement and replacement of concrete footings and walls, and a new concrete roof. "We've effectively doubled the strength of the reservoir" stated **Blake Coffey**, a representative from the MWD's construction management firm, Water Systems Consulting (WSC), who provided an update to the board at their April 28th meeting reporting that this project is currently on schedule with no anticipated time delays or cost impacts.

"This shows the scale of project the Water District is able to do on time and on budget," said Board President **Brian Goebel**. "The engineering here is quite impressive."

Construction timeliness is important to derive the most benefit from the favorable funding terms. "ASADRA" (Additional Supplemental Appropriations for Disaster Relief Act) funding was an exclusive, one-time funding opportunity available only to public agencies impacted by the 2017 Thomas Fire. This funding, provided by the Federal Environmental Protection Agency (EPA) and administered by the California State Water Board, is uniquely appropriate for the District's ASADRA Reservoir Seismic Retrofit and Replacement Project.

While Terminal Reservoir is on track for completion in July 2027, the total project is scheduled to take approximately six years, with each reservoir requiring 12-18 months to complete. Design plans are complete for all reservoirs, yet construction will be underway on only one or two reservoirs at any given time to ensure adequate water storage at all times. District reservoirs are distributed throughout the service area and are constantly monitored to provide operational flexibility and storage redundancy. 

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 5-C

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: GENERAL MANAGER REPORT

RECOMMENDATION:

Informational.

DISCUSSION:

The following summary provides the Board of Directors with a brief overview of progress with:

Update on Approvals and Reimbursements for FEMA-Eligible Projects

The District has six ongoing disaster recovery projects related to the 2018 Thomas Fire and Debris Flow, and the January 2023 winter storms. Through the Public Assistance grant program, these projects are 75% reimbursable by the Federal Emergency Management Agency (FEMA) and 18.75% reimbursable by the California Governor’s Office of Emergency Services (CalOES). A summary of expenses and reimbursements are shown in the table below. The District recently received approximately \$160,000 to complete reimbursements for the Ashley Road Bridge Water Main Project. The District is anticipating approximately \$770k in FEMA reimbursements in the coming months related to the Alder Creek Flume Project and Juncal Pipeline Repair.

Project Name	Estimated Project Cost	Total Spent to Date	FEMA + CALOES + MWD + Cash Adv. Received	% Reimbursed of Actual Billed	Payments due to MWD	Anticipated Reimbursement Date
OPEN PROJECTS						
Alder Creek Flume	\$ 3,240,000	\$ 878,836	\$ 761,086	89%	\$ 117,750	Jun-26
Bella Vista Highline Repairs	\$ 1,200,000	\$ 170,814	\$ 3,162,298	100%	\$ -	N/A
COMPLETED PENDING FEMA CLOSE OUT						
Juncal Pipeline	\$ 5,461,844	\$ 5,461,844	\$ 4,807,575	88%	\$ 654,269	Jun-26
Ashley Rd. Bridge Repairs	\$ 160,548	\$ 160,548	\$ 160,548	100%	\$ -	Jun-26
ADMINISTRATIVE PROJECTS						
2018 Administrative Costs	\$ 287,978		\$ 95,993	0%	\$ -	2028
2023 Administrative Costs	\$ 276,044		\$ -	0%	\$ -	2028
Total Open Projects	\$ 10,626,413	\$ 6,672,041	\$ 8,987,499		\$ 772,018	

Update on Conservation Rebate Program

The District's Rebate Program was launched in mid-December 2022 and remains available to all customers. The program was revised by the Board of Directors in January 2024 with increased rebates and added programs. Customers continue to receive notification of the rebate program through advertising, enews, and conservation site visits. Table 1 provides a summary of the rebate program funds awarded to customers in Fiscal Year (FY) 2026.

Table 1 – Summary of Conservation Rebates in Fiscal Year 2026

Measure	\$ Awarded (7/1/25 to 04/15/26)		\$ Pending Estimate (04/16/26 - present)		\$ Awarded + \$ Pending	
	SFR	COM- INST- MFR	SFR	COM- INST- MFR	SFR	COM- INST- MFR
Mulch Program	\$ 4,777	\$ -	\$ -	\$ -	\$ 4,777	\$ -
Indoor Appliances Rebate	\$ 3,999	\$ -	\$ -	\$ -	\$ 3,999	\$ -
High Efficiency Toilet (HET) and Urinal Rebates	\$ 400	\$ -	\$ -	\$ -	\$ 400	\$ -
Drip Irrigation Rebate	\$ 518	\$ -	\$ -	\$ -	\$ 518	\$ -
Smart Irrigation Controller Rebates	\$ 1,288	\$ -	\$ -	\$ -	\$ 1,288	\$ -
Landscape Conversions	\$ 3,210	\$ -	\$ 8,700	\$ -	\$11,910	\$ -
Sub Total	\$ 14,191	\$ -	\$ 8,700	\$ -	\$22,891	\$ -
Grand Total					\$22,891	

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 6-A

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

**SUBJECT: RATIFICATION OF THE CACHUMA CONSERVATION RELEASE
BOARD (CCRB) FISCAL YEAR 2027 BUDGET**

RECOMMENDATION:

That Board of Directors ratify the Fiscal Year (FY) 2027 budget for the Cachuma Conservation Release Board (CCRB), with the District's portion budgeted in the amount of \$162,185.

DISCUSSION:

The CCRB Board was presented and approved its FY 2027 budget on May 8, 2026. Pursuant to the Cachuma Conservation Release Board (CCRB) Joint Powers Agreement, the CCRB Board approved annual budget is to be ratified by each member agency's governing body. Attached is a copy of the CCRB Board approved Budget for FY 2027.

ATTACHMENTS:

1. Cachuma Conservation Release Board approved FY 2027 Budget

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CACHUMA CONSERVATION RELEASE BOARD

May 8, 2026

(Letter sent by Email)

Ryan Drake, Water Supply and Conservation Manager
Goleta Water District
4699 Hollister Avenue
Goleta, CA 93110

Dakota Corey, Water Supply and Services Manager
City of Santa Barbara
630 Garden Street
Santa Barbara, CA 93101

Nick Turner, General Manager
Montecito Water District
583 San Ysidro Road
Montecito, CA 93108

RE: CCRB FISCAL YEAR 2026/2027 BUDGET FOR MEMBER AGENCY APPROVAL

Dear Mr. Drake, Ms. Corey and Mr. Turner:

The Cachuma Conservation Release Board (CCRB) approved its Fiscal Year 2026/2027 (FY27) operating budget on Friday, May 8 in a noticed, public meeting. The complete budget, including line item accounts and Member Agencies' quarterly and annual contributions, is found in Attachment 1, Tables 1 and 2. Pursuant to the Joint Powers Authority (JPA) agreement under which CCRB is formed, the approved budget is to be submitted to and approved by each Member Agency's governing body. This letter conveys the approved budget to you for presentation to your decision-makers for consideration and approval. Upon Member Agencies' approval, the CCRB budget becomes final for the new fiscal year.

Many of the Table 1 Account Codes that comprise the approved budget are easily derived. For example, there are reasonably predictable auditing, accounting, storage, information technology and management costs that can be anticipated, calculated and budgeted. Other costs are not as easily derived; reasoned estimates of anticipated (and sometimes unpredictable) workload and associated costs are used to inform these line items. As a result, the legal and technical support-related costs in Table 1 are necessarily based on several assumptions. The assumptions derive from the CCRB Board's adopted 2023 Strategic Plan (Attachment 2) as well as from discussions with CCRB's legal and technical representatives, federal and state agency personnel, and the considered input of the CCRB Board regarding likely workload that could result from actions taken by the state and federal agencies that ultimately control the regulatory processes in which CCRB is involved.

Fiscal Analysis

As shown in Attachment 1, Table 1, the CCRB Board approved a FY27 budget of \$1,239,000, which is \$216,000 less than the \$1,455,000 approved current year budget. The annual and quarterly cost allocations of the approved budget to CCRB Member Agencies is based on established allocation percentages and is shown in Attachment 1, Table 2. The account code amounts that make up the approved budget, the assumptions on which they are based, and the Strategic Plan goal(s) which they support are presented below.

Code 5050 – Storage Space. Currently, CCRB pays a local storage facility for space that accommodates multiple four-drawer file cabinets and banker’s boxes of hard-copy files that range in date from 1980’s to 2025. The \$5,000 budgeted cost is unchanged from the current year. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5100 – Audit. The auditing of CCRB’s accounts is current through FY25; an audit of FY26 will get underway shortly after June 30, 2026. The FY27 budgeted amount of \$15,000 assumes a single year audit will be performed with little or no additional staff assistance required. (*Goal 5: Administer CCRB’s operations effectively and transparently; perform financial audits timely and with no serious issues.*)

Code 5200 – Insurance. CCRB’s board members and certain liabilities are insured through the Special Districts Risk Management Association (SDRMA). To access coverage through SDRMA, CCRB must be a member of and pay dues to the California Special Districts Association (CSDA). As in FY26, \$7,000 is expected to cover CSDA dues and SDRMA insurance premiums for FY27. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5301 – Employee Compensation and Payroll Taxes. The approved FY26 amount of \$220,000 is increased \$10,000 from the current year budget and addresses compensation and administrative costs (federal and state payroll taxes paid by CCRB) associated with the Executive Director position. The budgeted amount also accommodates the potential for the board to consider an increase to the Executive Director’s compensation, as allowed by the terms of the contract between the Executive Director and CCRB. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5304 – Accounting and Payroll Support. Accountability Plus and its franchisee Payroll Vault provide bookkeeping, invoicing, accounting and payroll services to CCRB through this code. The approved budget amount of \$16,000 anticipates an average of \$1,350/month for these services. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5312 – Miscellaneous Administrative Expenses. This code serves as a contingency for any unanticipated overages in administrative service codes. The \$4,000 budgeted amount is unchanged from the current fiscal year. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5313 – Communications/Computer. This code provides funds for CCRB email and website hosting, and other related information technology costs. As in the current fiscal year, the approved budget amount of \$8,000 accounts for these costs. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5316 – Admin Fixed Assets. This code provides for job-related hardware and material purchases, should such be necessary. The approved amount of \$4,000 is unchanged from the current year budget. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 5330 – Admin Travel. This code covers Executive Director travel-related costs for attendance at professional conferences and symposia representing CCRB. The approved budget amount of \$4,000 is unchanged from the current fiscal year. (*Goal 5: Administer CCRB’s operations effectively and transparently; foster respectful, professional relationships with agencies with interests in the watershed.*)

Code 5331 – Travel Expenses Federal and State Meetings. This code covers Executive Director travel-related costs for attending meetings in Fresno, Long Beach, Sacramento, Washington DC and possibly elsewhere regarding the state and federal regulatory processes that are underway. If travel to such meetings is necessary in the upcoming fiscal year, \$12,000 is approved, which is unchanged from the current year. (*Goal 1: Protect vital water supply by achieving issuance of a BiOp that avoids unacceptable supply impacts; Goal 2: Support Reclamation implementation of Water Rights Order 2019-0148 to enhance reliable water supply while protecting important environmental resources.*)

Code 5332 – Transportation. This code covers minor transportation travel costs that may be incurred during the upcoming fiscal year. The budget amount (\$1,000) is unchanged from the current fiscal year. (*Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 7000 – General Legal and Regulatory Activities. This code, projected at \$75,000 as in the current year budget, provides for general counsel services through the year, including attendance at board meetings, review of board agenda materials, preparation of resolutions, employment matters and contract review. This code also includes certain general legal costs representing work that is (i) being undertaken in anticipation of litigation; and (ii) protected from disclosure under the attorney work product privilege and related statutory and common law privileges. (*Goal 4: Monitor other activities potentially affecting Cachuma water supply. Goal 5: Administer CCRB’s operations effectively and transparently.*)

Code 7001 – Federal Consultation Support Activities. This code includes estimated legal costs of \$351,000 related to the Consultation and Biological Opinion process underway with the U.S. Bureau of Reclamation (USBR) and the National Marine Fisheries Service (NMFS) pursuant to Sec. 7 of the federal Endangered Species Act. Additionally, the code covers certain estimated biological and hydrological consultant costs representing work that is (i) being undertaken in anticipation of litigation; and (ii)

protected from disclosure under the attorney work product privilege and related statutory and common law privileges. (*Goal 1: Protect vital water supply by achieving issuance of a BiOp that avoids unacceptable supply impacts.*)

Code 7002 – SWRCB Water Rights Activities. This code includes consultants’ and legal costs of \$373,000 associated with the State Water Resources Control Board’s (SWRCB) ongoing water rights proceeding relating to the Santa Ynez River. The estimate incorporates consideration of requirements imposed by Order 2019-0148, issued September 17, 2019 and any anticipated support that will be required in FY27. The code covers certain estimated biological and hydrological consultant costs representing work that is (i) designed to improve the agency’s understanding of the hydrology and hydraulics of the Santa Ynez River including its relationship with the groundwater basin; and/or (ii) work that is protected from disclosure under the attorney work product privilege and related statutory and common law privileges. (*Goal 2: Support Reclamation implementation of Water Rights Order 2019-0148 to enhance reliable water supply while protecting important environmental resources.*)

Code 7200 – SWRCB Biological Technical Support. The SWRCB’s September 17, 2019 Order requires that USBR develop and submit for SWRCB review and approval multiple plans that address the effects of the Order’s water flow regime on the Lower Santa Ynez River. Prior to submittal, each plan must be reviewed by NMFS and California Dept. of Fish and Wildlife, and USBR must address each agencies’ comments as part of each plan that is submitted for SWRCB consideration. USBR has requested CCRB’s assistance in developing many of these plans, and the CCRB board has approved this assistance. Much of this assistance is biologically based. The proposed \$15,000 in this code covers the CCRB biological consultant’s estimated costs for draft plan development, responding to agency review, and coordination with USBR and SWRCB in helping to produce the multiple plans required by the Order. (*Goal 2: Support Reclamation implementation of Water Rights Order 2019-0148 to enhance reliable water supply while protecting important environmental resources.*)

Code 7500 – SWRCB Hydrologic Technical Support. Similar to the previous code addressing costs associated with CCRB’s biological support to USBR for the SWRCB Order, Account Code 7500 is projected at \$49,000 to cover estimated costs for CCRB’s hydrologic technical consultant for their assistance in developing, responding to agency review, and coordination with USBR and SWRCB in producing Order-required plans in the coming fiscal year. (*Goal 2: Support Reclamation implementation of Water Rights Order 2019-0148 to enhance reliable water supply while protecting important environmental resources.*)

Code 6500 – Contingency. The \$80,000 contingency is a calculated buffer representing 10% of the sum of Codes 7000, 7001 and 7002. It is \$29,000 more than the current year’s contingency budget, and reflects potential unanticipated costs that may arise in the regulatory processes in which CCRB is engaged. Contingency funds would only be expended upon recommendation of the Executive Director and/or legal counsel and authorization by the board.

Attachments

Attachment 1: CCRB Approved Fiscal Year 2025/2026 Budget (Tables 1 and 2)

Attachment 2: CCRB 2023 Strategic Plan

ATTACHMENT 1

**CACHUMA CONSERVATION RELEASE BOARD
APPROVED FY27 BUDGET
(TABLES 1 AND 2)**

TABLE 1
Cachuma Conservation Release Board
APPROVED FY26-27 Budget

<i>Account Code</i>	<i>Account Name</i>	<i>Current FY26</i>	<i>Approved FY27</i>
ADMINISTRATIVE			
5050	Storage Space	5,000	5,000
5100	Audit	15,000	15,000
5200	Liability Insurance	7,000	7,000
5301	Employee Compensation & Payroll Taxes	210,000	220,000
5304	Accounting & Payroll Support	16,000	16,000
5312	Misc. Admin. Expenses	4,000	4,000
5313	Communications/Computer	8,000	8,000
5316	Admin. Fixed Assets	4,000	4,000
5330	Admin. Travel	4,000	4,000
5331	Travel Exp. Federal & State Meetings	12,000	12,000
5332	Transportation	1,000	1,000
Subtotal		\$286,000	\$296,000
LEGAL			
7000	General Legal & Regulatory Activities	75,000	75,000
7001	Federal Consultation Support Activities	447,000	351,000
7002	SWRCB Water Rights Activities	501,000	373,000
Subtotal		\$1,023,000	\$799,000
CCRB CONSULTANT ACTIVITIES			
6001	Federal Consultation Support	*	*
7200	SWRCB Biological Technical Support	44,000	15,000
7400	Legislative & Regulatory Support	*	*
7500	SWRCB Hydrologic Technical Support	51,000	49,000
6500	Contingency	51,000	80,000
Subtotal		146,000	\$144,000
TOTAL BUDGET		\$1,455,000	\$1,239,000

Table Footnotes:

* Costs for biological, hydrological and legislative/regulatory support are included under LEGAL account codes. These support services are being provided pursuant to separate agreements between CCRB's legal counsel and the subject firms. This work is being undertaken in anticipation of litigation and is protected from disclosure under the attorney work product privilege and related statutory and common law privileges.

TABLE 2

**Cachuma Conservation Release Board
FY26/27 Member Agency Cost Allocation and Quarterly Assessment**

MEMBER AGENCY	Pro Rata	FY27 Approved Budget	Annual
Goleta Water District	0.4603	1,239,000	570,312
City of Santa Barbara	0.4088	1,239,000	506,503
Montecito Water District	0.1309	1,239,000	162,185
TOTAL ANNUAL	100.00%		\$1,239,000
Quarterly Assessment *			Amount
Goleta Water District			142,578
City of Santa Barbara			126,626
Montecito Water District			40,546
TOTAL QUARTERLY			\$309,750

Footnotes:

* Assessments may be invoiced at reduced amounts based on actual and projected workload.

