RELIABLE SINCE 1921

583 San Ysidro Road
Santa Barbara, CA 93108-2124

Phone: 805.969.2271
Email: info@montecitowater.com
Web: montecitowater.com

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

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

TUESDAY, JUNE 23, 2026
9:30 A.M.

Attend in Person or Join by Teleconference:
https://www.zoomgov.com/j/1602128106?pwd=GaGxEazGZLlXDpzktO9XfKOKy0rq5c.1
Webinar ID: 160 212 8106; Passcode: 191275
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 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 May 19, 2026

   ∗B. Ratification of Disbursements for May 2026

   ∗C. Investment of District Funds and Cash Position as of May 31, 2026

   ∗D. Unaudited Financial Statements as of May 31, 2026

   ∗E. Waterworks Reports for April and May 2026

   ∗F. Construction Contract Change Orders for the Freehaven and Las Tunas Pipeline Replacement Projects

   ∗G. Authorize Payment of the CalPERS Annual Unfunded Accrued Liability for Fiscal Year 2027 in the Amount of $661,898; Based on the June 30, 2024 Actuarial Valuation

* Indicates attachment included for this item

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

∗A. PUBLIC HEARING: Water Distribution System Capital Improvement Program; Annual Continuation of the Water Availability Charge (WAC) with no Proposed Change in the Assessment for the Coming Year, to be Collected on the Property Tax Roll as it has been Collected since Initiation in 1996. The Board of Directors will Hear and Consider Objections and Protests to the Assessment and Report

i. INFORMATIONAL: Status report on Water Availability Charge (WAC) Program and Capital Improvement Program;

ii. ACTION ITEM: Adoption of Resolution No. 2319 Continuing the Existing Water Availability Charge to Fund Water Distribution System Upgrades and Ordering the Filing of a Report Establishing the Water Availability Charge for Fiscal Year 2027

∗B. Proposed 2025 Urban Water Management Plan and Water Shortage Contingency Plan

i. PUBLIC HEARING: Proposed *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*

ii. BOARD ACTION: Adoption of Resolution No. 2320 Approving the District's *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*, and Authorizing Their filing with the California Department of Water Resources

∗C. BOARD ACTION: Authorize a Professional Services Contract with Pueblo Water Resources for Hydrogeologic Services in Connection with the Paden 2 Aquifer Storage and Recovery (ASR) Pilot Test Project

∗D. Highline Repair Project

i. BOARD ACTION: Make a Finding, Based on the Administrative Record Including the Final Initial Study – Mitigated Negative Declaration (IS-MND) and Mitigation Monitoring and Reporting Program (MMRP), that No Substantial Evidence Exists in the Record that this Project will have a Significant Effect on the Environment if the Mitigation Measures in the IS-MND and MMRP are Implemented

ii. BOARD ACTION: Adopt the IS-MND and MMRP, Prepared in Compliance with California Environmental Quality Act (CEQA) and State CEQA Guidelines, and Designate the District's office, Located at 583 San Ysidro Road, Montecito, California 93108 as the Custodian of Documents and Record of Proceedings

iii. BOARD ACTION: Authorize a Construction Contract with American Pipeline Services for the Highline Repair Project for the Not to Exceed Amount of $743,250

iv. BOARD ACTION: Authorize Amendment No. 1 to the Professional Services Contract with Wood Rodgers for Construction Phase Services for the Highline Repair Project for the Not to Exceed Amount of $116,823

∗E. BOARD ACTION: License Agreement with Montecito Fire Protection District Temporary Use of the District's East Valley Road Pump Station Property to Support Emergency Response Operations

* Indicates attachment included for this item

∗F. INFORMATIONAL: Customer Relations and Public Information Update

∗G. INFORMATIONAL: General Manager Report

6. DISTRICT BUSINESS REPORT

∗A. ACTION ITEM: Annual Budget Resolutions

i. Resolution No. 2321 Determining that Charges, Rates and Fees Are Not "Proceeds of Taxes" Under Article XIII B of the Constitution of the State of California;

ii. Resolution No. 2322 Adopting the Investment Policy for Fiscal Year 2027;

iii. Resolution No. 2323 Establishing an Employee Classification and Salary Range Schedule Effective with the Pay Period Beginning July 11, 2026;

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

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

vi. Resolution No. 2326 Adopting a Fixed Asset Disposal Policy for Fiscal Year 2027;

vii. Resolution No. 2327 Adopting a Reserve Policy for Fiscal Year 2027;

viii. Resolution No. 2328 Adopting a Debt Management Policy for Fiscal Year 2027;

ix. Resolution No. 2329 Adopting a Capitalization Policy for Fiscal Year 2027;

x. Resolution No. 2330 Adopting a Water Loss Adjustment Policy for Fiscal Year 2027

∗B. ACTION ITEM: Resolution No. 2331 Adopting the Fiscal Year 2027 Operating Budget And Capital Improvement Program Budget

7. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

∗B. BOARD ACTION: Amendment to the Contract with Wendelstein Law Group PC for General Counsel Services

C. CLOSED SESSION: Pursuant to Government Code Section 54957(a) Conference with Legal Counsel and AWIA Consultant – Public Services or Facilities

D. 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

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

F. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(2) Anticipated Litigation – 2 cases.

G. 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. Association of California Water Agencies Joint Powers Insurance Authority: Director Wicks

J. CalDesal: Director Wicks

K. Ad hoc Committee: Water Rights Opportunities: Director Coates

L. Directors' Compensable & Reimbursable Meetings; Gov. 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, August 25, 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 June 19, 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.

* Indicates attachment included for this item

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Nick Turner

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

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

AGENDA

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

Director Ken Coates presided and called the meeting to order at 9:33 a.m.

Directors present (In Person and via Zoom):
Directors Ken Coates, Tobe Plough, and Floyd Wicks participated in person. Directors Brian Goebel and Cori Hayman were absent.

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):
Kevin Kostiuk, Raftelis (In Person)
Lindsay Roth, Raftelis (via Zoom)

2. PLEDGE OF ALLEGIANCE

All in attendance recited the Pledge of Allegiance.

3. PUBLIC FORUM

No members of the public were present.

4. CONSENT CALENDAR

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

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* at a unit price of $634.92/AF and a total amount of $571,428

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

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

A. ACTION ITEM: Approval of Professional Services Contracts and Amendments for the Alder Creek Flume Repair Project

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

Director Plough moved to approve staff's recommendations as detailed in the staff report. The motion was seconded by Director Wicks and carried after a roll call vote with Directors Coates, Plough, and Wicks in favor and Directors Goebel and Hayman absent.

B. INFORMATIONAL: Customer Relations and Public Information Update

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

C. INFORMATIONAL: General Manager Report

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

6. DISTRICT BUSINESS REPORT

A. ACTION ITEM: Ratification of the Cachuma Conservation Release Board (CCRB) Fiscal Year 2027 Budget

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

Director Wicks moved to ratify the CCRB Fiscal Year 2027 Budget with the District's portion budgeted in the amount of $162,185. The motion was seconded by Director Plough and carried after a roll call vote with Directors Coates, Plough, and Wicks in favor and Directors Goebel and Hayman absent.

B. INFORMATIONAL: 10-Year Financial Plan Review in Connection with the Approved and Planned Annual Increase in Water Rates on July 1, 2026

Mr. Turner introduced the item. Kevin Kostiuk of Raftelis presented the Long-Range Financial Plan Review prepared by Raftelis. Lindsay Roth of Raftelis was also present to respond to questions. Staff, consultants, and Counsel responded to questions from the Board.

The Board directed staff to proceed with the required public notice of implementation of the approved and planned annual increase in water rates effective July 1, 2026.

C. INFORMATIONAL: Fiscal Year 2027 Budget Workshop

Mr. Turner and Ms. Godinez presented the item and responded to questions from the Board. The Board provided staff with feedback and direction.

The Board paused for a break at 11:31 a.m. and returned at 11:44 a.m.

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

Mr. Turner presented the item.

The Board directed staff to proceed with the required public notice of Board consideration of Resolution No. 2319 on June 23, 2026 to continue a WAC for Fiscal Year 2027.

E. INFORMATIONAL: Discussion of Proposed Resolution No. 2324 Adopting a Schedule of Miscellaneous Fees and Charges for Fiscal Year 2027

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

The Board directed staff to proceed with the required public notice of Board consideration of Resolution No. 2324 on June 23, 2026 to adopt 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

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

The Board directed staff to proceed with the required public notice of Board consideration of Resolution No. 2325 on June 23, 2026 to adopt Capital Cost Recovery Fees and Connection Fees effective July 1, 2026.

The Board paused for lunch at 11:56 a.m. and returned at 12:30 p.m.

7. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

No report.

The Board recessed to Closed Session at 12:30 p.m.

The Board returned to Open Session at 12:57 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 §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-D, the Board received an update from the Real Property Negotiator and no action was taken.

8. DIRECTOR AND COMMITTEE REPORTS

A. President's Report: Director Goebel was absent and no items were reported by presiding Director Coates.

B. Operations & Customer Relations Committee: Director Wicks reported that items were previously addressed.

C. Finance Committee: Director Hayman was absent.

D. Strategic Planning Committee: Director Coates reported that no meeting was held.

E. Central Coast Water Authority: Director Coates reported that a meeting of the CCWA Board of Directors will be held on May 28, 2026.

F. Cachuma Operation and Maintenance Board: Director Hayman was absent. Mr. Turner reported attending the COMB Board of Directors meeting with Director Hayman on May 18, 2026, during which the COMB Fiscal Year 2026-27 Operating Budget was adopted with the District's allocation at 11.50% and projected obligation increasing to 1.2 million. It was also reported that, as of May 12, 2026, Bradbury Dam has experienced the wettest four-year period since construction.

G. Cachuma Conservation Release Board: Director Plough reported that the CCRB Board is waiting for a schedule from the U.S. Bureau of Reclamation (USBR) for work on permitting, and that he worked with Ms. Godinez to improve accounting matters.

H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks reported that the CSDA 2026 Annual Conference will be held in August.

I. ACWA JPIA: Director Wicks Director Wicks reported attending the ACWA JPIA Board meeting at the Spring Membership Summit on May 4, 2026.

Director Plough also reported attending a program with Mr. Turner and Counsel about Groundwater Banking during the ACWA 2026 Spring Conference.

J. CalDesal: Director Wicks reported attending the CalDesal Board meeting while at the ACWA 2026 Spring Conference.

K. Ad hoc Committee: Water Rights Opportunities: Director Coates reported that items were previously addressed.

L. Directors' List of Compensable and Reimbursable Meetings (Government Code §53232.1 and §53232.3): Directors Plough and Wicks reported meetings attended in May.

9. DIRECTOR REQUESTS

None.

10. ADJOURNMENT

The meeting was adjourned at 1:13 p.m.

APPROVED:

_____
Brian Goebel, Board President

ATTEST:

_____
Nicholas Turner, Secretary

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 4-B

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: BUSINESS MANAGER

SUBJECT: RATIFICATION OF DISBURSEMENTS FOR MAY 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 – MAY 2026

MONTECITO WATER DISTRICT
PAYMENT OF BILLS
TOTAL DISBURSEMENTS SUMMARY
FOR MONTH ENDED
May 31, 2026

SECTION: 4-B

AP CHECK REGISTER			**4,206,346**
NET PAYROLL DIRECT DEPOSITS [1]			
CHECK DATE	5/4/2026	95,426	
CHECK DATE	5/18/2026	99,390	
CHECK DATE	6/1/2026	95,788	
		Payroll Direct Deposits	**290,604**
EXTERNAL WIRE TRANSFERS OUT FOR PAYMENT OF BILLS [2]			
CALPERS; EE BENEFITS; PAYROLL TAXES		209,995	
CCWA & DWR FIXED COSTS, PAC HYDRO INVOICE		5,454,404	
		Subtotal External Wire Transfers	**5,664,399**
		TOTAL DISBURSEMENTS	**10,161,348**
INTERNAL WIRE TRANSFERS BETWEEN ACCOUNTS [3]			
N/A		0.00	
		NET INTERNAL WIRE TRANSFERS	**0**

[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
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14895	05/27/2026	ACWA-JPIA	000082 EMPLOYEE BENEFITS MWD	59,210.86	59,210.86
14835	05/14/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P CANDY RESTOCK, SNAKE CHAPS, CHAIR	762.79	
14835	05/14/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P FUEL PUMP FOR TRENCHER	36.96	
14835	05/14/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P CANDY RESTOCK, PENS, AAA BATTERIES	109.37	
14835	05/14/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P CUPS, AIR FRESH, BUS CARD HOLDER	184.90	
14835	05/14/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P HAND HELD RADIOS	81.88	
14896	05/27/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P COFFEE	25.04	
14896	05/27/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P DEMO GARDEN GOPHER TRAPS	188.28	
14896	05/27/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P EV GENERATOR ENG BLOCK HEATER	85.12	
14896	05/27/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P STIRS SUGAR COFFEE + CANDY RESTOCK	176.63	
14896	05/27/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P BREAKROOM CHAIRS (10)	1,020.37	2,671.34
14897	05/27/2026	ANTHEM BLUE CROSS	649A63301 POST EE BENEFITS	483.65	
14898	05/27/2026	ANTHEM BLUE CROSS	249A51862 POST EE BENEFITS	1,437.60	1,921.25
14899	05/27/2026	AQUA-FLO SUPPLY	102509 DEMO GARDEN WIFI CONTROLLER	294.79	294.79
14900	05/27/2026	AT&T MOBILITY	MWD CELL PHONES	684.76	684.76
14836	05/14/2026	AUTOMATED ENTRY SYSTEMS	DTP DRIVEWAY GATE WIRE INSTALL	2,480.00	2,480.00
14901	05/27/2026	BANK UP CORPORATION	04.26 LOCKBOX FEES	1,864.57	1,864.57
14902	05/27/2026	BEDROCK BUILDING SUPPLIES INC	505 METER UPSIZE SLURRY	378.55	378.55
14903	05/27/2026	BELLA VIEW WINDOWS & DOORS	OFFICE DOOR REPLACEMENT	726.67	726.67
14837	05/14/2026	BRENNTAG PACIFIC INC	ORTEGA RES BULK SODIUM HYPOCHLORITE	6,444.86	6,444.86
14904	05/27/2026	BRIAN BANKS	SURPLUS PROPERTY CONSULTING	312.50	312.50
14838	05/14/2026	CACHUMA OPERATIONS & MAINTENANCE BOARD	FY26 Q4 QTR 4.01.26-6.30.26	157,844.00	157,844.00
14905	05/27/2026	CALIFORNIA GOVERNOR'S OFFICE EMERGENCY SERV	DR-4353 THOMAS FIRE RESOLUTION HOLDBACK FUNDS	1,356,897.45	1,356,897.45
14894	05/21/2026	CALIFORNIA SECRETARY OF STATE	NOTARY APPLICATION + EXAM FEE - EE # 159	40.00	40.00
14906	05/27/2026	CANON FINANCIAL SERVICES, INC.	611341 OFFICE COPIER LEASE	1,553.00	1,553.00
14839	05/14/2026	CAPITAL INDUSTRIAL MEDICAL SUPPLY CO.	BVTP FIRST AID KIT RESTOCK	793.34	793.34
14840	05/14/2026	CARPINTERIA VALLEY WATER DISTRICT	26Q3 O&M + CAPITAL	264,457.00	264,457.00
14907	05/27/2026	CASCADE WELL & PUMP CO.	EVR # 6 WELL - NEW PUMP INSTALL	9,965.00	9,965.00
14908	05/27/2026	CITY OF SANTA BARBARA	14651 WSA DESAL	655,159.00	655,159.00
14909	05/27/2026	COLANTUONO, HIGHSMITH & WHATLEY, PC	43024.0002 SPECIAL LEGAL	40.50	40.50
14841	05/14/2026	CONVERGED	05.26 DATTO CLOUD BACKUP	1,145.00	
14841	05/14/2026	CONVERGED	05.26 NET ALERT	1,575.00	
14841	05/14/2026	CONVERGED	05.26 CYBERSECURITY SUITE	2,004.50	
14841	05/14/2026	CONVERGED	05.26 OFFICE 365	1,845.00	
14841	05/14/2026	CONVERGED	05.26 VPN LICENSES	170.00	
14910	05/27/2026	CONVERGED	04.26 IT SUPPORT	7,608.75	
14910	05/27/2026	CONVERGED	06.26 CYBERSECURITY SUITE	2,004.50	
14910	05/27/2026	CONVERGED	06.26 DATTO CLOUD BACKUP	1,145.00	
14910	05/27/2026	CONVERGED	06.26 NET ALERT	1,575.00	
14910	05/27/2026	CONVERGED	06.26 OFFICE 365	1,845.00	
14910	05/27/2026	CONVERGED	06.26 VPN LICENSES	170.00	21,087.75
14911	05/27/2026	COSB PUBLIC WORKS - TRANSPORTATION DIVISION	PERMIT # 26-054T-US107-0394	188.00	188.00
14842	05/14/2026	COUNTY OF SB PLANNING & DEVELOPMENT	PERMIT # 25ACT-00243 - LIVE OAKS REZONING	4,297.92	
14912	05/27/2026	COUNTY OF SB PLANNING & DEVELOPMENT	PERMIT # 25ACT-00243 - LIVE OAKS REZONE	5,280.80	9,578.72
14843	05/14/2026	COX COMMUNICATIONS	13011028261302 DTP INTERNET	72.54	
14844	05/14/2026	COX COMMUNICATIONS	13011026150301 ADMIN INTERNET	337.84	
14913	05/27/2026	COX COMMUNICATIONS	13011027671401 BVTP INTERNET	409.09	819.47
14914	05/27/2026	DAL POZZO TIRE CORP	TIRES (4) F-023	984.61	984.61

MONTECITO WATER DISTRICT
CHECK REGISTER
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14845	05/14/2026	DOCUPRODUCTS	MW04 COPIER OVERAGES	228.01	228.01
14915	05/27/2026	ECHO COMMUNICATIONS	2267 AFTER HOURS SERVICE	325.34	325.34
14916	05/27/2026	ESAU LANDSCAPES INC	OFFICE DEMO GARDEN PROGRESS PAY # 2 BAL DUE	630.00	630.00
14917	05/27/2026	FAMCON PIPE & SUPPLY INC	303 AIR VALVES, COPPER PARTS, STOPS, MEGA-LUGS	5,740.92	5,740.92
14846	05/14/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	37.56	
14918	05/27/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	37.34	
14918	05/27/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	36.98	
14918	05/27/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	37.27	149.15
14847	05/14/2026	FERGUSON WATERWORKS #1083	639 3/8" BV'S, PRESSURE REGS, BUSHINGS, NIPPLES	3,236.06	3,236.06
14848	05/14/2026	FGL ENVIRONMENTAL	2016013 STAGE 2 DBP MONITORING	793.00	
14848	05/14/2026	FGL ENVIRONMENTAL	2016013 DOULTON TUNNEL TP - RAW	39.00	
14848	05/14/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	38.00	
14848	05/14/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
14848	05/14/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
14848	05/14/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	83.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	473.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 GROUNDWATER RECHARGE	414.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 JAMESON LAKE TOC WET CHEM	221.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	473.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	68.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 DOULTON TUNNEL TP - RAW	35.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 T MOSBY WELL - WATER QUALITY	359.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	473.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	68.00	
14919	05/27/2026	FGL ENVIRONMENTAL	2016013 FE & MN MONITORING	92.00	4,485.00
14920	05/27/2026	FIELDMAN, ROLAPP & ASSOCIATES	25109 REVOLVING LINE OF CREDIT	10,462.18	10,462.18
14921	05/27/2026	FRONTIER	80556504870405195 ADMIN INTERNET	242.95	
14922	05/27/2026	FRONTIER	20918852180227065 TELEMETRY LINE	86.98	329.93
14849	05/14/2026	FUEL SMART SB	110101030 MWD FUEL	2,088.51	
14923	05/27/2026	FUEL SMART SB	110101030 MWD FUEL	2,337.19	4,425.70
14924	05/27/2026	GOLDSTREET DESIGN AGENCY, INC.	ANNUAL CCR WATER QUALITY REPORT	1,450.00	1,450.00
14850	05/14/2026	GRAINGER INC.	818790453 SELECTOR SWITCHES	71.52	
14925	05/27/2026	GRAINGER INC.	818790453 AIR COMPRESSOR	1,102.86	
14925	05/27/2026	GRAINGER INC.	818790453 BRASS SOLENOID VALVES	327.52	
14925	05/27/2026	GRAINGER INC.	818790453 DRY WIPES RESTOCK	215.80	
14925	05/27/2026	GRAINGER INC.	818790453 BRASS SOLENOID VALVES	181.45	1,899.15
14851	05/14/2026	GUIDEPOST SOLUTIONS LLC	P130 SOLSTRA - FINANCIAL DUE DILIGENCE	21,283.38	21,283.38
14852	05/14/2026	HACH COMPANY	105840 PH GEL + CONDUCTIVITY PROBES, DPD SUPP'S	3,432.52	
14926	05/27/2026	HACH COMPANY	105840 LAB TURBIDITY KITS	456.86	
14926	05/27/2026	HACH COMPANY	105840 BUFFER SOLUTION + POT HYDROXIDE	92.38	3,981.76
14927	05/27/2026	HAMNER, JEWELL & ASSOCIATES	ON CALL ESMT SERVICES	148.75	
14980	05/27/2026	HAMNER, JEWELL & ASSOCIATES	F25 FEMA HIGHLINE TEMP EASEMENTS	1,518.75	1,667.50
14928	05/27/2026	HAYWARD LUMBER	GENERATOR LUBRICANT + REPAIR	100.03	100.03
14853	05/14/2026	HAZEN AND SAWYER	20279-000 RISK & RESILIENCE ASSESSMENT	8,435.00	
14929	05/27/2026	HAZEN AND SAWYER	20312-000 BVTP CLARIFICATION DESIGN	999.50	9,434.50
14930	05/27/2026	INFOSEND	MWT-000 BILLING	2,332.28	
14930	05/27/2026	INFOSEND	MWT-000 FEES BILLING	709.01	3,041.29
14931	05/27/2026	IRON MOUNTAIN	229MB SHRED SERVICES	499.02	499.02
14854	05/14/2026	ITRON, INC	117095 AMI METER READING	38,470.86	38,470.86
14855	05/14/2026	LOWE'S BUSINESS ACCOUNT	821 3105 075456 8 CLEANING SUPPS, PIPE CLAMPS, PVC	131.82	
14855	05/14/2026	LOWE'S BUSINESS ACCOUNT	821 3105 075456 8 TRASH BAGS, CLEANING SUPPS	38.85	170.67

MONTECITO WATER DISTRICT
CHECK REGISTER
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14856	05/14/2026	MARBORG DISPOSAL CO.	30-16830 9 BV PORTABLE	21.55	
14856	05/14/2026	MARBORG DISPOSAL CO.	30-1059740 6 DIST PORTABLE	181.74	
14856	05/14/2026	MARBORG DISPOSAL CO.	30-1078124 0 DIST PORTABLE	192.51	
14932	05/27/2026	MARBORG DISPOSAL CO.	1 -0002337 1 3 YD TRASH RECYCLE BINS	1,483.74	
14932	05/27/2026	MARBORG DISPOSAL CO.	1 -0008789 7 25 YD ROLLOFF	184.50	2,064.04
14933	05/27/2026	MCCORMIX CORP.	6082 MWD FUEL	102.82	102.82
14857	05/14/2026	MCMASTER-CARR SUPPLY CO	SUCTION STRAINERS	96.62	
14934	05/27/2026	MCMASTER-CARR SUPPLY CO	DRINKING WATER FILTER RESTOCK	245.02	341.64
14858	05/14/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	145.86	
14858	05/14/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	261.17	
14858	05/14/2026	MISSION LINEN SUPPLY	1022656 TREAT UNIFORMS	102.53	
14935	05/27/2026	MISSION LINEN SUPPLY	102263 DIST LENS CLEANING TOWELETTES	25.36	
14935	05/27/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	127.92	
14935	05/27/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	390.47	
14935	05/27/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	84.59	
14935	05/27/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	410.65	
14935	05/27/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	127.92	
14935	05/27/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	261.17	1,937.64
14859	05/14/2026	MONTECITO TREE CARE, INC.	TREE TRIMMING - PICAY, BUELL PS, TERM RES	14,700.00	
14859	05/14/2026	MONTECITO TREE CARE, INC.	WILDFIRE PREP TREE TRIMMING - PICAY	3,000.00	17,700.00
14860	05/14/2026	MONTECITO VILLAGE HARDWARE	HOSE + PLUG	10.75	
14936	05/27/2026	MONTECITO VILLAGE HARDWARE	WEDGE ANCHORS, PAINT	29.00	
14936	05/27/2026	MONTECITO VILLAGE HARDWARE	PRESSURE MONITORS	19.36	
14936	05/27/2026	MONTECITO VILLAGE HARDWARE	PRESSURE SENSOR	12.91	
14936	05/27/2026	MONTECITO VILLAGE HARDWARE	PRESSURE SENSOR	10.76	
14936	05/27/2026	MONTECITO VILLAGE HARDWARE	FOAM BRUSHES, FLY SWATTER	6.23	89.01
14937	05/27/2026	MOUNTAIN VIEW LANDSCAPING	04.26 LANDSCAPE MAINTENANCE	4,700.00	4,700.00
14938	05/27/2026	NEOGEN CORPORATION	COLITAG WATER TEST KITS	1,006.45	1,006.45
14861	05/14/2026	NIGRO & NIGRO	SINGLE AUDIT WORK - 6.30.25	5,000.00	5,000.00
14939	05/27/2026	OAK RIDGE CIVIL	P141 FAIRWAY BUTTERFLY WATERMAIN DESIGN	16,375.00	16,375.00
14862	05/14/2026	O'REILLY	1560132 OIL FILTER F-024	12.07	
14862	05/14/2026	O'REILLY	1560132 BRAKE DRUM + SHOES F-010	262.09	
14862	05/14/2026	O'REILLY	1560132 FUEL HOSE FOR TRENCHER	5.86	
14862	05/14/2026	O'REILLY	1560132 JEEP SENSOR F-008	96.18	
14862	05/14/2026	O'REILLY	1560132 OIL + OIL FILTER + GASKET MAKER F-021	91.45	
14862	05/14/2026	O'REILLY	1560132 MOTOR OIL	14.19	
14940	05/27/2026	O'REILLY	1560132 RAMPS FOR REPAIR WORK	92.85	
14940	05/27/2026	O'REILLY	1560132 MOTOR OIL + FILTER F-020	65.42	
14940	05/27/2026	O'REILLY	1560132 ANTIFREEZE	49.54	
14940	05/27/2026	O'REILLY	1560132 HEATER FITTING, HOSE CLAMPS, ANTIFREEZE	55.09	
14940	05/27/2026	O'REILLY	1560132 BYPASS CAPS	2.09	
14940	05/27/2026	O'REILLY	1560132 RETURN SENSOR	(96.18)	650.65
14976	05/27/2026	PACIFIC HYDROTECH CORPORATION	C2527 P133 ASADRA TERMINAL RES CONSTRUCTION	774,167.48	774,167.48
14941	05/27/2026	PATRICIA LIEBERKNECHT	POST EE BEN'S - MEDICARE RX SUPPLEMENTAL BALANCE	234.75	234.75
14863	05/14/2026	PITNEY BOWES	8000-9090-1096-6484 POSTAGE METER REFILL	200.00	200.00
14942	05/27/2026	RAFTELIS	R-02662CA25.02 MWD FINANCIAL PLAN UPDATE + FEE REV	7,905.00	7,905.00
14943	05/27/2026	RAYNE OF SANTA BARBARA	224204 BVTP SOFTENER	440.00	440.00
14864	05/14/2026	RINCON CONSULTANTS, INC	20-09378 A1 ALDER ENVIRO SVCS	5,225.91	
14865	05/14/2026	RINCON CONSULTANTS, INC	25-18059 UWMP 2025 UPDATE	8,613.25	
14889	05/14/2026	RINCON CONSULTANTS, INC	25-18087 P133 TERMINAL RES ENVIRO	6,646.98	20,486.14
14492	05/19/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	VOID / REVERSE CHECK # 14492	(5,788.00)	(5,788.00)
14866	05/14/2026	S.B. HOME IMPR CNTR	2910 LUMBER (2X4, 2X6)	87.04	
14866	05/14/2026	S.B. HOME IMPR CNTR	2910 LUMBER, LEAKTITE PLASTIC, WATER SOFTENER	308.66	
14944	05/27/2026	S.B. HOME IMPR CNTR	2910 HINGES FOR REGULATOR LIDS	22.48	
14944	05/27/2026	S.B. HOME IMPR CNTR	2910 BAGS, WIRE, CLEANER, HARDWARE	246.38	