ATTACHMENT 2

**CACHUMA CONSERVATION RELEASE BOARD
2023 STRATEGIC PLAN**

CCRB 2023 Five-Year Strategic Plan

CCRB'S PURPOSE

The Cachuma Conservation Release Board (CCRB) is a Joint Powers Agency comprised of the Goleta Water District, the City of Santa Barbara and the Montecito Water District. CCRB's purpose, as stated in its 1973 Joint Powers Agreement, is to represent its Member Agencies in promoting their common objective of maximizing the amounts of water they can obtain from the Cachuma Project or other sources which may be available to them.

THE REGULATORY SETTING

The Congressionally approved Cachuma Project is operated by the US Bureau of Reclamation. Reclamation allocates project water annually to CCRB's Member Agencies, the Santa Ynez River Water Conservation District Improvement District No. 1 and the Carpinteria Valley Water District through a Master Contract with the Santa Barbara County Water Agency ("Water Agency").

Reclamation is subject to state and federal laws governing reservoir operations, including how such operations affect both downstream water rights and protected species, notably southern California steelhead (steelhead). The limitations and conditions that apply to Reclamation's Cachuma operations as they affect water rights and steelhead are enforced through permit requirements of the State Water Board's 2019 Water Rights Order (WRO 2019-0148) and a 2000 Biological Opinion (the 2000 BiOp) issued by the federal National Marine Fisheries Service (NMFS).

Pursuant to the federal Endangered Species Act's Sec. 7 consultation process, Reclamation will submit a new biological assessment to NMFS that evaluates how it proposes to comply with the WRO 2019-0148 water regime and its effect on steelhead. The biological assessment is intended to describe the proposed action and its effects on listed species. NMFS will use the biological assessment in its issuance of a new BiOp that will govern project operations.

The California Dept. of Fish and Wildlife (CDFW) is currently evaluating steelhead as a candidate for listing as Endangered under the California Endangered Species Act (CESA). The agency expects to provide its candidacy recommendation to the California Fish and Game Commission (F&GC) late in 2023. Listing of the species as Endangered under California law could result in additional limitations and mitigation requirements on Cachuma Project operations, with potential water supply and fiscal impacts to CCRB Member Agencies and their customers.

CCRB'S ACTIVITIES AND ROLE

Both before and since the issuance of the 2000 BiOp, CCRB has played a key role in shaping, mitigating and facilitating the state and federal regulatory processes that have applied, and will continue to apply, to Reclamation's operation of the Cachuma Project.

CCRB was also instrumental in negotiating a 2002 Settlement Agreement on behalf of its Member Agencies with downstream water rights holders that resolved multiple long-standing disputes, and which continues to govern important water rights considerations today.

To the benefit of its Member Agencies, CCRB has continuously assisted Reclamation in addressing regulatory requirements imposed by state and federal oversight of the Cachuma Project, importantly, including avoidance of a 2016 draft BiOp that would have imposed significant cuts to Members' water supplies.

CCRB provided strong and sustained technical and legal assistance in shaping the State Water Rights Order that eventually issued in September 2019, so as to minimize water supply impacts to Member Agencies while still protecting steelhead and other public trust resources. In a process that is still underway, plans required of Reclamation by the 2019 Order have been drafted by CCRB to protect Member Agencies' interests while also assisting Reclamation in meeting the Order's requirements.

As noted previously, CCRB has also continued its engagement with Reclamation in its ongoing federal Consultation with NMFS to craft a new BiOp governing Cachuma operations. The focus of that effort remains on avoiding unsupportable flow regimes while protecting endangered species and ensuring sustainable water supply.

While these regulatory processes unquestionably move slowly, and are detailed and potentially labor-intensive, failure to participate in them means that Member Agencies' interests are unrepresented and thus unprotected.

In sum, CCRB's role has been, and is, to represent and protect its Member Agencies' water rights and water supply interests while also protecting endangered species in the lower Santa Ynez River watershed.

NEAR-TERM GOALS AND ACTIONS

Because CCRB has little control over the timing of ongoing federal and state regulatory processes in which it is involved, its activities are directed toward positively influencing these processes to achieve favorable outcomes for its Member Agencies. In the five year planning horizon of this document, it is reasonable to project that the result of the Federal Consultation could be determined, and the State Water Board Order's permit terms would likely be implemented.

Over the next five years, CCRB's Goals and Actions to meet its stated purpose, as well as Performance-evaluation Measures by which success may be gauged, are as follows.

Goal 1: Protect vital water supply for CCRB Member Agencies and the region by achieving issuance of a BiOp that avoids unacceptable supply impacts.

Actions:

- Support Reclamation to achieve acceptable draft and final BiOp in the Federal Sec. 7 Consultation process. That process is underway and may continue into 2025 and beyond, according to outcome. In addition to legal and regulatory advisory assistance, ca. 900 hr. of technical consulting support is budgeted in the current year.
 - Assist Reclamation in developing a new Biological Assessment (BA) based on the 2019 Water Board Order flow regime as its final proposed action.

CCRB 2023 Five-Year Strategic Plan – cont.

- Evaluate the water supply impacts of Reclamation’s final proposed action, including any “buffers” Reclamation may impose to achieve compliance.
- Support Reclamation in the BA submittal and review process with NMFS. Submittal is anticipated late 2023.
- Provide technical support to Reclamation in negotiations with NMFS (and CDFW) with the goal of attaining a Non-Jeopardy Biological Opinion with acceptable Reasonable and Prudent Measures.
- Lay groundwork for political outreach at state and federal levels, according to NMFS’s expected direction.
- Engage the community where possible in the Consultation process to enhance transparency and gain support in protecting both vital water supply and listed species.
- Stave off unworkable provisions of the Federal Sec. 7 Consultation process.
 - Work with Reclamation to address any NMFS proposed requirements that are infeasible and identify workable alternatives.
 - If a Non-Jeopardy BiOp is issued, consider supporting Reclamation’s proposed operations via legal action (if BiOp is challenged by outside parties) and implementing political outreach.
 - If a Jeopardy BiOp is issued by NMFS, in coordination with Reclamation, consider legal and political options to avoid onerous Reasonable and Prudent Alternatives.
 - Build suitably strong administrative record that supports a Non-Jeopardy BiOp.
 - Provide ongoing technical, legal, and outreach guidance and support in litigation, as applicable (Jeopardy or Non Jeopardy). Engage the community to gain support in protecting both vital water supply and listed species.

Performance-evaluation Measures

- What type of BiOp--Jeopardy or Non-jeopardy--has been issued?
- Does it have acceptable water supply impacts?
- If a Jeopardy Opinion, has CCRB successfully supported Reclamation's efforts to avoid onerous Reasonable and Prudent Alternatives within the Opinion and to protect vital water supply?
- In either result, has CCRB built a strong administrative record to support further action, and have Member Agencies’ constituents had the opportunity to engage in the process and understand the regulatory outcomes?

Goal 2: Support Reclamation’s implementation of the State Water Board Order to enhance reliable water supply while protecting the steelhead population and other important environmental resources.

Actions:

- Synchronize implementation of the conditions and plan requirements of 2019 State Water Board Order.
 - Provide technical consulting assistance (currently budgeted ca. 600 hr) to Reclamation to develop suitable plans that meet fisheries needs and protect water supply (e.g., Terms 19, 20, 24 of Order).

- Provide fisheries, hydrology, legal and political assistance in responding to oversight agencies' input, gaining Water Board approval and implementation of plans.
- Address recently identified water accounting considerations with Downstream Agencies to mutual benefit.
- In coordination with Reclamation, engage and strengthen relationships with State Water Board members and Water Rights staff as plans are submitted to represent subject matter expertise.

Performance-evaluation Measures

- Have draft plans pursuant to Terms 19, 20, 24 and others been provided to Reclamation after board review and approval, for Reclamation's use in complying with Order?
- Has technical support been provided, allowing Reclamation to successfully address evaluations from oversight agencies?
- Have recently identified water accounting issues ultimately been addressed satisfactorily?

Goal 3: Minimize adverse effects of southern California steelhead candidacy and listing under California Endangered Species Act.

Actions:

- Monitor CDFW status of candidacy analysis and Fish and Game Commission actions.
- Provide analysis of legal options to CCRB board, depending on record and process.
- Strive to develop a strong relationship with CDFW.

Performance-evaluation Measures

- Have requirements arising from the Fish and Game Commission affirming steelhead candidacy been mitigated as to their impacts on Cachuma operations and Member Agencies' water rights and water supply?

Goal 4: Monitor Other Activities Potentially Affecting Cachuma Supply

CCRB monitors water-extractive activities in the Santa Ynez River as they relate to stream flow and access to Member Agencies' water rights since downstream actions and Cachuma Project releases are interconnected.

Actions:

- Continue monthly monitoring of actions in the Santa Ynez River basin that may directly or indirectly affect CCRB Member Agencies' water supplies.
- Report issues of potential concern to CCRB board for consideration, information and possible action.

Performance-evaluation Measures

- Have matters potentially affecting the watershed below Bradbury Dam been brought to the board in a timely manner for consideration?

- As directed by the board, has staff successfully minimized or obviated proposed actions that could impact Member Agencies' water supply? (The Solvang water right permit matter currently before the Water Board's Administrative Hearing Officer is an example.)

Goal 5: Administer CCRB's operations effectively and transparently. Foster respectful, professional relationships with local, state and federal agencies with interests in the watershed.

Actions:

- Perform CCRB administrative activities in a timely, efficient, accountable way, within budget, to enact Board direction.
- Maximize effectiveness of CCRB's staff and consultants while minimizing costs to Member Agencies; process constructive returns promptly at fiscal year end.
- Engage Member Agency staff routinely for information sharing and course guidance.
- Represent CCRB's interests in the region professionally and collegially based on Board direction and guidance.
- Strive for transparency and accountability in CCRB's operations at all times; maintain confidentiality where necessary to protect Member Agencies' interests.

Performance-evaluation Measures

- Has CCRB come in on or under budget annually?
- Are consultant budgets adhered to unless increases are pre-approved by the board?
- Are constructive returns processed promptly at close of each fiscal year?
- Are financial audits performed in a timely manner, revealing no serious issues?
- Are meetings held monthly by the CCRB executive director (more frequently as needed) with Member Agency senior staff to enhance communication?
- Have concerns brought up by CCRB board members been satisfactorily addressed, in a timely and respectful way?

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 6-B

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

**SUBJECT: 10-YEAR FINANCIAL PLAN REVIEW IN CONNECTION WITH THE
APPROVED AND PLANNED ANNUAL INCREASE IN WATER RATES
ON JULY 1, 2026**

This item was reviewed by the Finance Committee at its meeting on May 13, 2026.

RECOMMENDATION:

That the Board of Directors direct staff to proceed with the required public noticing for implementation of the approved and planned annual increase in water rates effective July 1, 2026.

DISCUSSION:

In June 2024, following a presentation of an updated 5-year Financial Plan and Cost of Service Study (Study) and subsequent public hearing, the District's Board of Directors approved a schedule of annual water rate increases beginning July 1, 2024 and extending through fiscal year ending June 30, 2029. The approved annual rate increases include 9% for fiscal year ending June 30, 2025 and 5.75% for fiscal years ending June 30, 2026 through 2029. To date, the rate increases for fiscal years ending June 30, 2025 and 2026 have been implemented. Prior to the implementation each year, the District provides the required notice of the increase in water rates to all District customers.

The Board of Directors reviews annually an updated financial plan to ensure the approved rate increase remains necessary. Raftelis, the District's financial consultant that prepared the 2024 Study has updated the District's financial plan and performed the analysis.

In summary, Raftelis concluded that approved and planned rate increase of 5.75% scheduled to become effective on July 1, 2026 is necessary to comply with debt coverage requirements, to maintain Board allocated reserves and to maintain cash on hand over a ten year horizon. Rate increases beyond fiscal year ending June 30, 2027 may also be necessary depending on projected revenues and expenses including proposed capital infrastructure needs.

Additionally, the Finance Committee requested Raftelis consider the impact of reducing the approved and planned 5.75% rate increase in fiscal year ending June 30, 2027 on debt coverage and cash reserves over the ten year horizon. This additional evaluation will be presented to the Board by Raftelis at its May 19, 2026 meeting.

ATTACHMENTS:

1. Presentation of Long Range Financial Plan Review, prepared by Raftelis

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An aerial photograph of Montecito, California, showing a dense residential area with green trees and houses, overlooking the ocean under a clear blue sky.

Montecito Water District

Long-Range Financial Plan Review

Board of Directors Meeting

May 19, 2026

Financial Plan Model

- Model inputs and estimates:
 - › Revenues: Fiscal Year (FY) 2025-2027 projected revenues (water demands, customer accounts, other revenues)
 - › O&M Expenses: FY 2026 Projected Actuals & FY 2027 Budget
 - › CIP:10-year plan
 - › Estimated cash balance as of July 1, 2026 (FY 2027)
 - › Financing terms and assumptions:
 - SRF terms for ASADRA projects remain the same as past terms
 - Planned \$12M revenue bonds for non-ASADRA capital projects
 - Previously planned for FY 2027 and FY 2028
 - › Reserve Policies:
 - Incorporates latest reserve policy / Board-adopted reserve policy minimum

Areas of Change from Rate Study

- Increased O&M Costs
 - › Average of \$1.4M more per year
- Projected annual water demand
 - › Rate study: 3,950 acre-feet per year (AFY)
 - › Update:
 - FY 2026: 3,700 AFY to align with estimated water sales revenue
 - FY 2027 and beyond: 4,000 AFY based on most recent five-year average
- ASADRA schedule is one year later than planned in the rate study
 - › Schedule is the same as last year's update

Rate Revenue Comparison

- FY 2026 based on extrapolating year to date actuals
- Increase in sales from rate study projection results in additional rate revenue each year in FY 2027 and beyond
 - › 4,000 AFY estimate now versus 3,950 AFY in the rate study

Rate Revenue	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2024 Rate Study	\$24,745,976	\$26,222,835	\$27,787,859	\$29,446,313	\$31,203,775	\$33,066,159
2026 Update	\$25,444,454	\$25,323,964	\$28,224,042	\$29,858,217	\$31,640,769	\$33,529,769
Difference (\$)	\$698,478	(\$898,871)	\$436,183	\$411,904	\$436,994	\$463,610

Total Revenue Comparison

- FEMA reimbursement not included in FY 2026 budget
- Rate study excluded capital cost recovery fees, now included in revenue forecast (~\$160k per year)
- Total increase in revenue of approximately \$3 million from FY 2026 through FY 2030

Rate Revenue	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2024 Rate Study	\$33,194,472	\$27,625,964	\$29,089,730	\$30,839,355	\$32,604,890	\$34,396,911
2026 Update	\$31,459,034	\$27,986,448	\$30,445,059	\$31,266,067	\$33,036,431	\$34,843,248
Difference (\$)	(\$1,735,438)	\$360,484	\$1,355,329	\$426,712	\$431,541	\$446,337

O&M Comparison

- Total increase in O&M costs of \$7.1 million from FY 2026 through FY 2030
- Average annual increase of approximately \$1.4M per year
 - › JPA, Transmission & Distribution, Treatment, Meter Reading/Customer Service, Admin & General

O&M	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2024 Rate Study	\$23,305,944	\$23,824,953	\$24,712,412	\$25,427,798	\$26,400,825	\$27,188,405
2026 Update	\$22,407,588	\$24,827,934	\$26,752,263	\$26,734,198	\$27,760,551	\$28,603,751
Difference (\$)	(\$898,356)	\$1,002,981	\$2,039,851	\$1,306,400	\$1,359,726	\$1,415,346

JPA O&M Comparison

O&M	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2024 Rate Study						
Cachuma	\$1,050,000	\$1,081,500	\$1,113,945	\$1,147,363	\$1,181,784	\$1,217,238
Cater Treatment	\$919,000	\$942,070	\$965,832	\$999,307	\$1,034,056	\$1,070,134
State Water	\$4,429,164	\$4,328,885	\$4,608,342	\$4,679,337	\$5,275,081	\$5,358,356
Desal	\$7,469,248	\$7,605,036	\$7,747,457	\$7,896,839	\$7,757,169	\$7,921,519
2026 Update						
Cachuma	\$1,030,550	\$1,226,611	\$1,357,650	\$1,398,380	\$1,440,331	\$1,483,541
Cater Treatment	\$1,080,830	\$860,452	\$1,007,620	\$1,041,690	\$1,077,012	\$1,113,638
State Water	\$4,517,094	\$4,465,692	\$5,031,101	\$4,679,337	\$5,275,081	\$5,358,356
Desal	\$5,756,041	\$7,388,663	\$8,109,281	\$7,896,839	\$7,757,169	\$7,921,519
Total Difference (\$)	(\$1,482,897)	(\$16,073)	\$1,070,076	\$293,400	\$301,503	\$309,807

CIP Comparison

- Total CIP is slightly lower from FY 2025 through FY 2030
 - › \$33.8M in 2024 Rate Study vs \$30.9M in 2026 Update
 - › Increase from \$39.8M to \$46M from FY 2031 to FY 2036
- Updates to costs and timing of water main replacement projects and Highline Replacement project (\$65.9M FY 2027 through FY 2036)

Base CIP	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2024 Rate Study	\$4,035,050	\$5,060,358	\$4,906,408	\$6,585,087	\$6,373,816	\$6,887,927
2026 Update	\$2,437,500	\$3,905,650	\$6,122,865	\$5,332,658	\$6,682,987	\$6,476,737
Difference (\$)	(\$1,597,550)	(\$1,154,708)	\$1,216,457	(\$1,252,429)	\$309,171	(\$411,190)

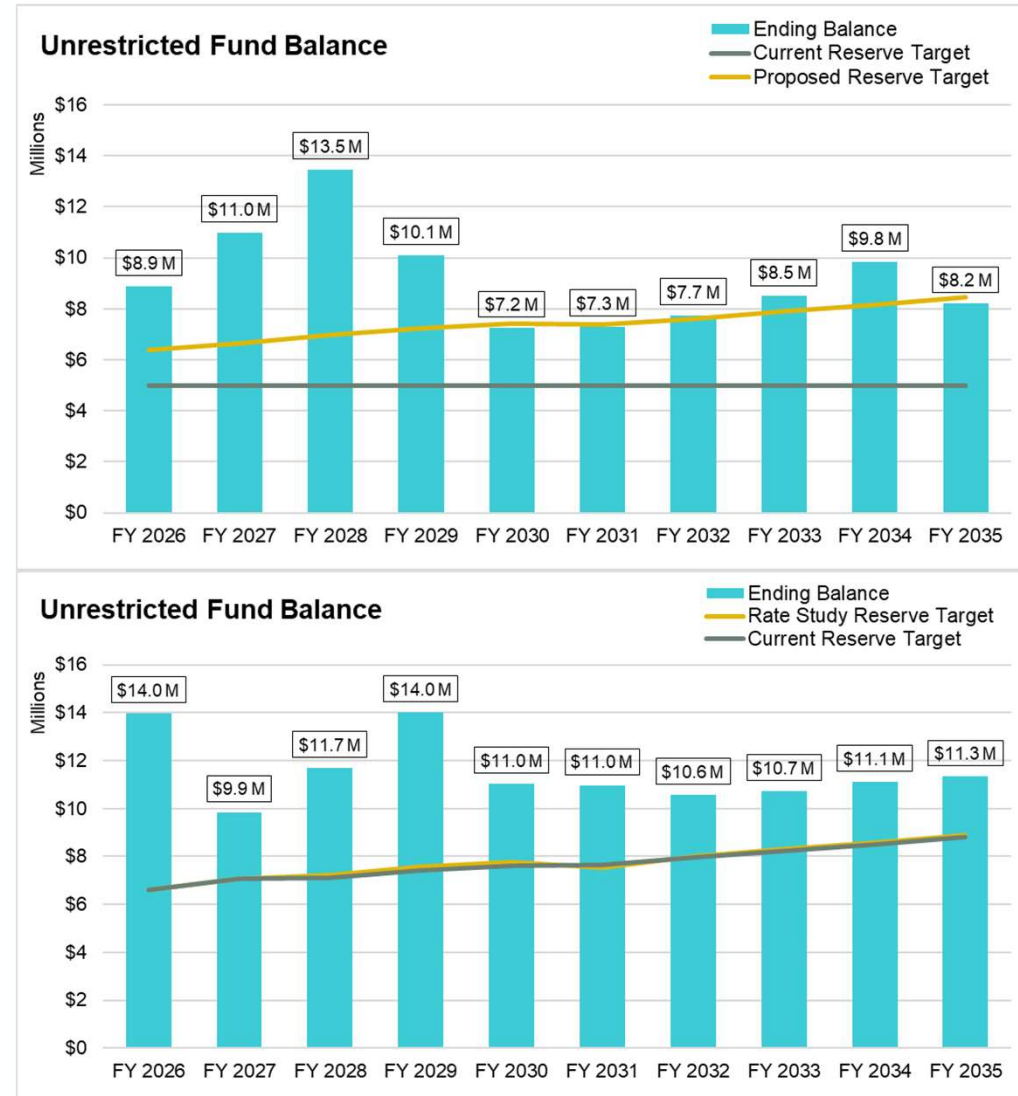
Reserve Policies

- **Rate Study**
 - › 90 days annual O&M + Debt Service
 - › Translates into approximately \$6.6 M in FY 2026

- **Board-Approved Policy (Minimum)**
 - › O&M: Minimum of 14% annual operating costs
 - › Capital & Emergency Reserve: \$500k
 - › Rate Stabilization: Approximately 8% of annual operating costs + debt service
 - › Translates into approximately \$6.6 M in FY 2026

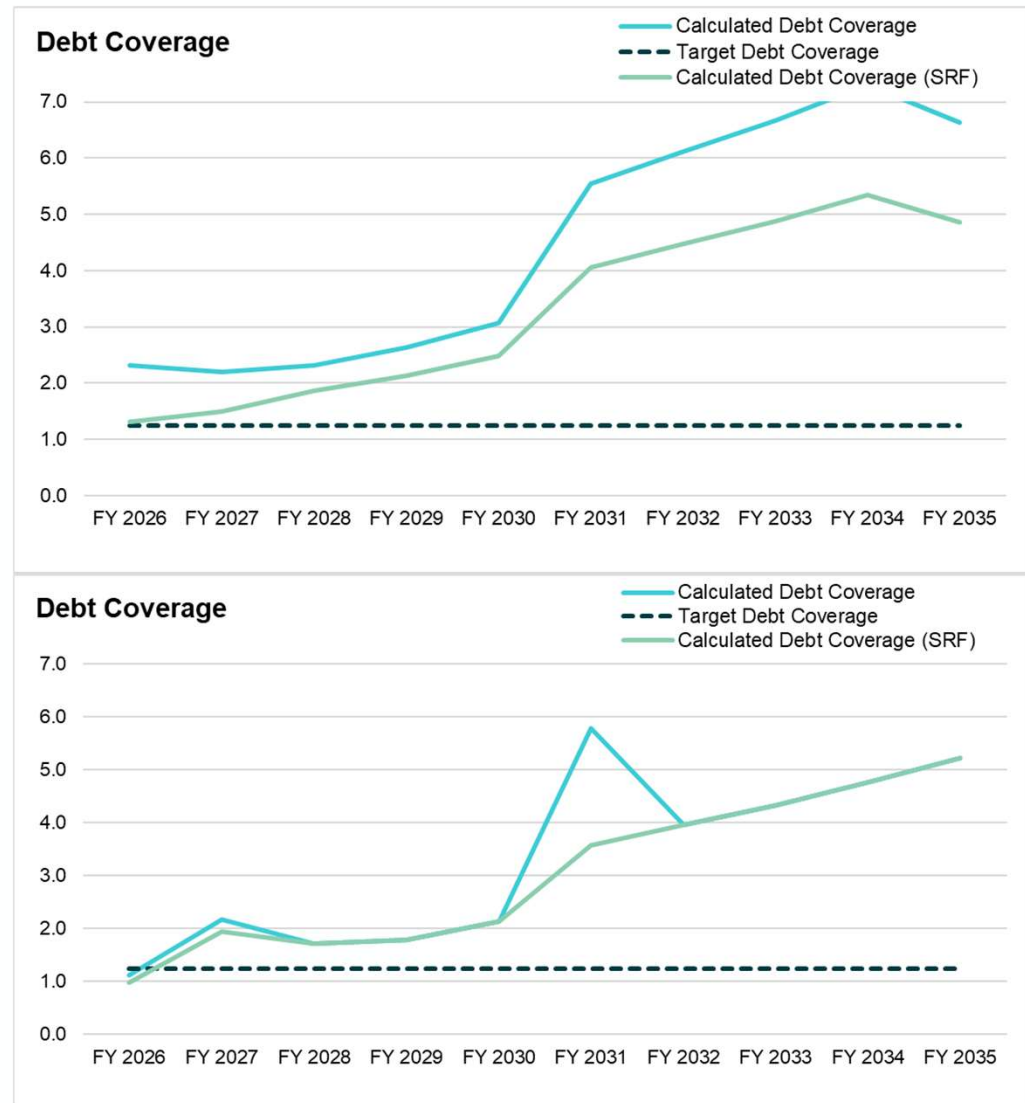
Projected Cash Balance Comparison

- Top Chart: 2024 Rate Study
- Bottom Chart: 2026 Update
- **Estimated beginning FY 2027 cash at \$14M (MWD Estimate as of 5/12)**



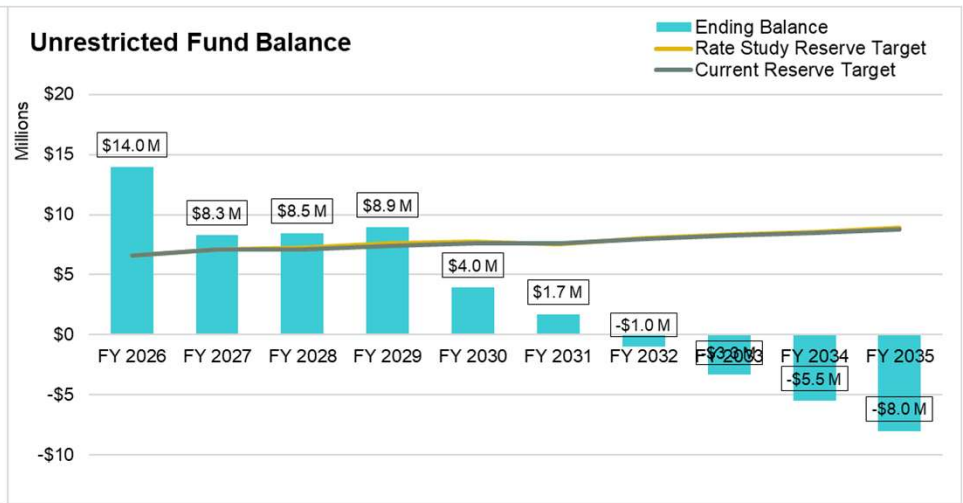
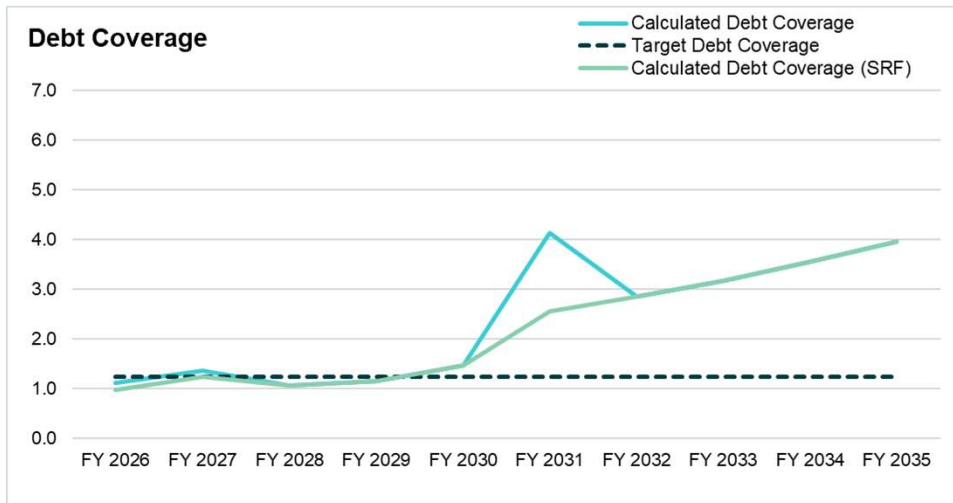
Projected Debt Coverage Comparison

- Top Chart: 2024 Rate Study
- Bottom Chart: 2026 Update
- Minimum coverage required is 1.25
- Dip in FY 2026 SRF coverage is result of reduced variable rate revenue, exclusion of FEMA reimbursement, and increased O&M



Projections without FY2027 Rate Increase

Option	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Revenue Increase	0%	5.75%	5.75%	5.75%	5.75%	5%	5%	5%



Financial Plan Update Discussion

- Though O&M is higher than planned in the Rate Study, increases in rate and non-rate revenues offset the difference
- Debt coverage decreases in FY 2026 but then returns to levels similar to the 2024 rate study
- Cash balance projections are higher than the rate study
- Forgoing the FY2027 rate increase would
 - › Reduce debt coverage below minimums in FY 2027 to FY 2029
 - › Change the trajectory of projected cash balances towards \$0 by FY 2030

Recommendation

- Implement the adopted 5.75% rate increase for FY 2027



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**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 6-C (Amended 5-18-26)

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: BUSINESS MANAGER & GENERAL MANAGER

SUBJECT: FY 2027 BUDGET WORKSHOP

The Operations & Customer Relations Committee reviewed the CIP portion of the draft budget at their meeting of April 20, 2026. Additionally, the Finance Committee reviewed the draft budget at their meeting on May 13, 2026.

RECOMMENDATION:

Informational.

DISCUSSION:

The District's annual budget serves as the primary financial and policy document guiding operations, capital investment, and resource allocation. It establishes the fiscal framework necessary to implement Board priorities while supporting long-term financial stability.

The Fiscal Year 2027 Draft Budget presents projected revenues and expenditures for the period ending June 30, 2027. It encompasses all core District activities, including operations, maintenance, administration, equipment, and capital improvements. Resources are allocated across key functional areas treatment, distribution, engineering, and administration to ensure alignment with operational demands and the District's strategic objectives.

The proposed budget is guided by the District's mission to provide an adequate and reliable supply of high-quality water to the residents of Montecito and Summerland in a cost-effective manner. In support of this mission, the budget prioritizes maintaining system reliability, delivering outstanding customer service, conducting operations in an environmentally responsible manner, and working cooperatively with regional partners.

The Operations and Customer Relations Committee reviewed the CIP portion of the draft budget at their meeting of April 20, 2026. Subsequently the Finance Committee reviewed the full draft budget at its May 13, 2026 meeting. Input received from both Committees has been incorporated into the current draft.

ATTACHMENTS

1. FY 2027 Draft Budget (Summary Pages)
2. FY 2027 Draft Budget Workshop Presentation

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Montecito Water District — FY 2027 Operating Budget Proforma | Water Operations

Account	Description	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
REVENUE						
41 — Water Sales Revenue						
01-4110	Water Sales - Single Family	15,883,327	14,635,831	16,291,272	1,655,441	11.3%
01-4111	Water Sales - Multi Family	320,647	269,877	301,507	31,630	11.7%
01-4112	Water Sales - Commercial	1,160,856	1,207,134	1,246,243	39,109	3.2%
01-4113	Water Sales - Institu / Public	1,458,135	1,502,267	1,651,154	148,887	9.9%
01-4114	Water Sales - Agricultural	692,636	689,783	726,514	36,731	5.3%
01-4115	Water Sales - Non Potable	118,831	113,526	122,474	8,949	7.9%
01-4120	Water Sales - Const/Other	75,000	42,858	45,322	2,464	5.8%
01-4121	Water Sales - Surplus SWP	600,000	616,680	240,000	(376,680)	(61.1%)
01-4140	Monthly Meter Charges	6,558,499	6,558,499	6,935,504	377,005	5.7%
Total — Water Sales Revenue		26,867,931	25,636,455	27,559,990	1,923,536	7.5%
42 — Other Operating Revenue						
01-4145	Late Charges	42,000	26,185	26,200	15	0.1%
01-4146	DrTag/Cutoff/On/Rtn Chk/AftHr	12,000	14,011	14,817	806	5.7%
01-4210	Private Fire Line Srv Charge	304,189	304,189	351,684	47,495	15.6%
01-4220	CWSA/Hydrant Flow Test Fees	60,000	60,000	60,000	-	-
01-4230	Service Connection Fees	100,000	57,116	60,000	2,884	5.0%
01-4233	Capital Cost Recovery Fees	300,000	144,935	160,000	15,065	10.4%
Total — Other Operating Revenue		818,189	606,436	672,701	66,265	10.9%
43 — Non-Operating Revenue						
01-4310	Rent Revenue	95,845	95,845	100,000	4,155	4.3%
01-4320	Interest Revenue	320,000	360,000	300,000	(60,000)	(16.7%)
01-4321	Investment Gains / (Loss)	-	9,464	-	(9,464)	(100%)
01-4323	Federal Reimbursements	-	75,370	-	(75,370)	(100%)
01-4325	Reimbursements	143,845	177,402	150,000	(27,402)	(15.4%)
01-4335	Water Avail Chg - Revenue	300,000	300,000	300,000	-	-
01-4350	Other Income	-	36,547	-	(36,547)	(100%)
01-4353	Gain - Sale of Assets	-	3,393	-	(3,393)	(100%)
Total — Non-Operating Revenue		4,805,635	1,058,021	850,000	(208,021)	(19.7%)
TOTAL REVENUE		32,491,755	27,300,911	29,082,691	1,781,780	6.5%

Account	Description	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
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OPERATING EXPENSES — BY DEPARTMENT

Dept 500 - Water Purchases	13,941,418	13,969,853	15,239,296	1,269,443	9.1%
Dept 511 - Jameson Lake	385,458	375,769	425,241	49,472	13.2%
Dept 531 - Treatment Operations	2,298,679	2,270,982	2,478,877	207,894	9.2%
Dept 541 - Transmission / Distribution	2,201,930	2,233,830	2,330,155	96,325	4.3%
Dept 550 - Meter Reading / Customer Service	651,541	646,400	705,257	58,857	9.1%
Dept 561 - Fleet	311,898	292,561	315,983	23,422	8.0%
Dept 563 - Engineering	1,530,373	1,543,436	1,404,266	(139,170)	(9.0%)
Dept 565 - Administration	3,011,442	2,891,379	3,022,033	130,654	4.5%
Dept 566 - Governing Board	39,165	48,449	55,795	7,346	15.2%
Dept 568 - 801 Public Info	266,611	245,468	264,071	18,603	7.6%
Dept 568 - 802 Conservation	370,938	348,618	264,588	(84,030)	(24.1%)
TOTAL EXPENSES	25,009,453	24,866,745	26,505,561	1,638,815	6.6%

NET SURPLUS / (DEFICIT)	7,482,302	2,434,166	2,577,130	142,964	5.9%
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Account Code	DEBT SERVICE (Principal/Interest)	FY 2026 Budget	FY 2026 Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-570	DS-2020A COP Refunding Bonds — Principal	1,375,000	1,375,000	1,445,000	70,000	5.1%
01-570	DS-2020A COP Refunding Bonds — Interest	262,625	262,625	192,125	(70,500)	(26.8%)
01-580	DS-CATER-P Cater Ozone Project Loan — Principal	297,000	297,000	222,323	(74,677)	(25.1%)
01-580	DS-CATER-I Cater Ozone Project Loan — Interest	59,482	59,482	56,770	(2,712)	(4.6%)
TOTAL — DEBT SERVICE (Principal/Interest)		1,994,107	1,994,107	1,916,218	(77,889)	(3.9%)