MONTECITO WATER DISTRICT
CHECK REGISTER
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14944	05/27/2026	S.B. HOME IMPR CNTR	2910 TONGS, GRILL CLEANER, SOAP, CHAIR WOVEN STCK	239.24	903.80
14945	05/27/2026	SATCOM DIRECT INC	881651474254 JAMESON LAKE SAT PHONE	55.00	55.00
14867	05/14/2026	SCHOCK CONTRACTING CORP	P147 BVTP MEDIA REPLACEMENT (FILTER #1)	137,335.62	
14893	05/18/2026	SCHOCK CONTRACTING CORP	P88 JUNCAL VALVE #2 REHAB PP# 1	213,540.29	
14946	05/27/2026	SCHOCK CONTRACTING CORP	P144 REGULATOR VAULT LID REPLACEMENTS PP#1	67,463.07	418,338.98
14890	05/14/2026	SCHOTT & COMPANY	P132 PARK LANE RES APPRAISAL	8,000.00	8,000.00
14868	05/14/2026	SEMITROPIC WATER STORAGE DISTRICT	KCWA-TRF NO 25-076 GROUNDWATER BANKING	3,000.00	
14947	05/27/2026	SEMITROPIC WATER STORAGE DISTRICT	2024 GROUNDWATER BANKING - SWRU	5,778.47	8,778.47
14948	05/27/2026	SMARDAN HATCHER CO.	3570 COPPER TUBING, TEFLON TAPE, PVC PRIM, SOLDER	576.09	576.09
14949	05/27/2026	SOAP MAN	MARKING PAINT, CUPS PLATES TOWELS GLOVES RESTOCK	554.48	554.48
14869	05/14/2026	SOUTHERN CALIF EDISON CO ..0049	700571670049 PICAY SVC FEE	152.43	
14870	05/14/2026	SOUTHERN CALIF EDISON CO ..0181	700869240181 PADEN WELL	142.56	
14950	05/27/2026	SOUTHERN CALIF EDISON CO ..0377	700869220377 BUELL PUMP STATION	174.65	
14871	05/14/2026	SOUTHERN CALIF EDISON CO ..0421	700870000421 PICAY HYDRO PLANT	108.11	
14871	05/14/2026	SOUTHERN CALIF EDISON CO ..0421	700870000421 PICAY HYDRO PLANT	63.25	
14871	05/14/2026	SOUTHERN CALIF EDISON CO ..0421	700870000421 PICAY HYDRO PLANT	(45.18)	
14872	05/14/2026	SOUTHERN CALIF EDISON CO ..0784	700869230784 OFFICE SHOP	262.76	
14873	05/14/2026	SOUTHERN CALIF EDISON CO ..1093	700869251093 MOSBY WELL	1,519.53	
14951	05/27/2026	SOUTHERN CALIF EDISON CO ..1687	700869211687 EDGEWOOD WELL # 3	708.39	
14874	05/14/2026	SOUTHERN CALIF EDISON CO ..2915	700869252915 VALLEY CLUB WELL	402.92	
14875	05/14/2026	SOUTHERN CALIF EDISON CO ..4181	700869434181 OFFICE PUMP STATION	1,890.89	
14952	05/27/2026	SOUTHERN CALIF EDISON CO ..4710	700869824710 MOUNTAIN DRIVE PUMP STATION	773.93	
14876	05/14/2026	SOUTHERN CALIF EDISON CO ..5223	700869205223 AMAPOLA WELL	86.92	
14877	05/14/2026	SOUTHERN CALIF EDISON CO ..5728	700869205728 OFFICE BUILDING	506.64	
14953	05/27/2026	SOUTHERN CALIF EDISON CO ..6432	700869196432 DOULTON TREAT PLANT	762.86	
14954	05/27/2026	SOUTHERN CALIF EDISON CO ..6830	700869176830 ENNISBROOK #5 WELL	646.60	
14955	05/27/2026	SOUTHERN CALIF EDISON CO ..7543	700869197543 LAS FUENTES WELL	122.18	
14956	05/27/2026	SOUTHERN CALIF EDISON CO ..8642	700869158642 PARK LANE RES	18.26	
14956	05/27/2026	SOUTHERN CALIF EDISON CO ..8642	700869158642 PARK LANE RES	(18.21)	
14957	05/27/2026	SOUTHERN CALIF EDISON CO ..9554	700869169554 EVR #4 / #6 WELLS	195.57	
14957	05/27/2026	SOUTHERN CALIF EDISON CO ..9554	700869169554 EVR #4 / #6 WELLS	(20.18)	
14878	05/14/2026	SOUTHERN CALIF EDISON CO ..9863	700869189863 EVR #3 WELL	420.62	8,875.50
14879	05/14/2026	SOUTHERN CALIF GAS CO	10741464001 ADMIN GAS	42.99	42.99
14880	05/14/2026	SPECIALTY TOOL & BOLT	LOCTITE, 3" CUT WHEELS, PEN	60.05	60.05
14881	05/14/2026	STANDARD INSURANCE COMPANY	05.26 MWD DISABILITY INSURANCE	3,023.92	3,023.92
14882	05/14/2026	STAPLES	LA1658991 PRINTER & RECEIPT PAPER RESTOCK	182.26	
14958	05/27/2026	STAPLES	LA1658991 PRINTER PAPER RESTOCK	228.51	410.77
14883	05/14/2026	SWRCB-DWOCP	D1 CERT RENEWAL - EE # 106	70.00	70.00
14959	05/27/2026	TAFT ELECTRIC COMPANY	BVTP RECLAIM PUMP / MOTOR REPAIRS	13,730.00	13,730.00
14977	05/27/2026	TETRA TECH, INC	200-106490-21001 P136 ROMERO RES DESIGN PLANS	11,691.64	
14977	05/27/2026	TETRA TECH, INC	200-106490-21001 P133 TERMINAL RES ENGINEERING SVC	4,001.00	15,692.64
14884	05/14/2026	THE WHARF	2026 BOOTS - EE # 85	400.00	400.00
14885	05/14/2026	TREVIPAY	AIR REEL	107.74	107.74
14960	05/27/2026	U.S. BANK NATIONAL ASSOCIATION	5.06.26 STMT - ACCT # 4866 9163 7659 3705	741.60	
14960	05/27/2026	U.S. BANK NATIONAL ASSOCIATION	5.06.26 STMT - ACCT # 4866 9163 6390 7579	724.85	1,466.45
14886	05/14/2026	UNDERGROUND SERVICE ALRT	MON01WTR USA REGULATORY FEES	79.99	
14886	05/14/2026	UNDERGROUND SERVICE ALRT	MON01WTR USA TICKETS	446.45	
14961	05/27/2026	UNDERGROUND SERVICE ALRT	MON01WTR USA REGULATORY FEES	79.99	
14961	05/27/2026	UNDERGROUND SERVICE ALRT	MON01WTR USA TICKETS	483.00	1,089.43
14962	05/27/2026	UNITED HEALTHCARE INSURANCE COMPANY	399330727-11 POST EE BENEFITS	450.25	450.25
14887	05/14/2026	UPS	RETURN SHIPPING - WESTERN WATER ITEM	16.68	
14963	05/27/2026	UPS	CU00025204 - 5.11.26 SHIPMENT	28.41	
14963	05/27/2026	UPS	5.12.26 SHIPMENT - RETURN CLA VAL PARTS	104.07	149.16

MONTECITO WATER DISTRICT
CHECK REGISTER
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
14964	05/27/2026	USA BLUEBOOK	238814 SCREWCAP VIALS	376.72	
14964	05/27/2026	USA BLUEBOOK	238814 PVC CONNECTORS RETURN	(83.45)	293.27
14965	05/27/2026	USC COMPANIES, INC.	04.26 ADMIN JANITORIAL	540.00	540.00
14966	05/27/2026	WANGER JONES HELSLEY PC	12183-002 A1 SPECIAL LEGAL	3,101.52	3,101.52
14978	05/27/2026	WATER SYSTEMS CONSULTING, INC	1229-11918 P133 TERMINAL RES CONSTRUCTION MGMT	49,364.01	49,364.01
14967	05/27/2026	WATERSMART SOFTWARE, INC.	038-C000349 WATERSMART TRANSACTION FEES	148.71	148.71
14968	05/27/2026	WELLS FARGO BANK	5.03.26 STMT - MWD	6,076.81	6,076.81
14971	05/27/2026	WESTWATER RESEARCH LLC	25-027 WATER MARKETING STRATEGY	2,450.00	2,450.00
14888	05/14/2026	WOOD RODGERS, INC.	8774015 P99 HIGHLINE PRELIM DESIGN REPORT	12,160.00	
14888	05/14/2026	WOOD RODGERS, INC.	8774019 P125 JUNCAL ARCH DRAIN CONSTRUCTION	480.00	
14888	05/14/2026	WOOD RODGERS, INC.	8774021 WILDFIRE MODELING ANALYSIS	16,827.50	
14888	05/14/2026	WOOD RODGERS, INC.	8774022 P115 E VALLEY LADERA WATERMAIN DESIGN	7,766.25	
14972	05/27/2026	WOOD RODGERS, INC.	8774015 P99 HIGHLINE PRELIM DESIGN REPORT	3,120.00	
14972	05/27/2026	WOOD RODGERS, INC.	8774021 E MOUNTAIN DR MODELING	4,150.00	
14972	05/27/2026	WOOD RODGERS, INC.	8774022 P115 E VALLY LADERA WATERMAIN DESIGN	23,578.75	
14891	05/14/2026	WOOD RODGERS, INC.	8774023 P132 PARK LANE RES PROJECT MGMT	160.00	
14891	05/14/2026	WOOD RODGERS, INC.	8774024 P133 TERMINAL RES PROJECT MGMT	1,920.00	
14979	05/27/2026	WOOD RODGERS, INC.	8774023 P132 PARK LANE RES PROJECT MGMT	640.00	
14979	05/27/2026	WOOD RODGERS, INC.	8774024 P133 TERMINAL RES PROJECT MGMT	1,600.00	
14979	05/27/2026	WOOD RODGERS, INC.	8774025 P136 ROMERO RES PROJECT MGMT	3,680.00	
14892	05/14/2026	WOOD RODGERS, INC.	8774020 F25 FEMA HIGHLINE DESIGN / ENVIRO	46,393.53	
14981	05/27/2026	WOOD RODGERS, INC.	8774020 F25 FEMA HIGHLINE DESIGN	13,331.40	135,807.43
14973	05/27/2026	WORKSITE SOLUTIONS	CWMA29175 EE SUPPLEMENTAL INSURANCE	339.22	339.22
14974	05/27/2026	ZENNER USA, INC.	HYDRANT METER W/ BACKFLOW X2	6,877.98	6,877.98
14975	05/27/2026	ZWORLD GIS, LLC	GIS PROGRAM SUPPORT	2,550.00	2,550.00
			MWD REPORT TOTAL	**4,206,345.73**	**4,206,345.73**
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MONTECITO WATER DISTRICT
DIRECT DEPOSIT REGISTER
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
DFT0002322	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - MWD NET PAYROLL	82,572.79	82,572.79
DFT0002315	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - GSA NET PAYROLL	11,900.64	11,900.64
DFT0002325	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - HIGHLINE NET PAYROLL	953.03	953.03
DFT0002342	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - MWD NET PAYROLL	85,505.11	85,505.11
DFT0002335	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - GSA NET PAYROLL	12,751.10	12,751.10
DFT0002345	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - ASADRA NET PAYROLL	1,133.74	1,133.74
DFT0002363	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - MWD NET PAYROLL	83,860.48	83,860.48
DFT0002355	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - GSA NET PAYROLL	11,750.64	11,750.64
DFT0002366	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - ASADRA NET PAYROLL	176.49	176.49
			MWD REPORT TOTAL	**290,604.02**	**290,604.02**
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MONTECITO WATER DISTRICT
ACH REGISTER
MAY 31, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
DFT0002310	05/11/2026	BENEFLEX INC	5/04 PR - FSA & DCP PLAN EMPLOYEE CONTRIBUTIONS	2,182.00	2,182.00
DFT0002331	05/18/2026	BENEFLEX INC	5/18 PR - FSA & DCP PLAN EMPLOYEE CONTRIBUTIONS	2,182.00	2,182.00
DFT0002311	05/11/2026	CALPERS	5/04 PR - 457 & LOAN PLAN EMPLOYEE CONTRIBUTIONS	5,597.10	5,597.10
DFT0002312	05/11/2026	CALPERS	5/04 PR - PEPRA EMPLOYEE CONTRIBUTIONS	6,757.96	6,757.96
DFT0002313	05/11/2026	CALPERS	5/04 PR - PEPRA EMPLOYER CONTRIBUTIONS MWD	6,024.83	6,024.83
DFT0002314	05/11/2026	CALPERS	5/04 PR - PEPRA EMPLOYER CONTRIBUTIONS GSA	916.25	916.25
DFT0002317	05/11/2026	CALPERS	5/04 PR - CLASSIC EMPLOYEE CONTRIBUTIONS	3,832.88	3,832.88
DFT0002318	05/11/2026	CALPERS	5/04 PR - CLASSIC EMPLOYER CONTRIBUTIONS	6,972.61	6,972.61
DFT0002332	05/18/2026	CALPERS	5/18 PR - 457/LOAN PLAN EMPLOYEE CONTRIBUTIONS	5,795.60	5,795.60
DFT0002333	05/18/2026	CALPERS	5/18 PR - PEPRA EMPLOYEE CONTRIBUTIONS	6,757.96	6,757.96
DFT0002334	05/18/2026	CALPERS	5/18 PR - PEPRA EMPLOYER CONTRIBUTIONS MWD	6,024.83	6,024.83
DFT0002337	05/18/2026	CALPERS	5/18 PR - PEPRA EMPLOYER CONTRIBUTIONS GSA	916.25	916.25
DFT0002338	05/18/2026	CALPERS	5/18 PR - CLASSIC EMPLOYEE CONTRIBUTIONS	3,832.88	3,832.88
DFT0002339	05/18/2026	CALPERS	5/18 PR - CLASSIC EMPLOYER CONTRIBUTIONS	6,972.61	6,972.61
DFT0002348	05/29/2026	CENTRAL COAST WATER AUTHORITY	FY 26/27 CCWA & DWR FIXED COSTS	4,651,016.29	4,651,016.29
DFT0002319	05/11/2026	COLONIAL LIFE PROCESSING CENTER	E4901575 EE SUPPLEMENTAL INSURANCE	209.22	209.22
DFT0002328	05/19/2026	FGL ENVIRONMENTAL	REFUND CHECK # 179733 - ORIG INV # 600072A CANCEL	(54.00)	(54.00)
DFT0002320	05/11/2026	LINCOLN FINANCIAL GROUP	5/04 PR - 457 PLAN EMPLOYEE CONTRIBUTIONS	1,742.31	1,742.31
DFT0002340	05/18/2026	LINCOLN FINANCIAL GROUP	5/18 PR - 457 PLAN EMPLOYEE CONTRIBUTIONS	1,742.31	1,742.31
DFT0002330	05/15/2026	PACIFIC HYDROTECH CORPORATION	C2527 P133 ASADRA TERMINAL RES CONSTRUCTION	798,671.71	798,671.71
DFT0002316	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - GSA EMPLOYER TAXES	889.63	889.63
DFT0002323	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - MWD EMPLOYEE TAXES	35,070.43	35,070.43
DFT0002324	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - MWD EMPLOYER TAXES	10,470.11	10,470.11
DFT0002336	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - GSA EMPLOYER TAXES	954.68	954.68
DFT0002343	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - MWD EMPLOYEE TAXES	35,098.54	35,098.54
DFT0002344	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - MWD EMPLOYER TAXES	10,690.86	10,690.86
DFT0002356	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - GSA EMPLOYER TAXES	878.16	878.16
DFT0002361	05/26/2026	PAYLOCITY CORPORATION	33560 05.26 PAYROLL PROCESSING	720.46	720.46
DFT0002364	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - MWD EMPLOYEE TAXES	35,055.50	35,055.50
DFT0002365	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - MWD EMPLOYER TAXES	10,487.83	10,487.83
DFT0002346	05/18/2026	PAYLOCITY CORPORATION	5/18 PR - ASADRA EMPLOYER TAXES	85.74	85.74
DFT0002367	05/29/2026	PAYLOCITY CORPORATION	6/01 PR - ASADRA EMPLOYER TAXES	13.50	13.50
DFT0002326	05/04/2026	PAYLOCITY CORPORATION	5/04 PR - HIGHLINE EMPLOYER TAXES	72.05	72.05
DFT0002321	05/11/2026	SANTA BARBARA COUNTY EMPLOYEE ASS.	5/04 PR - UNION DUES	523.80	523.80
DFT0002341	05/18/2026	SANTA BARBARA COUNTY EMPLOYEE ASS.	5/18 PR - UNION DUES	523.80	523.80
DFT0002329	05/15/2026	WATER QUALITY & TREATMENT SOLUTIONS, INC.	0131.0050 BVTP CLARIFICATION STUDY	4,770.00	4,770.00
			MWD REPORT TOTAL	**5,664,398.69**	**5,664,398.69**
					-

PROOF	
CHECK REGISTERS	4,206,345.73
DRAFTS	5,664,398.69
DIRECT DEPOSIT	290,604.02
	10,161,348.44
INCODE CHECK REGISTER ALL	10,161,348.44
	-

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-C**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **BUSINESS MANAGER**

SUBJECT: **INVESTMENT OF DISTRICT FUNDS AND CASH POSITION AS OF MAY 31, 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 May 31, 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 (5/1/26)	Ending Balance (5/31/26)	Change	Notes
Operating Cash (ARB)	$4,395,992	$6,496,810	$2,100,818	Payroll, AP, Receipts
Money Market (ARB)	$2,338,281	$843,622	($1,494,659)	Liquidity Reserve
Investments (Schwab One)	$12,493,591	$7,860,994	($4,632,597)	FY27 CCWA & DWR Fixed Costs Paid
Total Cash & Equivalents	**$19,227,865**	**$15,201,427**	**($4,026,438)**	

INVESTMENT PORTFOLIO – SCHWAB ONE

As of May 31, 2026:

- The Schwab One Account Ending value is **$7,860,994**
- Total Market Value (incl. accrued income) **$7,913,370**

Portfolio Composition:

- Cash and cash equivalents (Money Market): **29% ($ 2,280,112)**
- Fixed income (Treasuries): **71% ($ 5,580,883)**

Performance

- Portfolio's Average Yield: **3.60–3.72%**
- Monthly Income: **$18,420**
- Year-to-Date Income of **$310,127**

MONEY MARKET ACCOUNT – AMERICAN RIVIERA BANK

As of May 31, 2026:

- Ending Balance : **$843,622**
- Interest Earned (May) **$5,431**
- Annual Percentage Yield Earned (APYE): **3.04%**
- Average Balance: ~**$2.1M**
- Activity: Transfer to operating checking to support cash flow needs **$1.5M**

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 _____ 6/11/2026

Business Manager / Chief Fiscal Officer Date

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-D**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **BUSINESS MANAGER**

SUBJECT: **UNAUDITED FINANCIAL STATEMENTS AS OF MAY 31, 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 May 31, 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.

MAY 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 May 31, 2026
2. Water Sales Analysis, including supporting tables and graphical dashboards, for May 2026

BOARD OF DIRECTORS

UNAUDITED FINANCIAL STATEMENTS
as of
May 31, 2026

REGULAR MEETING OF THE BOARD OF DIRECTORS
June 23, 2026

Budget Variance Report

As of: 05/31/2026

Fund: WATER	CURRENT MONTH			YEAR TO DATE			ANNUAL BUDGET		
	BUDGETED MAY	ACTUAL MAY	VARIANCE	BUDGETED	ACTUAL	VARIANCE	REMAINING	TOTAL	% BUDGET REMAINING
REVENUE SUMMARY									
Water Sales Revenue	2,317,283	2,535,739	218,456	24,287,442	23,666,545	(620,897)	(3,201,386)	26,867,931	12%
Other Operating Revenue	68,182	89,827	21,645	750,002	648,281	(101,721)	(169,908)	818,189	21%
Non-Operating Revenue	723,324	184,797	(538,527)	3,559,932	1,203,644	(2,356,288)	(3,601,992)	4,805,635	75%
Water Refunds/Rebates	(11,666)	(7,392)	4,274	(128,326)	(113,461)	14,865	26,539	(140,000)	19%
TOTAL REVENUE	**3,097,123**	**2,802,971**	**(294,152)**	**28,469,050**	**25,405,009**	**(3,064,041)**	**(6,946,746)**	**32,351,755**	**21%**
EXPENSE SUMMARY									
Water Purchases	587,715	598,559	(10,844)	13,172,322	12,856,964	315,358	(1,189,159)	14,046,123	8%
Jameson Lake	24,008	12,450	11,558	354,907	323,509	31,398	(61,949)	385,458	16%
Treatment Operations	127,959	144,059	(16,100)	2,117,451	2,001,022	116,430	(297,658)	2,298,679	13%
Transmission/Distributn	147,833	127,645	20,188	1,993,102	1,825,042	168,060	(376,888)	2,201,930	17%
Meter Reading/Customer	42,528	45,961	(3,433)	590,067	539,894	50,173	(106,571)	646,465	16%
Fleet	21,146	19,767	1,379	283,900	254,199	29,701	(57,699)	311,898	18%
Engineering	89,741	64,456	25,285	1,434,293	1,031,612	402,681	(500,761)	1,532,373	33%
Administration	164,823	201,418	(36,595)	2,567,738	2,416,318	151,420	(408,729)	2,825,047	14%
Board Administration	3,697	4,542	(845)	36,423	49,487	(13,064)	10,322	39,165	-26%
Conservation	14,254	92,019	(77,765)	312,680	298,177	14,503	(33,296)	331,473	10%
Public Information	27,024	19,175	7,849	241,789	189,670	52,120	(76,942)	266,611	29%
Interest Expense	-	-	-	148,500	148,500	-	(148,500)	297,000	50%
Other Committments	29,067	-	29,067	59,482	59,482	0	(0)	59,482	0%
TOTAL EXPENSE	**1,279,795**	**1,330,053**	**(50,258)**	**23,312,654**	**21,993,875**	**1,318,779**	**(3,247,829)**	**25,241,704**	**13%**
REVENUE OVER/(UNDER) EXPENDITURE	**1,817,328**	**1,472,918**	**(344,410)**	**5,156,396**	**3,411,134**	**(1,745,262)**	**(3,698,918)**		

Monthly Budget Report

Account Summary

For Fiscal: 2025-2026 Period Ending: 05/31/2026

Revenue	CURRENT MONTH BUDGETED MAY	CURRENT MONTH ACTUAL MAY	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
41 - WATER SALES REVENUE								
Water Sales - Single Family	1,441,155	1,606,525	165,370	14,225,676	13,400,633	(825,043)	16%	15,883,327
Water Sales - Multi Family	24,294	21,708	(2,586)	290,722	237,449	(53,273)	26%	320,647
Water Sales - Commercial	99,486	123,072	23,586	1,052,566	1,149,485	96,919	1%	1,160,856
Water Sales - Institu / Public	121,499	139,054	17,555	1,310,299	1,408,992	98,693	3%	1,458,135
Water Sales - Agricultural	67,071	85,559	18,488	622,505	676,062	53,557	2%	692,636
Water Sales - Non Potable	12,236	7,019	(5,217)	103,712	92,990	(10,722)	22%	118,831
Water Sales - Const/Other Consumpt	5,000	4,043	(957)	70,000	39,359	(30,641)	48%	75,000
Water Sales - Surplus SWP Sales	-	-	-	600,000	616,680	16,680	-3%	600,000
Water Sales - Monthly Meter Charges	546,542	548,759	2,217	6,011,962	6,044,896	32,934	8%	6,558,499
Total 41 - WATER SALES REVENUE	**2,317,283**	**2,535,739**	**218,456**	**24,287,442**	**23,666,545**	**(620,897)**	**12%**	**26,867,931**
42 - OTHER OPERATING REVENUE								
Late Charges	3,500	1,991	(1,509)	38,500	23,024	(15,476)	45%	42,000
DrTag/Cutoff/On/Rtn Chk/AftHr	1,000	1,837	837	11,000	14,974	3,974	-25%	12,000
Private Fire Line Srv Charge	25,349	26,288	939	278,839	291,525	12,686	4%	304,189
CWSA/Hydrant Flow Test Fees	5,000	3,269	(1,731)	55,000	51,036	(3,964)	15%	60,000
Service Connection Fees	8,333	29,396	21,063	91,663	103,348	11,685	-3%	100,000
Capital Cost Recovery Fees	25,000	27,046	2,046	275,000	164,375	(110,625)	45%	300,000
Total 42 - OTHER OPERATING REVENUE	**68,182**	**89,827**	**21,645**	**750,002**	**648,281**	**(101,721)**	**21%**	**818,189**
43 - NON-OPERATING REVENUE								
Rent Revenue	7,757	7,454	(304)	86,706	84,107	(2,599)	12%	95,845
Interest Revenue	26,667	23,773	(2,894)	293,333	375,733	82,399	-17%	320,000
Investment Gains / (Loss)	-	-	-	-	-	-	0%	-
Federal Reimbursements	-	120,412	120,412	-	195,782	195,782	0%	-
State Reimbursements	-	33,113	33,113	-	33,113	33,113	0%	-
Reimbursements	6,000	-	(6,000)	114,847	177,402	62,555	-23%	143,845
FEMA Reimbursements	-	-	-	906,145	-	(906,145)	100%	906,145
Water Avail Chg - Revenue	-	-	-	290,000	297,521	7,521	1%	300,000
Capital Grants & Reimbursements	682,900	-	(682,900)	1,868,900	-	(1,868,900)	100%	3,039,800
Other Income	-	46	46	-	36,594	36,594	0%	-
Gain - Sale of Assets	-	-	-	-	3,393	3,393	0%	-
Total : 43 - NON-OPERATING REVENUE	**723,324**	**184,797**	**(538,527)**	**3,559,932**	**1,203,644**	**(2,356,288)**	**75%**	**4,805,635**

Revenue	CURRENT MONTH BUDGETED MAY	CURRENT MONTH ACTUAL MAY	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
51 - WATER REFUNDS/REBATES								
Water Loss Adjustments	(8,333)	(3,208)	5,125	(91,663)	(53,674)	37,989	46%	(100,000)
Customer Rebates	(3,333)	(1,711)	1,622	(36,663)	(13,857)	22,806	65%	(40,000)
Customer Credits	-	(2,473)	(2,473)	-	(45,930)	(45,930)	0%	-
Total 51 - WATER REFUNDS/REBATES	**(11,666)**	**(7,392)**	**4,274**	**(128,326)**	**(113,461)**	**14,865**	**19%**	**(140,000)**
Total Revenue	**3,097,123**	**2,802,971**	**(294,152)**	**28,469,050**	**25,405,009**	**(3,064,041)**	**21%**	**32,351,755**

Monthly Budget Report

Account Summary

Fiscal: 2026 Period Ending: 05/31/2026

Expense	CURRENT MONTH BUDGETED MAY	CURRENT MONTH ACTUAL MAY	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
Department: 500 - Water Purchases								
USBR - Cachuma	-	-	-	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	-	-	-	190,460	150,010	40,450	21%	190,460
COMB Cachuma	-	-	-	809,331	757,613	51,718	6%	809,331
CATER Treatment Operations	-	-	-	514,030	633,822	(119,792)	19%	779,998
CATER Capital Costs	-	-	-	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	-	2,129,963	2,129,963	-	8%	2,323,594
DESAL Fixed O&M Charge (IDE)	197,138	197,138	-	2,168,518	2,168,518	-	8%	2,365,655
DESAL Fixed O&M Charge (City)	32,127	37,066	(4,939)	353,397	407,726	(54,329)	-6%	385,528
DESAL Variable O&M Charge	106,975	106,975	-	1,176,725	1,176,725	-	8%	1,283,705
DESAL Administrative Charge	33,066	33,243	(177)	363,726	365,680	(1,954)	8%	396,793
DESAL Water Supply Develop Fee	22,276	22,276	-	245,036	245,036	-	8%	267,308
DESAL Plant Capital Maint(Paygo)	-	-	-	366,080	-	366,080	100%	366,080
Water Marketing & Storage	2,500	8,228	(5,728)	102,205	159,248	(57,043)	-52%	104,705
Total Department: 500 - Water Purchases	**587,715**	**598,559**	**(10,844)**	**13,172,322**	**12,856,964**	**315,358**	**8%**	**14,046,123**
Department: 511 - Jameson Lake								
PAYROLL/PERSONNEL	9,720	9,698	22	114,409	108,124	6,285	16%	129,172
TRAINING & TRAVEL	-	-	-	2,000	300	1,700	85%	2,000
MATERIAL & SUPPLIES	1,250	1,201	49	16,800	10,931	5,869	39%	18,050
CONTRACTUAL SERVICES	13,038	1,551	11,487	136,698	123,194	13,504	19%	151,236
OTHER OPERATING EXPENSES	-	-	-	85,000	80,960	4,040	5%	85,000
Total Department: 511 - Jameson Lake	**24,008**	**12,450**	**11,558**	**354,907**	**323,509**	**31,398**	**16%**	**385,458**
Department: 531 - Treatment Operations								
PAYROLL/PERSONNEL	88,294	84,122	4,172	1,309,976	1,254,559	55,417	13%	1,446,296
TRAINING & TRAVEL	1,483	811	673	9,998	8,842	1,156	12%	9,998
MATERIAL & SUPPLIES	19,244	8,552	10,692	268,568	239,227	29,341	16%	284,115
CONTRACTUAL SERVICES	18,938	50,575	(31,637)	528,909	497,144	31,765	11%	558,270
OTHER OPERATING EXPENSES	-	-	-	-	1,250	(1,250)	0%	-
Total Department: 531 - Treatment Operations	**127,959**	**144,059**	**(16,100)**	**2,117,451**	**2,001,022**	**116,430**	**13%**	**2,298,679**

Expense	CURRENT MONTH BUDGETED MAY	CURRENT MONTH ACTUAL MAY	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
Department: 541 - Transmission/Distribution								
PAYROLL/PERSONNEL	107,483	96,574	10,909	1,515,732	1,408,234	107,498	16%	1,677,159
TRAINING & TRAVEL	600	837	(237)	14,600	9,126	5,474	40%	15,197
MATERIAL & SUPPLIES	13,550	11,607	1,943	151,370	103,108	48,262	36%	161,974
CONTRACTUAL SERVICES	26,200	17,342	8,858	311,400	302,424	8,976	13%	347,600
OTHER OPERATING EXPENSES	-	1,285	(1,285)	-	2,150	(2,150)	0%	-
Total Department: 541 Transmission/Distribution	**147,833**	**127,645**	**20,188**	**1,993,102**	**1,825,042**	**168,060**	**17%**	**2,201,930**
Department: 550 - Customer Service								
PAYROLL/PERSONNEL	28,288	28,920	(632)	334,156	316,538	17,618	16%	376,314
TRAINING & TRAVEL	-	-	-	6,001	539	5,462	91%	6,001
MATERIAL & SUPPLIES	330	187	143	5,600	7,052	(1,452)	-19%	5,930
CONTRACTUAL SERVICES	13,910	16,855	(2,945)	244,310	215,765	28,545	16%	258,220
Total Department: 550 - Customer Service	**42,528**	**45,961**	**(3,433)**	**590,067**	**539,894**	**50,173**	**16%**	**646,465**
Department: 561 - Fleet								
PAYROLL/PERSONNEL	12,656	12,628	28	188,311	180,263	8,048	13%	207,821
TRAINING & TRAVEL	-	-	-	1,999	95	1,904	95%	1,999
MATERIAL & SUPPLIES	8,058	7,119	939	88,638	71,691	16,947	26%	96,694
CONTRACTUAL SERVICES	432	20	412	4,952	2,151	2,801	60%	5,384
Total Department: 561 - Fleet	**21,146**	**19,767**	**1,379**	**283,900**	**254,199**	**29,701**	**18%**	**311,898**
Department: 563 - Engineering								
PAYROLL/PERSONNEL	51,691	42,429	9,262	622,943	509,744	113,199	28%	703,873
TRAINING & TRAVEL	-	914	(914)	4,500	1,106	3,394	82%	6,000
MATERIAL & SUPPLIES	4,300	2,550	1,750	59,100	45,665	13,435	27%	62,900
CONTRACTUAL SERVICES	33,750	18,563	15,187	747,750	474,637	273,113	38%	759,600
OTHER OPERATING EXPENSES	-	-	-	-	458	(458)	0%	-
Total Department: 563 - Engineering	**89,741**	**64,456**	**25,285**	**1,434,293**	**1,031,612**	**402,681**	**33%**	**1,532,373**
Department: 565 - Administration								
PAYROLL/PERSONNEL	88,938	84,050	4,888	1,025,210	932,636	92,574	19%	1,153,518
TRAINING & TRAVEL	917	610	307	12,087	3,804	8,283	71%	13,000
MATERIAL & SUPPLIES	6,650	15,555	(8,905)	145,800	121,664	24,136	20%	151,950
CONTRACTUAL SERVICES	68,292	100,336	(32,044)	1,312,353	1,279,204	33,149	11%	1,434,265
OTHER OPERATING EXPENSES	26	866	(840)	72,288	79,011	(6,723)	-9%	72,314
Total Department: 565 - Administration	**164,823**	**201,418**	**(36,595)**	**2,567,738**	**2,416,318**	**151,420**	**14%**	**2,825,047**

Expense	CURRENT MONTH BUDGETED MAY	CURRENT MONTH ACTUAL MAY	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	% BUDGET REMAINING	TOTAL BUDGET
Department: 566 - Board Administration								
PAYROLL/PERSONNEL	3,397	3,779	(382)	26,122	34,235	(8,113)	-20%	28,564
TRAINING & TRAVEL	300	172	128	10,301	12,131	(1,830)	-14%	10,601
OTHER OPERATING EXPENSES	-	592	(592)	-	3,122	(3,122)	0%	-
Total Department: 566 - Board Administration	**3,697**	**4,542**	**(845)**	**36,423**	**49,487**	**(13,064)**	**-26%**	**39,165**
Department: 568 - Conservation								
PAYROLL/PERSONNEL	11,958	11,927	31	142,534	136,911	5,623	15%	160,932
TRAINING & TRAVEL	1,401	480	921	3,201	1,947	1,254	39%	3,201
MATERIAL & SUPPLIES	50	483	(433)	550	4,787	(4,237)	-698%	600
CONTRACTUAL SERVICES	845	78,981	(78,136)	154,395	143,269	11,126	7%	154,740
OTHER OPERATING EXPENSES	-	149	(149)	12,000	11,263	737	6%	12,000
Total Department: 568 - Conservation	**14,254**	**92,019**	**(77,765)**	**312,680**	**298,177**	**14,503**	**10%**	**331,473**
Department: 568 - Public Information								
PAYROLL/PERSONNEL	13,809	13,603	206	160,575	148,867	11,708	18%	180,732
TRAINING & TRAVEL	-	-	-	1,999	1,401	598	30%	1,999
MATERIAL & SUPPLIES	8,050	1,986	6,064	13,400	5,093	8,307	62%	13,400
CONTRACTUAL SERVICES	5,165	3,586	1,579	65,815	34,309	31,506	51%	70,480
Total Department: 568 - Public Information	**27,024**	**19,175**	**7,849**	**241,789**	**189,670**	**52,120**	**29%**	**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	29,067	-	29,067	59,482	59,482	0	0%	59,482
Total Department: 580 - Non-Departmental	**29,067**	**-**	**29,067**	**59,482**	**59,482**	**0**	**0%**	**59,482**
Total Expense	**1,279,795**	**1,330,053**	**(50,258)**	**23,312,654**	**21,993,875**	**1,318,779**	**13%**	**25,241,704**

MONTECITO WATER DISTRICT

Capital Program — Year-to-Date Activity

Fiscal Year 2026 | July 1, 2025 through May 31, 2026

CAPITAL FUNDING SOURCES	YTD Expenditures	% of Total
ASADRA Financing Proceeds	3,531,141	54%
FEMA Reimbursements	355,134	5%
RATE Revenue & Water Availability Charge	2,698,550	41%
TOTAL CAPITAL FUNDING SOURCES	**6,584,824**	**100%**

Capital Projects by Program Area

Proj. No.	Project / Description	YTD Expenditures	% of Total
ASADRA Reservoirs			
P132	ASADRA Park Lane Reservoir	150,501	4%
P133	ASADRA Terminal Reservoir	3,323,348	94%
P135	ASADRA Cold Springs Reservoir	7,488	0%
P136	ASADRA Romero Reservoir	49,804	1%
ASADRA Reservoirs — Subtotal		**3,531,141**	**54%**
Storm Damage Repairs (FEMA)			
F025	Highline Pipeline Repair — Jan 2023 Storm	238,211	7%
A1	Alder Creek Flume Reconstruction	116,922	3%
Storm Damage Repairs (FEMA) — Subtotal		**355,134**	**5%**
Water Main Replacements			
P098	Freehaven Water Main Replacement	848,592	24%
P142	US 101 Casing Installations (Danielson & Miramar)	326,266	9%
P095	Las Tunas Rd Water Main Replacement	413,200	12%
P115	E. Valley, Ladera, Lambert Water Main (Design)	99,129	3%
P141	Fairway, Butterfly, Miramonte Main Replacement	84,011	2%
P099	Highline Water Main Replacement (Design)	36,555	1%
Water Main Replacements — Subtotal		**1,807,753**	**27%**
Treatment Plant & Dam Improvements			
P147	BVTP Filter #1 Media Replacement & Coating	209,621	6%
P125	Juncal Dam Arch Drain Replacement	109,929	3%
P122	Doulton Treatment Plant Road Repair	54,963	2%
P146	BVTP Reclaim Basin Repair & Coating	2,335	0%
Treatment Plant & Dam Improvements — Subtotal		**376,848**	**6%**
Wells, Pump Stations & Site Facilities			
P143	Fire Hydrant Replacements (FY 2025-26)	280,811	8%
P144	Pressure Regulator Vault Repairs (FY 2025-26)	67,463	2%
P145	Ortega Backup Generator Pad & Electrical	69,748	2%
P148	Ennisbrook 2 Well Roof Install	49,866	1%
P150	East Valley Pump Station Roof Replacement	46,060	1%
Wells, Pump Stations & Site Facilities — Subtotal		**513,948**	**8%**
Total Year-to-Date CIP Expenditures		**6,584,824**	**100%**

Source: Project Activity Report by Project Number, July 1, 2025 – May 31, 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 MAY 31, 2026

(Variances greater than $25,000)

Revenue

Annual budget $32,351,755; $6,946,746 remaining (21%) with one month left. Total YTD revenue is $25,405,009 actual vs. $28,469,050 YTD budget – $(3,064,041) (11%) unfavorable.

Water Sales Revenue │ YTD Budget: $24,287,442 │ YTD Actual: $23,666,545 │ $(620,897) unfavorable (3%)

1. **Water Sales – Single Family: $(825,043) unfavorable (6%)**
   - YTD budget $14,225,676 vs. actual $13,400,633. Shortfall driven by lower demand resulting in reduced customer consumption. Annual budget $15,883,327; $2,482,694 remaining (16%) with one month left.
2. **Water Sales – Multi Family: $(53,273) unfavorable (18%)**
   - YTD budget $290,722 vs. actual $237,449. Consistent with the demand reduction. Annual budget $320,647; $83,198 remaining (26%) with one month left.
3. **Water Sales – Commercial: $96,919 favorable (9%)**
   - YTD budget $1,052,566 vs. actual $1,149,485. Commercial ahead of budget. Annual budget $1,160,856; $11,371 remaining (1%) with one month left.
4. **Water Sales – Institutional / Public: $98,693 favorable (8%)**
   - YTD budget $1,310,299 vs. actual $1,408,992. Institutional and public usage above planned. Annual budget $1,458,135; $49,143 remaining (3%) with one month left.
5. **Water Sales – Agricultural: $53,557 favorable (9%)**
   - YTD budget $622,505 vs. actual $676,062. Agricultural demand modestly above budget. Annual budget $692,636; $16,574 remaining (2%) with one month left.
6. **Water Sales – Const/Other Consumption: $(30,641) unfavorable (44%)**
   - YTD budget $70,000 vs. actual $39,359. Lower construction-related water usage. Annual budget $75,000; $35,641 remaining (48%) with one month left.
7. **Water Sales – Monthly Meter Charges: $32,934 favorable (1%)**
   - YTD budget $6,011,962 vs. actual $6,044,896. Fixed monthly meter charges tracking slightly ahead of budget. Annual budget $6,558,499; $513,603 remaining (8%) with one month left.

Other Operating Revenue │ YTD Budget: $750,002 │ YTD Actual: $648,281 │ $(101,721) unfavorable (14%)

8. **Capital Cost Recovery Fees: $(110,625) unfavorable (40%)**
   - YTD budget $275,000 vs. actual $164,375. Collections at 60% of YTD budget; new development activity remains below forecast. Annual budget $300,000; $135,625 remaining (45%) with one month left.

Non-Operating Revenue | YTD Budget: $3,559,932 | YTD Actual: $1,203,644 | $(2,356,288) unfavorable (66%)

9. **Capital Grants & Reimbursements: $(1,868,900) unfavorable (100%)**
    - YTD budget $1,868,900 vs. actual $0. $1.55M received from SWRCB YTD. $1.7M pending receipt from SWRCB.
10. **FEMA Reimbursements: $(906,145) unfavorable (100%)**
    - YTD budget $906,145 vs. actual $0. No FEMA reimbursement recorded against budget to date; $120,412 Ashley Bridge and $75,370 Alder Creek Flume reimbursements reclassed as Federal Reimbursements; $600K Juncal retention pending. Annual budget $906,145; $906,145 remaining (100%) with one month left.
11. **Federal Reimbursements: $195,782 favorable**
    - Recorded against a $0 annual budget due to reclass. Reflects FEMA reimbursement activity (Ashley Bridge and Alder Creek Flume).
12. **Interest Revenue: $82,400 favorable (28%)**
    - YTD budget $293,333 vs. actual $375,733. Interest earnings above budget, reflecting portfolio balances and market rates. Annual budget $320,000; $55,733 over annual budget.
13. **Reimbursements: $62,555 favorable (54%)**
    - YTD budget $114,847 vs. actual $177,402. Includes prior-year surplus reimbursements from COMB and CCRB. Annual budget $143,845; $33,557 over annual budget.
14. **Other Income: $36,594 favorable**
    - Recorded against a $0 annual budget. Includes $25K from Montecito Community Foundation for Demo Garden and equipment sales of $8K.
15. **State Reimbursements: $33,113 favorable**
    - Ashley Bridge reimbursement recorded against a $0 annual budget.

Revenue Risks

Water Sales are unfavorable by $(620,897) year-to-date, driven primarily by an $(825,043) shortfall in single-family revenue and partially offset by favorable commercial, institutional, and agricultural sales. With $3,201,386 remaining relative to the annual Water Sales budget and one month left in the fiscal year, there is a risk that revenues may not fully recover by year-end. $1.55M received from SWRCB YTD. $1.7M pending receipt from SWRCB.

Expense – By Department

Annual budget $25,241,704; $3,247,829 remaining (13%) with one month left. Total YTD expenses are $21,993,875 actual vs. $23,312,654 YTD budget – $1,318,779 (6%) favorable.

Water Purchases | YTD Budget: $13,172,322 | YTD Actual: $12,856,964 | $326,202 favorable (3%)

16. **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 one month left.
17. **DWR Variable Costs: $147,418 favorable (100%)**
    - YTD budget $147,418 vs. actual $0. No DWR variable costs incurred to date.

18. **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 one month left.
19. **CCRB Cachuma: $40,450 favorable (21%)**
    - YTD budget $190,460 vs. actual $150,010. Assessments below YTD budget; the remaining $40,450 of annual budget may not be assessed if the Q4 assessment is not levied. Annual budget $190,460; $40,450 remaining (21%) with one month left.
20. **CATER Treatment Operations: $(119,792) unfavorable (23%)**
    - YTD budget $514,030 vs. actual $633,822. Costs above YTD budget due to increased deliveries through Cater earlier in the fiscal year. Annual budget $779,998; $146,176 remaining (19%) with one month left.
21. **Water Marketing & Storage: $(57,043) unfavorable (56%)**
    - YTD budget $102,205 vs. actual $159,248. Higher water banking/marketing activity compared to YTD budget. Annual budget $104,705; $54,543 over annual budget with one month remaining.
22. **DESAL Fixed O&M Charge – City (WA3): $(54,329) unfavorable (15%)**
    - YTD budget $353,397 vs. actual $407,726. City DESAL fixed O&M charges above the budgeted rate. Annual budget $385,528; $22,198 over annual budget with one month remaining.
23. **CATER Capital Costs: $(37,858) unfavorable (63%)**
    - YTD budget $60,339 vs. actual $98,197. Capital cost billings above budget. Annual budget $80,454; $17,743 over annual budget with one month remaining.

511 – Jameson Lake │ YTD Budget: $354,907 │ YTD Actual: $323,509 │ $31,398 favorable (9%)

24. **Laboratory Services: $37,962 favorable (87%)**
    - Annual budget $43,596 vs. actual $5,634. Laboratory services largely not yet incurred, consistent with the absence of algal blooms during the period. Annual budget $43,596; $37,962 remaining (87%) with one month left.
25. **Outside Services: $(10,639) unfavorable (11%)**
    - Annual budget $100,000 vs. actual $110,639. Road work and electrical repairs completed earlier in the year. Annual budget $100,000; $10,639 over annual budget with one month remaining. (Below the $25,000 YTD reporting threshold; noted for context against the favorable laboratory variance.)

531 – Treatment Operations │ YTD Budget: $2,117,451 │ YTD Actual: $2,001,022 │ $116,430 favorable (5%)

26. **Payroll/Personnel: $55,417 favorable (4%)**
    - YTD budget $1,309,976 vs. actual $1,254,559. Combination of lower overtime and standby hours. Annual budget $1,446,296; $191,737 remaining (13%) with one month left.
27. **Contractual Services: $31,765 favorable (6%)**
    - YTD budget $528,909 vs. actual $497,144. Contract services below YTD budget. Annual budget $558,270; $61,126 remaining (11%) with one month left.
28. **Material & Supplies: $29,341 favorable (11%)**
    - YTD budget $268,568 vs. actual $239,227. Materials and supplies below YTD budget. Annual budget $284,115; $44,888 remaining (16%) with one month left.

541 – Transmission & Distribution | YTD Budget: $1,993,102 | YTD Actual: $1,825,042 | $168,060 favorable (8%)

29. **Payroll/Personnel: $107,498 favorable (7%)**
    - YTD budget $1,515,732 vs. actual $1,408,234, 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; $268,925 remaining (16%) with one month left.
30. **Material & Supplies: $48,262 favorable (32%)**
    - YTD budget $151,370 vs. actual $103,108. Materials and inventory spend below YTD budget. Annual budget $161,974; $58,866 remaining (36%) with one month left.

550 – Customer Service | YTD Budget: $590,067 | YTD Actual: $539,894 | $50,173 favorable (9%)

31. **Contractual Services: $28,545 favorable (12%)**
    - YTD budget $244,310 vs. actual $215,765. Contractual processing fees tracking below budget. Annual budget $258,220; $42,455 remaining (16%) with one month left.

561 – Fleet | YTD Budget: $283,900 | YTD Actual: $254,199 | $29,701 favorable (10%)

Department favorable by $29,701. No individual account line exceeds the $25,000 reporting threshold; salary savings combine with lower materials and supplies spend ($16,947 favorable). Annual budget $311,898; $57,699 remaining (18%) with one month left.

563 – Engineering | YTD Budget: $1,434,293 | YTD Actual: $1,031,612 | $402,681 favorable (28%)

32. **Contractual Services: $273,113 favorable (37%)**
    - YTD budget $747,750 vs. actual $474,637. Driven by Outside Services; on-call services not incurred; Risk & Resilience assessment trailing budget; leak detection and asphalt paving work remain timing related and expected before fiscal year-end. Annual budget $759,600; $284,963 remaining (38%) with one month left.
33. **Payroll/Personnel: $113,199 favorable (18%)**
    - YTD budget $622,943 vs. actual $509,744, 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; $194,129 remaining (28%) with one month left.

565 – Administration | YTD Budget: $2,567,738 | YTD Actual: $2,416,318 | $151,420 favorable (6%)

34. **Payroll/Personnel: $92,574 favorable (9%)**
    - YTD budget $1,025,210 vs. actual $932,636. Salaries running below budget. Annual budget $1,153,518; $220,882 remaining (19%) with one month left.
35. **Legal Expense: $71,487 favorable (30%)**
    - Annual budget $240,000 vs. actual $148,513. Legal costs tracking below budget. Annual budget $240,000; $91,487 remaining (38%) with one month left.
36. **Contractual Services: $33,149 favorable (3%)**
    - YTD budget $1,312,353 vs. actual $1,279,204. Category favorable overall, though General Liability Insurance ($492,573 vs. $487,398 annual budget) and Network/IT

Services have run slightly above budget. Annual budget $1,434,265; $155,061 remaining (11%) with one month left.

566 – Board Administration | YTD Budget: $36,423 | YTD Actual: $49,487 | $(13,064) unfavorable (36%)

Department unfavorable by $(13,064), within the $25,000 reporting threshold but exceeding budget overall. Driven by Payroll/Personnel ($8,113 over) and Training & Travel ($1,830 over). Annual budget $39,165; $10,322 over annual budget with one month remaining.

568 – Conservation | YTD Budget: $312,680 | YTD Actual: $298,177 | $14,503 favorable (5%)

Department favorable by $14,503. No individual account line exceeds the $25,000 reporting threshold; the Demonstration Garden contractual work (Outside Services $141,647 against a $151,200 budget) largely caught up to budget during the month. Annual budget $331,473; $33,296 remaining (10%) with one month left.

568 – Public Information | YTD Budget: $241,789 | YTD Actual: $189,670 | $52,120 favorable (22%)

37. **Contractual Services: $31,506 favorable (48%)**
    - YTD budget $65,815 vs. actual $34,309. Printing/publishing and outside services tracking below budget. Annual budget $70,480; $36,171 remaining (51%) with one month left.

580 – Other Commitments | YTD Budget: $59,482 | YTD Actual: $59,482 | $0 (0%)

CATER Ozone Project Loan fully expended on schedule; YTD actual equals YTD budget at $59,482. No variance. (Prior-month timing variance has resolved with the May payment.)

Conclusion

The primary financial watch item remains the continued water sales shortfall, now $(620,897) unfavorable year-to-date and concentrated in single-family revenue. Operating expenses remain $1,318,779 (6%) favorable, providing partial offset. $1.55M received from SWRCB YTD. $1.7M pending receipt from SWRCB.

MONTECITO WATER DISTRICT

Statement of Net Position (Unaudited)

Summary — As of May 31, 2026

	31-May-26
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets — operating reserves and restricted advances	12,034,627
Restricted assets held by others (CCWA and WSA reserves)	3,245,605
Receivables, inventory, and prepaid expenses	12,229,009
Capital assets, net of accumulated depreciation	61,505,470
Total Assets	**89,014,711**
Deferred Outflows of Resources	2,342,180
Total Assets and Deferred Outflows of Resources	**91,356,891**
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	
Current liabilities	5,054,235
Noncurrent liabilities — long-term debt, OPEB, and net pension liability	23,061,247
Total Liabilities	**28,115,482**
Deferred Inflows of Resources	861,590
Net Position	
Net investment in capital assets	51,131,646
Board committed funds	6,309,757
Unreserved fund balance	3,474,414
Change in net position (year-to-date)	1,464,001
Total Net Position	**62,379,819**
Total Liabilities, Deferred Inflows, and Net Position	**91,356,891**

Condensed from the detailed Statement of Net Position included in the unaudited financial statements as of May 31, 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 5/31/26

	31-May-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	2,846,529
Total Other Cash Items	**2,846,529**
LIABILITY SETTLEMENTS	
CalOES Holdback Disbursements	157,977
Total Other Cash Items	**157,977**
Total Board Designated Reserves, Debt Service, Other Cash Items & Liability Settlements	**15,509,207**

MONTH ENDING
5/31/2026

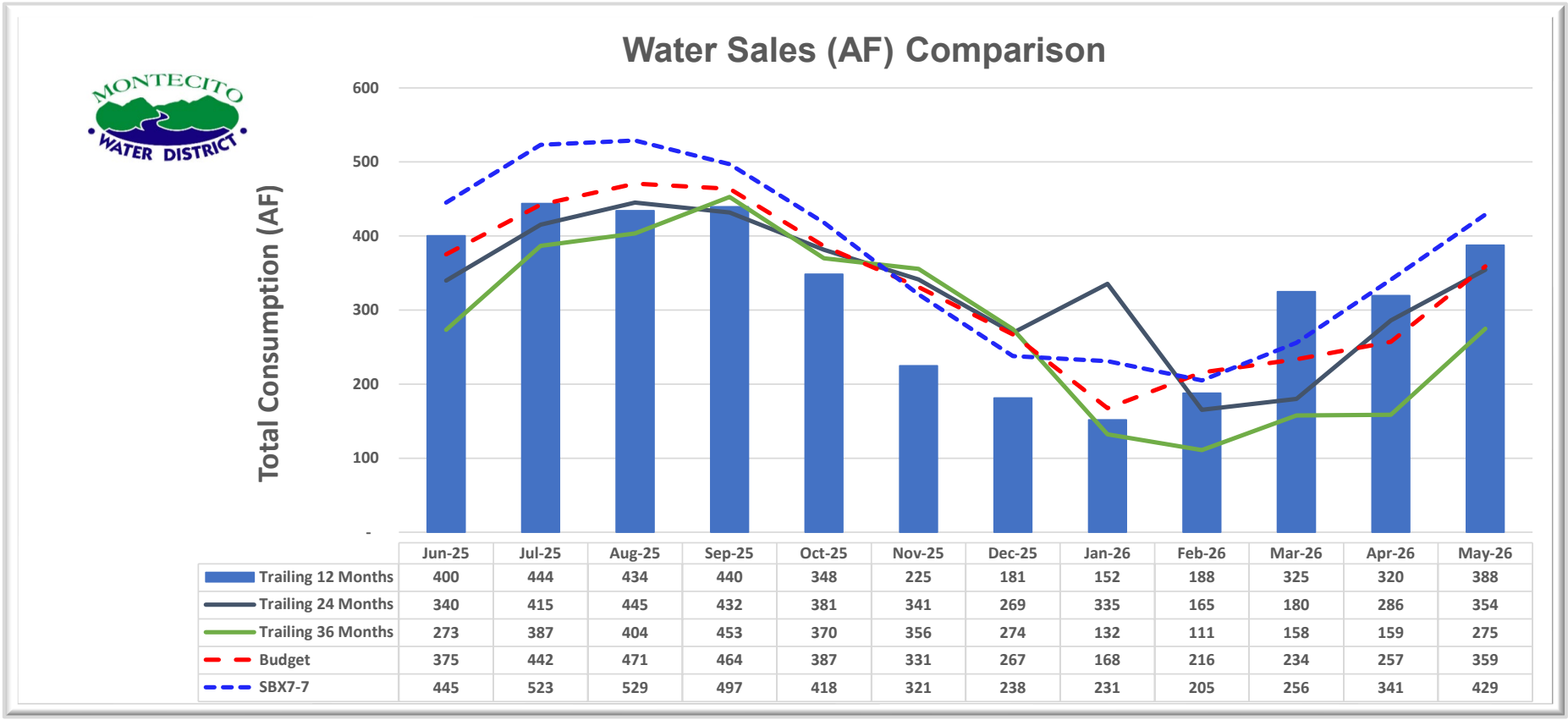
MONTH TO DATE WATER SALES

CLASSIFICATION	($) MTD ACTUALS	($) MTD BUDGET	VARIANCE $	VARIANCE %	(AF) MTD ACTUALS	(AF) MTD BUDGET	VARIANCE AF	VARIANCE %
Single Family	$ 1,606,525	$ 1,441,155	$ 165,370	11%	288	269	19	7%
Multi Family	$ 21,708	$ 24,294	$ (2,586)	(11%)	8	8	(1)	(6%)
Agricultural	$ 85,559	$ 67,071	$ 18,488	28%	34	27	7	28%
Institutional	$ 139,054	$ 121,499	$ 17,555	14%	26	22	3	14%
Commercial	$ 123,072	$ 99,486	$ 23,586	24%	25	19	6	29%
Non-Potable	$ 7,019	$ 12,236	$ (5,217)	(43%)	8	13	(6)	(43%)
Monthly Total	**$ 1,982,937**	**$ 1,765,741**	**$ 217,196**	**12%**	**388**	**359**	**29**	**8%**

YEAR TO DATE WATER SALES

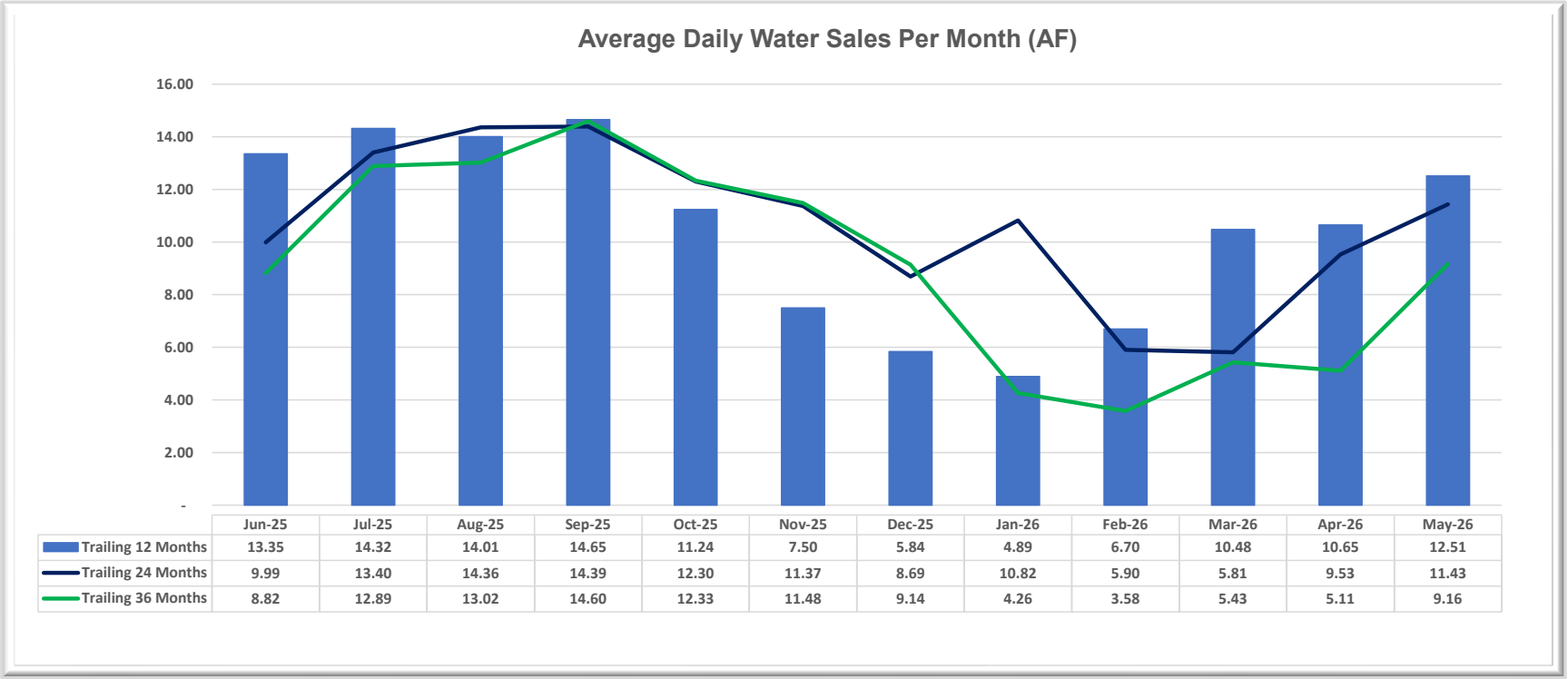
CLASSIFICATION	($) YTD ACTUALS	($) YTD BUDGET	VARIANCE $	VARIANCE %	(AF) YTD ACTUALS	(AF) YTD BUDGET	VARIANCE AF	VARIANCE %
Single Family	$ 13,400,633	$ 14,225,677	$ (825,044)	(6%)	2503	2700	(198)	(7%)
Multi Family	$ 237,449	$ 290,722	$ (53,273)	(18%)	80	89	(9)	(10%)
Agricultural	$ 676,062	$ 622,507	$ 53,555	9%	267	246	21	9%
Institutional	$ 1,408,992	$ 1,310,298	$ 98,694	8%	260	242	18	8%
Commercial	$ 1,149,485	$ 1,052,565	$ 96,920	9%	233	205	28	14%
Non-Potable	$ 92,990	$ 103,713	$ (10,723)	(10%)	101	112	(12)	(10%)
Annual Total	**$ 16,965,611**	**$ 17,605,482**	**$ (639,871)**	**(4%)**	**3444**	**3595**	**-151**	**(4%)**