DEBT SERVICE COVERAGE RATIO	1.34
<i>Bond Covenant Minimum Requirement (1.25x)</i>	1.25
<i>Coverage Above 1.25x Covenant</i>	9%

Montecito Water District Operating Budget — Department: 500 — Water Purchases

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
1 01-50000-010	COMB Cachuma Operations	809,331	809,331	948,025	138,694	17%
01-50000-001	USBR Cachuma Entitlement	226,820	226,820	247,440	20,620	9%
01-50000-006	CCRB Cachuma Water Rights	190,460	190,460	162,185	(28,275)	(15%)
01-50000-011	CATER Treatment Operations	779,998	779,998	879,590	99,592	13%
01-50000-013	CATER Capital	80,454	80,454	128,030	47,576	59%
01-50000-002	SWP CCWA Fixed	1,092,792	1,092,792	1,020,737	(72,055)	(7%)
01-50000-005	SWP DWR Fixed	3,225,482	3,225,482	3,630,278	404,796	13%
01-50000-016	SWP DWR Variable	147,418	147,418	380,086	232,668	158%
01-50000-WA1	DESAL Plant Capital Charge	2,323,594	2,323,594	2,323,594	-	-
01-50000-WA2	DESAL Fixed O&M (IDE)	2,365,655	2,365,655	2,448,160	82,505	3%
01-50000-WA3	DESAL Fixed O&M (City)	385,528	385,528	289,661	(95,867)	(25%)
01-50000-WA4	DESAL Variable O&M	1,283,705	1,283,705	1,244,672	(39,033)	(3%)
01-50000-WA5	DESAL Administrative Charge	396,793	396,793	424,441	27,648	7%
01-50000-WA6	DESAL Water Supply Dev Fee	267,308	267,308	275,328	8,020	3%
01-50000-WA7	DESAL Plant Capital Maint (Paygo)	366,080	366,080	807,069	440,989	120%
01-00000-000	Semitropic Banking/Recovery	-	28,435	30,000	1,565	6%
TOTAL — Department: 500 — Water Purchases		13,941,418	13,969,853	15,239,296	1,269,443	9%

Montecito Water District Operating Budget — Department: 511 — Jameson Lake

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-51101-101	Salaries / Wages	87,060	87,388	91,757	4,369	5%
01-51101-102	Vacation; Sick; Personal Leave	9,364	9,364	10,490	1,126	12%
01-51101-103	CalPERS Unfunded Liability	405	22,941	24,434	1,493	7%
01-51101-104	Workers Compensation	3,361	1,800	1,867	67	4%
01-51101-105	CalPERS ER Contribution	6,930	6,930	7,276	346	5%
01-51101-107	ER Payroll Taxes	6,965	6,292	6,607	315	5%
01-51101-110	Medical; ST/LT Disability	15,087	15,087	22,388	7,301	48%
01-51101-205	Professional Training	2,000	300	1,000	700	233%
01-51101-303	Repairs	-	-	2,400	2,400	—
01-51101-304	Supplies	15,000	9,000	10,000	1,000	11%
01-51101-305	Small Tools	2,750	500	1,000	500	100%
01-51101-306	Safety Equipment & Supplies	300	200	500	300	150%
01-51101-503	Outside Services	100,000	120,000	145,500	25,500	21%
01-51101-504	Laboratory Services	43,596	8,000	8,400	400	5%
01-51101-515	Utilities - Cell Phones	240	240	240	-	-
01-51101-517	Utilities - Gas	4,400	4,276	4,400	124	3%
01-51101-518	Utilities - Telephone/Internet	3,000	2,700	3,000	300	11%
01-51101-602	Annual Dam Fees	85,000	80,751	83,981	3,230	4%
TOTAL — Department: 511 — Jameson Lake		385,458	375,769	425,241	49,472	13%

Montecito Water District Operating Budget — Department: 531 — Treatment Operations

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-53101-101	Salaries / Wages	716,496	716,496	741,619	25,123	4%
01-53101-102	Vacation; Sick; Personal Leave	108,727	108,727	155,459	46,732	43%
01-53101-103	CalPERS Unfunded Liability	270,665	270,665	182,735	(87,930)	(32%)
01-53101-104	Workers Compensation	27,657	27,657	17,015	(10,642)	(38%)
01-53101-105	CalPERS ER Contribution	87,519	87,519	91,891	4,372	5%
01-53101-106	Overtime & Standby Pay	63,889	63,889	143,576	79,687	125%
01-53101-107	ER Payroll Taxes	62,431	62,431	53,397	(9,034)	(14%)
01-53101-110	Medical; ST/LT Disability	108,912	108,912	166,138	57,226	53%
01-53101-205	Professional Training	9,998	9,998	11,451	1,453	15%
01-53101-302	Laboratory Equip & Supplies	96,000	60,000	67,200	7,200	12%
01-53101-304	Supplies	58,822	58,822	63,768	4,946	8%
01-53101-305	Small Tools	2,000	2,000	2,100	100	5%
01-53101-306	Safety Equipment & Supplies	3,050	5,000	5,000	-	-
01-53101-307	Small Equipment	10,952	10,952	12,047	1,095	10%
01-53101-310	Postage	570	570	602	32	6%
01-53101-311	Chemicals	36,893	36,893	118,011	81,118	220%
01-53101-322	Building Maintenance	16,000	16,000	25,000	9,000	56%
01-53101-399	Inventory Disbursements	2,344	2,344	2,460	116	5%
01-53101-503	Outside Services	347,531	347,531	338,761	(8,770)	(3%)
01-53101-504	Laboratory Services	62,443	62,443	65,069	2,626	4%
01-53101-505	Permits & Fees	9,850	16,203	9,850	(6,353)	(39%)
01-53101-508	Computer Software & Subscriptions	4,020	4,020	4,221	201	5%
01-53101-515	Utilities - Cell Phones	2,040	2,040	2,136	96	5%
01-53101-516	Utilities - Electric	120,800	120,800	126,840	6,040	5%
01-53101-517	Utilities - Gas	570	570	608	38	7%
01-53101-518	Utilities - Telephone/Internet	11,016	11,016	8,124	(2,892)	(26%)
01-53104-301	Ortega O&M	13,200	13,200	13,200	-	-
01-53104-302	Laboratory Equip & Supplies	600	600	600	-	-
01-53104-311	Ortega Chemicals	43,684	43,684	50,000	6,316	14%
TOTAL — Department: 531 — Treatment Operations		2,298,679	2,270,982	2,478,877	207,894	9%

Montecito Water District Operating Budget — Department: 541 — Transmission / Distribution

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-54101-101	Salaries / Wages	829,679	829,679	835,932	6,253	1%
01-54101-102	Vacation; Sick; Personal Leave	115,848	115,848	170,933	55,085	48%
01-54101-103	CalPERS Unfunded Liability	296,051	296,051	177,815	(118,236)	(40%)
01-54101-104	Workers Compensation	32,026	32,026	19,610	(12,416)	(39%)
01-54101-105	CalPERS ER Contribution	101,160	101,160	97,975	(3,185)	(3%)
01-54101-106	Overtime & Standby Pay	76,595	76,595	171,829	95,234	124%
01-54101-107	ER Payroll Taxes	72,502	72,502	60,187	(12,315)	(17%)
01-54101-110	Medical; ST/LT Disability	153,298	153,298	246,673	93,375	61%
01-54101-205	Professional Training	15,197	15,197	15,000	(197)	(1%)
01-54101-304	Supplies	42,964	42,964	42,000	(964)	(2%)
01-54101-305	Small Tools	10,000	4,000	5,000	1,000	25%
01-54101-306	Safety Equipment & Supplies	23,010	23,010	23,000	(10)	(0%)
01-54101-399	Inventory Disbursements	86,000	86,000	60,000	(26,000)	(30%)
01-54101-503	Outside Services	34,900	34,900	33,600	(1,300)	(4%)
01-54101-515	Utilities - Cell Phones	4,800	4,800	4,800	-	-
01-54101-516	Utilities - Electric	282,100	320,000	340,000	20,000	6%
01-54101-519	Garbage	25,800	25,800	25,800	-	-
TOTAL — Department: 541 — Transmission/ Distribution		2,201,930	2,233,830	2,330,155	96,325	4%

Montecito Water District Operating Budget — Department: 550 — Meter Reading / Customer Service

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-55001-101	Salaries / Wages	266,000	267,000	286,578	19,578	7%
01-55001-102	Vacation; Sick; Personal Leave	19,995	20,000	17,743	(2,257)	(11%)
01-55001-103	CalPERS Unfunded Liability	2,000	2,000	26,816	24,816	1241%
01-55001-104	Workers Compensation	3,000	3,000	1,310	(1,690)	(56%)
01-55001-105	CalPERS ER Contribution	21,000	21,000	22,000	1,000	5%
01-55001-107	ER Payroll Taxes	22,000	22,000	22,000	-	-
01-55001-110	Medical; ST/LT Disability	47,396	56,000	59,611	3,611	6%
01-55001-205	Professional training	6,000	1,000	3,000	2,000	200%
01-55001-310	Postage	5,930	3,500	4,000	500	14%
01-55001-501	Bill Printing Service	39,000	35,000	40,000	5,000	14%
01-55001-502	Meter Reading	88,300	88,300	89,000	700	1%
01-55001-515	Utilities - Cell Phones	1,320	1,000	1,200	200	20%
01-55001-525	Lockbox Processing Fees	21,600	21,600	22,000	400	2%
01-55001-526	Credit Card Processing (EPX)	108,000	105,000	110,000	5,000	5%
TOTAL — Department: 550 — Meter Reading / Customer Service		651,541	646,400	705,257	58,857	9%

Montecito Water District Operating Budget — Department: 561 — Fleet & Equipment

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-56101-101	Salaries / Wages	101,460	101,460	106,533	5,073	5%
01-56101-102	Vacation; Sick; Personal Leave	13,463	13,463	17,803	4,340	32%
01-56101-103	CalPERS Unfunded Liability	39,473	39,473	29,077	(10,396)	(26%)
01-56101-104	Workers Compensation	3,916	3,916	2,353	(1,563)	(40%)
01-56101-105	CalPERS ER Contribution	12,764	12,764	13,380	616	5%
01-56101-106	Overtime & Standby Pay	3,000	3,000	3,000	-	-
01-56101-107	ER Payroll Taxes	8,357	8,357	7,670	(687)	(8%)
01-56101-110	Medical; ST/LT Disability	25,388	25,388	38,928	13,540	53%
01-56101-205	Professional Training	1,999	500	2,000	1,500	300%
01-56101-304	Supplies	22,660	10,000	10,000	-	-
01-56101-305	Small Tools	8,034	5,000	6,000	1,000	20%
01-56101-314	Fuels	66,000	66,000	75,000	9,000	14%
01-56101-503	Outside Services	5,144	3,000	4,000	1,000	33%
01-56101-515	Utilities - Cell Phones	240	240	240	-	-
TOTAL — Department: 561 — Fleet & Equipment		311,898	292,561	315,983	23,422	8%

Montecito Water District Operating Budget — Department: 563 — Engineering

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-56301-101	Salaries / Wages	473,345	473,345	527,150	53,805	11%
01-56301-102	Vacation; Sick; Personal Leave	48,961	48,961	63,497	14,536	30%
01-56301-103	CalPERS Unfunded Liability	2,178	2,178	2,500	322	15%
01-56301-104	Workers Compensation	18,271	18,271	10,020	(8,251)	(45%)
01-56301-105	CalPERS ER Contribution	37,233	37,233	33,045	(4,188)	(11%)
01-56301-106	Overtime & Standby Pay	21,135	21,135	22,000	865	4%
01-56301-107	ER Payroll Taxes	39,558	39,558	37,955	(1,603)	(4%)
01-56301-110	Medical; ST/LT Disability	63,192	63,192	65,000	1,808	3%
01-56301-205	Professional Training	4,000	4,000	4,800	800	20%
01-56301-304	Supplies	7,000	7,000	7,000	-	-
01-56301-306	Safety Equipment & Supplies	900	1,540	1,500	(40)	(3%)
01-56301-317	GIS	55,000	55,000	60,000	5,000	9%
01-56301-503	Outside Services	738,600	738,600	551,300	(187,300)	(25%)
01-56301-508	Computer Software & Apps	18,000	30,423	15,500	(14,923)	(49%)
01-56301-515	Utilities - Cell Phones	3,000	3,000	3,000	-	-
TOTAL — Department: 563 — Engineering		1,530,373	1,543,436	1,404,266	(139,170)	-9%
← Transfer In: Fund 02 GSA Shared Cost Reimbursement (reduces net dept cost)			23,252	31,002		

Montecito Water District Operating Budget — Department: 565 — Administration

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-56503-101	Salaries / Wages	795,765	760,000	921,428	161,428	21%
01-56503-102	Vacation; Sick; Personal Leave	60,996	70,000	85,993	15,993	23%
01-56503-103	CalPERS Unfunded Liability	3,609	3,609	6,008	2,399	66%
01-56503-104	Workers Compensation	5,809	5,809	4,704	(1,105)	(19%)
01-56503-105	CalPERS ER Contribution	61,687	48,700	52,254	3,554	7%
01-56503-107	ER Payroll Taxes	63,661	63,661	66,343	2,682	4%
01-56503-110	Medical; ST/LT Disability	85,191	85,191	91,000	5,809	7%
01-56503-111	Post Employment Benefits (OPEB)	76,800	76,800	76,800	-	-
01-56503-205	Professional Training	13,000	10,000	13,000	3,000	30%
01-56503-304	Office Supplies	12,000	15,000	15,000	-	-
01-56503-309	Computer Equipment & Supplies	37,150	61,465	40,000	(21,465)	(35%)
01-56503-310	Postage	3,600	3,600	3,900	300	8%
01-56503-318	Grounds Maintenance	58,200	58,200	59,000	800	1%
01-56503-322	Admin Building Maintenance	41,000	41,000	45,000	4,000	10%
01-56503-503	Outside Services	185,118	185,000	185,000	-	-
01-56503-505	Permits & Fees	37,800	38,235	42,000	3,765	10%
01-56503-508	Computer Software & Apps	87,060	87,060	90,000	2,940	3%
01-56503-514	Network - IT Services	154,603	170,000	180,000	10,000	6%
01-56503-518	Utilities - Telephone/Internet	18,060	18,060	20,000	1,940	11%
01-56503-520	General Liability Insurance	487,398	415,813	428,287	12,474	3%
01-56503-531	Audit Expense	21,000	26,000	26,000	-	-
01-56503-532	Legal Expense	240,000	150,000	200,000	50,000	33%
01-56503-533	Special Legal	48,000	25,900	50,000	24,100	93%
01-56503-602	Dues, Fees & Subscriptions	66,554	66,500	70,000	3,500	5%
01-56503-606	Other Operating Expenses		7,081	7,500	419	6%
01-56503-651	Property Taxes	5,760	5,760	5,900	140	2%
01-56301-564	GSA Parcel Fee NEW	136,916	136,916	136,916	-	-
01-55001-627	Water Loss Adjustments NEW	100,000	65,000	50,000	(15,000)	(23%)
01-55001-000	Billing Adjustments & Credits NEW	-	40,000	-	(40,000)	(100%)
01-56503-685	Water Marketing NEW	104,705	151,019	50,000	(101,019)	(67%)
TOTAL — Department: 565 — Administration		3,011,442	2,891,379	3,022,033	130,654	5%
← Transfer In: Fund 02 GSA Shared Cost Reimbursement (reduces net dept cost)			142,556	190,075		

Montecito Water District Operating Budget — Department: 566 — Governing Board

FY25 Actuals (ERP) | FY2026 YTD = 5 months (Jul 2025 - Mar 2026) | FY2026 YE = YTD annualized (x12=9) | FY2027 Proposed = Staff / Po

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-56603-101	Director Compensation	28,564	30,000	32,000	2,000	7%
01-56603-104	Workers Compensation	-	300	309	9	3%
01-56603-107	ER Payroll Taxes	-	2,149	3,486	1,337	62%
01-56603-205	Professional Training	4,001	13,000	17,000	4,000	31%
01-56603-604	Board Governance	6,600	3,000	3,000	-	-

TOTAL — Department: 566 — Gover		39,165	48,449	55,795	7,346	15%
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← Transfer In: Fund 02 GSA Shared Cost Reimbursement (reduces net dept cost)				9,000		
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Montecito Water District Operating Budget — Department: 568 — Public Info / Conservation

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
Public Info						
01-56801-101	Salaries / Wages	126,932	126,932	131,248	4,316	3%
01-56801-102	Vacation/Sick/Leave	13,670	13,670	14,354	684	5%
01-56801-103	CalPERS UAAL	591	591	615	24	4%
01-56801-104	Workers Comp	927	927	800	(127)	(14%)
01-56801-105	CalPERS ER	10,104	10,104	12,434	2,330	23%
01-56801-107	ER Payroll Taxes	10,155	10,155	10,886	731	7%
01-56801-110	Medical	18,353	18,353	19,454	1,101	6%
01-56801-205	Professional Training	1,999	1,999	2,000	1	0%
01-56801-304	Supplies	1,400	1,000	1,000	-	-
01-56801-310	Postage	12,000	5,000	5,000	-	-
01-56801-501	Printing / Publishing Services	35,400	35,000	35,400	400	1%
01-56801-503	Outside Services	21,220	21,200	21,220	20	0%
01-56801-515	Cell Phones - Utilities	660	-	660	660	—
01-56801-540	Web Site Development	6,000	299	4,000	3,701	1238%
01-56801-577	Public Outreach	7,200	238	5,000	4,762	2001%
TOTAL — Department: 568 — Public Info		266,611	245,468	264,071	18,603	8%
Conservation						
01-56802-101	Salaries / Wages	114,977	114,977	120,725	5,748	5%
01-56802-102	Vacation/Sick/Leave	7,075	7,075	9,940	2,865	40%
01-56802-103	CalPERS UAAL	4,438	4,438	383	(4,056)	(91%)
01-56802-104	Workers Comp	9,152	9,152	1,935	(7,217)	(79%)
01-56802-105	CalPERS ER	539	539	9,574	9,035	1676%
01-56802-107	ER Payroll Taxes	9,241	9,241	8,692	(549)	(6%)
01-56802-110	Medical	14,975	14,975	22,388	7,413	50%
01-56802-205	Professional Training	3,201	2,000	3,000	1,000	50%
01-56802-304	Supplies	600	600	600	-	-
01-56802-502	Rebate Program Administration	3,000	3,000	3,000	-	-
01-56802-503	Outside Services	151,200	151,200	30,000	(121,200)	(80%)
01-56802-515	Cell Phones - Utilities	540	350	350	-	-
01-56802-602	Dues, Fees & Subscriptions	12,000	11,071	14,000	2,929	26%
01-56802-502	Customer Rebate Program NEW	40,000	20,000	40,000	20,000	100%
TOTAL — Department: 568 — Conservation		370,938	348,618	264,588	(84,030)	(24%)
TOTAL — Department: 568 — Public Info / Conservation		637,549	594,086	528,658	(65,428)	-11%