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



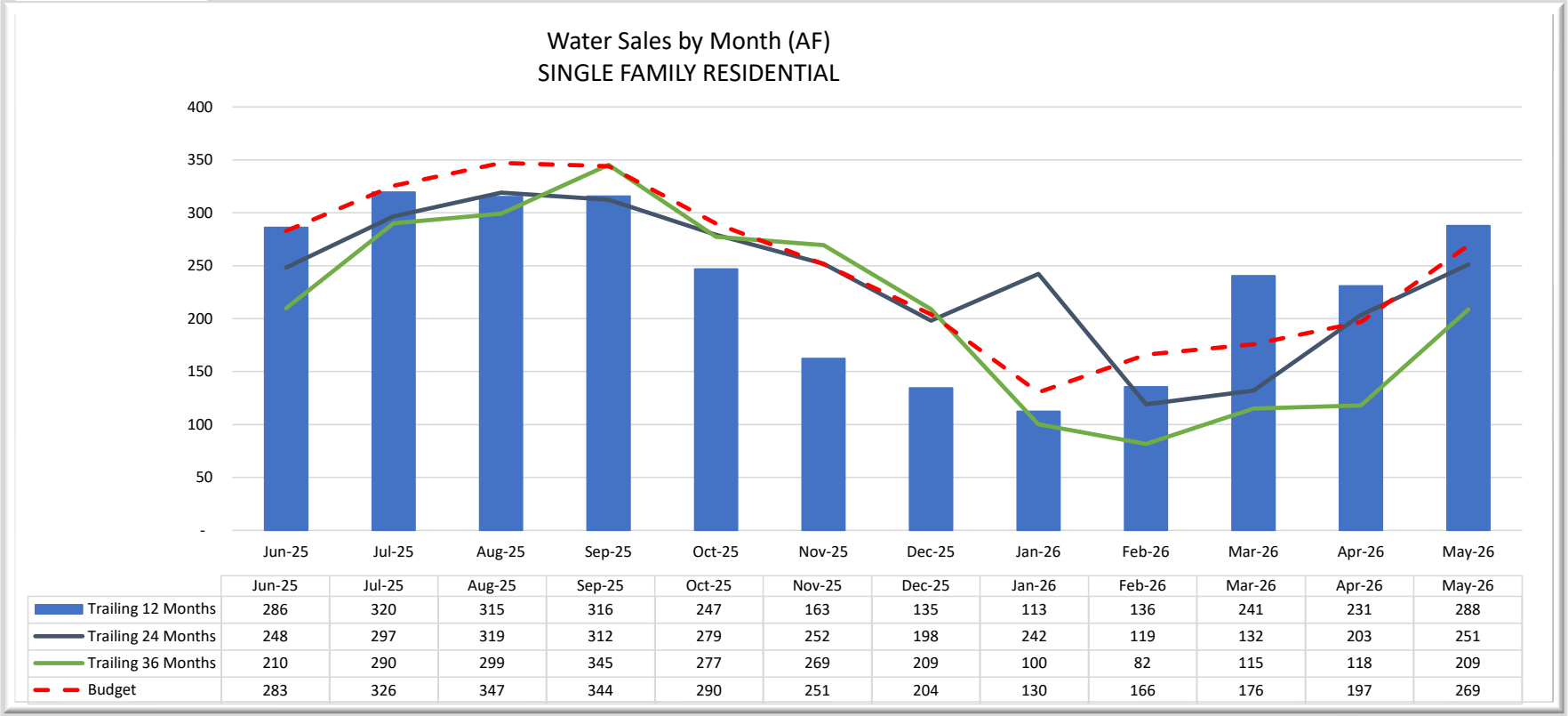
	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	400	444	434	440	348	225	181	152	188	325	320	388
Trailing 24 Months	340	415	445	432	381	341	269	335	165	180	286	354
Trailing 36 Months	273	387	404	453	370	356	274	132	111	158	159	275
Budget	375	442	471	464	387	331	267	168	216	234	257	359
SBX7-7	445	523	529	497	418	321	238	231	205	256	341	429

MONTH ENDING 5/31/2026



	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	13.35	14.32	14.01	14.65	11.24	7.50	5.84	4.89	6.70	10.48	10.65	12.51
Trailing 24 Months	9.99	13.40	14.36	14.39	12.30	11.37	8.69	10.82	5.90	5.81	9.53	11.43
Trailing 36 Months	8.82	12.89	13.02	14.60	12.33	11.48	9.14	4.26	3.58	5.43	5.11	9.16

MONTH ENDING 5/31/2026

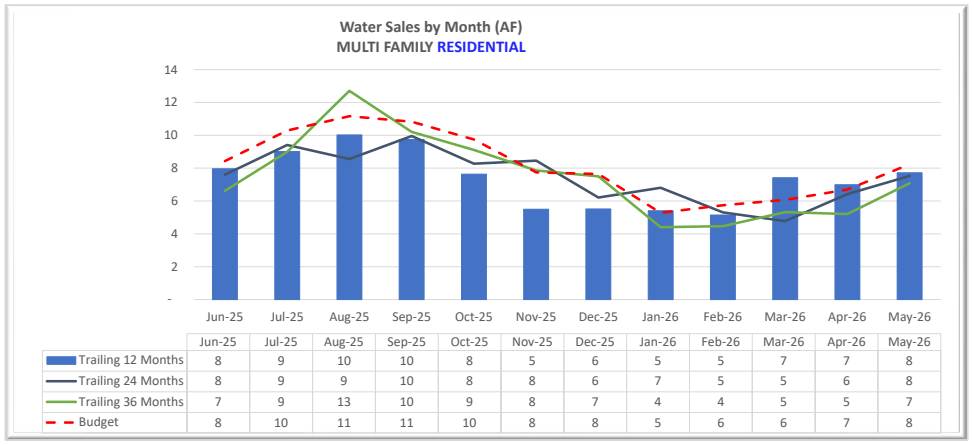


	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	286	320	315	316	247	163	135	113	136	241	231	288
Trailing 24 Months	248	297	319	312	279	252	198	242	119	132	203	251
Trailing 36 Months	210	290	299	345	277	269	209	100	82	115	118	209
Budget	283	326	347	344	290	251	204	130	166	176	197	269

Trailing 12 Months			2,789 AF
Trailing 24 Months			2,854 AF
Trailing 36 Months			2,524 AF
Trailing 12 Month Budget			2,983 AF
Trailing 12 Months	versus	Trailing 24 Months	(2.3%)
Trailing 24 Months	versus	Trailing 36 Months	10.5%
Trailing 12 Months	versus	Budget	(6.5%)

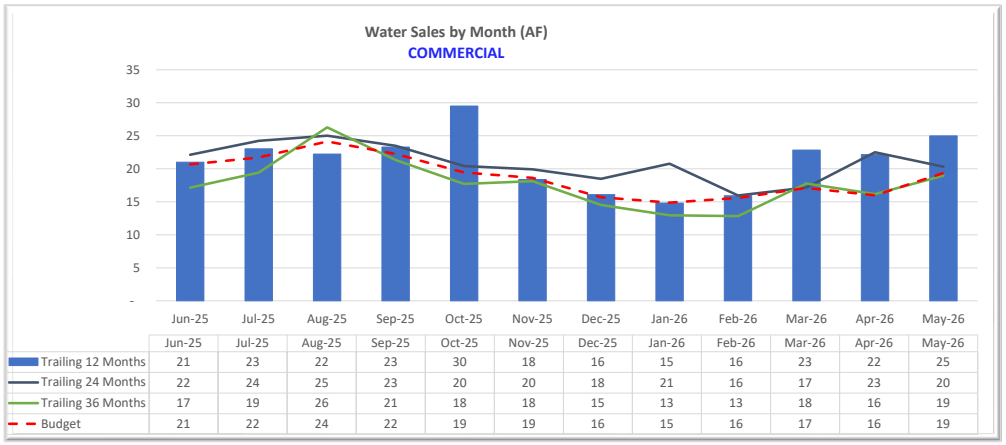
MONTECITO WATER DISTRICT

MONTH ENDING 5/31/2026



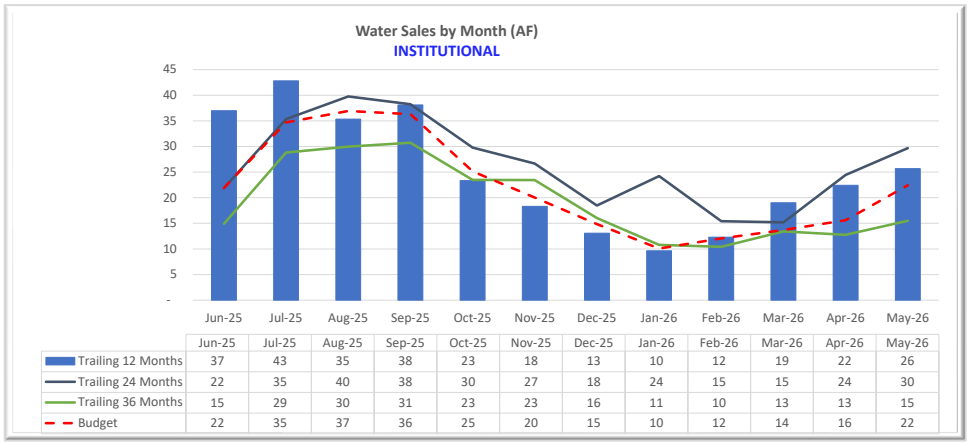
	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	8	9	10	10	8	5	6	5	5	7	7	8
Trailing 24 Months	8	9	9	10	8	8	6	7	5	5	6	8
Trailing 36 Months	7	9	13	10	9	8	7	4	4	5	5	7
Budget	8	10	11	11	10	8	8	5	6	6	7	8

Trailing 12 Months			88 AF
Trailing 24 Months			89 AF
Trailing 36 Months			89 AF
Trailing 12 Month Budget			98 AF
Trailing 12 Months	versus	Trailing 24 Months	(1.4%)
Trailing 24 Months	versus	Trailing 36 Months	(1.6%)
Trailing 12 Months	versus	Budget	(10.0%)



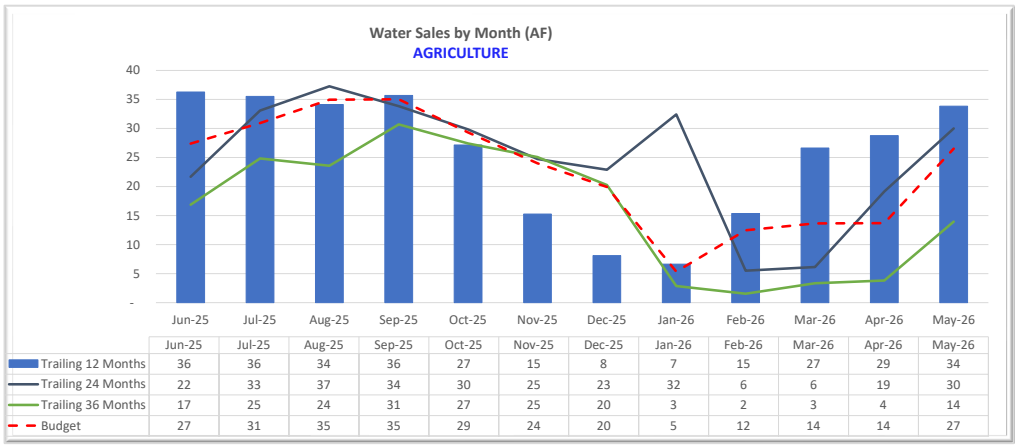
	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	21	23	22	23	30	18	16	15	16	23	22	25
Trailing 24 Months	22	24	25	23	20	20	18	21	16	17	23	20
Trailing 36 Months	17	19	26	21	18	18	15	13	13	18	16	19
Budget	21	22	24	22	19	19	16	15	16	17	16	19

Trailing 12 Months			254 AF
Trailing 24 Months			250 AF
Trailing 36 Months			213 AF
Trailing 12 Month Budget			225 AF
Trailing 12 Month	versus	Trailing 24 Month	1.5%
Trailing 24 Month	versus	Trailing 36 Month	19.2%
Trailing 12 Month	versus	Budget	12.8%



	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	37	43	35	38	23	18	13	10	12	19	22	26
Trailing 24 Months	22	35	40	38	30	27	18	24	15	15	24	30
Trailing 36 Months	15	29	30	31	23	23	16	11	10	13	13	15
Budget	22	35	37	36	25	20	15	10	12	14	16	22

Trailing 12 Months			297 AF
Trailing 24 Months			319 AF
Trailing 36 Months			230 AF
Trailing 12 Month Budget			264 AF
Trailing 12 Months	versus	Trailing 24 Months	(6.9%)
Trailing 24 Months	versus	Trailing 36 Months	29.0%
Trailing 12 Months	versus	Budget	12.6%



	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26
Trailing 12 Months	36	36	34	36	27	15	8	7	15	27	29	34
Trailing 24 Months	22	33	37	34	30	25	23	32	6	6	19	30
Trailing 36 Months	17	25	24	31	27	25	20	3	2	3	4	14
Budget	27	31	35	35	29	24	20	5	12	14	14	27

Trailing 12 Months			303 AF
Trailing 24 Months			297 AF
Trailing 36 Months			194 AF
Trailing 12 Month Budget			273 AF
Trailing 12 Month	versus	Trailing 24 Month	2.3%
Trailing 24 Month	versus	Trailing 36 Month	56.1%
Trailing 12 Month	versus	Budget	11.0%

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

MONTH	% SALES BREAKDOWN	2024-25 ACTUAL SALES (*) AF	2024-25 ACTUAL SALES (*) $	2025-26 BUDGET SALES AF	2025-26 BUDGET SALES $	2025-26 ACTUAL SALES (*) AF	2025-26 ACTUAL SALES (*) SALES	YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	YTD VARIANCE BUDGET VS. ACTUAL 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	387.8	$1,982,937	33.3	9.4%	$342,885	20.9%	28.8	8.0%	$217,196	12.3%
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	3,443.7	$16,965,611	(161.9)	(4.5%)	$102,097	0.6%	(150.9)	(4.2%)	($639,870)	(3.6%)

YTD ACTUAL WATER SALES COMPARISON
FOR FISCAL YEAR 2025-26

	2024-25 ACTUAL SALES (YTD) AF	2024-25 ACTUAL SALES (YTD) $	2025-26 BUDGET SALES (YTD) AF	2025-26 BUDGET SALES (YTD) $	2025-26 ACTUAL SALES (YTD) AF	2025-26 ACTUAL SALES (YTD) $	YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	YTD VARIANCE BUDGET VS. ACTUAL AF	%	$	%
YTD	3,605.6	16,863,514	3,594.6	$17,605,481	3,443.7	$16,965,611	(161.9)	(4.5%)	102,097	0.6%	(150.9)	(4.2%)	(639,870)	(3.6%)

QUARTERLY COMPARISON - ACTUALS THROUGH MAY 2026 (*)

	2024-25 ACTUAL SALES AF	2024-25 ACTUAL SALES $	2025-26 BUDGET SALES AF	2025-26 BUDGET SALES $	2025-26 ACTUAL SALES (*) AF	2025-26 ACTUAL SALES (*) $	VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	VARIANCE BUDGET VS. ACTUAL 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	707.4	$3,545,591	(333.6)	(32.0%)	($1,303,834)	(26.9%)	(313.8)	(30.7%)	($1,452,807)	(29.1%)
Total (Actual)	4,006.0	$18,773,854	3,999.6	$19,634,432	3,443.7	$16,965,611	(562.3)	(4.5%)	($1,808,243)	0.6%	(555.9)	(4.2%)	($2,668,822)	(3.6%)

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 4-E

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: ASSISTANT GENERAL MANAGER / ENGINEERING MANAGER

SUBJECT: WATERWORKS REPORTS FOR APRIL AND MAY 2026

RECOMMENDATION:

Information only.

DISCUSSION:

The District's Waterworks Reports for April and May 2026 is provided in Attachment 1 and 2. The reports provide the District's water use for the months, including total use in acre feet (AF) by source, an estimate of unaccounted for water, customer meter counts, total stored water, and water quality.

Highlights for the April and May 2026 Waterworks include:

- Unaccounted water or water loss for the trailing 12-month period is approximately 6% for April and May.
- Water deliveries in accordance with the District's Water Supply Agreement with the City of Santa Barbara, i.e., desalination, were fully received (117.38 AF) for both months.
- Jameson Lake and Lake Cachuma are at 100% and 95% of capacity respectively at the end of May.
- Groundwater production from District wells was 14.1 acre-feet, and 27.5 acre-feet respectively.
- 5,802 AF of SWP supplies are stored Semitropic and available for later use.
- Water quality remains in full compliance with drinking water standards and includes updated data from the 2024 Consumer Confidence Report (CCR).

ATTACHMENT:

1. Waterworks Report for April 2026
2. Waterworks Report for May 2026

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MONTECITO WATER DISTRICT
MONTHLY WATER WORKS OPERATION REPORT
April 2026

PRODUCTION

District Surface Water Sources (AF)

Jameson Lake[1]	Fox Creek	Doulton Tunnel	
34.0	0.0	15.1	
		Total Surface Water:	**49.03**

District Potable Wells (AF)

Amapola	Ennisbrook 2	Ennisbrook 5	Paden 2	L.E. II	T. Mosby Well
1.0	1.5	1.8	0.0	0.0	1.7
				Total Potable Wells:	**6.0**

District Non Potable Wells (AF)

Las Fuentes	Edgewood Well 3	EVR 3	EVR 4	EVR 6	Valley Club
0.0	2.1	4.2	0.0	0.8	1.0
				Total Non Potable Wells:	**8.1**

South Coast Conduit Deliveries[2] (AF)

Barker Pass	Office	E Valley	Sheffield	Lambert Rd	
51.4	12.1	171.4	2.7	2.4	
Toro Canyon	Ortega Control (Lat 1)	Ortega Pump	Asegra Road	County Yard	
8.3	20.3	7.6	0.2	0.0	
			City Desal Deliveries[3]:		**117.4**
			Cachuma Project Deliveries:		**152.1**
			State Water Deliveries:		**0.0**
			Total South Coast Conduit Deliveries:		**276.3**
			TOTAL DISTRICT PRODUCTION:		**339.4**

[1] Jameson Lake includes arch seepage and weirs 1 and 2

[2] Data for all South Coast Conduit deliveries is provided by COMB

[3] The first 117.38 AF from SCC will be accounted as City Desal Deliveries. SCC volumes in excess of 117.38 AF are accounted as Cachuma/State water accordingly.

METERED USE

Metered Customer Use (AF):	320.4
City of Santa Barbara Intertie or Transfers (AF):	0.0
Carpinteria Valley Water District Intertie (AF):	0.0
TOTAL METERED USE (AF):	**320.4**

UNACCOUNTED WATER[1]

Total District Production (AF):	339.4	Total Metered Use (AF):	320.4
No. of Days in Production Period:	30	Days in Meter Period:	30
Average Daily Production (AF):	11.3	Average Daily Demand (AF):	10.7
Month's Water Loss (AF):	19.0	Adjusted Meter Use for # of Read Days (AF):	320.4
Month's Percentage Loss[2]:	**6%**	**Water Loss[3] (GPM/mile)**	**1**
Trailing 12 Month Percentage Loss:	**5.64%**	**Water Loss[4] (GAL/connection/d)**	**44**

[1] Defined as the difference between PRODUCTION and METERED USE (or sales). This includes *real loss* such as water main breaks, flushing of water mains and use of fire hydrants and *apparent loss* such as unauthorized use and meter inaccuracy.

[2] Loss as a PERCENTAGE is a poor performance indicator due to seasonal production & sales variability

[3] AWWA only uses loss/mile of pipe for agencies with low density of services (less than 32 connections/mile)

[4] AWWA recommends loss per service connection as a system performance indicator for higher density areas. 60 gal/connection/d is an expected value for the District.

CUSTOMER METER COUNT

New Installations:	0
Meters Removed Per Customer Request:	0
Total Meters:	4679
Inactive Meters (disaster related):	7
TOTAL ACTIVE METERS	**4672**

MONTECITO WATER DISTRICT
MONTHLY WATER WORKS OPERATION REPORT
April 2026

STORAGE (AF)

	Jameson Lake	Lake Cachuma	SWP (Table A + Supple.) in Cachuma	SWP San Luis Reservoir	Banked Water Semitropic
Full Storage Capacity	4,587	192,978			4,500
Percent Full (%)	100%	98%			
Current MWD Storage	**4,579**	**2,486**	**0**	**968**	**5,802**
				TOTAL STORED WATER (AF)	**13,835**

WATER QUALITY[1]

Compliance

The District water quality is in full compliance with State Primary Drinking Water Standards, or Maximum Contaminant Limits (MCLs)
State and Federal MCL link: *https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/ccr/mcls_epa_vs_dwp.pdf.*
Water Quality for each District source can be found in the latest Consumer Confidence Report.

Monthly Treatment Operations

The following changes have been made to District treatment operations during this reporting period:
1) None.

System Water

Parameter	Primary MCL	Frequency	System Average
Lead	15 µg/L	Annual	ND
Copper	1300 µg/L	Annual	470 µg/L
TTHM LRAA	80 µg/L	Quarterly	33.6 µg/L
HAA5 LRAA	60 µg/L	Quarterly	22.8 µg/L
Chlorine Residual	4 ppm (max)	Monthly	0.89 ppm of 56 samples
Coliform Bacteria	<5% Monthly samples	Monthly	0% of 56 samples

Key:

Compliant	Non Compliant

ppm: parts per million
mg/L: milligram per liter
MCL: Maximum Contaminant Limit
ND: Non Detect
NTU: Nephelometric Turbidity Unit
LRAA: Long Range Annual Average (Quarterly)
µg/L: microgram per liter

Source Water

Parameter	Primary MCL	Frequency	Jameson Lake	Groundwater	Cater WTP
Turbidity	1 NTU	Annual	0.03 - 0.26 NTU	< 0.1 NTU	ND - 0.09 NTU
pH	No Standard	Annual	6.98 - 8.20	7.0 - 7.7	7.45 - 7.67
Arsenic	10 µg/L	Annual	ND	ND - 1.0 µg/L	ND
Nitrate	10 mg/L	Annual	ND	0.5 - 2.9 mg/L	ND - 0.50
Iron	300 µg/L	Annual	ND	ND - 30 µg/L	ND
Manganese	50 µg/L	Annual	ND	ND - 40 mg/L2	ND
Total Diss. Solids	1000 mg/L	Annual	610mg/L	560 - 890 mg/L	502 - 772 mg/L
Total Hardness	No Standard (mg/L)	Annual	392 - 408 mg/L	284 - 528 mg/L	304 - 472 mg/L
Total Alkalinity	No Standard (mg/L)	Annual	180 - 244 mg/L	176 - 204 mg/L	157 - 224 mg/L

[1] Data represents the most current available sampling results based on varying regulatory sampling frequencies.
[2] One District well has Total Dissolved Solids above 1000 mg/L but it is blended to below 1000 mg/L prior to entering the distribution system.

RAINFALL

Rainfall (inches)	Office	Doulton	Jameson Lake
April 2025	0.58	0.60	0.70
April 2026	0.81	1.30	1.47
Historical Monthly Average	1.35	1.97	2.12
July 1st to date	26.65	36.83	40.88
Historical Average July 1 to Date	19.34	26.43	28.35

MONTECITO WATER DISTRICT
MONTHLY WATER WORKS OPERATION REPORT
May 2026

PRODUCTION

District Surface Water Sources (AF)

Jameson Lake[1]	Fox Creek	Doulton Tunnel	
72.7	0.0	53.5	
		Total Surface Water:	**126.2**

District Potable Wells (AF)

Amapola	Ennisbrook 2	Ennisbrook 5	Paden 2	L.E. II	T. Mosby Well
8.0	2.5	2.9	4.7	0.0	2.1
				Total Potable Wells:	**20.11**

District Non Potable Wells (AF)

Las Fuentes	Edgewood Well 3	EVR 3	EVR 4	EVR 6	Valley Club
0.0	3.1	1.5	0.0	1.5	1.3
				Total Non Potable Wells:	**7.38**

South Coast Conduit Deliveries[2] (AF)

Barker Pass	Office	E Valley	Sheffield	Lambert Rd	
46.6	33.5	123.2	2.6	3.4	
Toro Canyon	Ortega Control (Lat 1)	Ortega Pump	Asegra Road	County Yard	
10.3	23.0	9.9	0.2	0.0	
			City Desal Deliveries[3]:		**117.4**
			Cachuma Project Deliveries:		**135.4**
			State Water Deliveries:		**0.0**
			Total South Coast Conduit Deliveries:		**252.8**
				TOTAL DISTRICT PRODUCTION:	**406.4**

[1] Jameson Lake includes arch seepage and weirs 1 and 2

[2] Data for all South Coast Conduit deliveries is provided by COMB

[3] The first 117.38 AF from SCC will be accounted as City Desal Deliveries. SCC volumes in excess of 117.38 AF are accounted as Cachuma/State water accordingly.

METERED USE

Metered Customer Use (AF):	388.5
City of Santa Barbara Intertie or Transfers (AF):	0.0
Carpinteria Valley Water District Intertie (AF):	0.0
TOTAL METERED USE (AF):	**388.5**

UNACCOUNTED WATER[1]

Total District Production (AF):	406.4	Total Metered Use (AF):	388.5
No. of Days in Production Period:	32	Days in Meter Period:	32
Average Daily Production (AF):	12.7	Average Daily Demand (AF):	12.1
Month's Water Loss (AF):	17.9	Adjusted Meter Use for # of Read Days (AF):	388.5
Month's Percentage Loss[2]:	**4%**	**Water Loss[3] (GPM/mile)**	**1**
Trailing 12 Month Percentage Loss:	**6.10%**	**Water Loss[4] (GAL/connection/d)**	**40**

[1] Defined as the difference between PRODUCTION and METERED USE (or sales). This includes *real loss* such as water main breaks, flushing of water mains and use of fire hydrants and *apparent loss* such as unauthorized use and meter inaccuracy.

[2] Loss as a PERCENTAGE is a poor performance indicator due to seasonal production & sales variability

[3] AWWA only uses loss/mile of pipe for agencies with low density of services (less than 32 connections/mile)

[4] AWWA recommends loss per service connection as a system performance indicator for higher density areas. 60 gal/connection/d is an expected value for the District.

CUSTOMER METER COUNT

New Installations:	0
Meters Removed Per Customer Request:	0
Total Meters:	4679
Inactive Meters (disaster related):	7
TOTAL ACTIVE METERS	**4672**

MONTECITO WATER DISTRICT
MONTHLY WATER WORKS OPERATION REPORT
May 2026

STORAGE (AF)

	Jameson Lake	Lake Cachuma	SWP (Table A + Supple.) in Cachuma	SWP San Luis Reservoir	Banked Water Semitropic
Full Storage Capacity	4,587	192,978			4,500
Percent Full (%)	100%	95%			
Current MWD Storage	**4,570**	**2,393**	**0**	**1,420**	**5,802**
				TOTAL STORED WATER (AF)	**14,185**

WATER QUALITY[1]

Compliance

The District water quality is in full compliance with State Primary Drinking Water Standards, or Maximum Contaminant Limits (MCLs)
State and Federal MCL link: *https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/documents/ccr/mcls_epa_vs_dwp.pdf.*
Water Quality for each District source can be found in the latest Consumer Confidence Report.

Monthly Treatment Operations

The following changes have been made to District treatment operations during this reporting period:
1) None.

System Water

Parameter	Primary MCL	Frequency	System Average
Lead	15 µg/L	Annual	ND
Copper	1300 µg/L	Annual	470 µg/L
TTHM LRAA	80 µg/L	Quarterly	33.6 µg/L
HAA5 LRAA	60 µg/L	Quarterly	22.8 µg/L
Chlorine Residual	4 ppm (max)	Monthly	0.90 ppm of 56 samples
Coliform Bacteria	<5% Monthly samples	Monthly	0% of 56 samples

Key:

Compliant	Non Compliant

ppm: parts per million
mg/L: milligram per liter
MCL: Maximum Contaminant Limit
ND: Non Detect
NTU: Nephelometric Turbidity Unit
LRAA: Long Range Annual Average (Quarterly)
µg/L: microgram per liter

Source Water

Parameter	Primary MCL	Frequency	Jameson Lake	Groundwater	Cater WTP
Turbidity	1 NTU	Annual	0.03 - 0.26 NTU	< 0.1 NTU	ND - 0.09 NTU
pH	No Standard	Annual	6.98 - 8.20	7.0 - 7.7	7.45 - 7.67
Arsenic	10 µg/L	Annual	ND	ND - 1.0 µg/L	ND
Nitrate	10 mg/L	Annual	ND	0.5 - 2.9 mg/L	ND - 0.50
Iron	300 µg/L	Annual	ND	ND - 30 µg/L	ND
Manganese	50 µg/L	Annual	ND	ND - 40 mg/L2	ND
Total Diss. Solids	1000 mg/L	Annual	610mg/L	560 - 890 mg/L	502 - 772 mg/L
Total Hardness	No Standard (mg/L)	Annual	392 - 408 mg/L	284 - 528 mg/L	304 - 472 mg/L
Total Alkalinity	No Standard (mg/L)	Annual	180 - 244 mg/L	176 - 204 mg/L	157 - 224 mg/L

[1] Data represents the most current available sampling results based on varying regulatory sampling frequencies.
[2] One District well has Total Dissolved Solids above 1000 mg/L but it is blended to below 1000 mg/L prior to entering the distribution system.

RAINFALL

Rainfall (inches)	Office	Doulton	Jameson Lake
May 2025	0.01	0.28	0.03
May 2026	0.01	0.12	0.11
Historical Monthly Average	0.40	0.50	0.45
July 1st to date	26.66	36.95	40.99
Historical Average July 1 to Date	19.74	26.93	28.80

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-F**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **ASSISTANT GENERAL MANAGER**

SUBJECT: **CONSTRUCTION CONTRACT CHANGE ORDERS FOR THE FREEHAVEN AND LAS TUNAS PIPELINE REPLACEMENT PROJECTS**

RECOMMENDATION:

That the Board of Directors approve Change Order No. 2 through Change Order No. 8 for the Freehaven and Las Tunas Watermain Project for a not-to-exceed amount of $13,493.55.

DISCUSSION:

The Freehaven and Las Tunas Water Main Replacement Projects involve the replacement of 100-year-old water main on Las Tunas Road between San Ysidro Road and El Bosque Road and a 65-year-old water main on Freehaven Lane. Both sections of the water main have experienced numerous breaks in the past resulting in costly repairs and frequent water service interruptions. The projects were publicly bid as one bid package to promote economies of scale.

Following a competitive bidding process, the Board of Directors awarded the project to American Pipeline Services for a total amount of $1,816,299.55. The project was awarded in 2024 but delayed one year due to District cash flow issues. Change Order No. 1 for $98,683.45 was due to cost increases during the 1 year project delay and was approved by the District General Manager. The project is nearing completion and several additional change orders have been identified due to changes in the scope of work or requested additional work by the District. These change orders push the total contract amendment amount above the approval authority of the General Manager. A summary of Change Orders 2 through 8 are shown in the table below.

Table 1 – Summary of Change Orders No. 2 through 8

Change Order	Amount	Description of Work
CO 2	$ 1,962.00	Adjust watermain alignment to avoid an unmarked utility
CO 3	$ 3,125.00	Additional 8" gate valve at Macadamia Ln
CO 4	$ 3,125.00	Additional 8" gate valve at station 20+60
CO 5	$ (212.25)	Removed temp. bypass, added sand/paving/rocks
CO 6	$ 52,440.00	Additional microseal at Freehaven
CO 7	$ 23,625.00	Additional rock/boulder removal Las Tunas
CO 8	$ (70,571.20)	Additional paving, Removal of microseal at Las Tunas
Total	**$ 13,493.55**	

These change orders account for adjustments in bid items as the work progressed. The proposed change order amounts were determined using contract unit bid prices. The Freehaven Lane work area had cost decreases for the temporary bypass not being needed and had cost increases for the microseal area increasing and added valves along the alignment. The additional valves were added during construction to allow for future operating flexibility when shutdowns occur. The Las Tunas work area had increases due to significant rock and boulders encountered during construction and had cost reductions due to removal of the microseal requirement by the County of Santa Barbara.

Staff are recommending Board approval of Change Orders 2 through 8 for a total amount of $13,493.55 since (when added to Change Order No 1).

ATTACHMENT:

None

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 4-G

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: BUSINESS MANAGER

SUBJECT: CALPERS ANNUAL UNFUNDED ACCRUED LIABILITY AS OF JUNE 30, 2024 ACTUARIAL VALUATION; RECOMMENDATION TO PREPAY THE FISCAL YEAR 2027 UNFUNDED ACCRUED LIABILITY IN JULY 2026

RECOMMENDATION:

That the Board of Directors authorize a single annual prepayment of the District's CalPERS Unfunded Accrued Liability (UAL) for FY 2027 in the amount of $661,898, to be remitted in July 2026, in lieu of twelve-monthly payments totaling $684,032. The prepayment captures CalPERS's built-in interest discount and yields approximately $22,134 in budgeted savings for the District.

BACKGROUND:

CalPERS administers the District's defined-benefit pension plans for both Classic (Rate Plan 73) and PEPRA (Rate Plan 26040) Miscellaneous employees within the Miscellaneous Risk Pool (CalPERS ID 6529901682). Each year CalPERS issues an actuarial valuation that sets the District's minimum required employer contributions two fiscal years forward. The valuation as of June 30, 2024 transmitted July 2025 establishes the contributions for FY 2027 (July 1, 2026 through June 30, 2027).

Required employer contributions have two components. The Normal Cost is the value of benefits earned in the current year, expressed as a percentage of payroll and paid through regular payroll reporting. The UAL Contribution is the amortized paydown of the gap between the plan's accrued liability and its assets, billed as a fixed dollar amount. CalPERS allows the UAL component to be paid in twelve monthly installments or prepaid in a single lump sum, which must be received no later than July 31.

The District's Funded Status

As of the June 30, 2024 valuation, the District's combined plans carry an accrued liability of $25,983,487 against a market value of assets of $18,671,939, leaving an Unfunded Accrued Liability of $7,311,548 and a funded ratio of 71.9%. This is a modest improvement from 70.2% one year earlier. The plan's mature retiree liabilities are roughly 59% of total liability and the support ratio (actives to retirees) is 0.64 which means contribution requirements are increasingly sensitive to investment returns.

Funded Status — Funding Policy Basis	June 30, 2023	June 30, 2024
Entry Age Accrued Liability	$24,860,639	$25,983,487
Market Value of Assets	$17,458,007	$18,671,939
Unfunded Accrued Liability	**$7,402,632**	**$7,311,548**
Funded Ratio	70.2%	71.9%

FY 2027 Required Contributions

The valuation sets the FY 2027 employer Normal Cost rates at 12.56% of payroll for Classic Rate Plan 73 and 7.93% for PEPRA Rate Plan 26040. The FY 2027 UAL contribution is $684,032 if paid monthly, or $661,898 if prepaid in July 2026.

FY 2027 UAL Payment Option	Amount
Option 1 — 12 monthly payments of $57,002.67	$684,032
Option 2 — annual prepayment in July (recommended)	**$661,898**
Budgeted savings from prepayment	**$22,134**

DISCUSSION:

The monthly payment schedule embeds interest because CalPERS is financing the District's liability across the year. By prepaying the full UAL in July, the District avoids that interest charge. For FY 2027 the discount built into the prepayment option equates to an effective interest savings of approximately 3.33% on the UAL amount — the difference between the $684,032 paid monthly and the $661,898 prepayment. Prepaying keeps roughly $22,134 in the budget for essential District services rather than paying it to CalPERS as financing cost.

Prepayment requires a single lump-sum cash outlay rather than spreading the cost across twelve months, so it is a cash-flow trade-off the District can absorb. The District's FY 2027 cash position supports the July outlay, and the savings are realized immediately and with certainty — they do not depend on investment performance. To capture the savings, the full prepayment must be received by CalPERS no later than July 31, 2026; the option is available only in the month of July.

This prepayment is distinct from an Additional Discretionary Payment (ADP). It does not change the District's amortization schedule or commit the District to any future-year action; it simply settles the FY 2027 obligation at a discount. The FY 2027 Budget includes the CalPERS UAL contribution, so authorizing the prepayment would draw on budgeted funds and reduce the budgeted expense by the savings amount.

Looking Ahead

CalPERS projects the District's UAL payment will rise in coming years — to approximately $711,000 in FY 2028, $781,000 in FY 2029, and continuing upward through FY 2032 — assuming a 6.8% investment return. The July prepayment option is expected to remain available annually,

and staff anticipates bringing a similar recommendation forward each year when the cash-flow position supports it.

ATTACHMENTS:

1. CalPERS Annual Valuation Report as of June 30, 2024 (Cost Disclosure), Rate Plans 73 and 26040, Miscellaneous Risk Pool.

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California Public Employees' Retirement System
Actuarial Office
400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744
888 CalPERS (or **888**-225-7377) | TTY: (877) 249-7442 | **www.calpers.ca.gov**

July 2025

All Rate Plans of the Montecito Water District in the Miscellaneous Risk Pool (CalPERS ID: 6529901682)
Annual Valuation Report as of June 30, 2024

Dear Employer,

Attached to this letter is Section 1 of the June 30, 2024, actuarial valuation report for the plan noted above. **Provided in this report is the determination of the minimum required employer contributions for fiscal year (FY) 2026-27**. In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the following rate plan(s) including the development of the current and projected employer contributions.
  - 73, Miscellaneous Plan
  - 26040, PEPRA Miscellaneous Plan
- Section 2 contains the Miscellaneous Risk Pool information as of June 30, 2024.

Section 2 can be found on the CalPERS website (www.calpers.ca.gov). From the home page, go to *"Forms & Publications"* and select *"View All"*. In the search box, enter *"Risk Pool"* and from the results list download the Miscellaneous Risk Pool Actuarial Valuation Report for June 30, 2024.

Required Contributions

The table below shows the minimum required employer contributions and member contribution rates for FY 2026-27 along with an estimate of the required employer UAL contribution for FY 2027-28. **The required employer contributions in this report do not reflect any cost sharing arrangement between the agency and the employees.**

Fiscal Year	Rate Plan	Employer Normal Cost Rate	Member Contribution Rate
2026-27	73	12.56%	7.00%
	26040	7.93%	7.75%

Fiscal Year	Employer Amortization of Unfunded Accrued Liability
2026-27	$684,032
	Projected (Estimated)
2027-28	*$711,000*

The actual investment return for FY 2024-25 was not known at the time this report was prepared. The projected UAL payment above assumes the investment return for that year would be 6.8%. To the extent the actual investment return for FY 2024-25 differs from 6.8%, the actual UAL contribution requirement for FY 2027-28 will differ from that shown above. For additional information on future contribution requirements, please refer to Projected Employer Contributions. This section also contains projected required contributions through FY 2031-32.

PEPRA Member Contribution Rate

The employee contribution rate for PEPRA members can change based on the results of the actuarial valuation. See Member Contribution Rates for more information.

Report Navigation Features

The valuation report has a number of features to ease navigation and allow the reader to find specific information more quickly. The tables of contents are "clickable." This is true for the main table of contents that follows the title page and the intermediate tables of contents at the beginning of sections. The Adobe navigation pane on the left can also be used to skip to specific exhibits.

There are a number of links throughout the document in blue text. Links that are internal to the document are not underlined, while underlined links will take you to the CalPERS website. Examples are shown below.

Internal Bookmarks	CalPERS Website Links
Required Employer Contributions	Required Employer Contribution Search Tool
Member Contribution Rates	Public Agency PEPRA Member Contribution Rates
Summary of Key Valuation Results	Pension Outlook Overview
Funded Status – Funding Policy Basis	Interactive Summary of Public Agency Valuation Results
Projected Employer Contributions	Public Agency Actuarial Valuation Reports

Report Enhancements

Effective with the June 30, 2024, actuarial valuation, separate amortization schedules for each tier of benefits are no longer necessary. Multiple amortization schedules, and thus multiple Section 1 reports, have been combined. We believe this gives the employer a clearer picture of the pension plan's financial health and long-term costs.

Further descriptions of general changes are included in the Highlights and Executive Summary section and in Appendix A - Actuarial Methods and Assumptions in Section 2.

Questions

A CalPERS actuary is available to answer questions about this report. Other questions may be directed to the Customer Contact Center at **888 CalPERS** (or **888**-225-7377).

Sincerely,



David Clement, ASA, MAAA, EA
Senior Actuary, CalPERS



Randall Dziubek, ASA, MAAA
Deputy Chief Actuary, Valuation Services, CalPERS



Scott Terando, ASA, EA, MAAA, FCA, CFA
Chief Actuary, CalPERS

California Public Employees' Retirement System

Actuarial Valuation for the Rate Plans of the Montecito Water District in the Miscellaneous Risk Pool

as of June 30, 2024

(CalPERS ID: 6529901682)
(Rate Plan IDs: 73, 26040)

Required Contributions for Fiscal Year

July 1, 2026 — June 30, 2027

CalPERS

Table of Contents

Section 1 – Employer Specific Information

Section 2 – Miscellaneous Risk Pool Actuarial Information

Section 1

California Public Employees' Retirement System

Employer Specific Information for the Rate Plans of the Montecito Water District in the Miscellaneous Risk Pool

(CalPERS ID: 6529901682)
(Rate Plan IDs: 73, 26040)

Table of Contents — Section 1

Actuarial Certification **1**
Highlights and Executive Summary **2**
Introduction 3
Purpose of Section 1 3
Summary of Key Valuation Results 4
Changes Since the Prior Year's Valuation 5
Subsequent Events 5
Liabilities and Contributions **6**
Determination of Required Contributions 7
Required Employer Contributions 8
Member Contribution Rates 9
Breakdown of Entry Age Accrued Liability 10
Allocation of Plan's Share of Pool's Experience 10
Development of the Plan's Share of Pool's Assets 10
Funded Status – Funding Policy Basis 11
Additional Employer Contributions 12
Projected Employer Contributions 13
Schedule of Amortization Bases 14
Amortization Schedule and Alternatives 16
Employer Contribution History 18
Funding History 18
Risk Analysis **19**
Future Investment Return Scenarios 20
Discount Rate Sensitivity 21
Mortality Rate Sensitivity 22
Maturity Measures 22
Maturity Measures History 23
Funded Status – Termination Basis 24
Funded Status – Low-Default-Risk Basis 25
Supplementary Information **26**
Normal Cost by Benefit Group 27
Summary of Valuation Data 28
Status of PEPRA Transition 29
Surcharge for Class 1 Benefits 29
Plan's Major Benefit Options 30

Actuarial Certification

It is our opinion that the valuation has been performed in accordance with generally accepted actuarial principles as well as the applicable Standards of Practice promulgated by the Actuarial Standards Board. While this report, consisting of Section 1 and Section 2, is intended to be complete, our office is available to answer questions as needed. All of the undersigned are actuaries who satisfy the *Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States* of the American Academy of Actuaries with regard to pensions.

Actuarial Methods and Assumptions

It is our opinion that the assumptions and methods, as recommended by the Chief Actuary and adopted by the CalPERS Board of Administration, are internally consistent and reasonable for this plan.



Randall Dziubek, ASA, MAAA
Deputy Chief Actuary, Valuation Services, CalPERS



Scott Terando, ASA, EA, MAAA, FCA, CFA
Chief Actuary, CalPERS

Actuarial Data and Rate Plan Results

To the best of my knowledge and having relied upon the attestation above that the actuarial methods and assumptions are reasonable as well as the information in Section 2 of this report, this report is complete and accurate and contains sufficient information to disclose, fully and fairly, the funded condition of the rate plans of the Montecito Water District in the Miscellaneous Risk Pool and satisfies the actuarial valuation requirements of Government Code section 7504. This valuation and related validation work was performed by the CalPERS Actuarial Office. The valuation was based on the member and financial data as of June 30, 2024, provided by the various CalPERS databases and the benefits under this plan with CalPERS as of the date this report was produced. Section 1 of this report is based on the member and financial data for Montecito Water District, while Section 2 is based on the corresponding information for all agencies participating in the Miscellaneous Risk Pool to which the plan belongs.



David Clement, ASA, MAAA, EA
Senior Actuary, CalPERS

Highlights and Executive Summary

- **Introduction** 3
- **Purpose of Section 1** 3
- **Summary of Key Valuation Results** 4
- **Changes Since the Prior Year's Valuation** 5
- **Subsequent Events** 5

Introduction

This report presents the results of the June 30, 2024, actuarial valuation of the rate plans of the Montecito Water District in the Miscellaneous Risk Pool of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the minimum required contributions for fiscal year (FY) 2026-27.

Purpose of Section 1

This Section 1 report for the rate plans of the Montecito Water District in the Miscellaneous Risk Pool of CalPERS was prepared by the Actuarial Office using data as of June 30, 2024. This report contains actuarial information for the following rate plan(s).

- 73, Miscellaneous Plan
- 26040, PEPRA Miscellaneous Plan

The purpose of the valuation is to:

- Set forth the assets and accrued liabilities of these rate plans as of June 30, 2024;
- Determine the minimum required employer contributions for these rate plans for FY July 1, 2026, through June 30, 2027;
- Determine the required member contribution rate for FY July 1, 2026, through June 30, 2027, for employees subject to the California Public Employees' Pension Reform Act of 2013 (PEPRA); and
- Provide actuarial information as of June 30, 2024, to the CalPERS Board of Administration (board) and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to Governmental Accounting Standards Board (GASB) Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available on the CalPERS website (www.calpers.ca.gov).

The measurements shown in this actuarial valuation may not be applicable for other purposes. The agency should contact a CalPERS actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; changes in plan provisions or applicable law; and differences between the required contributions determined by the valuation and the actual contributions made by the agency.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the guidance of the Actuarial Standards of Practice:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 5.8% and 7.8%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current post-retirement mortality assumptions adopted in 2021.
- Plan maturity measures indicating how sensitive a plan may be to the risks noted above.
- The funded status on a termination basis.
- A low-default-risk obligation measure (LDROM) of benefit costs accrued as of the valuation date.

Summary of Key Valuation Results

Below is a brief summary of key valuation results along with page references where more detailed information can be found .

Required Employer Contributions — page 8

	Fiscal Year 2025-26	Fiscal Year 2026-27
Employer Normal Cost Rates		
Rate Plan 73	12.58%	12.56%
Rate Plan 26040	7.96%	7.93%
Unfunded Accrued Liability (UAL) Contribution Amount	$616,101	$684,032
Paid either as		
Option 1) 12 Monthly Payments of	$51,341.75	$57,002.67
Option 2) Annual Prepayment in July	$596,165	$661,898

Member Contribution Rates — page 9

	Fiscal Year 2025-26	Fiscal Year 2026-27
Rate Plan 73	7.00%	7.00%
Rate Plan 26040	7.75%	7.75%

Projected Employer Contributions — page 13

Fiscal Year	Normal Cost (% of payroll) Rate Plan 73	Normal Cost (% of payroll) Rate Plan 26040	Annual UAL Payment
2027-28	12.6%	7.9%	$711,000
2028-29	12.6%	7.9%	$781,000
2029-30	12.6%	7.9%	$787,000
2030-31	12.6%	7.9%	$790,000
2031-32	12.6%	7.9%	$806,000

Funded Status — Funding Policy Basis — page 11

	June 30, 2023	June 30, 2024
Entry Age Accrued Liability (AL)	$24,860,639	$25,983,487
Market Value of Assets (MVA)	17,458,007	18,671,939
Unfunded Accrued Liability (UAL) [AL – MVA]	$7,402,632	$7,311,548
Funded Ratio [MVA ÷ AL]	70.2%	71.9%

Summary of Valuation Data — Page 28

	June 30, 2023	June 30, 2024
Active Member Count	28	29
Annual Covered Payroll	$2,852,630	$3,068,875
Transferred Member Count	7	7
Separated Member Count	6	8
Retired Members and Beneficiaries Count	48	45

Changes Since the Prior Year's Valuation

Benefits

The standard actuarial practice at CalPERS is to recognize mandated legislative benefit changes in the first annual valuation following the effective date of the legislation. For pooled rate plans, voluntary benefit changes by plan amendment are generally included in the first valuation with a valuation date on or after the effective date of the amendment.

Please refer to the Plan's Major Benefit Options in this report and Appendix B of the Section 2 Report for a summary of the plan provisions used in this valuation.

Board Policy

On April 16, 2024, the board took action to modify the Funding Risk Mitigation Policy to remove the automatic change to the discount rate when the investment return exceeds various thresholds. Rather than an automatic change to the discount rate, a board discussion would be placed on the calendar. The 95th percentile return in the Future Investment Return Scenarios exhibit in this report, which includes returns high enough to trigger a board discussion, does not reflect any change in the discount rate.

Actuarial Methods and Assumptions

There are no significant changes to the actuarial methods or assumptions for the June 30, 2024, actuarial valuation.

Report Enhancements

Effective with the June 30, 2024, Actuarial Valuation, separate amortization schedules for each tier of benefits are no longer necessary. Multiple amortization schedules, and thus multiple Section 1 reports, will be combined. We believe this gives the employer a clearer picture of the pension plan's financial health and long-term costs.

Subsequent Events

This actuarial valuation report reflects fund investment return through June 30, 2024, as well as statutory changes, regulatory changes and board actions through January 2025.

CalPERS will be completing an Asset Liability Management (ALM) review process in November 2025 that will review the capital market assumptions and the CalPERS Total Fund Investment Policy and ascertain whether a change in the discount is warranted. In addition, the Actuarial Office will be presenting the findings of its Experience Study which reviews economic assumptions other than the discount rate as well as all demographic assumptions and makes recommendations to modify actuarial assumptions where appropriate. Any changes in actuarial assumptions will be reflected in the June 30, 2025, actuarial valuations.

The 2024 annual benefit limit under Internal Revenue Code (IRC) section 415(b) and annual compensation limits under IRC section 401(a)(17) and Government Code section 7522.10 were used for this valuation and are assumed to increase 2.3% per year based on the price inflation assumption. The actual 2025 limits, determined in October 2024, are not reflected.

To the best of our knowledge, there have been no other subsequent events that could materially affect current or future certifications rendered in this report.

Liabilities and Contributions

- **Determination of Required Contributions** 7
- **Required Employer Contributions** 8
- **Member Contribution Rates** 9
- **Breakdown of Entry Age Accrued Liability** 10
- **Allocation of Plan's Share of Pool's Experience** 10
- **Development of the Plan's Share of Pool's Assets** 10
- **Funded Status – Funding Policy Basis** 11
- **Additional Employer Contributions** 12
- **Projected Employer Contributions** 13
- **Schedule of Amortization Bases** 14
- **Amortization Schedule and Alternatives** 16
- **Employer Contribution History** 18
- **Funding History** 18

Determination of Required Contributions

Contributions to fund the plan are determined by an actuarial valuation performed each year. The valuation employs complex calculations based on a set of actuarial assumptions and methods. See Appendix A in Section 2 for information on the assumptions and methods used in this valuation. The valuation incorporates all plan experience through the valuation date and sets required contributions for the fiscal year that begins two years after the valuation date.

Contribution Components

Two components comprise required contributions:

- Normal Cost — expressed as a percentage of pensionable payroll
- Unfunded Accrued Liability (UAL) Contribution — expressed as a dollar amount

Normal Cost represents the value of benefits allocated to the upcoming year for active employees. If all plan experience exactly matched the actuarial assumptions, normal cost would be sufficient to fully fund all benefits. The employer and employees each pay a share of the normal cost with contributions payable as part of the regular payroll reporting process. The contribution rate for Classic members is set by statute based on benefit formula whereas for PEPRA members it is based on 50% of the total normal cost.

When plan experience differs from the actuarial assumptions, UAL emerges. The new UAL may be positive or negative. If the total UAL is positive (i.e., accrued liability exceeds assets), the employer is required to make contributions to pay off the UAL over time. This is called the UAL Contribution component. There is an option to prepay this amount during July of each fiscal year, otherwise it is paid monthly.

In measuring the UAL each year, plan experience is split by source. Common sources of UAL include investment experience different than expected, non-investment experience different than expected, assumption changes and benefit changes. Each source of UAL (positive or negative) forms a base that is amortized, or paid off, over a specified period of time in accordance with the CalPERS Actuarial Amortization Policy. The UAL Contribution is the sum of the payments on all bases. See the Schedule of Amortization Bases section of this report for an inventory of existing bases and Appendix A in Section 2 for more information on the amortization policy.

Required Employer Contributions

The required employer contributions in this report do not reflect any cost sharing arrangement between the agency and the employees. For employee contribution rates, see Member Contribution Rates.

Required Employer Contributions	Fiscal Year 2026-27
Employer Normal Cost Rate	
Classic Rate Plan 73	**12.56%**
PEPRA Rate Plan 26040	**7.93%**
Plus	
Unfunded Accrued Liability (UAL) Contribution Amount†	**$684,032**
Paid either as	
1) Monthly Payment	**$57,002.67**
Or	
2) Annual Prepayment Option‡	**$661,898**

The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) and the Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).

†The required payment on amortization bases does not take into account any additional discretionary payment made after April 30, 2025.

‡Only the UAL portion of the employer contribution can be prepaid **(which must be received in full no later than July 31)**.

Development of Normal Cost as a Percentage of Payroll

	Fiscal Year 2025-26	Fiscal Year 2026-27
Classic Rate Plan 73		
Base Total Normal Cost for Formula	18.87%	18.85%
Surcharge for Class 1 Benefits[1]	0.64%	0.64%
Plan's Total Normal Cost	19.51%	19.49%
Offset Due to Employee Contributions[2]	(6.93%)	(6.93%)
Employer Normal Cost for Rate Plan 73	12.58%	12.56%
PEPRA Rate Plan 26040		
Base Total Normal Cost for Formula	15.71%	15.68%
Surcharge for Class 1 Benefits[1]	0.00%	0.00%
Plan's Total Normal Cost	15.71%	15.68%
Offset Due to Employee Contributions[2]	(7.75%)	(7.75%)
Employer Normal Cost for Rate Plan 26040	7.96%	7.93%

[1] See Surcharge for Class 1 Benefits in the supplementary information section of this report.

[2] This is the expected employee contributions, taking into account individual benefit formula and any offset from the use of a modified formula, divided by projected annual payroll. For member contribution rates above the breakpoint for each benefit formula, see Member Contribution Rates.

Member Contribution Rates

The required member contributions in this report do not reflect any cost sharing arrangement between the agency and the employees.

Classic Members

Each member contributes toward their retirement based upon the retirement formula. The standard Classic member contribution rate above the breakpoint, if any, is as described below.

Benefit Formula	Percent Contributed above the Breakpoint
Miscellaneous, 1.5% at age 65	2%
Miscellaneous, 2% at age 60	7%
Miscellaneous, 2% at age 55	7%
Miscellaneous, 2.5% at age 55	8%
Miscellaneous, 2.7% at age 55	8%
Miscellaneous, 3% at age 60	8%

Auxiliary organizations of the CSU system may elect reduced contribution rates for Miscellaneous members, in which case the contribution rate above the breakpoint is 6% if members are not covered by Social Security and 5% if they are.

PEPRA Members

The California Public Employees' Pension Reform Act of 2013 (PEPRA) established new benefit formulas, final compensation period, and contribution requirements for "new" employees (generally those first hired into a CalPERS-covered position on or after January 1, 2013). In accordance with Government Code Section 7522.30(b), "new members … shall have an initial contribution rate of at least 50% of the normal cost rate." The normal cost rate for the plan is dependent on the benefit levels, actuarial assumptions and demographics of the risk pool, particularly members' entry age. Should the total normal cost rate of the plan change by more than 1% from the base total normal cost rate established for the plan, the new member rate shall be 50% of the new normal cost rate rounded to the nearest quarter percent.

The table below shows the determination of the PEPRA member contribution rates effective July 1, 2026, based on 50% of the total normal cost rate as of the June 30, 2024, valuation.

		Basis for Current Rate		Rates Effective July 1, 2026			
Rate Plan Identifier	Benefit Group Name	Total Normal Cost	Member Rate	Total Normal Cost	Change in Normal Cost	Adj. Needed	Member Rate
26040	PEPRA Miscellaneous Plan	15.43%	7.75%	15.68%	0.25%	No	7.75%

Breakdown of Entry Age Accrued Liability

Active Members	$9,844,903
Transferred Members	733,156
Separated Members	168,546
Members and Beneficiaries Receiving Payments	15,236,882
Total	$25,983,487

Allocation of Plan's Share of Pool's Experience

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1.	Plan's Accrued Liability	$25,983,487
2.	Projected UAL Balance at 6/30/2024	7,454,441
3.	Other UAL Adjustments (Golden Handshake, Prior Service Purchase, etc.)	0
4.	Adjusted UAL Balance at 6/30/2024 for Asset Share	7,454,441
5.	Pool's Accrued Liability[1]	24,701,567,178
6.	Sum of Pool's Individual Plan UAL Balances at 6/30/2024[1]	5,686,499,631
7.	Pool's 2023-24 Investment (Gain)/Loss[1]	(476,088,386)
8.	Pool's 2023-24 Non-Investment (Gain)/Loss[1]	305,188,638
9.	Plan's Share of Pool's Investment (Gain)/Loss: [(1) - (4)] ÷ [(5) - (6)] × (7)	(463,920)
10.	Plan's Share of Pool's Non-Investment (Gain)/Loss: (1) ÷ (5) × (8)	321,027
11.	Plan's New (Gain)/Loss as of 6/30/2024: (9) + (10)	(142,893)
12.	Increase in Pool's Accrued Liability due to Change in Assumptions[1]	0
13.	Plan's Share of Pool's Change in Assumptions: (1) ÷ (5) × (12)	0
14.	Increase in Pool's Accrued Liability due to Funding Risk Mitigation[1]	0
15.	Plan's Share of Pool's Change due to Funding Risk Mitigation: (1) ÷ (5) × (14)	0
16.	Offset due to Funding Risk Mitigation	0
17.	Plan's Investment (Gain)/Loss: (9) – (16)	(463,920)

[1] Does not include plans that transferred to the pool on the valuation date.

Development of the Plan's Share of Pool's Assets

18.	Plan's UAL: (2) + (3) + (11) + (13) + (15)	$7,311,548
19.	Plan's Share of Pool's Market Value of Assets (MVA): (1) - (18)	$18,671,939

For a reconciliation of the pool's Market Value of Assets (MVA), information on the fund's asset allocation and a history of CalPERS investment returns, see Section 2, which can be found on the CalPERS website (www.calpers.ca.gov).

Funded Status – Funding Policy Basis

The table below provides information on the current funded status of the plan under the funding policy. The funded status for this purpose is based on the market value of assets relative to the funding target produced by the entry age actuarial cost method and actuarial assumptions adopted by the board. The actuarial cost method allocates the total expected cost of a member's projected benefit (**Present Value of Benefits**) to individual years of service (the **Normal Cost**). The value of the projected benefit that is not allocated to future service is referred to as the Accrued Liability and is the plan's funding target on the valuation date. The **Unfunded Accrued Liability** (UAL) equals the funding target minus the assets. The UAL is an absolute measure of funded status and can be viewed as employer debt. The **Funded Ratio** equals the assets divided by the funding target. The funded ratio is a relative measure of the funded status and allows for comparisons between plans of different sizes.

	June 30, 2023	June 30, 2024
1. Present Value of Benefits	$28,991,602	$30,339,615
2. Entry Age Accrued Liability	24,860,639	25,983,487
3. Market Value of Assets (MVA)	17,458,007	18,671,939
4. Unfunded Accrued Liability (UAL) [(2) – (3)]	$7,402,632	$7,311,548
5. Funded Ratio [(3) ÷ (2)]	70.2%	71.9%

A funded ratio of 100% (UAL of $0) implies that the funding of the plan is on target and that future contributions equal to the normal cost of the active plan members will be sufficient to fully fund all retirement benefits if future experience matches the actuarial assumptions. A funded ratio of less than 100% (positive UAL) implies that in addition to normal costs, payments toward the UAL will be required. Plans with a funded ratio greater than 100% have a negative UAL (or surplus) but are required under current law to continue contributing the normal cost in most cases, preserving the surplus for future contingencies.