← Transfer In: Fund 02 GSA Shared Cost Reimb PIO 15% (reduces net dept c 22,943 30,591

Antecito Water District Operating Budget — Department: 570 — Interest Expense / Debt Ser

Account Code	Description / Sub-Object	FY 2026 Budget	FY 2026 YE Forecast	FY 2027 Proposed	\$ Change YE → FY27	% Change YE → FY27
01-57006-845	DS-2020A COP Refunding Bonds — Principal	1,375,000	1,375,000	1,445,000	70,000	5.1%
01-57006-846	DS-2020A COP Refunding Bonds — Interest	262,625	262,625	192,125	(70,500)	(26.8%)
01-58008-835	DS-CATER-P Cater Ozone Project Loan — Principal	297,000	297,000	222,323	(74,677)	(25%)
01-58008-000	DS-CATER-I Cater Ozone Project Loan — Interest	59,482	59,482	56,770	(2,712)	(5%)
TOTAL — Department: 570 — Interest Expense / Debt Serv		1,994,107	1,994,107	1,916,218	(77,889)	(4%)

MONTECITO WATER DISTRICT

FY 2027 CAPITAL IMPROVEMENT PROGRAM BUDGET SUMMARY

July 2026 – June 2027 | DRAFT – For Board Review

KEY BUDGET METRICS

Total Capital Expenditures (FY 2027)	20,852,850
Less: Capital Reimbursements	13,601,042
Net CIP Expenditure (Fund 01 / 05 / 06)	7,251,809

BUDGET SUMMARY BY CATEGORY

Category		
Capital Reimbursements	\$13,601,042	65.2%
Vehicles & Equipment	\$275,000	1.3%
Pipelines	\$4,540,000	21.8%
Reservoirs	\$10,087,850	48.4%
Pumping / Wells / Valves / Treatment Plant	\$1,570,000	7.5%
Extraordinary Projects	\$4,380,000	21.0%
TOTAL FY 2027 CAPITAL EXPENDITURES	\$7,251,809	100.0%

EXPENDITURE PROFILE — ALL CATEGORIES

Category	Jul	Aug	TOTAL
Capital Reimbursements	\$198,160	\$854,340	\$13,601,042
Vehicles & Equipment	-	\$275,000	\$275,000
Pipelines	\$19,000	\$19,000	\$4,540,000
Reservoirs	\$962,210	\$1,014,460	\$10,087,850
Pumping / Wells / Valves / Treatment Plant	\$12,000	\$133,000	\$1,570,000
Extraordinary Projects	\$67,500	\$211,500	\$4,380,000
TOTAL	\$1,258,870	\$2,507,300	\$7,251,809

CAPITAL REIMBURSEMENTS	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	BUDGET
A1 FEMA Alder Creek Flume Reconstruction Project	-	390,520	-	-	-	43,031	38,813	19,406	64,125	124,875	660,656	660,656	2,002,083
F24 FEMA Juncal Pipeline Replacement Project (COMPLETE)	-	-	654,269	-	-	-	-	-	-	-	-	-	654,269
P132 ASADRA Park Lane Reservoir Retrofit / Replacement Project	-	-	-	52,250	52,250	104,500	104,500	156,750	365,750	522,500	627,000	627,000	2,612,500
P133 ASADRA Terminal Reservoir Retrofit / Replacement Project	151,660	303,320	682,470	834,130	909,960	909,960	909,960	834,130	606,640	379,150	303,320	227,490	7,052,190
F25 FEMA Highline Repair Project	46,500	160,500	460,500	460,500	100,500	10,500	10,500	10,500	10,000	10,000	-	-	1,280,000
TOTAL CAPITAL REIMBURSEMENTS	198,160	854,340	1,797,239	1,346,880	1,062,710	1,067,991	1,063,773	1,020,786	1,046,515	1,036,525	1,590,976	1,515,146	13,601,042
VEHICLES & EQUIPMENT	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
F017 Service Truck (Distribution)	-	75,000	-	-	-	-	-	-	-	-	-	-	75,000
F009 Standby Truck (Distribution)	-	50,000	-	-	-	-	-	-	-	-	-	-	50,000
F010 Standby Truck (Treatment)	-	50,000	-	-	-	-	-	-	-	-	-	-	50,000
F007 Utility Truck (Conservation)	-	50,000	-	-	-	-	-	-	-	-	-	-	50,000
F004 Utility Truck (Engineering)	-	50,000	-	-	-	-	-	-	-	-	-	-	50,000
TOTAL VEHICLES & EQUIPMENT	-	275,000	-	-	-	-	-	-	-	-	-	-	275,000
PIPELINES	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
PXXX Highline Replacement Project Phase 1 (DESIGN)	11,000	11,000	11,000	21,000	21,000	21,000	11,000	24,000	11,000	8,000	-	-	150,000
P115 East Valley, Ladera and Lambert Water Main Replacements	1,000	1,000	115,000	211,000	426,000	451,000	651,000	646,000	426,000	426,000	426,000	-	3,780,000
P141 Fire hydrant Replacement Project	2,000	1,000	1,000	1,000	51,000	51,000	41,000	-	-	-	2,000	-	150,000
P141 US101 Crossings at Danielson and Miramar	5,000	6,000	11,000	1,000	116,000	111,000	1,000	1,000	106,000	101,000	1,000	-	460,000
TOTAL PIPELINES	19,000	19,000	138,000	234,000	614,000	634,000	704,000	671,000	543,000	535,000	429,000	-	4,540,000
RESERVOIRS	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
P132 ASADRA Park Lane Res. Retrofit / Replacement Project	52,250	104,500	104,500	156,750	365,750	522,500	627,000	627,000	627,000	627,000	574,750	365,750	4,754,750
P133 ASADRA Terminal Res. Retrofit / Replacement Project	909,960	909,960	909,960	834,130	606,640	379,150	303,320	227,490	151,660	37,915	37,915	25,000	5,333,100
TOTAL RESERVOIRS	962,210	1,014,460	1,014,460	990,880	972,390	901,650	930,320	854,490	778,660	664,915	612,665	390,750	10,087,850
PUMPING/WELLS/VALVES/TREATMENT PLANT	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
PXXX Bella Vista & Doulton Treatment Plant Acid Addition	12,000	112,000	312,000	62,000	122,000	50,000	30,000	100,000	100,000	-	-	-	900,000
PXXX Bella Vista Reservoir Blower Upgrades	-	-	11,000	1,000	31,000	11,000	6,000	-	-	-	-	-	60,000
PXXX Doulton Treatment Plant Softening System	-	-	-	-	86,000	1,000	1,000	1,000	1,000	-	-	-	90,000
P145 Ortega PS Backup Generator Replacement	-	-	1,000	179,000	-	-	-	-	-	-	-	-	180,000
PXXX Coyote Road Pressure Regulator Installation	-	-	-	-	-	-	-	-	25,500	64,500	-	-	90,000
PXXX Toro Canyon Pressure Regulator Vault Upgrades	-	21,000	26,000	51,000	51,000	51,000	-	-	-	-	-	-	200,000
PXXX Doulton Treatment Plant Roof Addition	-	-	25,000	25,000	-	-	-	-	-	-	-	-	50,000
TOTAL PUMPING/WELLS/VALVES/TREATMENT PLANT	12,000	133,000	375,000	318,000	290,000	113,000	37,000	101,000	126,500	64,500	-	-	1,570,000
EXTRAORDINARY PROJECTS	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
A1 FEMA Alder Creek Flume Reconstruction Project	21,000	51,000	46,000	23,000	76,000	148,000	783,000	783,000	391,000	381,000	396,000	1,000	3,100,000
F25 FEMA Highline Repair Project	46,500	160,500	460,500	460,500	100,500	10,500	10,500	10,500	10,000	10,000	-	-	1,280,000
TOTAL EXTRAORDINARY PROJECTS	67,500	211,500	506,500	483,500	176,500	158,500	793,500	793,500	401,000	391,000	396,000	1,000	4,380,000
TOTAL CIP PROJECTS	1,060,710	1,652,960	2,033,960	2,026,380	2,052,890	1,807,150	2,464,820	2,419,990	1,849,160	1,655,415	1,437,665	391,750	20,852,850



FY 2027 Draft Budget & Capital Improvement Program

May 19, 2026

Prepared by Emma Godinez, Business Manager

Adam Kanold, Assistant General Manager

Nick Turner, General Manager

DRAFT — FOR BOARD REVIEW

Discussion

- 01** **Executive Summary**
Headline numbers, key takeaways
- 02** **Operating Budget**
Revenue, expenses, surplus, debt coverage
- 03** **Capital Improvement Program**
Projects, categories, reimbursements
- 04** **Funding & Affordability**
Capacity vs. net CIP, sensitivities
- 05** **Calendar & Next Steps**
Path to June 23 adoption

EXECUTIVE SUMMARY

FY 2027 At a Glance

OPERATING REVENUE

\$29.1M

+6.5% vs. FY 2026 YE forecast

OPERATING EXPENSE

\$26.5M

+6.6% vs. FY 2026 YE forecast

OPERATING SURPLUS

\$2.6M

Pre-debt service & CIP

DEBT SERVICE COVERAGE

1.34x

Covenant: 1.25x → +0.09x cushion

FY 2027 CAPITAL IMPROVEMENT PROGRAM

Gross capital expenditures

\$20.85M

Less: capital reimbursements

(\$13.60M)

Net CIP — District-funded

\$7.25M

65.2% of gross CIP funded by ASADRA & FEMA

KEY TAKEAWAYS

- **Rate revenue tracks Raftelis 2024 study**
5.75% FY 2027 increase; Surplus SWP Sales (-61%)
- **Water purchases drive 9% expense growth**
\$15.2M (57% of operating); SWP & DESAL paygo step-ups
- **Debt coverage above covenant**
1.34x vs. 1.25x — narrow cushion on 2020A bonds

FY 2027 Budget Alignment with Strategic Priorities

Each strategic priority is supported by specific budget and CIP commitments.

Strategic Priority	FY 2027 Budget Alignment
Water Supply Reliability	Key initiatives include ASADRA reservoir seismic retrofits, development of the Aquifer Storage and Recovery (ASR) Project, banking of surplus SWP water not transferred to Homer, implementation of the Water Use Efficiency Plan (including rebates, water budgets, and related conservation measures), and emergency generator replacements.
Infrastructure Dependability	Pipeline replacements totaling 1.1 miles; treatment facility upgrades; advancement of surplus property sale to support development of distribution and EOC facilities; and implementation of wildfire preparedness actions.
Operational Excellence	Ongoing implementation of the Succession Plan and continued advancement of the District’s training program.
Water Policy	Annual transfers of surplus SWP water to Homer; evaluation of the permanent transfer of a portion of the District’s SWP interests.

Assumptions

Plan grounded in the 2022 5-Year Strategic Plan, 2024 Rate Study, 2024 Asset Management Plan, 2024 Climate Adaption Plan, 2022 Water Use Efficiency Plan and current regulatory commitments.

INCLUDED IN THE FINANCIAL PLAN

REVENUE

- Consistency with the 2024 Water Rate Study (Year 3)**
- Adopted and Planned Rate Increase:** 5.75%; fixed monthly meter charge and usage rates
- Customer Demand Forecast** — 5-yr rolling average by customer class & tier (4,000 AFY)
- Water Availability Charge** – continues unchanged
- Surplus SWP Water Transfer** – 400AF at \$600/AF (\$240,000)
- Interest Earnings on Investments** – 3% growth
- New Customer Growth** – consistent with FY2026; approx. 5
- Capital Reimbursements** – ASADRA Reservoirs (\$9.66M) & FEMA Projects (\$3.7M)
- Revolving Line of Credit Available** —\$10M ARB for ASADRA
- Reserve compliance** — \$6.6M; Rate Stabilization Fund, Operating Reserve, Capital and Emergency Reserve

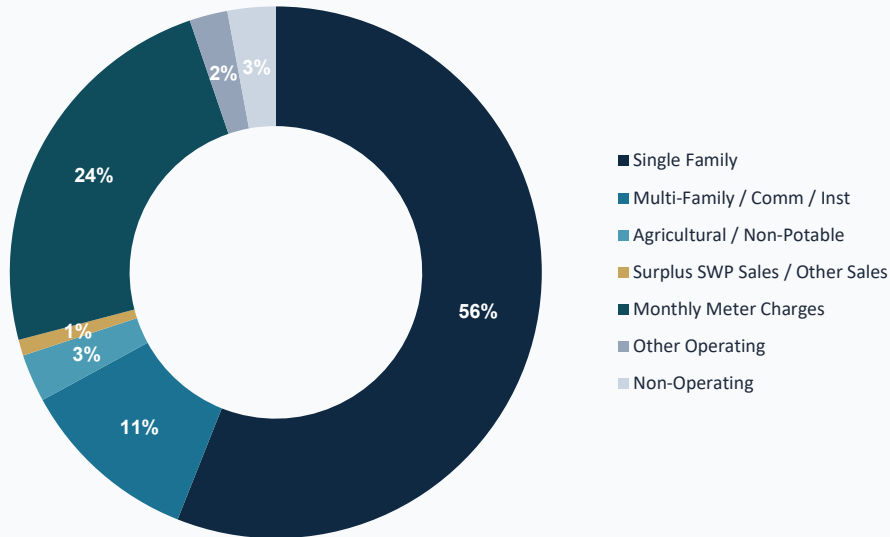
INCLUDED IN THE FINANCIAL PLAN

EXPENSES

- Incorporates JPA Adopted Budgets** – CCWA, COMB, CCRB, Cater and WSA (Desal)
- Department Budgets** - consistent with the 2024 Water Rate Study (Year 3)
- Cost Escalation** – Utilities 6%;
- GW Sustainability Fee** – consistent with FY2026 per MGSA Resolution 24
- Supplemental Water Acquisition** – not budgeted
- Water Banking** – not budgeted
- Annual Cost of Living Adjustment** – 3.4%
- CalPERS** — Classic 12.58% / PEPRA 7.96% with IRC §401(a)(17) cap
- Benefits** — Medical +6%, Workers Comp 3%
- Annual Debt service** — \$1.92M ; 2020A bonds + Cater Ozone loan
- New short term debt issuance** — \$10M ARB RLOC for ASADRA
- Advancement of Significant Capital Projects** - \$20.8M

Sources of Revenues

FY 2027 Total: \$29.08M | +\$1.78M (+6.5%) vs. FY 2026 YE Forecast | Per 2024 Water Rate Study (5.75% FY 2027 increase)

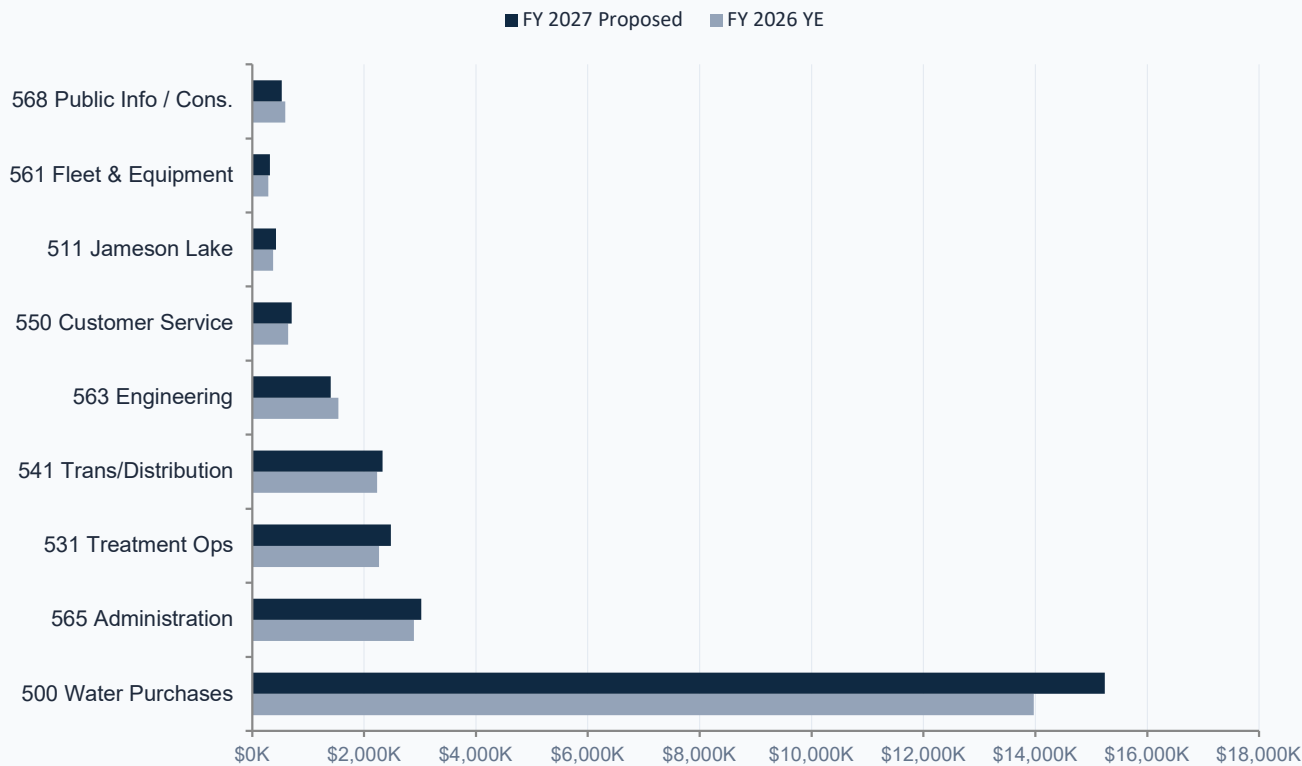


Revenue Drivers — FY 2026 YE → FY 2027

Category	FY 2026 YE	FY 2027 Prop.	Δ %
Single Family	\$14.64M	\$16.29M	+11.3%
Commercial / Inst.	\$2.71M	\$2.90M	+7.1%
Agricultural / NP	\$0.80M	\$0.85M	+5.9%
Surplus SWP Sales	\$0.62M	\$0.24M	-61.1%
Monthly Meter	\$6.56M	\$6.94M	+5.7%
Other Operating	\$0.61M	\$0.67M	+10.9%
Non-Operating	\$1.06M	\$0.85M	-19.8%
TOTAL REVENUE	\$27.30M	\$29.08M	+6.5%