Calculations for the funding target reflect the expected long-term investment return of 6.8%. If it were known on the valuation date that future investment returns will average something greater/less than the expected return, calculated normal costs and accrued liabilities provided in this report would be less/greater than the results shown. Therefore, for example, if actual average future returns are less than the expected return, calculated normal costs and UAL contributions will not be sufficient to fully fund all retirement benefits. Under this scenario, required future normal cost contributions will need to increase from those provided in this report, and the plan will develop unfunded liabilities that will also add to required future contributions. For illustrative purposes, funded statuses based on a 1% lower and higher average future investment return (discount rate) are as follows:

	1% Lower Average Return	Current Assumption	1% Higher Average Return
Discount Rate	5.8%	6.8%	7.8%
1. Entry Age Accrued Liability	$29,093,142	$25,983,487	$23,362,990
2. Market Value of Assets (MVA)	18,671,939	18,671,939	18,671,939
3. Unfunded Accrued Liability (UAL) [(1) – (2)]	$10,421,203	$7,311,548	$4,691,051
4. Funded Ratio [(2) ÷ (1)]	64.2%	71.9%	79.9%

The Risk Analysis section of the report provides additional information regarding the sensitivity of valuation results to the expected investment return and other factors. Also provided in that section are measures of funded status that are appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities.

Additional Employer Contributions

The CalPERS amortization policy provides a systematic methodology for paying down a plan's unfunded accrued liability (UAL) over a reasonable period of years. The projected schedule of required payments for this plan under the amortization policy is provided in Amortization Schedule and Alternatives. Certain aspects of the policy such as 1) layered amortization bases (positive and negative) with different remaining payoff periods, and 2) the phase-in of required payments toward investment gains and losses, can result in volatility in year-to-year projected UAL payments. Provided below is information on how an Additional Discretionary Payment (ADP), together with your required UAL payment of $684,032 for FY 2026-27, may better accomplish your agency's specific objectives with regard to either smoothing out projected future payments or achieving a greater reduction in UAL than would otherwise occur when making only the minimum required payment. Such additional payments are allowed at any time and can also result in significant long-term savings.

Fiscal Year 2026-27 Employer Contribution Versus Agency Funding Objectives

The interest-to-payment ratio for the FY 2026-27 minimum required UAL payment is 67%, which means the required payment of $684,032 includes $461,225 of interest cost and results in a $222,807 reduction in the UAL, as can be seen in Amortization Schedule and Alternatives (see columns labelled Current Amortization Schedule). If the interest-to-payment ratio is close to 100%, and the reduction in the UAL is small, it may indicate that required contributions will be increasing in the coming years, which would be shown in Projected Employer Contributions. Another measure that can be used to evaluate how well the FY 2026-27 required UAL payment meets the agency's specific funding objectives is the number of years required to pay off the existing UAL if the annual payment were held constant in future years. With an annual payment of $684,032 it would take 17.6 years to pay off the current UAL. A result that is longer than the agency's target funding period suggests that the option of supplementing the minimum payment with an ADP should be weighed against the agency's budget constraints.

Provided below are select ADP options for consideration. Making such an ADP during FY 2026-27 does not require an ADP be made in any future year, nor does it change the remaining amortization period of any portion of unfunded liability. For information on permanent changes to amortization periods, see Amortization Schedule and Alternatives. Agencies considering making an ADP should contact CalPERS for additional information.

Fiscal Year 2026-27 Employer Contributions — Illustrative Scenarios

If the Annual UAL Payment Each Year Were…	The Current UAL Would be Paid Off in…	This Would Require an ADP[1] in FY 2026-27 of…	Plus the Estimated Normal Cost of…	Estimated Total Contribution
$684,032	17.6 years	$0	$325,613	$1,009,645
746,822	15 years	62,790	325,613	1,072,435
971,756	10 years	287,724	325,613	1,297,369
1,671,116	5 years	987,084	325,613	1,996,729

[1] The ADP amounts are assumed to be made in the middle of the fiscal year. A payment made earlier or later in the fiscal year would have to be less or more than the amount shown to have the same effect on the UAL amortization.

The calculations above are based on the projected UAL as of June 30, 2026, as determined in the June 30, 2024, actuarial valuation. New unfunded liabilities can emerge in future years due to assumption or method changes, changes in plan provisions, and actuarial experience different than assumed. Making an ADP illustrated above for the indicated number of years will not result in a plan that is exactly 100% funded in the indicated number of years. Valuation results will vary from one year to the next and can diverge significantly from projections over a period of several years.

Additional Discretionary Payment History

The following table provides a recent history of actual ADPs made to the plan through April 30, 2025.

Fiscal Year	ADP	Fiscal Year	ADP
2019-20	$0	2022-23	$0
2020-21	0	2023-24	0
2021-22	0	2024-25	0

Projected Employer Contributions

The table below shows the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. In particular, the investment return beginning with FY 2024-25 is assumed to be 6.80% per year, net of investment and administrative expenses. Future contribution requirements may differ significantly from those shown below. The actual long-term cost of the plan will depend on the actual benefits and expenses paid and the actual investment experience of the fund.

The normal cost rates for each rate plan are assumed to remain constant. However, the employer contribution amounts will vary due to changes in payroll. The actuarial valuation does not include payroll beyond the valuation date. For the most realistic projections, the employer should apply projected payroll amounts to the rates below based on the most recent information available, such as current payroll as well as any plans to fill vacancies or add or remove positions.

Rate Plan Identifier	Covered Payroll June 30, 2024	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2024-25 and Beyond)				
		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
		Normal Cost Rates (Percentage of Payroll)					
73	$1,448,679	12.56%	12.6%	12.6%	12.6%	12.6%	12.6%
26040	1,620,196	7.93%	7.9%	7.9%	7.9%	7.9%	7.9%
	UAL Payment	$684,032	$711,000	$781,000	$787,000	$790,000	$806,000

Unlike the normal cost rates, the required UAL payments are expected to vary significantly from the projections above due to experience, particularly investment experience. For projected contributions under alternate investment return scenarios, please see the Future Investment Return Scenarios exhibit. Our online pension plan projection tool, Pension Outlook, is available in the Employers section of the CalPERS website. Pension Outlook can help plan and budget pension costs under various scenarios.

For ongoing plans, investment gains and losses are amortized using an initial 5-year ramp. For more information, please see Amortization of Unfunded Actuarial Accrued Liability in Appendix A of the Section 2 Report. This method phases in the impact of the change in UAL over a 5-year period in order to reduce employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years when there is a large investment loss, the relatively small amortization payments during the initial ramp period could result in contributions that are less than interest on the UAL (i.e. negative amortization) while the contribution impact of the increase in the UAL is phased in.

Schedule of Amortization Bases

Below is the schedule of the plan's amortization bases. Note that there is a two-year lag between the valuation date and the start of the contribution year.

- The assets, liabilities and funded status of the plan are measured as of the valuation date: June 30, 2024.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: FY 2026-27.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment on the UAL for FY 2024-25 is based on the actuarial valuation two years ago, adjusted for additional discretionary payments made on or before April 30, 2025, if necessary, and the expected payment for FY 2025-26 is based on the actuarial valuation one year ago.

Reason for Base	Date Est.	Ramp Level 2026-27	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/24	Expected Payment 2024-25	Balance 6/30/25	Expected Payment 2025-26	Balance 6/30/26	Minimum Required Payment 2026-27
Investment (Gain)/Loss	6/30/13	100%	Up/Dn	2.80%	19	1,922,340	144,447	1,903,782	148,492	1,879,781	152,649
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Dn	2.80%	19	(18,478)	(1,388)	(18,300)	(1,427)	(18,070)	(1,467)
Share of Pre-2013 Pool UAL	6/30/13	No Ramp		2.80%	11	1,145,930	113,383	1,106,679	116,558	1,061,477	119,821
Assumption Change	6/30/14	100%	Up/Dn	2.80%	10	744,844	91,140	701,306	93,692	652,170	96,316
Investment (Gain)/Loss	6/30/14	100%	Up/Dn	2.80%	20	(1,456,896)	(105,745)	(1,446,684)	(108,706)	(1,432,717)	(111,749)
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Dn	2.80%	20	1,577	114	1,566	118	1,551	121
Investment (Gain)/Loss	6/30/15	100%	Up/Dn	2.80%	21	915,959	64,372	911,720	66,175	905,329	68,028
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Dn	2.80%	21	(73,898)	(5,193)	(73,556)	(5,339)	(73,040)	(5,488)
Assumption Change	6/30/16	100%	Up/Dn	2.80%	12	315,165	33,277	302,206	34,209	287,403	35,167
Investment (Gain)/Loss	6/30/16	100%	Up/Dn	2.80%	22	1,165,845	79,505	1,162,959	81,731	1,157,576	84,020
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Dn	2.80%	22	(142,851)	(9,742)	(142,497)	(10,014)	(141,838)	(10,295)
Assumption Change	6/30/17	100%	Up/Dn	2.80%	13	378,587	37,544	365,531	38,595	350,501	39,676
Investment (Gain)/Loss	6/30/17	100%	Up/Dn	2.80%	23	(610,456)	(40,475)	(610,138)	(41,608)	(608,628)	(42,773)
Non-Investment (Gain)/Loss	6/30/17	100%	Up/Dn	2.80%	23	(31,382)	(2,081)	(31,365)	(2,139)	(31,287)	(2,199)
Assumption Change	6/30/18	100%	Up/Dn	2.80%	14	641,465	60,097	622,978	61,780	601,495	63,510
Investment (Gain)/Loss	6/30/18	100%	Up/Dn	2.80%	24	(190,401)	(12,296)	(190,641)	(12,640)	(190,542)	(12,994)
Method Change	6/30/18	100%	Up/Dn	2.80%	14	177,078	16,590	171,975	17,055	166,044	17,532
Non-Investment (Gain)/Loss	6/30/18	100%	Up/Dn	2.80%	24	94,990	6,134	95,110	6,306	95,061	6,483
Investment (Gain)/Loss	6/30/19	100%	Up Only	0.00%	15	86,332	6,881	85,091	8,601	81,989	8,601
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	15	79,095	7,731	76,484	7,731	73,695	7,731

Schedule of Amortization Bases (continued)

Reason for Base	Date Est.	Ramp Level 2026-27	Ramp Shape	Escala-tion Rate	Amort. Period	Balance 6/30/24	Expected Payment 2024-25	Balance 6/30/25	Expected Payment 2025-26	Balance 6/30/26	Minimum Required Payment 2026-27
Investment (Gain)/Loss	6/30/20	100%	Up Only	0.00%	16	419,986	25,252	422,449	33,670	416,380	42,087
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	16	68,635	6,507	66,578	6,507	64,381	6,508
Assumption Change	6/30/21	No Ramp		0.00%	17	93,082	8,584	90,541	8,584	87,827	8,584
Net Investment (Gain)	6/30/21	80%	Up Only	0.00%	17	(2,050,741)	(84,300)	(2,103,072)	(126,450)	(2,115,402)	(168,601)
Non-Investment (Gain)/Loss	6/30/21	No Ramp		0.00%	17	(96,306)	(8,882)	(93,676)	(8,882)	(90,867)	(8,882)
Investment (Gain)/Loss	6/30/22	60%	Up Only	0.00%	18	2,816,339	60,536	2,945,290	121,073	3,020,448	181,609
Non-Investment (Gain)/Loss	6/30/22	No Ramp		0.00%	18	375,665	33,781	366,300	33,781	356,298	33,781
Partial Fresh Start	6/30/22	60%	Up Only	0.00%	18	151,913	3,265	158,869	6,531	162,923	9,796
Investment (Gain)/Loss	6/30/23	40%	Up Only	0.00%	19	121,535	0	129,799	2,790	135,742	5,580
Non-Investment (Gain)/Loss	6/30/23	No Ramp		0.00%	19	409,488	0	437,333	39,327	426,430	39,327
Investment (Gain)/Loss	6/30/24	20%	Up Only	0.00%	20	(463,920)	0	(495,467)	0	(529,159)	(11,374)
Non-Investment (Gain)/Loss	6/30/24	No Ramp		0.00%	20	321,027	0	342,857	0	366,171	32,927
Total						**7,311,548**	**529,038**	**7,262,007**	**616,101**	**7,119,122**	**684,032**

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed in Allocation of Plan's Share of Pool's Experience earlier in this report. These (gain)/loss bases will be amortized in accordance with the CalPERS amortization policy in effect at the time the base was established.

Amortization Schedule and Alternatives

The amortization schedule on the previous page(s) shows the minimum contributions required according to the CalPERS amortization policy. Each year, many agencies express a desire for a more stable pattern of payments or indicate interest in paying off the unfunded accrued liabilities more quickly than required. As such, we have provided alternative amortization schedules to help analyze the current amortization schedule and illustrate the potential savings of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternative "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. To initiate a fresh start, please contact a CalPERS actuary.

The current amortization schedule typically contains both positive and negative bases. Positive bases result from plan changes, assumption changes, method changes or plan experience that increase unfunded liability. Negative bases result from plan changes, assumption changes, method changes, or plan experience that decrease unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years, such as:

- When a negative payment would be required on a positive unfunded actuarial liability; or
- When the payment would completely amortize the total unfunded liability in a very short time period, and results in a large change in the employer contribution requirement.

In any year when one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over an appropriate period.

The current amortization schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS Actuarial Amortization Policy.

Amortization Schedule and Alternatives (continued)

	Current Amortization Schedule		Alternative Schedules			
			15 Year Amortization		10 Year Amortization	
Date	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2026	7,119,122	684,032	7,119,122	746,822	7,119,122	971,756
6/30/2027	6,896,315	710,992	6,831,426	746,822	6,598,970	971,756
6/30/2028	6,630,495	780,502	6,524,167	746,822	6,043,448	971,756
6/30/2029	6,274,765	786,604	6,196,014	746,822	5,450,150	971,756
6/30/2030	5,888,542	790,328	5,845,547	746,822	4,816,508	971,756
6/30/2031	5,472,207	805,854	5,471,248	746,822	4,139,778	971,756
6/30/2032	5,011,515	799,073	5,071,496	746,822	3,417,031	971,756
6/30/2033	4,526,500	791,465	4,644,561	746,822	2,645,137	971,757
6/30/2034	4,016,368	774,221	4,188,595	746,822	1,820,753	971,756
6/30/2035	3,489,369	745,399	3,701,623	746,822	940,312	971,757
6/30/2036	2,956,322	693,182	3,181,537	746,822		
6/30/2037	2,440,990	501,388	2,626,085	746,822		
6/30/2038	2,088,825	465,397	2,032,862	746,822		
6/30/2039	1,749,905	437,241	1,399,300	746,822		
6/30/2040	1,417,036	419,018	722,656	746,822		
6/30/2041	1,080,364	362,061				
6/30/2042	779,660	305,144				
6/30/2043	517,329	487,292				
6/30/2044	48,919	50,555				
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
Total	**11,389,748**		**11,202,330**		**9,717,562**	
Interest Paid	**4,270,626**		**4,083,208**		**2,598,440**	
Estimated Savings			**187,418**		**1,672,186**	

Employer Contribution History

The table below provides a recent history of the employer contribution requirements for the plan, as determined by the annual actuarial valuation. Changes due to prepayments or plan amendments after the valuation report was finalized are not reflected.

Valuation Date	Contribution Year	Employer Normal Cost Rate		Unfunded Liability Payment
		Rate Plan 73	Rate Plan 26040	
06/30/2015	2017-18	8.921%	6.533%	$177,667
06/30/2016	2018-19	9.409%	6.842%	232,067
06/30/2017	2019-20	10.221%	6.985%	290,318
06/30/2018	2020-21	11.031%	7.732%	333,986
06/30/2019	2021-22	10.88%	7.59%	395,921
06/30/2020	2022-23	10.87%	7.47%	457,670
06/30/2021	2023-24	12.47%	7.68%	436,956
06/30/2022	2024-25	12.52%	7.87%	529,038
06/30/2023	2025-26	12.58%	7.96%	616,101
06/30/2024	2026-27	12.56%	7.93%	684,032

Funding History

The table below shows the recent history of the actuarial accrued liability, share of the pool's market value of assets, unfunded accrued liability, funded ratio and annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll
06/30/2015	$15,839,229	$12,689,918	$3,149,311	80.1%	$2,098,340
06/30/2016	16,835,090	12,524,186	4,310,904	74.4%	1,870,766
06/30/2017	17,938,911	13,645,706	4,293,205	76.1%	2,133,427
06/30/2018	19,331,437	14,313,305	5,018,132	74.0%	2,250,784
06/30/2019	19,945,547	14,632,885	5,312,662	73.4%	2,368,708
06/30/2020	20,862,325	15,039,452	5,822,873	72.1%	2,510,646
06/30/2021	22,230,414	18,201,000	4,029,414	81.9%	2,577,922
06/30/2022	23,434,791	16,565,427	6,869,364	70.7%	2,592,857
06/30/2023	24,860,639	17,458,007	7,402,632	70.2%	2,852,630
06/30/2024	25,983,487	18,671,939	7,311,548	71.9%	3,068,875

Risk Analysis

- **Future Investment Return Scenarios** **20**
- **Discount Rate Sensitivity** **21**
- **Mortality Rate Sensitivity** **22**
- **Maturity Measures** **22**
- **Maturity Measures History** **23**
- **Funded Status – Termination Basis** **24**
- **Funded Status – Low-Default-Risk Basis** **25**

Future Investment Return Scenarios

Analysis using the investment return scenarios from the Asset Liability Management process completed in 2021 was performed to determine the effects of various future investment returns on required employer UAL contributions. The CalPERS Funding Risk Mitigation Policy stipulates that when the investment return exceeds the discount rate by at least 2% the board will consider adjustments to the discount rate. The projections below use a discount rate of 6.8% for all scenarios even though an annual return of 10.8% is high enough to trigger a board discussion on the discount rate. The projections also assume that all other actuarial assumptions will be realized and that no further changes in assumptions, contributions, benefits, or funding will occur.

The employer normal cost rates are not affected by Investment returns, and since no future assumption changes are being reflected, the projected employer normal cost rates for every future investment return scenario are the same as those shown earlier in this report. See Projected Employer Contributions for more information on projecting the employer normal cost.

The first table shows projected UAL contribution requirements if the fund were to earn either 3.0% or 10.8% annually. These alternate investment returns were chosen because 90% of long-term average returns are expected to fall between them over the 20-year period ending June 30, 2044.

Assumed Annual Return FY 2024-25 through FY 2043-44	Projected Employer UAL Contributions				
	2027-28	2028-29	2029-30	2030-31	2031-32
3.0% (5th percentile)	$728,000	$833,000	$893,000	$969,000	$1,076,000
10.8% (95th percentile)	$693,000	$724,000	$669,000	$587,000	$0

Required UAL contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 3.0% or greater than 10.8% over a 20-year period, the likelihood of a single investment return less than 3.0% or greater than 10.8% in any given year is much greater. The following analysis illustrates the effect of an extreme, single year investment return.

The portfolio has an expected volatility (or standard deviation) of 12.0% per year. Accordingly, in any given year there is a 16% probability that the annual return will be -5.2% or less and a 2.5% probability that the annual return will be -17.2% or less. These returns represent one and two standard deviations below the expected return of 6.8%.

The following table shows the effect of one and two standard deviation investment losses in FY 2024-25 on the FY 2027-28 contribution requirements. Note that a single-year investment gain or loss decreases or increases the required UAL contribution amount incrementally for each of the next five years, not just one, due to the 5-year ramp in the amortization policy. However, the contribution requirements beyond the first year are also impacted by investment returns beyond the first year. Historically, significant downturns in the market are often followed by higher than average returns. Such investment gains would offset the impact of these single year negative returns in years beyond FY 2027-28.

Assumed Annual Return for Fiscal Year 2024-25	Required Employer UAL Contributions	Projected Employer UAL Contributions
	2026-27	2027-28
(17.2%) (2 standard deviation loss)	$684,032	$821,000
(5.2%) (1 standard deviation loss)	$684,032	$766,000

- Without investment gains (returns higher than 6.8%) in FY 2025-26 or later, projected contributions rates would continue to rise over the next four years due to the continued phase-in of the impact of the illustrated investment loss in FY 2024-25.
- The Pension Outlook Tool can be used to model projected contributions for these scenarios beyond FY 2027-28 as well as to model other investment return scenarios.

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation, currently 4.5% and 2.3%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2024, assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 6.8% as well as alternate discount rates of 5.8% and 7.8%. The rates of 5.8% and 7.8% were selected since they illustrate the impact of a 1.0% increase or decrease to the 6.8% assumption.

Sensitivity to the Discount Rate Due to Varying the Real Rate of Return Assumption

As of June 30, 2024	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	**5.8%**	**6.8%**	**7.8%**
Price Inflation	2.3%	2.3%	2.3%
Real Rate of Return	**3.5%**	**4.5%**	**5.5%**
a) Total Normal Cost			
Rate Plan 73	24.53%	19.49%	15.66%
Rate Plan 26040	19.63%	15.68%	12.68%
b) Accrued Liability	$29,093,142	$25,983,487	$23,362,990
c) Market Value of Assets	$18,671,939	$18,671,939	$18,671,939
d) Unfunded Liability/(Surplus) [(b) - (c)]	$10,421,203	$7,311,548	$4,691,051
e) Funded Ratio	64.2%	71.9%	79.9%

Sensitivity to the Discount Rate Due to Varying the Price Inflation Assumption

As of June 30, 2024	1% Lower Price Inflation	Current Assumptions	1% Higher Price Inflation
Discount Rate	**5.8%**	**6.8%**	**7.8%**
Price Inflation	**1.3%**	**2.3%**	**3.3%**
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost			
Rate Plan 73	20.43%	19.49%	17.79%
Rate Plan 26040	16.54%	15.68%	14.26%
b) Accrued Liability	$26,739,475	$25,983,487	$24,284,809
c) Market Value of Assets	$18,671,939	$18,671,939	$18,671,939
d) Unfunded Liability/(Surplus) [(b) - (c)]	$8,067,536	$7,311,548	$5,612,870
e) Funded Ratio	69.8%	71.9%	76.9%

Mortality Rate Sensitivity

The following table looks at the change in the June 30, 2024, plan costs and funded status under two different longevity scenarios, namely assuming rates of post-retirement mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2021. This type of analysis highlights the impact on the plan of a change in the mortality assumption.

As of June 30, 2024	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost			
Rate Plan 73	19.82%	19.49%	19.18%
Rate Plan 26040	15.95%	15.68%	15.43%
b) Accrued Liability	$26,618,872	$25,983,487	$25,401,948
c) Market Value of Assets	$18,671,939	$18,671,939	$18,671,939
d) Unfunded Liability/(Surplus) [(b) - (c)]	$7,946,933	$7,311,548	$6,730,009
e) Funded Ratio	70.1%	71.9%	73.5%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan sponsor to tolerate risk is important in understanding how the pension plan is impacted by investment return volatility, other economic variables and changes in longevity or other demographic assumptions.

Since it is the employer that bears the risk, it is appropriate to perform this analysis on a pension plan level considering all rate plans. The following measures include only the rate plans covered in this report. One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio increases. A mature plan will often have a ratio above 60%-65%.

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2023	June 30, 2024
1. Retiree Accrued Liability	$15,628,663	$15,236,882
2. Total Accrued Liability	$24,860,639	$25,983,487
3. Ratio of Retiree AL to Total AL [(1) ÷ (2)]	63%	59%

Another measure of the maturity level of CalPERS and its plans is the ratio of actives to retirees, also called the support ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures and members retire, the ratio declines. A mature plan will often have a ratio near or below one.

To calculate the support ratio for the rate plan, retirees and beneficiaries receiving a continuance are each counted as one, even though they may have only worked a portion of their careers as an active member of this rate plan. For this reason, the support ratio, while intuitive, may be less informative than the ratio of retiree liability to total accrued liability above.

For comparison, the support ratio for all CalPERS public agency plans as of June 30, 2023, was 0.78 and was calculated consistently with how it is for the individual rate plan. Note that to calculate the support ratio for all public agency plans, a retiree with service from more than one CalPERS agency is counted as a retiree more than once.

Support Ratio	June 30, 2023	June 30, 2024
1. Number of Actives	28	29
2. Number of Retirees	48	45
3. Support Ratio [(1) ÷ (2)]	0.58	0.64

Maturity Measures (continued)

The actuarial calculations supplied in this communication are based on various assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary increases, investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio

Shown in the table below is the asset volatility ratio (AVR), which is the ratio of market value of assets to payroll. Plans that have a higher AVR experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an AVR of 8 may experience twice the contribution volatility due to investment return volatility than a plan with an AVR of 4. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as a plan matures.

Liability Volatility Ratio

Also shown in the table below is the liability volatility ratio (LVR), which is the ratio of accrued liability to payroll. Plans that have a higher LVR experience more volatile employer contributions (as a percentage of payroll) due to changes in liability. For example, a plan with an LVR of 8 is expected to have twice the contribution volatility of a plan with an LVR of 4 when there is a change in accrued liability, such as when there is a change in actuarial assumptions. It should be noted that this ratio indicates a longer-term potential for contribution volatility, since the AVR, described above, will tend to move closer to the LVR as the funded ratio approaches 100%.

Contribution Volatility	June 30, 2023	June 30, 2024
1. Market Value of Assets	$17,458,007	$18,671,939
2. Payroll	$2,852,630	$3,068,875
3. Asset Volatility Ratio (AVR) [(1) ÷ (2)]	6.1	6.1
4. Accrued Liability	$24,860,639	$25,983,487
5. Liability Volatility Ratio (LVR) [(4) ÷ (2)]	8.7	8.5

Maturity Measures History

Valuation Date	Ratio of Retiree Accrued Liability to Total Accrued Liability	Support Ratio	Asset Volatility Ratio	Liability Volatility Ratio
06/30/2017	51%	0.71	6.4	8.4
06/30/2018	54%	0.73	6.4	8.6
06/30/2019	54%	0.69	6.2	8.4
06/30/2020	59%	0.68	6.0	8.3
06/30/2021	57%	0.64	7.1	8.6
06/30/2022	65%	0.60	6.4	9.0
06/30/2023	63%	0.58	6.1	8.7
06/30/2024	59%	0.64	6.1	8.5

Funded Status – Termination Basis

The funded status measured on a termination basis is an estimated range for the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2024. The accrued liability on a termination basis (termination liability) is calculated differently from the plan's ongoing funding liability. For the termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed. This measure of funded status is not appropriate for assessing the need for future employer contributions in the case of an ongoing plan, that is, for an employer that continues to provide CalPERS retirement benefits to active employees. Unlike the actuarial cost method used for ongoing plans, the termination liability is the present value of the benefits earned through the valuation date.

A more conservative investment policy and asset allocation strategy was adopted by the board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while limiting the funding risk. However, this asset allocation has a lower expected rate of return than the remainder of the PERF and consequently, a lower discount rate assumption. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The discount rate used for actual termination valuations is a weighted average of the 10-year and 30-year Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the following analysis is based on 20-year Treasury bonds, which is a good proxy for most plans. The discount rate upon contract termination will depend on actual Treasury rates on the date of termination, which varies over time, as demonstrated below.

Valuation Date	20-Year Treasury Rate	Valuation Date	20-Year Treasury Rate
06/30/2015	2.83%	06/30/2020	1.18%
06/30/2016	1.86%	06/30/2021	2.00%
06/30/2017	2.61%	06/30/2022	3.38%
06/30/2018	2.91%	06/30/2023	4.06%
06/30/2019	2.31%	06/30/2024	4.61%

As Treasury rates are variable, the table below shows a range for the termination liability using discount rates 1% below and above the 20-year Treasury rate on the valuation date. The price inflation assumption is the 20-year Treasury breakeven inflation rate, that is, the difference between the 20-year inflation indexed bond and the 20-year fixed-rate bond.

The Market Value of Assets (MVA) also varies with interest rates and will fluctuate depending on other market conditions on the date of termination. Since it is not possible to approximate how the MVA will change in different interest rate environments, the results below use the MVA as of the valuation date.

	Discount Rate: 3.61% Price Inflation: 2.45%	Discount Rate: 5.61% Price Inflation: 2.45%
1. Termination Liability[1]	$36,978,051	$28,849,507
2. Market Value of Assets (MVA)	18,671,939	18,671,939
3. Unfunded Termination Liability [(1) – (2)]	$18,306,112	$10,177,568
4. Funded Ratio [(2) ÷ (1)]	50.5%	64.7%

[1] The termination liabilities calculated above include a 5% contingency load. The contingency load and other actuarial assumptions can be found in Appendix A of the Section 2 report.

In order to terminate, first contact our Pension Contract Services unit to initiate a Resolution of Intent to Terminate. The completed Resolution will allow a CalPERS actuary to provide a preliminary termination valuation with a more up-to-date estimate of the plan's assets and liabilities. Before beginning this process, please consult with a CalPERS actuary.

Funded Status – Low-Default-Risk Basis

Actuarial Standard of Practice (ASOP) No. 4, *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*, requires the disclosure of a low-default-risk obligation measure (LDROM) of benefit costs accrued as of the valuation date using a discount rate based on the yields of high quality fixed income securities with cash flows that replicate expected benefit payments. Conceptually, this measure represents the level at which financial markets would value the accrued plan costs, and would be approximately equal to the cost of a portfolio of low-default-risk bonds with similar financial characteristics to accrued plan costs.

As permitted in ASOP No. 4, the Actuarial Office uses the Entry Age Actuarial Cost Method to calculate the LDROM. This methodology is in line with the measure of "benefit entitlements" calculated by the Bureau of Economic Analysis and used by the Federal Reserve to report the indebtedness due to pensions of plan sponsors and, conversely, the household wealth due to pensions of plan members.

As shown below, the discount rate used for the LDROM is 5.35%, which is the Standard FTSE Pension Liability Index[1] discount rate as of June 30, 2024.

Selected Measures on a Low-Default-Risk Basis	June 30, 2024
Discount Rate	5.35%
1. Accrued Liability – Low-Default-Risk Basis (LDROM)	
a) Active Members	$12,360,285
b) Transferred Members	903,263
c) Separated Members	190,723
d) Members and Beneficiaries Receiving Payments	17,227,516
e) Total	$30,681,787
2. Market Value of Assets (MVA)	18,671,939
3. Unfunded Accrued Liability – Low-Default-Risk Basis [(1e) – (2)]	$12,009,848
4. Unfunded Accrued Liability – Funding Policy Basis	7,311,548
5. Present Value of Unearned Investment Risk Premium [(3) – (4)]	$4,698,300

The difference between the unfunded liabilities on a low-default-risk basis and on the funding policy basis represents the present value of the investment risk premium that must be earned in future years to keep future contributions for currently accrued plan costs at the levels anticipated by the funding policy.

Benefit security for members of the plan relies on a combination of the assets in the plan, the investment income generated from those assets, and the ability of the plan sponsor to make necessary future contributions. If future returns fall short of 6.8%, benefit security could be at risk without higher than currently anticipated future contributions.

The funded status on a low-default-risk basis is not appropriate for assessing the sufficiency of plan assets to cover the cost of settling the plan's benefit obligations (see Funded Status – Termination Basis), nor is it appropriate for assessing the need for future contributions (see Funded Status – Funding Policy Basis).

[1] This index is based on a yield curve of hypothetical AA-rated zero-coupon corporate bonds whose maturities range from 6 months to 30 years. The index represents the single discount rate that would produce the same present value as discounting a standardized set of liability cash flows for a fully open pension plan using the yield curve. The liability cash flows are reasonably consistent with the pattern of benefits expected to be paid from the entire Public Employees' Retirement Fund for current and former plan members. A different index, hence a different discount rate, may be needed to measure the LDROM for a subset of the fund, such as a single rate plan or a group of retirees.

Supplementary Information

- **Normal Cost by Benefit Group** **27**
- **Summary of Valuation Data** **28**
- **Status of PEPRA Transition** **29**
- **Surcharge for Class 1 Benefits** **29**
- **Plan's Major Benefit Options** **30**

Normal Cost by Benefit Group

The table below displays the Total Normal Cost broken out by benefit group as of the valuation date, June 30, 2024. The Total Normal Cost is the annual cost of service accrual for the fiscal year for active employees and can be viewed as the long-term contribution rate for the benefits contracted. Generally, the normal cost for a benefit group subject to more generous benefit provisions will exceed the normal cost for a group with less generous benefits. Future measurements of the Total Normal Cost for each group may differ significantly from the current values due to such factors as: changes in economic and demographic assumptions, changes in plan benefits or applicable law.

Rate Plan Identifier	Benefit Group Name	Total Normal Cost as of June 30, 2024	Offset due to Employee Contributions as of June 30, 2024	Employer Normal Cost as of June 30, 2024	Number of Actives	Payroll on 6/30/2024
73	Miscellaneous Plan	19.49%	6.93%	12.56%	13	$1,448,679
26040	PEPRA Miscellaneous Plan	15.68%	7.75%	7.93%	16	1,620,196
	Hypothetical Plan Totals[1]	*17.48%*	*7.36%*	*10.12%*	29	$3,068,875

[1] The hypothetical employer normal cost and contribution rates for the total plan are provided for illustrative purposes only and are based on the payroll as of the valuation date. This snapshot of the cost of providing benefits can be compared from one valuation date to the next as members retire from older tiers and are replaced by members in new tiers. The employer normal cost rate for contribution purposes varies by rate plan and applies to the covered payroll of members in each respective rate plan.

Note that if a Benefit Group above has multiple bargaining units, each of which has separately contracted for different benefits such as Employer Paid Member Contributions, then the Normal Cost shown for the respective benefit level does not reflect those differences.

Summary of Valuation Data

The table below shows a summary of the plan's member data upon which this valuation is based:

	June 30, 2023	June 30, 2024
Active Members		
Counts	28	29
Average Attained Age	N/A	45.1
Average Entry Age to Rate Plan	N/A	33.7
Average Years of Credited Service	N/A	11.6
Average Annual Covered Pay	$101,880	$105,823
Annual Covered Payroll	$2,852,630	$3,068,875
Present Value of Future Payroll	$26,551,582	$28,243,795
Transferred Members		
Counts	7	7
Separated Members		
Counts	6	8
Retired Members and Beneficiaries*		
Counts	48	45
Average Annual Benefits	$28,504	$30,540
Total Annual Benefits	$1,368,175	$1,374,317

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

* Values include community property settlements.

Status of PEPRA Transition

The California Public Employees' Pension Reform Act of 2013 (PEPRA), which took effect in January 2013, changed CalPERS retirement benefits and placed compensation limits on new members joining CalPERS on or after January 1, 2013. One of the objectives of PEPRA was to improve the ability of employers to manage the costs of retirement benefits for their members. While such changes can reduce future benefit costs in a meaningful way, the full impact on employer contributions will not occur until all active members are subject to the rules and provisions of PEPRA. The table below illustrates the status of this transition as of June 30, 2024.

	Classic	PEPRA	PEPRA as a Percent of Total
Active Members			
Count	13	16	55.2%
Average Attained Age	51.3	40.1	
Average Entry Age	30.7	36.1	
Average Years of Credited Service	20.9	4.0	
Average Annual Covered Payroll	$111,437	$101,262	
Annual Covered Payroll	$1,448,679	$1,620,196	52.8%
Present Value of Future Payroll	$10,446,408	$17,797,387	63.0%
Transferred Members			
Count	5	2	28.6%
Separated Members			
Count	3	5	62.5%
Retired Members and Beneficiaries Receiving Payments			
Count	44	1	2.2%
Average Annual Benefit	$30,922	$13,749	
Total Annual Benefits	$1,360,568	$13,749	1.0%
Accrued Liabilities			
Active Members	$8,533,896	$1,311,007	13.3%
Transferred Members	644,949	88,207	12.0%
Separated Members	98,044	70,502	41.8%
Retired Members and Beneficiaries	15,039,785	197,097	1.3%
Total	$24,316,674	$1,666,813	6.4%

Surcharge for Class 1 Benefits

This plan has the following Class 1 benefit provisions which result in the surcharges indicated:

Class 1 benefit provisions	Rate Plan 73	Rate Plan 26040
One Year Final Compensation (FAC 1)	0.64%	N/A
Surcharge for Class 1 Benefits	0.64%	0.00%

Plan's Major Benefit Options

Shown below is a summary of the major optional benefits for which the agency has contracted. A description of principal standard and optional plan provisions is in Section 2.

Rate Plan 73	Benefit Group						
Member Category	**Misc**	**Misc**	**Misc**	**Misc**	**Misc**	**Misc**	**Misc**
Demographics							
Actives	Yes	No	No	No	No	No	No
Transfers/Separated	Yes	Yes	Yes	No	No	No	No
Receiving	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Benefit Provision							
Benefit Formula	2% @ 55	2% @ 55	2% @ 55				
Social Security Coverage	Yes	No	Yes				
Full/Modified	Modified	Full	Modified				
Employee Contribution Rate	7.00%						
Final Average Compensation Period	One Year	One Year	One Year				
Sick Leave Credit	Yes	Yes	Yes				
Non-Industrial Disability	Standard	Standard	Standard				
Industrial Disability	No	No	No				
Pre-Retirement Death Benefits							
Optional Settlement 2	Yes	Yes	Yes				
1959 Survivor Benefit Level	No	No	No				
Special	No	No	No				
Alternate (firefighters)	No	No	No				
Post-Retirement Death Benefits							
Lump Sum	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000	$2,000
Survivor Allowance (PRSA)	No	No	No	No	No	No	No
COLA	2%	2%	2%	2%	2%	2%	2%

Plan's Major Benefit Options (Continued)

Shown below is a summary of the major optional benefits for which the agency has contracted. A description of principal stand ard and optional plan provisions is in Section 2.

Rate Plan 26040	Benefit Group	
Member Category	**Misc**	
Demographics		
Actives	Yes	
Transfers/Separated	Yes	
Receiving	Yes	
Benefit Provision		
Benefit Formula	2% @ 62	
Social Security Coverage	Yes	
Full/Modified	Full	
Employee Contribution Rate	7.75%	
Final Average Compensation Period	Three Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	No	
Pre-Retirement Death Benefits		
Optional Settlement 2	Yes	
1959 Survivor Benefit Level	No	
Special	No	
Alternate (firefighters)	No	
Post-Retirement Death Benefits		
Lump Sum	$2,000	
Survivor Allowance (PRSA)	No	
COLA	2%	

Section 2

California Public Employees' Retirement System

Risk Pool Actuarial Valuation Information

Section 2 may be found on the
CalPERS website (www.calpers.ca.gov)
in the Forms & Publications section

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **5-A**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **ADOPTION OF RESOLUTION NO. 2319 CONTINUING THE EXISTING WATER AVAILABILITY CHARGE TO FUND WATER DISTRIBUTION SYSTEM UPGRADES AND ORDERING THE FILING OF A REPORT ESTABLISHING THE WATER AVAILABILITY CHARGE FOR FY 2027**

RECOMMENDATION:

1. Conduct a Public Hearing regarding continuation of the Water Availability Charge (WAC) for Fiscal Year (FY) 2027; 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;
2. Following consideration of public objections and protests, adopt Resolution No. 2319 establishing the Water Availability Charge for Fiscal Year 2027.

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

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

REMAINING 1996 WAC PROJECTS				
	Project	**Year**	**Construction**	**Pipe**
No.	**Name**	**Installed**	**Cost**	**Length**
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.

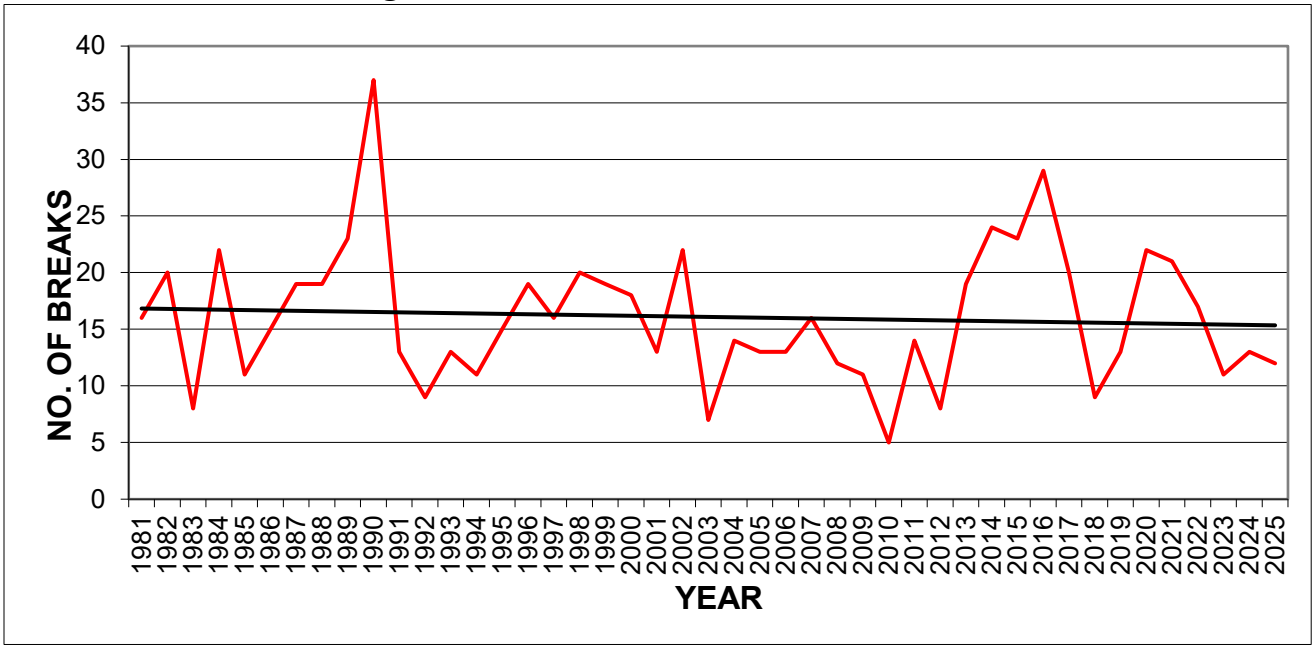
Table 2 – Calendar Year 2025 Water Main Breaks

#	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

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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

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Exhibit "A"
To Resolution No. 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
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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**

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No.	Project Name	Year Installed	Construction Cost	Pipe 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: **5-B**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **ADOPTION OF RESOLUTION NO. 2320 APPROVING THE DISTRICT'S *2025 URBAN WATER MANAGEMENT PLAN* AND *WATER SHORTAGE CONTINGENCY PLAN*, AND AUTHORIZING THEIR FILING WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES**

RECOMMENDATION:

1. Conduct a Public Hearing regarding the *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*;
2. Following the public hearing, adopt Resolution No. 2320, a Resolution of the Board of Directors of the Montecito Water District Adopting the *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*.

DISCUSSION:

In accordance with the Urban Water Management Planning Act (Water Code §§10610-10657), urban water suppliers that provide over 3,000 acre-feet of water annually or serve more than 3,000 urban connections are required to prepare an *Urban Water Management Plan* (UWMP) including a *Water Shortage Contingency Plan* (WSCP). UWMPs are prepared by urban water suppliers every five years. The District's most recent 2020 UWMP was completed and filed with the Department of Water Resources (DWR) in June 2021.

A UWMP is a comprehensive document prepared by urban water suppliers to support long-term resource planning and ensure adequate water supplies are available to meet existing and future needs. These plans evaluate supply reliability over a 20- to 25-year horizon and outline specific strategies for managing water demand and responding to critical shortages. A WSCP, which is a component of a UWMP, is a strategic document that outlines the step-by-step procedures of an urban water supplier for managing and reducing water demand of its service area during droughts or emergencies. It establishes tiered response stages and mandatory conservation actions to protect public health, maintain essential services, and preserve available supplies.

In September 2025, the District awarded a contract to Rincon Consultants to prepare its 2025 UWMP and WSCP. On February 5 and March 17, 2026, the Strategic Planning Committee reviewed the initial water service reliability assessment, including the initial supply and demand projections for normal years, single dry years and multi-year dry periods, and the updated WSCP.

The reliability assessment and updated WSCP were then reviewed by the Board of Directors at its regular meeting held on March 24, 2026.

On April 14, 2026, the Strategic Planning Committee reviewed the draft 2025 UWMP and WSCP. The draft 2025 UWMP and WSCP were then reviewed by the Board of Directors at its regular meeting held on April 28, 2026.

No public comments on the 2025 UWMP & WSCP have been received to date. Any comments received before Board adoption can be incorporated into the final 2025 UWMP & WSCP. The Public Hearing Draft 2025 UWMP and WSCP are attached to this memorandum. The Draft 2025 UWMP & WSCP will be presented during the public hearing scheduled for June 23, 2026.

Highlights of the 2025 UWMP and WSCP include:

1. The District anticipates a diversified and reliable source of supply to meet expected demands under various circumstances for the foreseeable future.
2. Under normal conditions, the District estimates it will need approximately 4,900 acre-feet (AF) production to meet expected demands in 2050.
3. In normal hydrologic years, the District has more than sufficient supplies to meet demands without implementing demand management measures through 2050.
4. The District also has sufficient supplies to satisfy demands in all single dry year scenarios analyzed, which means the District is well prepared to withstand short droughts without needing to reduce customer demands.
5. During the 5th year of a severe multi-year drought, this UWMP anticipates that there may be a supply shortage of up to 5% or 325 acre feet.
6. Any minor shortage projected in the 5th year of a severe multi-year drought is anticipated to be fully mitigated with implementation of the WSCP through voluntary conservation and/or strategic supply enhancements including, but not limited to, local groundwater banking, increased pumping from the Cachuma Project when lake levels are low and additional deliveries from Jameson Lake.
7. Water use could feasibly be reduced, if needed to align with available supplies through implementation of Stage 1 of the WSCP. No further WSCP stages are anticipated to be required to meet demands during multi-year drought periods due to District actions to foster a reliable and redundant supply.
8. Per-capita (per-person) urban water use in 2025 remains in compliance with the State mandated 20% reduction in per-capita (per-person) urban water use calculated in the District's 2020 UWMP.

While the information collected attendant to preparation of a UWMP is useful for local, regional, and statewide water planning, the methodologies prescribed by the Department of Water Resources (DWR) are often limited in assisting a local agency to describe unique local conditions. The DWR UWMP templates have pre-filled drop-down menus that cannot be modified to account for unique local conditions which means the document is limited in some ways as a local agency

planning document. However, despite any limitations in being able to describe all local conditions and potential responses, the District's 2025 UWMP complies with all requirements.

SCHEDULE

The District's Board of Directors is holding a public hearing on June 23, 2026, to accept community input and consider the adoption of the 2025 UWMP and WSCP. As a requirement of a public hearing, the District posted public notices of the scheduled public hearing before the Board in the Montecito Journal on June 4, 2026, and June 11, 2026. Copies of the notices are included in Appendix C of the 2025 UWMP. Once adopted, the 2025 UWMP and WSCP will be submitted to DWR for review and filing prior to the July 1, 2026 deadline.

FISCAL IMPACT

The District's Fiscal Year 2026 budget allocates $150,000 to prepare its 2025 UWMP and WSCP. Rincon Consultants is contracted to complete this work for $104,500, keeping the project well within the approved budget.

ATTACHMENTS

1. Public Hearing Draft *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*
2. Rincon Presentation for the *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*
3. Proposed Resolution No. 2320 Adopting the *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*

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Montecito Water District
2025 Urban Water Management Plan



RINCON CONSULTANTS

2025 Urban Water Management Plan

prepared by

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June 2026

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Table of Contents

Acronyms and Abbreviations vii
Executive Summary ES-1
Plan Summary ES-1
1 Introduction and Lay Description 1-1
1.1 UWMP Organization 1-2
1.2 Urban Water Management Plans and the California Water Code 1-2
1.2.1 Urban Water Management Plan Act of 1983 1-2
1.2.2 New Requirements for 2025 UWMPs 1-3
1.2.3 Water Conservation Regulations 1-3
1.3 Urban Water Management Plans and Grant or Loan Eligibility 1-5
1.4 Demonstration of Consistency with the Delta Plan for Participants in Covered Actions 1-5
1.4.1 Background 1-5
1.4.2 Consistency with Water Resource Policy 1 1-6
2 Plan Preparation 2-1
2.1 Basis for Preparing a UWMP 2-1
2.2 Coordination and Outreach 2-1
2.2.1 Wholesale and Retail Coordination 2-1
2.2.2 Coordination with Other Agencies and the Community 2-2
2.3 Public Hearing and Adoption 2-2
2.4 Plan Submittal and Availability 2-2
3 System Description 3-1
3.1 General Description 3-1
3.2 Service Area Climate 3-4
3.3 Climate Change 3-6
3.3.1 Climate Hazards Relevant to UWMP Reliability Planning 3-8
3.3.2 Adaptation Strategies that Support UWMP Planning 3-8
3.4 Service Area Population, Demographics, and Land Uses 3-9
3.4.1 Current Population 3-9
3.4.2 Projected Population 3-10
3.4.3 Economic Trends & Other Social and Demographic Factors 3-10
3.5 Land Uses Within the Service Area 3-11
3.6 Delivery System Details 3-12
4 Water Use Characterization 4-1
4.1 Potable Water Versus Non-Potable Use 4-1

4.2 Past, Current, and Projected Water Use by Sector 4-2
4.2.1 Water Use Sectors 4-2
4.2.2 Past and Current Water Use 4-2
4.2.3 Water Budgets 4-4
4.3 Projected Water Use 4-4
4.3.1 Existing Customer Future Use 4-5
4.3.2 New Customer Future Use 4-5
4.3.3 Summary of Forecast Water Use 4-6
4.4 Adjusting Water Use Forecasts for Single-Dry and Multiple Dry Conditions 4-9
4.5 Climate Change Considerations 4-9
4.6 Existing Distribution System Losses 4-10
4.7 Forecasting Water Use for the DRA and Annual Assessment 4-12
4.7.1 Projecting Water Use for 5-year Drought Risk Assessment 4-12
5 SB X7-7 Baselines, Targets, and 2025 Reporting 5-1
5.1 SBx7-7 Baselines and 2020 Targets 5-1
5.1.1 Calculating Population and Gross Water Use 5-1
5.2 District Met 2020 Water Use Target in 2020 5-1
6 Water Supply Characterization 6-1
6.1 Water Supply Analysis Overview 6-1
6.1.1 Special Considerations 6-1
6.2 Water Supply 6-3
6.2.1 Desalinated Water 6-3
6.2.2 Surface Water 6-3
6.2.3 Groundwater 6-5
6.2.4 Purchased or Imported Water 6-10
6.2.5 Stormwater 6-12
6.2.6 Wastewater and Recycled Water 6-12
6.2.7 Water Transfers and Exchanges 6-17
6.2.8 Supply From Storage 6-17
6.2.9 Other 6-18
6.2.10 Future Water Projects 6-18
6.3 Energy Use 6-18
6.4 Normal Year Water Supply 6-19
7 Water Service Reliability and Drought Risk Assessment 7-1
7.1 Water Service Reliability Assessment 7-1
7.1.1 Normal Year 7-4
7.1.2 Single-Dry Year 7-4

7.1.3 Multiple Dry Years 7-6
7.2 Drought Risk Assessment 7-12
7.2.1 Data, Methods, and Basis for Water Shortage Condition 7-12
7.2.2 DRA Water Source Reliability 7-12
7.2.3 Total Water Supply and Use Comparison 7-12
8 Water Shortage Contingency Plan 8-1
8.1 Water Supply Reliability Assessment 8-1
8.2 Annual Water Supply and Demand Assessment 8-2
8.3 Six Standard Water Shortage Levels 8-2
8.4 Shortage Response Actions 8-2
8.4.1 Demand Reduction 8-2
8.4.2 Supply Augmentation 8-7
8.4.3 Operational Changes 8-7
8.4.4 Additional Mandatory Restrictions 8-7
8.4.5 Seismic Risk Assessment, Mitigation Plan, and Emergency Response Plan 8-7
8.4.6 Shortage Response Action Effectiveness 8-8
8.5 Communication Protocols 8-8
8.6 Compliance and Enforcement 8-8
8.7 Legal Authorities 8-8
8.8 Financial Consequences 8-9
8.9 Monitoring and Reporting 8-9
8.10 WSCP Refinement Procedures 8-10
8.11 Special Water Feature Distinction 8-10
8.12 Plan Adoption, Submittal, and Availability 8-10
9 Demand Management Measures 9-1
9.1 Conservation Legislation and Regulatory Context 9-1
9.2 History of Conservation Programming 9-1
9.3 Implementation Over Past Five Years (2021-2025) 9-2
9.4 Demand Management Measures 9-2
9.4.1 Water Waste Prevention Ordinances 9-2
9.4.2 Metering 9-3
9.4.3 Property Specific Water Budgets 9-3
9.4.4 Conservation Pricing 9-3
9.4.5 Public Education and Outreach 9-3
9.4.6 Distribution System Water Loss 9-4
9.4.7 Conservation Program Coordination and Staffing 9-4
9.4.8 Other Demand Management Measures 9-4

9.5 Planned Demand Management Measures 9-6
10 Plan Adoption, Submittal, and Implementation 10-1
10.1 Notice of Plan Preparation 10-1
10.2 Notice of Public Hearing, Plan Adoption, and Plan Submittal 10-1
10.3 Amending an Adopted Plan 10-2

Tables

Table 1-1 Calculation of Reliance on Water Supplies from the Delta Watershed (Percent) 1-7
Table 2-1 Public Water System Information (DWR Submittal Table 2-1 Retail) 2-1
Table 2-2 Supplier Identification (DWR Submittal Table 2-3) 2-1
Table 3-1 Customer Water Service Connections 3-3
Table 3-2 2025 Estimated Population 3-10
Table 3-3 Population Forecast (DWR Submittal Table 3-1 Retail) 3-10
Table 4-1 2025 Actual Total Uses for Potable and Non-Potable Water (DWR Submittal Table 4-1) 4-1
Table 4-2 Customer Use: 2021 to 2025 (values in AF) 4-2
Table 4-3 Anticipated Growth by Customer Classification 4-6
Table 4-4 Total Uses of Potable and Non-Potable Water - Projected (DWR Submittal Table 4-2) 4-8
Table 4-5 Distribution System Loss: 2020 through 2024 4-10
Table 4-6 Progress Towards 2028 Water Loss Standard (DWR Submittal Table 4-6 Retail) 4-11
Table 4-7 Forecast DRA Water Use for 2026 through 2030 (AF) 4-12
Table 5-1 SB X7-7 2020 Target Progress (DWR Submittal Table 5-1 Retail) 5-2
Table 6-1 Groundwater Volume Pumped (DWR Submittal Table 6-1 Retail) 6-10
Table 6-2 Current and Projected Annual SWP Table A Allocation 6-11
Table 6-3 Wastewater Collected within Service Area in 2025 (DWR Submittal Table 6-2 Retail) 6-13
Table 6-4 Wastewater Treatment and Discharge within Service Area in 2025[1] (DWR Submittal Table 6-3 Retail) 6-16
Table 6-5 Methods to Encourage Future Recycled Water Use (DWR Submittal Table 6-6 Retail) 6-17
Table 6-6 Energy Intensity – Total Utility Approach[1] (DWR Optional Submittal Table O-1B) 6-18
Table 6-7 Water Supplies – 2025 Actual (DWR Submittal Table 6-8 Retail) 6-21
Table 6-8 Water Supplies (Normal Year) – Projected (DWR Submittal Table 6-9 Retail) 6-22
Table 7-1 Projected Normal Year Reliability (DWR Submittal Table 7-2 Retail) 7-4
Table 7-2 Projected Single Dry Year Reliability (DWR Submittal Table 7-3 Retail) 7-4
Table 7-3 Detailed Water Supplies (Single Dry Year) – Projected 7-5
Table 7-4 Projected Multiple Dry Year Reliability (DWR Submittal Table 7-4 Retail) 7-6
Table 7-5 Detailed Water Supply (Multiple Dry Years – Year 1) – Projected 7-7

Table 7-6 Detailed Water Supply (Multiple Dry Years – Year 2) – Projected 7-8
Table 7-7 Detailed Water Supply (Multiple Dry Years – Year 3) – Projected 7-9
Table 7-8 Detailed Water Supply (Multiple Dry Years – Year 4) – Projected 7-10
Table 7-9 Detailed Water Supply (Multiple Dry Years – Year 5) – Projected 7-11
Table 7-10 Five-Year Drought Reliability Assessment (DWR Submittal Table 7-5 Retail) 7-13
Table 8-1 Ordinance 99 Demand Management Measures 8-3
Table 8-2 Demand Reduction Actions (DWR Submittal Table 8-3 Retail) 8-5
Table 8-3 Supply Augmentation and Other Actions (DWR Submittal Table 8-2 Retail) 8-7
Table 9-1 Conservation Measures Implementation Schedule (2022–2045) 9-5

Figures

Figure 3-1 District Service Area 3-2
Figure 3-2 Historic Average Climate Conditions 3-5
Figure 3-3 Annual Precipitation Variability in Montecito (1991-2025) 3-6
Figure 3-4 Historical Annual Temperature (1924-2024) 3-7
Figure 3-5 Santa Barbara County Employment and Unemployment 3-11
Figure 3-6 Delivery System 3-13
Figure 4-1 Customer Use: 2021 to 2025 (values in AF) 4-3
Figure 4-2 Single Family Residential Monthly Use: 2021 to 2025 (values in AF) 4-3
Figure 6-1 Map of the Montecito Groundwater Basin and Water District Boundaries 6-7
Figure 6-2 Available Water Supplies (Normal Year) 6-23

Appendices

Appendix A UWMP Checklist
Appendix B Reduced Delta Reliance Analysis
Appendix C Notification and Public Hearing Outreach
Appendix D Future Demand and Water Supply Options Update 2025
Appendix E 2025 Consumer Confidence Report
Appendix F District Climate Action & Adaptation Plan
Appendix G Water Shortage Contingency Plan
Appendix H Ordinance 99 Demand Management Measures
Appendix I District American Water Works Association Water Audit
Appendix J District Resolution Adopting the UWMP and WSCP

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Acronyms and Abbreviations

Below is the full list of acronyms and abbreviations used in the Urban Water Management Plan (UWMP).

AB	Assembly Bill
ADU	Accessory Dwelling Unit
AF	Acre-feet
AFY	Acre-feet per year
AMI	Advanced Metering Infrastructure
CAAP	Climate Action and Adaptation Plan
CCWA	Central Coast Water Authority
CEQA	California Environmental Quality Act
COMB	Cachuma Operations and Maintenance Board
CWC	California Water Code
DMM	Demand Management Measure
DRA	Drought Risk Assessment
DWR	California Department of Water Resources
EEWTP	El Estero Wastewater Treatment Plant
GPCD	Gallons per capita per day
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
IPR	Indirect potable reuse
kWh	Kilowatt-hours
MGD	Million gallons per day
MSD	Montecito Sanitary District
NMFS	National Marine Fisheries Service
SB	Senate Bill
SCC	South Coast Conduit
SGMA	Sustainable Groundwater Management Act
SSD	Summerland Sanitary District
SWP	State Water Project
SWRCB	State Water Resources Control Board
UWMP	Urban Water Management Plan

UWUO	Urban Water Use Objective
AMI	Advanced Metering Infrastructure
RWEP	Regional Water Efficiency Program
USBR	United States Bureau of Reclamation
WSA	Water Supply Agreement
WSCP	Water Shortage Contingency Plan
WUEP	Water Use Efficiency Plan

Executive Summary

The Urban Water Management Act (Act) became part of the California Water Code (CWC) with the passage of Assembly Bill (AB) 797 during the 1983-1984 regular session of the California Legislature. The CWC requires every urban water supplier providing water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet per year (AFY) to adopt and submit an Urban Water Management Plan (UWMP) every five years to the California Department of Water Resources (DWR). The specific planning requirements are in the CWC Division 6, Part 2.6 Urban Water Management Planning.