By Department

FY 2027 Total: \$26.51M | +\$1.64M (+7%) vs. FY 2026 YE Forecast | Water purchases = 57% of total operating



Notable Department Movement

Water Purchases +\$1.27M +9%

SWP DWR Fixed & Variable, DESAL Paygo step-ups

Customer Service +\$59K +9%

CalPERS UAAL Realignment

Administration +\$131K +5%

GSA Fee + Water Loss Adjustment + Water Marketing (Reclass)

Engineering -\$139K -9%

Reduced Consulting; Outside Services -\$187K

Pub Info / Cons. -\$65K -11%

Conservation outside services (Demo Garden Complete FY 2026)

FY 2027 Position

FY 2027 DEBT SERVICE COVERAGE RATIO

1.34x

Net revenues / annual debt service

Bond covenant minimum **1.25x**

Cushion above covenant **+0.09x**

Methodology consistent with Continuing Disclosure (accrual basis); GSA revenues/expenses excluded.

FY 2027 Annual Debt Service

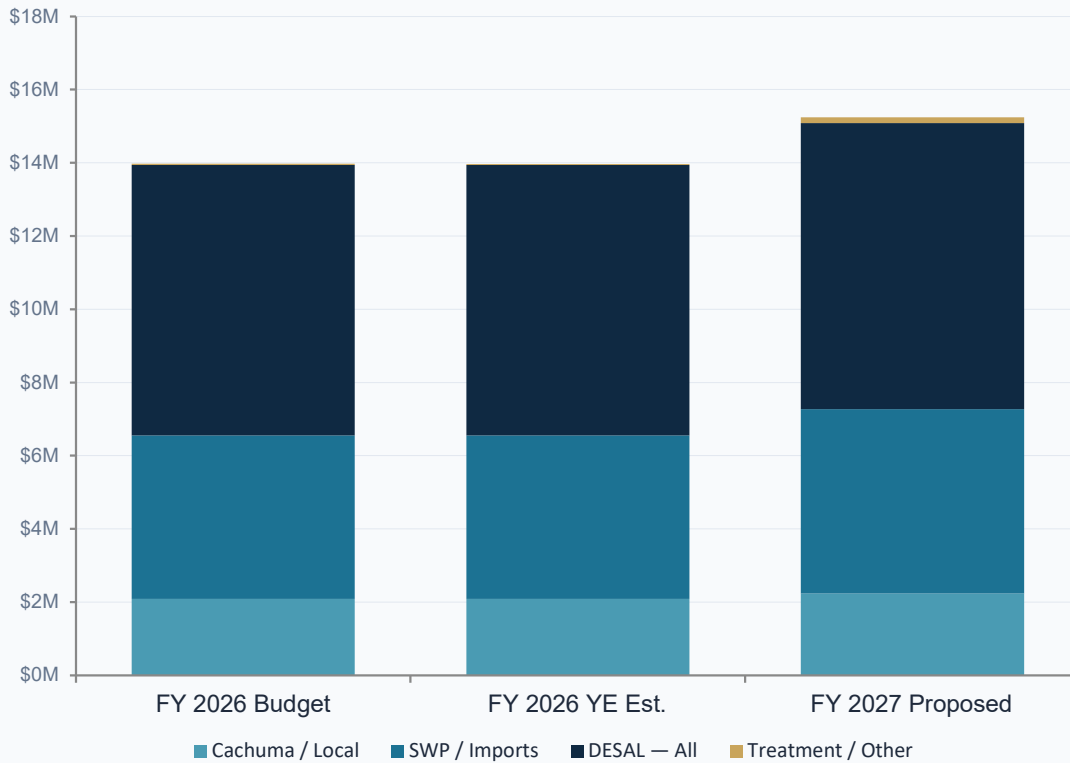
Obligation	Principal	Interest	Total
2020A Refunding Revenue Bonds	\$1,445,000	\$192,125	\$1,637,125
Cater Ozone Project Loan	\$222,323	\$56,770	\$279,093
TOTAL DEBT SERVICE	\$1,667,323	\$248,895	\$1,916,218

Reconciliation to Net Position

Operating revenue	\$29.1M
Operating expenses	(\$26.5M)
Operating surplus	\$2.6M
Less: debt service	(\$1.92M)
Available after debt service	\$0.66M

Water Purchases — 57% of Operating

Department 500: \$15.24M for FY 2027 | +\$1.27M (+9%) vs. FY 2026 YE Forecast | Driven by SWP DWR Variable & DESAL paygo



Largest FY 2027 Movers

DESAL Plant Capital Maint (Paygo)	+\$441K	+120%
SWP DWR Fixed	+\$405K	+13%
SWP DWR Variable	+\$233K	+158%
COMB Cachuma Operations	+\$139K	+17%
CATER Treatment Operations	+\$100K	+13%
DESAL Fixed O&M (City)	-\$96K	-25%
SWP CCWA Fixed	-\$72K	-7%

FY 2027 Overview

GROSS CAPITAL EXPENDITURES

\$20.85M

All projects, all funds

CAPITAL REIMBURSEMENTS

(\$13.60M)

ASADRA, FEMA, grants

NET CIP — DISTRICT-FUNDED

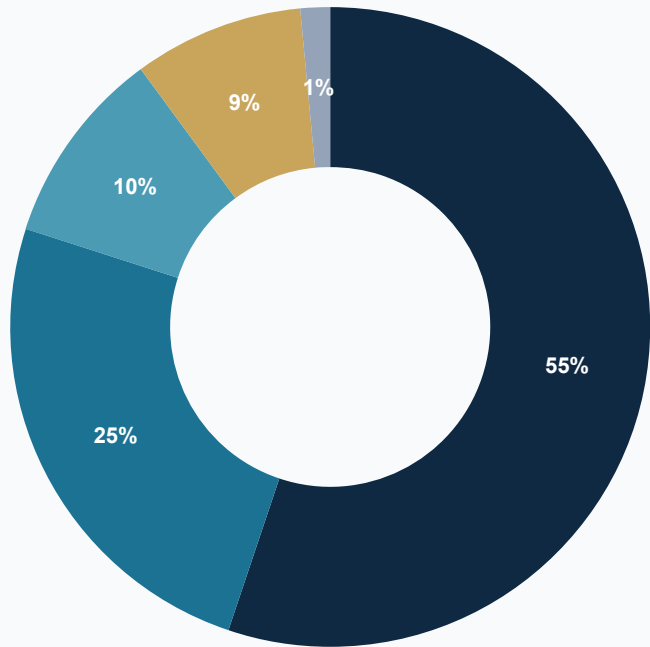
\$7.25M

After reimbursements

Capital Reimbursements — \$13.60M (65.2% of gross CIP)

Project	Source	FY 2027 Reimb.
P133 ASADRA Terminal Reservoir Retrofit / Replacement	ASADRA Loan Forgiveness	\$7,052,190
P132 ASADRA Park Lane Reservoir Retrofit / Replacement	ASADRA Loan Forgiveness	\$2,612,500
A1 FEMA Alder Creek Flume Reconstruction	FEMA Reimbursement	\$2,002,083
F25 FEMA Highline Repair	FEMA Reimbursement	\$1,280,000
F24 FEMA Juncal Pipeline Replacement (COMPLETE)	FEMA Reimbursement	\$654,269
TOTAL CAPITAL REIMBURSEMENTS		\$13,601,042

Category Mix & Major Projects



■ Reservoirs ■ Pipelines ■ Extraordinary ■ Pumping/Wells/TP ■ Vehicles

Top Projects by Spend

Project	Cat.	Gross	Reimb.	Net
P133 ASADRA Terminal Reservoir	Res.	\$5.33M	(\$7.05M)	(\$1.72M)
P132 ASADRA Park Lane Reservoir	Res.	\$4.75M	(\$2.61M)	\$2.14M
P115 East Valley/Ladera/Lambert	Pipe.	\$3.78M	—	\$3.78M
A1 FEMA Alder Creek Flume	Extr.	\$3.10M	(\$2.00M)	\$1.10M
F25 FEMA Highline Repair	Extr.	\$1.28M	(\$1.28M)	—
BV/Doulton Acid Addition	Tr Plant	\$0.90M	—	\$0.90M
P141 US101 Crossings	Pipe.	\$0.46M	—	\$0.46M
All other (vehicles, pumps, valves)	Var.	\$1.25M	—	\$1.25M

Net negative on P133 reflects multi-year billing timing — full ASADRA reimbursement crosses fiscal years. F25 Highline now shown gross with offsetting reimbursement per revised CIP.

FY 2027 Project Detail

All projects by category | Reservoirs \$10.09M · Pipelines \$4.54M · Pumping/Wells/TP \$1.57M · Extraordinary \$4.38M · Vehicles & Equipment \$0.28M

RESERVOIRS	\$10.09M	PUMPING / WELLS / TP	\$1.57M	EXTRAORDINARY	\$4.38M
P132 ASADRA Park Lane Reservoir	\$4,754,750	Bella Vista & Doulton TP Acid Addition	\$900,000	A1 FEMA Alder Creek Flume Reconstruction	\$3,100,000
P133 ASADRA Terminal Reservoir	\$5,333,100	Toro Canyon Pressure Regulator Vault Upgrades	\$200,000	F25 FEMA Highline Repair (Fund 06)	\$1,280,000
		P145 Ortega PS Backup Generator Replacement	\$180,000		
PIPELINES	\$4.54M	Doulton TP Softening System	\$90,000	VEHICLES & EQUIPMENT	\$0.28M
P115 East Valley, Ladera & Lambert Water Main Rep.	\$3,780,000	Coyote Road Pressure Regulator Installation	\$90,000	F017 Service Truck (Distribution)	\$75,000
P141 US101 Crossings at Danielson and Miramar	\$460,000	Bella Vista Reservoir Blower Upgrades	\$60,000	F009 Standby Truck (Distribution)	\$50,000
Highline Replacement Phase 1 (DESIGN)	\$150,000	Doulton Treatment Plant Roof Addition	\$50,000	F010 Standby Truck (Treatment)	\$50,000
P141 Fire hydrant replacement Project	\$150,000			F007 Utility Truck (Conservation)	\$50,000
				F004 Utility Truck (Engineering)	\$50,000

TOTAL FY 2027 CAPITAL EXPENDITURES **\$20,852,850**

Key Risks & Sensitivities





<p>ASADRA reimbursement timing</p> <p>Stress case if Draws #5–#7 slip past June 30, 2026. Mitigation: multi-year RLOC with American Riviera Bank (~4.28% tax-exempt, SOFR-based) approved as bridge.</p>	<p>Cash Flow</p> <p>HIGH</p>
<p>Water sales volatility</p> <p>Demand-driven revenue is sensitive to weather, conservation, and restrictions. A 5% drop in metered sales ≈ \$1.4M shortfall. SFR concentration (56% of revenue) amplifies tiered-rate impact; limited customer growth to offset.</p>	<p>Revenue</p> <p>MED</p>
<p>Capital project execution</p> <p>\$20.85M FY 2027 CIP relies on contractor performance, permitting, and material costs. Delays push spend into FY 2028; cost overruns hit reserves.</p>	<p>CIP Delivery</p> <p>MED</p>
<p>Extraordinary JPA costs</p> <p>DWR cost true-up and COMB Sheffield Tunnel repairs could exceed budget. Pass-through obligations through SWP and COMB participation are partially outside District control; mitigation via reserve drawdown if needed.</p>	<p>JPA / Operating</p> <p>MED</p>

IN SUMMARY

A Budget That Delivers on Priorities



WHY THIS BUDGET WORKS

- 
Strategic plan-aligned
 Delivers across all four priorities — supply reliability, infrastructure dependability, operational excellence, water policy.
- 
Capital leverage maximized
 65.2% of \$20.85M CIP funded externally through ASADRA loan forgiveness and FEMA reimbursements.
- 
Fiscally disciplined
 Balanced operating budget; covenant compliance maintained; conservative revenue assumptions.
- 
Reserve & cushion protected
 Reserve policy compliance; \$10M ARB RLOC available as ASADRA bridge.

THREE-YEAR OUTLOOK (FY 2027 → FY 2029)			
Operating Revenue	Operating Surplus	DSCR	Net CIP
\$29.1M → \$32.2M	\$2.6M → \$2.7M	1.34x → 1.43x	\$7.3M → \$4.3M

CALENDAR

Path to FY 2027 Adoption

May 13



Finance Committee

Draft budget & CIP review

May 19



Board Workshop

Public review of draft

Jun 9



Finance Committee

Final recommendations

Jun 23



Board Adoption

Budget & CIP

REQUESTED FROM BOARD

1

Direction on Draft Budget & CIP

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 6-D

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: DISCUSSION OF PROPOSED RESOLUTION NO. 2319 ESTABLISHING A WATER AVAILABILITY CHARGE (WAC) FOR IMPLEMENTATION OF WATER DISTRIBUTION SYSTEM UPGRADES FOR FISCAL YEAR 2027

RECOMMENDATION:

That the Board of Directors discuss the proposed Water Availability Charge (WAC) Program for Fiscal Year (FY) 2027, and if supportive, provide direction to staff to issue a Notice of Public Hearing regarding the continuation of the WAC for FY 2027 and the consideration of adoption of Resolution No. 2319, scheduled for its June 23, 2026 meeting.

DISCUSSION:

The Montecito Water District (District) is required to hold a public hearing to continue the WAC Program as originally established in 1996 in Resolution No. 1816, pursuant to California Water Code § 31032.1. The WAC, which is used exclusively to fund water system improvements, has not changed since it was initiated in 1996 and no change is proposed for the amount to be assessed for Fiscal Year 2027. On or before June 1, 2026, the District plans to mail a Notice of Public Hearing, including information about the filing of a report regarding the WAC to the owner(s) of all properties located within the District's service area boundary as required by California Water Code § 31032.2. The District also plans to post a public notice of the scheduled public hearing in the Montecito Journal on June 4 and June 11, 2026, in compliance with Water Code § 31032.2 and Government Code § 6066.

The WAC program assesses a charge of \$30 per acre or part thereof less than a full acre for the first five acres. For parcels 5-10, 10-20 and above 20 acres, the cost per acre or part thereof less than a full acre is \$25, \$20, and \$5, respectively. The charge is levied on all properties located within the District's service area boundary, including those properties without a District water meter. The District collects approximately \$300,000 from the WAC charge on an annual basis. The charge provides funding for the cost of replacing certain infrastructure to enhance the reliability of the District's water distribution system. The WAC is a vital revenue component of the District's ongoing capital improvement program focusing efforts on the replacement of vulnerable, aging, and under-sized water mains and improving the reliability of the District's distribution system.

The WAC was originally approved in 1996 to finance water system capital costs and included an initial list of high priority projects at an estimated cost of \$5.1M. The 39 original projects were identified as high priority, either due to their poor condition or to improve the distribution of water to customers. Following a review and re-prioritization in 2006, the Board of Directors removed 10 projects from the list, leaving a total of 29 projects, shown in Table 1. To date, the District has completed 27 of the 29 projects from the original WAC project list. The District continues to complete capital projects on the historic WAC Project List and periodically adds new projects which are consistent with the purpose of the WAC.

Table 1 - WAC Project Completion Report

	Project	Year	Construction	Pipe
No.	Name	Installed	Cost (\$ at time of installation)	Length
COMPLETED 1996 WAC PROJECTS				
1	Chelham Way	1924	\$ 265,240	2,348
2	Humphrey Road	1923	\$ 82,606	1,460
3	Parra Grande Ln.	1924	\$ 101,801	900
4	Toro Canyon Road @ East Valley Rd.	1924	\$ 93,569	955
5	Picacho Lane	1924	\$ 371,325	4,436
6	Pimiento Lane	1927	\$ 130,124	1,480
7	Coast Village Circle	1923	\$ 145,587	1,585
8	US 101 Crossing @ Ocean View	-	\$ 183,926	500
9	Hill Road (Butterfly Ln. to FH 47)	1923	\$ 94,485	1,530
10	East Mountain Drive Main Extension	New	\$ 50,082	507
11	Lower Toro Canyon Road	1926	\$ 248,290	2,418
12	South Jameson Ln.	New	\$ 55,108	603
13	Posilipo Lane	1945	\$ 89,881	250
14	Sheffield Drive	1924	\$ 147,275	1,990
15	Lilac Drive (Romero to Oak Grove)	1927	\$ 285,000	2,950
16	Hermosillo Road	1925	\$ 80,599	1,051
17	Sycamore Cyn Rd (Stoddard to Dawlish)	1926	\$ 423,024	2,451
18	Ortega Hill Road and regulator	-	\$ 71,707	720
19	Pressure Regulating Station Upgrades	-	\$ 47,460	0
20	E. Mtn Dr/Coyote Rd Pump Station	-	\$ 255,808	0
21	Virginia Road	1932	\$ 131,360	990
22	Alston Road	1923	\$ 132,500	2,160
23	Varley and Colby Street	-	\$ 80,230	650
24	Hollister Avenue	-	\$ 66,776	352
25	Golden Gate Ave (Banner)	-	\$ 96,940	430
26	Tollis Ave & Olive Road	1927	\$ 348,880	2,270
27	Santa Rosa Lane (San Ysidro to Amapola)	1923	\$ 1,003,656	4,473
TOTAL COMPLETED			\$ 5,083,239	39,459

Table 1 - WAC Project Completion Report (cont'd)

	Project	Year	Construction	Pipe
No.	Name	Installed	Cost	Length
REMAINING 1996 WAC PROJECTS				
28	Toro Reservoir Outlet Main Upgrade	1937	\$ 270,000	1,780
29	Knollwood Drive	1927	\$ 210,000	1,200
TOTAL REMAINING			\$ 480,000	2,980
GRAND TOTAL			\$ 5,563,239	42,439

Water Main Breaks Resulting from Aging Infrastructure

Water main breaks cause loss of water, unscheduled water service outages and inconvenience to District customers, and are an expensive allocation of District resources. The trend of water main break frequency has steadily declined over time but still shows an average of 16 main breaks per year, primarily attributable to aging infrastructure. District staff recommend continuing the replacement of aging infrastructure to maintain reliable water service to customers. **Table 2** provides a list of all main breaks during 2025. During 2025 there were 12 water main breaks, 7 of which were on 1920s pipelines.

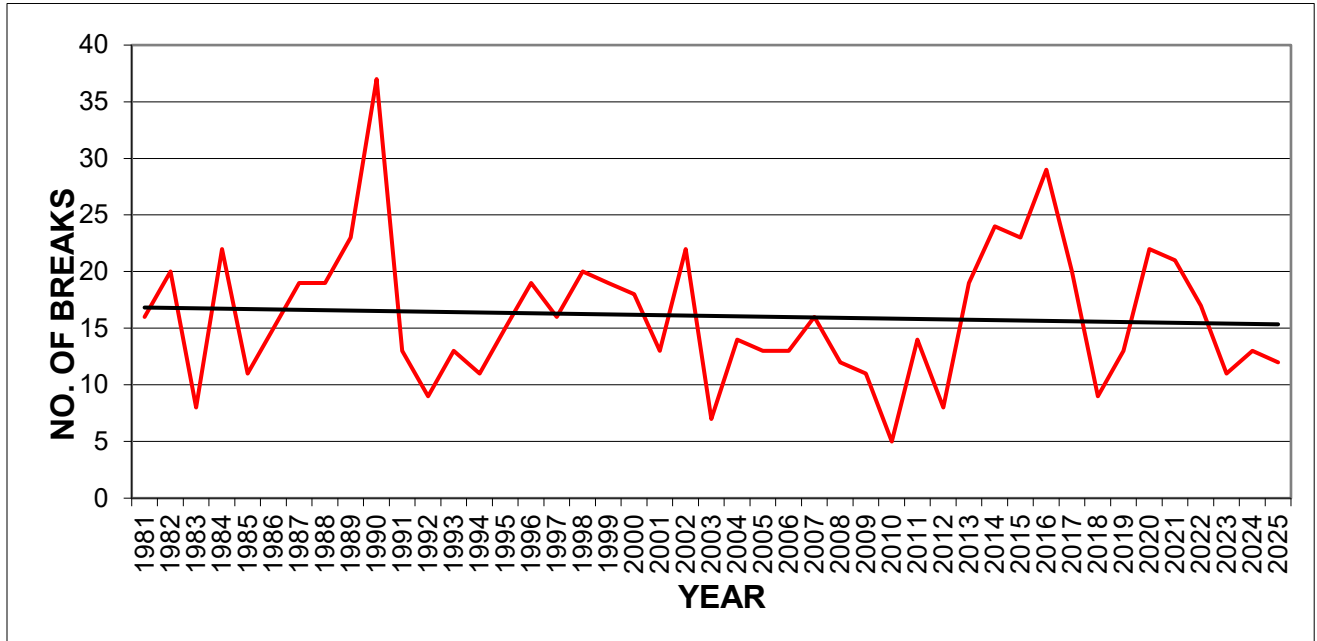
Table 2 – Calendar Year 2025 Water Main Breaks

#	Date	Street Name	Material	Diameter	Year	Type
1	01/16/25	Toro Canyon Road	CIP	8"	1926	Round
2	01/25/25	San Leandro Lane	CIP	8"	1924	Round
3	01/31/25	Riven Rock Road	CIP	6"	1924	Round
4	02/01/25	Parra Grande Lane	CIP	6"	1924	Joint Failure
5	02/20/25	San Leandro Lane	CIP	6"	1923	Split
6	02/27/25	Hidden Valley Lane	STL	12"	1966	Joint failure
7	03/19/25	Bolero Drive	CIP	8"	1957	Contractor
8	07/15/25	Woodley Road	CIP	6"	1961	Pinhole
9	08/28/25	Golden Gate Avenue	AC	6"	1954	Round
10	10/01/25	East Mountain Drive	STL	14"	1924	Pinhole
11	10/03/25	East Mountain Drive	CIP	10"	1954	Split
12	10/08/25	Ortega Ridge Road	CIP	8"	1962	Joint Failure

CIP – Cast Iron Pipe, STL – Steel Pipe, DIP – Ductile Iron Pipe . AC – Asbestos Cement Pipe, C900 – Polyvinylchloride Pipe (PVC)

Figure 1 illustrates the number of water main breaks that have occurred on an annual basis since 1981. The figure does not include pipes smaller than 3 inches in diameter. The trend shows an average of 16 main breaks annually since 1981.

Figure 1 – Main Break Historical Trend



Capital Improvement Program

The District’s 10-year Capital Improvement Program targets the replacement of water mains with the highest risk calculated based on each pipeline’s consequence of failure and probability of failure. The Asset Management Plan (AMP), completed in 2024, uses criteria such as pipe age, criticality, diameter, and proximity to roads, railroads, or environmental areas to prioritize pipe replacements. The projects in Table 3 have been listed in order of priority using the results of the AMP. The historic and ongoing purpose of the WAC is to fund capital improvements and, based on the continuing need for such improvements, the District expects that it will fully utilize the WAC funding for that purpose on an annual basis for the foreseeable future.

Table 3 – 10 Year CIP Pipeline Program Project List (FY2027-2036)

Water Main Replacement Project	Length (ft)	Year Installed	Scheduled Repl.	Estimated Cost (2027 \$)
East Valley, Ladera and Lambert	5,883	1926	2027	\$3,780,000
Fairway, Butterfly, Miramonte, and High Road	5,278	1924 & 1950	2028	\$3,450,000
Cold Springs and Dawlish	6,268	1924 & 1956	2029	\$4,352,263
Sheffield and Toro Canyon	5,582	1926 & 1937	2030	\$4,108,486
Buena Vista, Tabor Lane and El Bosque	5,646	1923 & 1928	2031	\$4,404,927
East Valley (Hodges to Randall) and El Bosque	5,675	1924-1928	2032	\$4,693,206
East Valley (Orchard to SY Creek)	5,739	1924	2033	\$5,030,902
Lateral 1, Cota, Pepper, and Lookout Park	5,597	1923 & 1954	2034	\$5,200,808
Hidden Valley Lane, Asegra, Orchard, and Oak Road	5,461	1925 & 1955	2035	\$5,378,901
Toro Canyon and Parra Grande	6,103	1924 & 1926	2036	\$6,371,924
Highline Transmission Main Replacements	21,120	1924-1928	2028-2036	\$14,034,000
			TOTAL	\$60,805,417

FY 2026 Completed Capital Improvements

In FY 2026, the District completed the following capital improvements as shown in **Table 4**.

Table 4 - FY 2026 Completed Capital Improvements

	Project Description	Budget
1	Las Tunas Water Main Replacement Project	\$ 946,072
2	Freehaven Water Main Replacement Project	\$ 993,425
3	East Valley, Ladera and Lambert Water Main Replacements	\$ 181,685
4	Fairway, Butterfly, High, & Miramonte Water Main Replacements	\$ 150,350
5	US101 Casing Installations at Danielson and Miramar	\$ 322,362
6	Fire Hydrant Replacements (CS31, CS32, CS35, CS54, SB1537, SB1538, SBK04)	\$ 223,678
7	ASADRA Park Lane Reservoir Replacement Project*	\$ 265,306
8	ASADRA Terminal Reservoir Replacement Project*	\$ 2,401,706
9	Juncal Dam Emergency Release Valve #2 Rehab	\$ 248,540
10	BVTP Reclaim Basin Repair and Coating	\$ 157,334
11	BVTP Filter #1 Media Replacement and Coating	\$ 162,285
12	Barker Pass Meter Vault Replacement	\$ 140,000
13	Pressure Regulator Vault Repairs (Ortega Hill, Upper Syc., Pimiento, Toro Cyn)	\$ 160,000
14	Doulton Treatment Plant Road Replacement	\$ 94,962
15	Juncal Dam Arch Drain Replacement	\$ 250,016
16	Ortega PS Backup Generator Concrete Pad & Electrical	\$ 69,748
17	Ennisbrook 2 Well Roof Installation	\$ 49,865
18	FEMA Alder Creek Flume Reconstruction*	\$ 73,993
19	FEMA Highline Repair Project*	\$ 152,944
	Total	\$ 7,044,271

FY 2027 Planned Capital Improvements

For FY 2027, the District is scheduling the replacement/relocation of pipelines and other infrastructure as shown in **Table 5**.

Table 5 – FY 2027 Proposed Capital Improvements

	Project Description	Budget
1	Highline Replacement Project Phase 1	\$ 150,000
2	East Valley, Ladera and Lambert Water Main Replacements	\$ 3,780,000
3	Fire Hydrant Replacements	\$ 150,000
4	US101 Crossings at Danielson and Miramar	\$ 460,000
5	ASADRA Park Lane Res. Replacement Project*	\$ 4,754,750
6	ASADRA Terminal Res. Replacement Project*	\$ 5,333,100
7	Bella Vista & Doulton Treatment Plant Acid Addition	\$ 900,000
8	Bella Vista Reservoir Blower Upgrades	\$ 60,000
9	Doulton Treatment Plant Softening System	\$ 90,000
10	Ortega Pump Station Backup Generator Replacement	\$ 180,000
11	Coyote Road Pressure Regulator Installation	\$ 90,000
12	Pressure Regulator Vault Upgrades	\$ 200,000
13	Doulton Treatment Plant Roof Addition	\$ 50,000
14	FEMA Alder Creek Flume Reconstruction Project*	\$ 3,100,000
15	FEMA Highline Replacement Project*	\$ 1,280,000
	Total	\$ 20,577,850

* These projects are partially or fully funded by grants or reimbursements

ATTACHMENTS:

1. Proposed Resolution No. 2319 Continuing a Water Availability Charge for Implementation of Water Distribution System Upgrades and Ordering the Filing with the County Auditor of a Report for Fiscal Year 2027 to be Placed On and Collected by Means of the County Tax Roll

RESOLUTION NO. 2319

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
CONTINUING A WATER AVAILABILITY CHARGE FOR IMPLEMENTATION OF
WATER DISTRIBUTION SYSTEM UPGRADES AND ORDERING THE FILING WITH
THE COUNTY AUDITOR OF A REPORT FOR FISCAL YEAR 2027 TO BE PLACED
ON AND COLLECTED BY MEANS OF THE COUNTY TAX ROLL**

WHEREAS, the Board of Directors has determined that a major program for upgrade and replacement of portions of the District’s water distribution system (“Upgrade Program”) is necessary; and

WHEREAS, Section 31032.1 of the California Water Code provides that the District may annually establish and collect a water availability assessment (“Water Availability Charge”) of not to exceed thirty dollars (\$30) per acre per year for each acre of land, or thirty dollars (\$30) per year for each parcel of land less than an acre within the District to which water is made available for any purpose by the District, whether the water is actually used or not; and

WHEREAS, the Board of Directors considered various other potential methods for financing the Upgrade Program and has determined that a Water Availability Charge as provided by this Resolution is an efficient and cost-effective method to apportion some of the costs of the Upgrade Program to all properties within the District; and

WHEREAS, on July 23, 1996, the Board of Directors adopted such a Water Availability Charge, which Water Availability Charge has been reimposed by the Board of Directors every year since that time; and

WHEREAS, the Board of Directors has determined that such a Water Availability Charge shall continue to be imposed by the District specifically for the purposes of replacing certain aged and deteriorated water mains and other water facilities in the District that may not provide adequate water distribution or incidental fire flow service, as listed in Exhibit A attached hereto and made a part hereof; and it is the intent of the Board in adopting this Resolution to continue to reconsider each year the imposition and collection of such charge based on the progress of the Upgrade Program; and

WHEREAS, pursuant to Section 31032.1 of the California Water Code, the Secretary of the District has prepared and filed with the District a Report (“Report”) which describes each parcel of real property within the District and, for each such parcel, the charge for Fiscal Year 2027, computed in conformity with the charges prescribed by this Resolution, which charges retain the rates and methodology of the previous approvals of the Water Availability Charge; and

WHEREAS, while, on August 20, 2008, the District revised its definition of “agriculture” and eliminated the “recreational” rate category; and

WHEREAS, the District has determined that it will not this year increase the Water Availability Charge rate or change the Water Availability Charge methodology for affected properties; and

WHEREAS, as required by Water Code Section 31032.2, written notice was provided by mail to each affected land owner of the consideration of the Water Availability Charge and the filing of the Report; and

WHEREAS, pursuant to Water Code Section 31032.3, a hearing on the Report was set by Montecito Water District for 9:30 a.m., or as soon thereafter as the item could be heard, on the 23rd day of June 2026, which meeting was conducted both in person and electronically; and

WHEREAS, notice of said hearing was given by mail and newspaper publication as required by Water Code Section 31032.2, and an Affidavit of Mailing is on file with the District; and

WHEREAS, the District held a noticed hearing on June 23, 2026, at the time and place set forth above to receive public comment and any objections concerning the imposition of this charge; and

WHEREAS, at said hearing, pursuant to Water Code 31032.3, the Board of Directors of the Montecito Water District heard and considered all objections or protests to said Report; and

WHEREAS, Section 21080 (b) (8) of the Public Resources Code is contained in and is a part of the California Environmental Quality Act (CEQA), which Act is in Division 13 of the Public Resources Code, commencing at Section 21000.

Section 21080 (b) (8) of said Act provides that CEQA does not apply to the establishment, modification, structuring, restructuring or approval of rates, tolls, fares or other charges by public agencies which the public agency finds are for the purpose of (A) meeting operating expenses, including employee wage rates and fringe benefits, (B) purchasing or leasing supplies, equipment or materials, (C) meeting financial reserve needs or requirements, or (D) obtaining funds for capital projects necessary to maintain service within existing service areas.

It is hereby found and determined that none of the charges fixed and established by this Resolution are for any purposes other than the purposes set forth in Section 21080 (b) (8) and are therefore, pursuant to said Section, exempt from the requirements of CEQA. This Resolution constitutes the written findings of the record of the proceedings claiming the aforesaid exemption.

NOW, THEREFORE, BE IT RESOLVED:

1. That all of the recitals contained in the preamble to this Resolution are true;
2. The District does hereby establish and fix an annual Water Availability Charge, imposing it on all lands in the District according to the following schedule:
 - a. For all parcels, \$30 per acre or part thereof less than a full acre for the first 5 acres;
 - b. For parcels greater than 5 acres in size, \$25 per acre or part thereof less than a full acre for the portion of the parcel between 5 and 10 acres;

- c. For parcels greater than 10 acres in size, \$20 per acre or part thereof less than a full acre for the portion of the parcel between 10 and 20 acres;
 - d. For parcels greater than 20 acres in size, \$5 per acre or part thereof less than a full acre for the portion of the parcel in excess of 20 acres;
 - e. For parcels owned by the Santa Barbara County Flood Control District, (“Flood Control”) there shall be no charge so long as such parcels are held and used by Flood Control solely for the purpose of flood ways and/or flood control debris basins.
3. For those parcels on which the District had determined that the land use was “agricultural” or “recreational” for the Water Availability Charge collected in Fiscal Year 2008/09, based on a valid agricultural or recreational service connection to the parcel, and which contain no dwelling unit, the charge shall be 47 percent of the above-referenced charge for agricultural parcels and 59 percent of the above-referenced charge for recreational parcels;
 4. For those aforementioned agricultural and recreational parcels on which there are one or more dwelling units, the charge will be determined as follows:
 - a. A base charge shall be established by applying the formula provided by Paragraph 2 above;
 - b. That base charge will then be reduced by the sum of \$30 times the number of dwelling units on the parcel;
 - c. The resulting amount will then be multiplied by the 47 percent rate for agricultural or 59 percent rate for former recreational parcels, respectively, as established in Paragraph 3 above; and
 - d. The charge will then be increased by \$30 per dwelling unit on the parcel.The resulting charge shall be adjusted as necessary to provide that the total charge to a parcel does not exceed \$30 per acre or part thereof less than a full acre.
 5. The General Manager is directed to maintain a separate budget account record for the Water Availability Charge, and to report to the Board quarterly the District’s progress in accomplishing the Upgrade Program;
 6. The Report shall be and is hereby adopted and it is determined that each charge as set forth in said Report is proper and that each parcel shall benefit from District water availability by at least the charge to that parcel as set forth in said Report;
 7. That pursuant to Water Code 31032.4, the Secretary of this Governing Board and of the District shall, on or before the 10th day of August, file or cause to be filed with the Auditor of the County of Santa Barbara a copy of said Report, together with a statement endorsed thereon that said written Report has been adopted by the Governing Board of the Montecito Water District;

8. That pursuant to Water Code Sections 31032.1 and 31032.4, the Auditor of the County of Santa Barbara, State of California, shall enter the amounts of the charges against the respective lots or parcels of land as they appear on the current assessment roll;
9. That the amount of the charges shall constitute a lien against the lot or parcel of land against which the charge has been imposed per Water Code 31032.5;
10. That, pursuant to California Constitution Article XIII D, Section 5, and Section 53750 of the Government Code, it is hereby found and determined that the charges involve charges which were existing on November 6, 1996, imposed to finance the capital costs or maintenance and operation expenses for water systems, and the rate is not increased beyond the level previously approved by the District, and the methodology previously approved by the District is not revised so as to result in an increase in the amount being levied on any person or parcel;
11. That, pursuant to Section 66013 of the Government Code, it is hereby found and determined that none of the charges exceed the estimated reasonable cost of providing the service for which the charges are made;
12. That the hearing is hereby concluded.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 23rd day of June 2026, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Brian Goebel, Board President

ATTEST:

Nicholas Turner, Board Secretary

Exhibit "A"
To Resolution 2319
Montecito Water District

WAC PROJECT COMPLETION REPORT

	Project	Year	Construction	Pipe
No.	Name	Installed	Cost	Length
COMPLETED 1996 WAC PROJECTS				
1	Chelham Way	1924	\$ 265,240	2,348
2	Humphrey Road	1923	\$ 82,606	1,460
3	Parra Grande Ln.	1924	\$ 101,801	900
4	Toro Canyon Road @ East Valley Rd.	1924	\$ 93,569	955
5	Picacho Lane	1924	\$ 371,325	4,436
6	Pimiento Lane	1927	\$ 130,124	1,480
7	Coast Village Circle	1923	\$ 145,587	1,585
8	US 101 Crossing @ Ocean View	-	\$ 183,926	500
9	Hill Road (Butterfly Ln. to FH 47)	1923	\$ 94,485	1,530
10	East Mountain Drive Main Extension	New	\$ 50,082	507
11	Lower Toro Canyon Road	1926	\$ 248,290	2,418
12	South Jameson Ln.	New	\$ 55,108	603
13	Posilipo Lane	1945	\$ 89,881	250
14	Sheffield Drive	1924	\$ 147,275	1,990
15	Lilac Drive (Romero to Oak Grove)	1927	\$ 285,000	2,950
16	Hermosillo Road	1925	\$ 80,599	1,051
17	Sycamore Cyn Rd (Stoddard to Dawlish)	1926	\$ 423,024	2,451
18	Ortega Hill Road and regulator	-	\$ 71,707	720
19	Pressure Regulating Station Upgrades	-	\$ 47,460	0
20	E. Mtn Dr/Coyote Rd Pump Station	-	\$ 255,808	0
21	Virginia Road	1932	\$ 131,360	990
22	Alston Road	1923	\$ 132,500	2,160
23	Varley and Colby Street	-	\$ 80,230	650
24	Hollister Avenue	-	\$ 66,776	352
25	Golden Gate Ave (Banner)	-	\$ 96,940	430
26	Tollis Ave & Olive Road	1927	\$ 348,880	2,270
27	Santa Rosa Lane (San Ysidro to Amapola)	1923	\$ 1,003,656	4,473
	TOTAL COMPLETED		\$ 5,083,239	39,459

	Project	Year	Construction	Pipe
No.	Name	Installed	Cost	Length
REMAINING 1996 WAC PROJECTS				
28	Toro Reservoir Outlet Main Upgrade	1937	\$ 270,000	1,780
29	Knollwood Drive	1927	\$ 210,000	1,200
TOTAL REMAINING			\$ 480,000	2,980
GRAND TOTAL			\$ 5,563,239	42,439

FY 2027 PROPOSED CAPITAL IMPROVEMENTS

	Project Description	Budget
1	Highline Replacement Project Phase 1	\$ 150,000
2	East Valley, Ladera and Lambert Water Main Replacements	\$ 3,780,000
3	Fire Hydrant Replacements	\$ 150,000
4	US101 Crossings at Danielson and Miramar	\$ 460,000
5	ASADRA Park Lane Res. Replacement Project*	\$ 4,754,750
6	ASADRA Terminal Res. Replacement Project*	\$ 5,333,100
7	Bella Vista & Doulton Treatment Plant Acid Addition	\$ 900,000
8	Bella Vista Reservoir Blower Upgrades	\$ 60,000
9	Doulton Treatment Plant Softening System	\$ 90,000
10	Ortega Pump Station Backup Generator Replacement	\$ 180,000
11	Coyote Road Pressure Regulator Installation	\$ 90,000
12	Pressure Regulator Vault Upgrades	\$ 200,000
13	Doulton Treatment Plant Roof Addition	\$ 50,000
14	FEMA Alder Creek Flume Reconstruction Project*	\$ 3,100,000
15	FEMA Highline Replacement Project*	\$ 1,280,000
	TOTAL	\$ 20,577,850

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 6-E

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: DISCUSSION OF PROPOSED RESOLUTION NO. 2324 ADOPTING A SCHEDULE OF MISCELLANEOUS FEES AND CHARGES FOR FISCAL YEAR 2027

This item was reviewed by the Finance Committee at its meeting of May 13, 2026, and the committee concurs with the recommendation.

RECOMMENDATION:

That the Board of Directors provide direction to staff to notice consideration of Resolution 2324 adopting a schedule of miscellaneous fees and charges for Fiscal Year 2027, which applies to specific services provided by the District, at its June 23, 2026 meeting.

DISCUSSION:

The District has miscellaneous fees and charges that cover its costs of providing specific services to its customers. These fees and charges are adopted by the Board of Directors via resolution or ordinance and are updated periodically. District Ordinance No. 82, adopted in July 1999, established the schedule of miscellaneous fees and charges, and provides that the schedule may be updated from time to time. Ordinance 83 modified the schedule to include any other fee established by the Board of Directors by resolution.

The District's fees and charges were most recently updated in June 2025 via Resolution No. 2302. Attached is proposed Resolution No. 2324 a schedule of miscellaneous fees and charges for fiscal year 2027, which have been updated to be consistent with the District's costs of providing these services.

If adopted by the Board of Directors, the updated schedule of miscellaneous fees and charges will become effective July 1, 2026. Public noticing is planned for the Montecito Journal on June 4 and June 11, 2026, pursuant to Government Code §6062a.

ATTACHMENT:

1. Proposed Resolution No. 2324 Adopting a Schedule of Miscellaneous Fees and Charges for Fiscal Year 2027.

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RESOLUTION NO. 2324

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ADOPTING A SCHEDULE OF MISCELLANEOUS FEES AND CHARGES FOR
FISCAL YEAR 2027**

WHEREAS, Ordinance No. 82, adopted July 20, 1999, established a schedule of miscellaneous fees and charges to be paid for by Montecito Water District (“District”) customers for certain services provided by the District; and

WHEREAS, Ordinance No. 82 provides that the schedule of miscellaneous fees and charges may be established from time to time by resolution of the Board of the District; and

WHEREAS, Ordinance No. 83, adopted April 18, 2000, updated Subsection 3.5 of Section 3 of Ordinance 82, modifying the schedule of miscellaneous fees and charges to include any other fee that the Board establishes by resolution; and

WHEREAS, Resolution No. 2012, adopted March 21, 2006, established a schedule of miscellaneous fees and charges associated with any payment for water service received by the District after the due date and time; and

WHEREAS, Resolution No. 2302, adopted June 24, 2025, established the most recent updated schedule of miscellaneous fees and charges for fiscal year 2026; and

WHEREAS, the Board of Directors of the District wishes to establish an updated schedule of miscellaneous fees and charges annually to be consistent with the District’s costs to provide the service; and

WHEREAS, the District has complied with Government Code §66018 and §6062a in updating the District schedule of miscellaneous fees and charges;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Montecito Water District as follows:

1. The Montecito Water District fees and charges for fiscal year 2027 as shown on the schedule in Exhibit A and are consistent with the District’s current costs to provide the services.
2. The updated fees and charges shall become effective on July 1, 2026.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 23rd day of June 2026 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

ATTEST:

Brian Goebel, Board President

Nick Turner, Secretary

Exhibit A
Proposed Resolution No. 2324
Schedule of Miscellaneous Fees and Charges
Effective Date: July 1, 2026

	Fee/Charge Description	FY 2026 Fee/Charge	FY 2027 Fee/Charge
1	Late Charge for Non-Payment (See Discontinuation For Non-Payment Policy) First Month Late (in Calendar Year) Following Months Late	6% of total bill 1.5% of past due amount	6% of total bill 1.5% of past due amount
2	Final Discontinuation Notice (Non-Payment)	\$32	\$33
3	Disconnection of Water Service (Non-Payment & Backflow Non-Compliance)	\$65	\$72
4	Reestablishment of Service	\$44	\$45
5	Lock Out Damaged/Broken Lock	\$69	\$74
6	After Hours Service Call	\$230	\$239
7	Notice of Lock Off (Backflow Non-Compliance)	\$44	\$48
8	Non-sufficient Funds check (NSF)	\$24	\$24
9	Hydrant Meter Use Deposit Installation/Removal Charge Monthly Rental Fee (billed monthly only) Water Unit Rate (\$\$/HCF)	\$962 \$107 \$53 \$12.44	\$962 \$115 \$58 \$13.16
10	Meter Flow Test	\$306	\$311
11	Fire Flow Test Fee	\$645	\$663
12	Meter Downsize/Upsize	T&M	T&M
13	Can and Will Serve Agreement Request (nonrefundable and due at time of request)	\$328	\$342
14	Manual Read if OPT-OUT of AMI (Monthly Charge)	\$29	\$33
15	Miscellaneous Service Request Charge	T&M	T&M

**MONTECITO WATER DISTRICT
MEMORANDUM**

SECTION: 6-F

DATE: MAY 19, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

**SUBJECT: DISCUSSION OF PROPOSED RESOLUTION NO. 2325 ADOPTING
CAPITAL COST RECOVERY FEES AND CONNECTION FEES
EFFECTIVE JULY 1, 2026**

This item was reviewed by the Finance Committee at its meeting of May 13, 2026, and the committee concurs with the recommendation.

RECOMMENDATION:

That the Board of Directors provide direction to staff to notice consideration of Resolution No. 2325, adopting Capital Cost Recovery Fees and Connection Fees effective July 1, 2026.

DISCUSSION:

The District has invested, and continues to invest, in significant public waterworks projects necessary to acquire, treat, and deliver a reliable supply of potable water to its customers. Individuals desiring to become District customers and receive potable water service are responsible for (1) funding a proportionate share of the District's facilities, referred to as a *Capital Cost Recovery Fee* and (2) the actual cost including direct labor, materials, and equipment necessary for physically connecting to the District's water system, referred to as the *Connection Fee*. Capital Cost Recovery Fees and Connection Fees are one-time charges paid by individuals prior to receiving potable water service.

The District's Capital Cost Recovery and Connection Fees were last updated in June 2025 with the Board of Directors' adoption of Resolution No. 2303. Attached is draft Resolution No. 2325 which proposes updated Capital Cost Recovery Fees and Connection Fees for FY 2027, commensurate with the District's (1) current listing of net total fixed assets, and (2) current costs to install new water service connections.

The Capital Cost Recovery and Connection Fees for new water services are adjusted annually at the beginning of each fiscal year, on or before July 1, in accordance with the formula set forth in Resolution No. 2325.

If adopted by the Board of Directors, the updated Capital Cost Recovery and Connection Fees would become effective as of July 1, 2026. Table 1 provides a comparison of the adopted Capital Cost Recovery and Connection Fees for FY 2026 to the proposed fees for FY 2027.

The Board of Directors' consideration and possible approval of the Capital Cost Recovery and Connection Fees for Fiscal Year 2027 at its regular meeting of June 23, 2026, complies with the requirements of Government Code §66013 and Government Code §66016. Public noticing was provided in the Montecito Journal on June 4 and 11, 2026.

Table 1: Proposed FY 2027 Connection Fees & Capital Cost Recovery Fees

Meter Size	Connection Fee				Capital Cost Recovery Fee			
	Current FY2026	Proposed FY2027	change (%)	change (\$)	Current FY2026	Proposed FY2027	change (%)	change (\$)
3/4"	\$12,809	\$11,645	(\$1,163)	-9.1%	\$27,046	\$23,808	(\$3,238)	-12.0%
1"	\$12,885	\$11,720	(\$1,165)	-9.0%	\$46,486	\$40,920	(\$5,566)	-12.0%
1.5"	\$15,196	\$13,804	(\$1,393)	-9.2%	\$84,520	\$74,400	(\$10,120)	-12.0%
2"	\$16,493	\$15,242	(\$1,252)	-7.6%	\$135,232	\$119,040	(\$16,192)	-12.0%
3"-6"	*	*			**	**		

* Conditions typically vary widely for larger size meters. Connection fee is determined on a case by case basis based on time & materials including (1) actual cost of direct labor and (2) actual cost of materials and equipment usage.

** Contract the District for a determination of Capital Cost Recovery Fees for 3-inch and larger meters.

ATTACHMENT:

1. Proposed Resolution No. 2325 Adopting Capital Cost Recovery Fees and Connection Fees Effective July 1, 2026

RESOLUTION NO. 2325

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ADOPTING CAPITAL COST RECOVERY FEES AND CONNECTION FEES
EFFECTIVE JULY 1, 2026**

WHEREAS, the Montecito Water District (“District”) is a County Water District formed under and pursuant to the California Water Code Sections 30000 – 33901, serving approximately 4,670 customers located in the unincorporated areas of Montecito and Summerland; and

WHEREAS, the California Water Code grants the District the power generally to perform all acts necessary to carry out its mission of providing an adequate and reliable supply of high-quality water at the most reasonable cost [Water Code §31001]; and

WHEREAS, the District has invested, and continues to invest, in significant public waterworks projects necessary to acquire, treat and deliver a reliable supply of potable water to its customers; and

WHEREAS, individuals desiring to become District customers and receive potable water service are responsible for: (1) the actual cost including direct labor, material and equipment of physically connecting to the District’s water system, referred to as the Connection Fee; and (2) funding a proportionate share of the District’s facilities in the form of a Capital Cost Recovery Fee; and

WHEREAS, the purpose of this resolution is to: (a) rescind Resolution No. 2303 which established the District’s current Connection Fees and Capital Cost Recovery Fees; and (b) establish updated Connection Fees and Capital Cost Recovery Fees for new water services and changes to existing water services effective July 1, 2026;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Montecito Water District as follows:

1. Resolution 2303 dated June 24, 2025, is hereby rescinded in its entirety.
2. The Connection Fee for new water services and changes to existing water services shall be adjusted annually at the beginning of each fiscal year, on or before July 1, based on the District’s estimated actual cost to perform the work.
3. The Capital Cost Recovery Fee for new water services and changes to existing water services shall be adjusted annually at the beginning of each fiscal year, on or before July 1 using the following formula:

(net total fixed assets/total meter equivalent) x meter equivalent factor

4. The Capital Cost Recovery Fees and Connection Fees for Fiscal Year 2027 have been established as follows:

<u>Meter Size</u>	<u>Connection Fee</u>	<u>Capital Cost Recovery Fee</u>
3/4"	\$11,645	\$23,808
1"	\$11,720	\$40,920
1.5"	\$13,804	\$74,400
2"	\$15,242	\$119,040
3"-6"	*	**
<p>* Conditions typically vary widely for larger size meters. Connection fee is determined on a case-by-case basis based on time & materials including (1) actual cost of direct labor and (2) actual cost of materials and equipment usage.</p> <p>** Contact the District for a determination of Capital Cost Recovery Fees for 3-inch and larger meters.</p>		

1. Charges Do Not Exceed Estimated Cost of Service. Pursuant to Government Code §66013, it is hereby found and determined that none of the charges exceed the estimated reasonable cost of providing the service for which the charges are imposed.
2. Compliance with Government Code §66016. Pursuant to Government Code §66016, information concerning the amount of the cost or estimated cost to provide the service for which the fees or charges are levied was made available, and the fees and charges as set forth in this Resolution were established after an open and public meeting. The fees and charges established by this Resolution are not subject to the procedural requirements of Article XIII D of the California Constitution.
3. CEQA Exemption. Public Resources Code §21080(b)(8) is contained in and is a part of the California Environmental Quality Act (CEQA), which Act is in Division 13 of the Public Resources Code, commencing at Section 21000. Section 21080(b)(8) of said Act provides that CEQA does not apply to the establishment, modification, structuring, restructuring or approval of rates, tolls, fares or other charges by a public agency which the public agency finds are for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs or requirements, or (4) obtaining funds for capital projects necessary to maintain service within existing service areas.

It is hereby found and determined that none of the charges fixed and established by this Resolution are for any purposes other than the purposes set forth in Section 21080(b)(8) and are therefore pursuant to said Section, exempt from the requirements of CEQA. This Resolution constitutes the written findings of the record of the proceedings claiming the aforesaid exemption.
4. Effective Date and Term of This Resolution. The fees and charges set forth in this Resolution shall be effective on July 1, 2026, and shall remain in effect until changed by the Board of Directors of the Montecito Water District.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 23rd day of June 2026 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

Brian Goebel, Board President

ATTEST:

Nick Turner, Secretary

DRAFT

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