Subsequent legislation has been passed that updates and provides for additional requirements for the UWMPs and water management, such as reporting on energy intensity, an expanded Water Shortage Contingency Plan, and a 5-Year Drought Risk Assessment.

The core requirements for the UWMP include:

- Description of the water service area.
- Estimates of past, present, and projected water use.
- Estimates of existing and planned supply sources.
- Analysis and target compliance per Senate Bill (SB) X7-7.
- Description of existing and planned Demand Management Measures (DMMs) and other conservation measures.
- Dry year supply estimates, including 5-Year Drought Risk Assessment.
- Water Shortage Contingency Plan.

The 2025 UWMP must submit data in specific tables to DWR. DWR has provided these tables and this UWMP utilizes the provided tables with minor changes to format or organization where applicable. This Montecito Water District (District) 2025 UWMP presents each required element per DWR's 2025 Urban Water Management Plan Guidebook. A copy of the DWR checklist for compliance is included in Appendix A.

Plan Summary

Based on the information and analysis presented in this 2025 UWMP, the District anticipates a diversified and reliable source of supply to meet expected demands under various circumstances for the foreseeable future. Under normal conditions, the District estimates it will need approximately 4,900 acre-feet (AF) production to meet expected demands in 2050. To meet this demand, the District manages reliable supplies, including a desalinated water purchase agreement with the City of Santa Barbara and a contract for long-term water storage at Semitropic Groundwater Bank in the Central Valley. These supplies provide stable water sources which makes the District less reliant on imported water and rainfall-dependent sources of supply.

This UWMP assesses the near- and long-term reliability of the District supplies to meet expected demands in various hydrological conditions, including normal and single dry years, as well as during a drought condition lasting five consecutive years. In normal hydrologic years, the District has more than sufficient supplies to meet demands without implementing demand management measures through 2050. The District also has sufficient supplies to satisfy demands in all single dry year

scenarios analyzed, which means the District is well prepared to weather short droughts without needing to reduce customer demands. During Year 5 of severe multi-year droughts, this UWMP anticipates that there may be a supply shortage of up to 5 percent.

The District has updated its Water Shortage Contingency Plan (WSCP) in conjunction with this 2025 UWMP. The WSCP is a tool aimed at addressing supply shortages identified through an annual assessment of available supplies and unconstrained demand. The District's demand management and supply augmentation tools provide necessary actions to address and mitigate projected supply shortfalls, if necessary. As described in this UWMP, water use during Year 5 of severe multi-year drought could feasibly be reduced, if needed to align with available supplies through implementation of Stage 1 of the WSCP. No further WSCP stages are anticipated to be required to meet demands during multi-year drought periods, though the WSCP does provide for additional water shortage stages should an emergency shortage occur. The determination of supply shortages in this UWMP is specific to the District's water supply outlook, which may not align with statewide conditions.

1 Introduction and Lay Description

An Urban Water Management Plan (UWMP) is a water supply planning document that serves to help guide the sustainable and efficient use of urban water resources. In alignment with California Water Code (CWC) Sections (§) 10610.2(a)(2) and § 10608(h), presented below, UWMPs recognize that while water conservation is a statewide priority, water supply reliability planning and the implementation of effective conservation efforts are best achieved at the local level.

> CWC § 10610.2(a)(2) states, "[t]he conservation and efficient use of urban water supplies are of statewide concern; however, the planning for that use and the implementation of those plans can best be accomplished at the local level."
>
> CWC § 10608(h) states, "[t]he factors used to formulate water use efficiency targets can vary significantly from location to location based on factors including weather, patterns of urban and suburban development, and past efforts to enhance water use efficiency."

In accordance with the Urban Water Management Planning Act (UWMP Act), water supply providers with at least 3,000 service connections or that provide at least 3,000 acre-feet per year (AFY) of water are responsible for developing a UWMP. The UWMP must account for region-specific factors, including but not limited to climate patterns and the effects of climate change, as well as the type and extent of existing and anticipated development, and historical conservation efforts. Additionally in accordance with the UWMP Act, UWMPs are updated every five years, accounting for updated conditions and development characteristics with associated water demand forecasts and supply availability projections.

Montecito Water District (District) is an independent special district governed by an elected Board of Directors chosen by voters within its service area. The current District service area encompasses 15.4 square miles and includes a small eastern part of the City of Santa Barbara, the unincorporated communities of Montecito and Summerland, and Toro Canyon. The District operates pursuant to CWC §§ 30000-33901, which authorize the District to acquire and operate water systems, treat and distribute potable and recycled water, collect and treat wastewater, issue bonds and levy assessments, and enter into interagency agreements for regional water and wastewater services.

The District has prepared this 2025 UWMP to guide its conservation and water resource management programs, consistent with CWC and UWMP Act requirements. The UWMP will be updated every five years, with annual reviews conducted by the District to track progress and address any unanticipated factors affecting supply reliability. Information and analysis provided in the District's 2020 UWMP, adopted on June 22, 2021, has been updated and incorporated into this 2025 UWMP. In addition, this UWMP has been prepared in accordance with guidance provided by the California Department of Water Resources (DWR) in its *Final Urban Water Management Plan Guidebook for Urban Water Suppliers* (2025 UWMP Guidebook[1]), to facilitate the DWR review process and support compliance with all applicable standards for urban water supply planning.

[1] The 2025 UWMP Guidebook is available online at: https://wuedata.water.ca.gov/public/public_resources/4825681388/2025_Draft_UWMP_Guidebook_Release.zip

The 2025 UWMP serves as a long-term planning document to ensure a reliable water supply at the local level. The District has implemented its 2020 UWMP strategies with substantial progress towards diversifying supplies, promoting water use efficiency, and improving local supply reliability. Efforts continue towards the ongoing achievement of greater potable water savings, including reduced per capita water use and progress on development of alternative sources of potable water supply.

1.1 UWMP Organization

Guidance provided by DWR in its 2025 UWMP Guidebook has been incorporated into this 2025 UWMP. Use of the 2025 UWMP Guidebook is intended to facilitate the DWR review process, support compliance with applicable standards for urban water supply planning, and provide structural consistency with UWMPs produced by other public water suppliers. As such, this UWMP is organized as follows.

- Chapter 1: Introduction and Lay Description
- Chapter 2: Plan Preparation
- Chapter 3: System Description
- Chapter 4: Water Use Characterization
- Chapter 5: SB X7-7 Baselines, Targets, and 2025 Reporting
- Chapter 6: Water Supply Characterization
- Chapter 7: Water Service Reliability and Drought Risk Assessment
- Chapter 8: Water Shortage Contingency Plan
- Chapter 9: Demand Management Measures
- Chapter 10: Plan Adoption, Submittal, and Implementation

In addition to the chapters listed above, this 2025 UWMP includes an Executive Summary to provide an overview of the contents, findings, and recommendations.

1.2 Urban Water Management Plans and the California Water Code

1.2.1 Urban Water Management Plan Act of 1983

The UWMP Act requires urban water suppliers to report, describe, and evaluate various aspects of their water resources and plans for providing water services, such as:

- Water deliveries and uses
- Water supply sources
- Water use efficiency and Demand Management Measures (DMM)
- Water shortage contingency planning

The UWMP Act directs water agencies to plan for long-term water resource management to ensure adequate water supplies are available to meet both current and future demands. Urban water suppliers are required to assess current demands and supplies over a 20-year planning horizon (with an additional five-year option) and consider various drought scenarios. Among other things, the

UWMP Act also requires plans to include water shortage contingency planning and drought response actions.

UWMPs are to be prepared every five years by urban water suppliers. The UWMP Act defines urban water suppliers as those providing water for municipal purposes, either directly or indirectly, to more than 3,000 customers or supplying more than 3,000 AFY of water. Updated 2025 UWMPs must be adopted and submitted to DWR on or before July 1, 2026. Although submitted in 2026, these UWMPs are referred to as 2025 UWMPs because they include 2025 data. This naming convention also provides consistency with the five-year submittal cycle under the UWMP Act.

As discussed in Section 1.1, this 2025 UWMP was prepared following the DWR's 2025 UWMP Guidebook and addresses all requirements of the UWMP Act, as well as recent code changes and other relevant information.

1.2.2 New Requirements for 2025 UWMPs

Since the completion of the District's 2020 UWMP, several requirements have been clarified by DWR for the 2025 UWMPs. Clarifications include:

- **SB X7-7 Compliance and 2025 Reporting:** The 2025 UWMP Guidebook directs urban water suppliers to report on their progress in meeting the SB X7-7 targets established in the 2015 and 2020 UWMPs. Simplified guidance is provided to address the reporting requirements for continued compliance with the 2020 targets. Chapter 5 contains this information.
- **Integration of Potable Reuse:** Regulations adopted by the State Water Resource Control Board (SWRCB) in December 2023 (effective October 2024) require documentation of direct and indirect potable reuse projects. Minor changes to the tables provided by DWR for Chapters 4 and 6 allow for clearer accounting of potable reuse supplies.
- **Water Loss Standard Reporting:** Guidance has been provided for how urban water suppliers can report progress toward compliance with their Water Loss Standard (Chapter 4 of the 2025 UWMP Guidebook) which has been available since the 2020 UWMPs.

1.2.3 Water Conservation Regulations

Senate Bill X7-7 (Water Conservation Act of 2009)

Senate Bill (SB) X7-7, passed in 2009, defined a key goal to reduce statewide per capita urban water use and by 2020 achieve a 20 percent reduction in per capita urban water use. In accordance with SB X7-7, UWMPs were required to support the achievement of this goal by reporting technical information such as base daily per capita water use (baseline), or gallons per capita per day (GPCD), as well as urban water use targets, interim urban water use targets, and compliance with daily per capita water use quotas. The District's 2020 UWMP demonstrated that the District was successful in achieving a 20 percent per capita water use reduction by 2020. Although the 2020 milestone has passed, this 2025 UWMP is required to report on the District's ongoing compliance with its SB X7-7 targets.

Senate Bill 606 and Assembly Bill 1668 (Urban Water Use Objectives)

The Urban Water Use Objective (UWUO) is a new water use efficiency legislation requirement authorized by Making Conservation a California Way of Life (SB 606 and Assembly Bill [AB] 1668), which was signed into law in 2018 and finalized by SWRCB on July 3, 2024. Under this legislation,

urban water suppliers are required to begin submitting annual reporting requirements to DWR and SWRCB on January 1, 2024, and to report UWUOs beginning January 1, 2025 (CWC § 10609.60).

The Making Conservation a California Way of Life[2] regulation uses SB X7-7 targets (for 20 percent water use reduction by 2020) as a backstop for its calculations setting customized water use efficiency standards for each urban water supplier. In comparison to SB X7-7, which sought to reduce overall per capita urban water use, the UWUO requires more granularity in water use reductions, incorporating standards for indoor residential use, outdoor irrigation efficiency, overall system water loss, and dedicated irrigation meters for commercial, industrial, and institutional customers. Below is an overview of the UWUO requirements considered in this 2025 UWMP:

- **Indoor Residential Use:** Calculated as 47 GPCD in 2025, reducing to 42 GPCD in 2030.
- **Outdoor Irrigation Efficiency:** Estimate outdoor water use objectives using Landscape Efficiency Standards including 0.80 for existing outdoor landscapes in 2025, reducing to 0.63 for outdoor landscapes in 2035, and 0.55 in 2040.
- **CII-DIM Budgets:** Report water budgets for DIMs serving CII customers to align actual water deliveries with performance standards.
- **Water Loss Audits:** Include validated water loss data (full compliance with water loss standards begins in 2028).
- **Annual Reporting**: Submit annual UWUO data starting January 1, 2024, and every year thereafter, via DWR's Water Use Efficiency Data (WUEdata) portal: https://wuedata.water.ca.gov/.

The District's UWUO has been established in the District's UWUO Fiscal Year 2024-2025 report, which sets the District's UWUO at 1,241,287,323 gallons per year (3,809 AFY) of water use.[3] This UWUO objective is based on the District's service population water use in accordance with the water efficiency standards listed above.

Assembly Bill 1572 (Nonfunctional Turf Ban)

Passed in 2023, AB 1572 enacted legislation to significantly reduce potable water use for irrigation of nonfunctional turf. Nonfunctional turf is defined as grass that serves no practical purpose for human activity or recreation, including ornamental grass strips along roadways, expansive lawns in business parks, unused patches of grass in front of commercial buildings, and other similar areas that are not regularly used for sports, play, or social gatherings. The rationale behind this ban is straightforward: in a state facing chronic water scarcity, dedicating potable water to maintain purely aesthetic or unused landscapes is considered an unsustainable and wasteful practice. AB 1572 features a phased implementation schedule to allow property owners and managers sufficient time to adapt and transition their landscapes, applying to government properties in January 2027, CII properties in January 2028, and Homeowners Associations common areas in January 2029, with flexible compliance for properties in disadvantaged communities in 2031 or later.

[2] https://www.waterboards.ca.gov/conservation/regs/water_efficiency_legislation.html
[3] https://wuedata.water.ca.gov/uwuo_plans

Senate Bills 610 and 221 (Water Supply Assessments)

Passed in 2001, SB 610 (CWC §§ 10910 through 10915) and SB 221 (California Government Code §§ 65867.5, 66455.3, and 66473.7) added and amended provisions of state law to improve the link between water supply availability and land use planning decisions.

In general terms, SB 610 requires that when a proposed project meets the definition of a project under SB 610, including that it is subject to California Environmental Quality Act (CEQA) and would rely on groundwater, the applicable public water provider is required to adopt a Water Supply Assessment as part of the project's CEQA review. A Water Supply Assessment must demonstrate water supply availability for the project over a 20-year planning horizon and with consideration to various climatic scenarios (i.e., drought) and may be used to inform water demand projections in the applicable UWMP.

SB 221 generally requires the approval of a development agreement or tentative map that includes more than 500 dwelling units to be conditioned on a written verification from the applicable public water system that sufficient water supplies will be available. No new projects triggering a Water Supply Assessment under SB 610 have occurred since the 2020 UWMP. No projects triggering a Water Supply Assessment under SB 610 are anticipated in the District service area.

1.3 Urban Water Management Plans and Grant or Loan Eligibility

Completion of a UWMP, including discussion of the status of a water supplier's implementation of DMMs, is required for urban water suppliers to be eligible for water management grants or loans administered by DWR, SWRCB, or the Delta Stewardship Council (CWC § 10631.5(a)). A current UWMP must be maintained by water suppliers throughout the term of any grant or loan administered by DWR. Water suppliers must also comply with the water conservation requirements established by the Water Conservation Act of 2009 and the Making Conservation a California Way of Life legislation, which was signed into law in 2018 and finalized by SWRCB in 2024. While the Water Conservation Act and Making Conservation a California Way of Life legislation do not directly establish funding eligibility criteria, they influence water suppliers' access to state grants and loans because achievement of conservation targets and compliance with annual urban water use objectives and annual reporting are prerequisites for funding and loan eligibility.

1.4 Demonstration of Consistency with the Delta Plan for Participants in Covered Actions

1.4.1 Background

The Sacramento-San Joaquin Delta Plan (Delta Plan) is a long-term management strategy developed by the Delta Stewardship Council under the Delta Reform Act of 2009 to manage the Delta's environmental resources including water supply.[4] Major water supply projects that rely on the Delta include the State Water Project (SWP), operated by DWR, and the federal Central Valley Project, operated by the United States Bureau of Reclamation (USBR).

[4] Delta Stewardship Council. 2013. Sacramento-San Joaquin Delta Plan. https://www.deltacouncil.ca.gov/delta-plan/

An urban water supplier that anticipates participating in or receiving water from a proposed project, such as a multiyear water transfer, conveyance facility, or new diversion that involves transferring water through, exporting water from, or using water in the Delta, should provide information in their UWMP to demonstrate consistency with the Delta Plan's Water Resource Policy 1, Reduce Reliance on the Delta Through Improved Regional Water Self-Reliance (California Code of Regulations, Title 23, § 5003). The type of information that can demonstrate such consistency includes description of locally available, cost-effective, and technically feasible projects that reduce the water supplier's reliance on the Delta, such as but not limited to water conservation and efficiency, recycled water use, groundwater development, and stormwater capture and reuse. The UWMP should report the percentage of the supplier's total supply that would be sourced from the Delta, as well as demonstrate a measurable reduction in this reliance over time. This information is provided in Appendix B and summarized in this section.

1.4.2 Consistency with Water Resource Policy 1

As a recipient of SWP supplies and an agency that may conduct future potential water sales, transfers, or exchanges using the Delta, the District is required to demonstrate its UWMP's consistency with Delta Plan Policy Water Resource Policy 1 (Consumer Confidence Report, tit. 23, § 5003).

Over the last decade, the District has implemented supply acquisition and conservation projects that reduce its reliance on water supply from the Delta. The 2025 UWMP Guidebook Appendix C provides suggested methodologies to demonstrate reduced Delta reliance. The District has completed this analysis, and using 2010 as the base year, projects a 28 percent reduction in Delta reliance by 2050. The analysis is presented in Appendix B. In summary, the District is in compliance with all aspects of Water Resource Policy 1 through its own activities.

Table 1-1 Calculation of Reliance on Water Supplies from the Delta Watershed (Percent)

Percent Change in Supplies from the Delta Watershed (As a Percent of Demand w/out WUE)	Baseline (2010)	2015	2020	2025	2030	2035	2040	2045	2050
Percent of Supplies from the Delta Watershed	45.44%	25.13%	--	--	21.49%	20.09%	18.75%	17.79%	17.35%
Change in Percent of Water Supplies from the Delta Watershed	--	-20.30%	--	--	-23.94%	-25.35%	-26.68%	-27.65%	-28.09%

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2 Plan Preparation

This chapter provides an overview of the District and the steps taken to assemble the 2025 UWMP, including but not limited to agency coordination, public hearings, and distribution of notices to stakeholders and the public on how to review and provide comments on the Draft 2025 UWMP.

2.1 Basis for Preparing a UWMP

The District is an independent special district serving the unincorporated communities of Montecito and Summerland, and Toro Canyon. The District provides retail potable water service to over 3,000 connections per year and over 3,000 AFY throughout its service area. As such, the District is considered an "urban retail water supplier" per CWC §10608 and 10617 and is subject to the requirement of the UWMP Act to prepare a UWMP every five years. Table 2-1 provides the District's public water system information and Table 2-2 specifies the units of measurement. Data in this UWMP is presented on a calendar year basis and volumes are reported in acre-feet (AF), unless otherwise noted. This 2025 UWMP reports solely on the District's service area and is therefore considered an individual UWMP.

Table 2-1 Public Water System Information (DWR Submittal Table 2-1 Retail)

Public Water System Number	Public Water System Name	Number of Municipal Connections 2025	Volume of Water Supplied 2025
CA4210007	Montecito Water District	4,674	4,195

Table 2-2 Supplier Identification (DWR Submittal Table 2-3)

Type of Supplier	
☐	Supplier is a wholesale supplier
☒	Supplier is a retail supplier
Fiscal or Calendar Year	
☒	UWMP Tables are in calendar years
☐	UWMP Tables are in fiscal years
Units of measure used in UWMP	
Unit	Acre-Feet (AF) (1 AF = 325,851 gallons)

2.2 Coordination and Outreach

2.2.1 Wholesale and Retail Coordination

To adequately demonstrate regional water supply reliability through the next 25 years, this UWMP quantifies the regional mix of existing and projected local and imported supplies necessary to meet future demands within the District's service area. Although this UWMP includes specific documentation regarding the District's supplies, plans submitted by wholesalers provide further details that contribute to the diversification and reliability of supplies in the region.

Central Coast Water Authority (CCWA) is a regional wholesaler, responsible for the delivery of all SWP water to Santa Barbara County. The District is one of eight CCWA member agencies. As a "urban wholesale water supplier" CCWA also prepares and submits a UWMP to DWR. CCWA's 2020 UWMP is available at: https://www.ccwa.com/2020-urban-water-management-plan.

Reasonable consistency among the UWMPs of the District and its wholesaler is important to accurately identify the projected supplies available to meet regional demands. To facilitate coordination within the District's service area, the District provided CCWA staff with demand projections for its service area. The District also provided public notice materials to CCWA (see Appendix C).

2.2.2 Coordination with Other Agencies and the Community

Agency coordination information is summarized herein. The District has encouraged community awareness of water issues and participation in water planning. Notices of the public hearing were published in the local press and copies of the Draft UWMP were made available at the District office and through the District's website, as included Appendix C.

The City of Santa Barbara, Santa Barbara County Water Agency, CCWA, Carpinteria Valley Water District, Montecito Sanitary District, Summerland Sanitary District, and Carpinteria Sanitary District were notified of the District's intention to prepare and adopt the 2025 UWMP, as included in Appendix C.

2.3 Public Hearing and Adoption

The draft 2025 UWMP was reviewed and discussed with the District's Board of Directors on April 28, 2026; at which time the Board of Directors supported staff's efforts to complete the plan in compliance with State UWMP requirements. A public hearing, with public notice pursuant to California Government Code §6066, was held before the Board of Directors on June 23, 2026. The Board voted to adopt Resolution No. 2320 adopting the UWMP on June 23, 2026 (see Appendix J).

2.4 Plan Submittal and Availability

Copies of this 2025 UWMP will be sent to the office of the Clerk of the Board for Santa Barbara County and the California State Library at the time of submittal to DWR, by July 1, 2026.

A copy of this 2025 UWMP will be posted on the District's website within 30 calendar days of the filing date with a hard copy available for review at the District's office at 583 San Ysidro Road, Montecito, California 93108 during normal business hours.

3 System Description

This chapter describes the District's service area, climate, population and demographics, and land uses, in accordance with CWC §10631(a) and the 2025 UWMP Guidebook. It provides a concise basis for subsequent chapters on water use and water supply characterization.

3.1 General Description

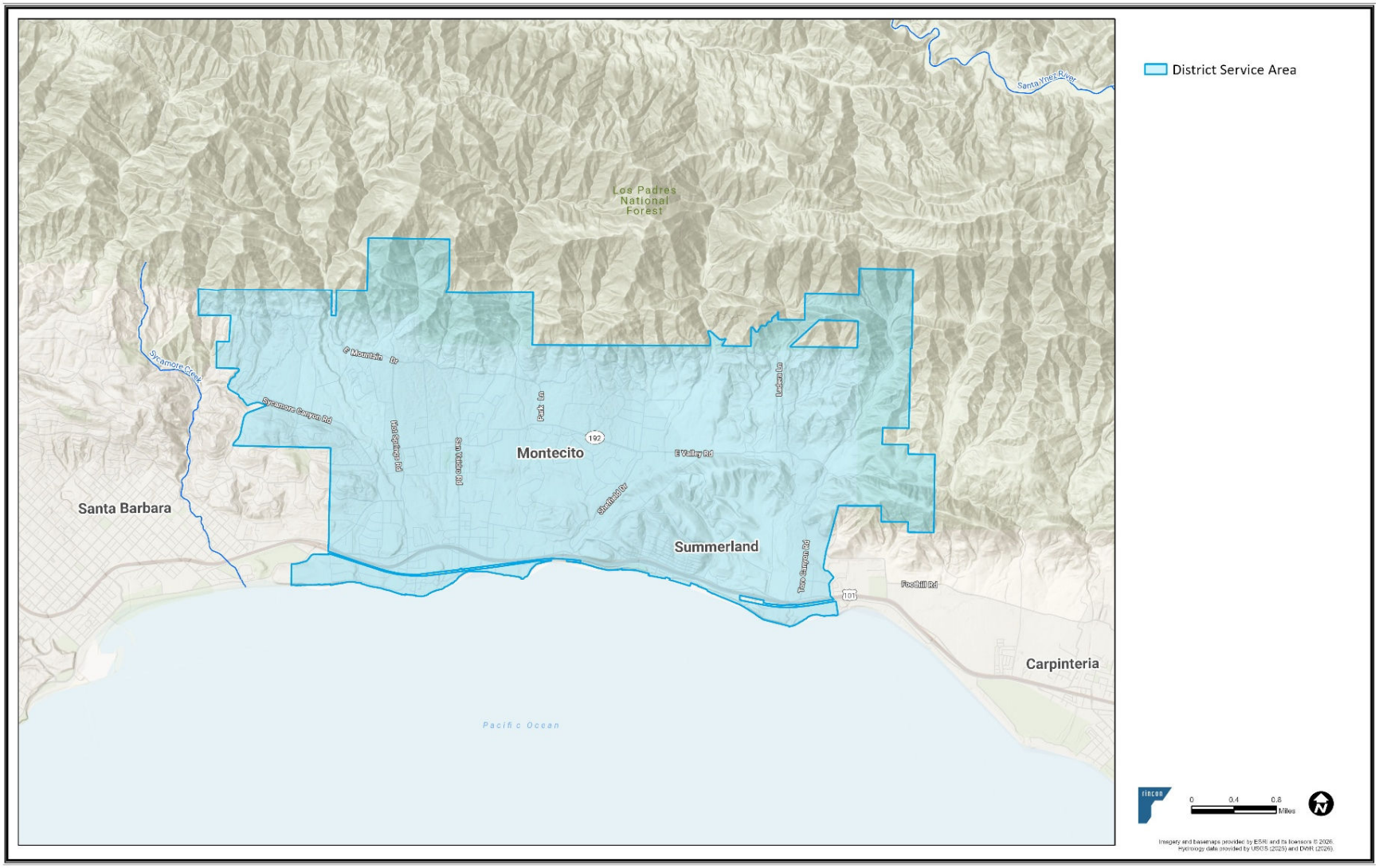
The Montecito Water District (District) is an independent special district governed by a publicly elected five-member Board. The District's service area is shown in Figure 3-1. Originally formed in 1921 to improve local water reliability, the District is rooted in agricultural estate beginnings. Montecito had grown into an unincorporated community consisting of several large estates by the early 1920s. Water was provided by numerous small private water companies that tapped into springs, creeks, and water wells that were at times unreliable due to inadequate seasonal rainfall. In 1921, local voters established the Montecito Water District to improve water supply reliability.



District pipeline construction, circa 1930

The District was formed as a County Water District in November 1921, in accordance with the CWC, with the purpose of furnishing potable water within the District. Following the formation of the District, management and its five-member Board of Directors set out to build Juncal Dam, the 2-1/4 mile long Doulton Tunnel through the Santa Ynez coastal range, and 50 miles of distribution pipelines within its service boundary. By 1930, the District had a fully functional distribution and reservoir storage system along with reliable and adequate water supplies. In 1949, the District executed the first contract with the Santa Barbara County Water Agency who was the designated local governmental agency and signature to the Cachuma Project with USBR. USBR held the federal Santa Ynez River water rights and owned, built and operated Bradbury Dam as a regional water supply. Lake Cachuma serves the District and four other Santa Barbara County water agencies, including the Santa Ynez River Water Conservation District 1, Goleta Water District, City of Santa Barbara and Carpinteria Valley Water District. The District has 10.3 percent of the reservoir's current annual safe yield.

Figure 3-1 District Service Area



The District's potable water service area encompasses approximately 15.4 square miles along the South Coast of Santa Barbara County, including the unincorporated communities of Montecito, Summerland, and Toro Canyon, with small areas of the city of Santa Barbara. The District's public water system identification is CA42100007. Figure 3-1 illustrates the District's service area boundary. The District's service area extends from the Pacific coastline into the foothills of the Santa Ynez Mountains.

The District provides water service to approximately 4,600 residential, commercial, institutional, and agricultural service connections. Approximately 92 percent of the service connections are low-density, single-family housing. Elevations in the District range from sea level up to about 1,820 feet in the coastal foothills in the northern area. Table 3-1 presents the historical and current breakdown of service connections by customer class.

Table 3-1 Customer Water Service Connections

Customer Class	2021	2022	2023	2024	2025
Single Family Residential	4,244	4,254	4,282	4,277	4,282
Multi-Family Residential	65	65	66	67	70
Commercial	136	136	134	132	135
Institutional/Government	132	129	127	130	136
Non-Potable	8	8	8	8	8
Agricultural Irrigation	42	41	42	42	43
Total	**4,627**	**4,633**	**4,659**	**4,656**	**4,674**

The majority of the District's potable water distribution system was designed and operated as gravity-fed system with a series of pressure regulating stations from the late 1920's to 1949. The primary source of water during this period was from Jameson Lake, located in the upper reaches of the Santa Ynez River and the 2-1/4 mile long Doulton Tunnel through the Santa Ynez coastal range that connected the Jameson Lake supply to the District service boundary. In 1949, the District connected to the USBR Cachuma Project via the South Coast Conduit, a water transmission pipeline conveying Lake Cachuma water to the South Coast. The hydraulic grade line of the SCC was below the operational grade line of District's storage reservoirs which required the construction of pump stations at the SCC turnouts to boost water into the District's distribution system.

Currently, the District's potable water treatment and distribution system is comprised of two surface water treatment plants, nine storage reservoirs, approximately 114 miles of distribution pipeline, and seven pumping stations. The District also operates twelve active groundwater wells. Supplies from Lake Cachuma and the SWP are conveyed via the South Coast Conduit and treated at the City of Santa Barbara's Cater Water Treatment Plant (WTP) before delivery to the District. Jameson Lake supplies are conveyed through the Doulton Tunnel to the District's Bella Vista and Doulton WTPs. Groundwater for potable use is treated at well sites as needed.

Not all properties within the District's service area are served by the District. A portion of properties within the area are supplied by private groundwater wells operated either individually or by private water companies. The use and treatment of groundwater for potable purposes by private well owners is subject to permitting authority by Santa Barbara County.

3.2 Service Area Climate

The District's service area has a Mediterranean climate characterized by cool, wet winters and warm, dry summers, with ocean-moderated temperatures. Seasonal Santa Ana winds can increase evapotranspiration and landscape irrigation needs during late summer and fall.

Historical climate patterns indicate that January is typically the coolest month, while February is the wettest in the service area. July through September are generally the warmest months, and June through August are the driest. The wet season extends from October through March, during which the area receives an average of approximately 20 inches of annual rainfall. The mean annual temperature is about 60.2°F, though summer daytime highs commonly reach the mid- to upper-70s, and winter nighttime lows often fall into the mid-40s.

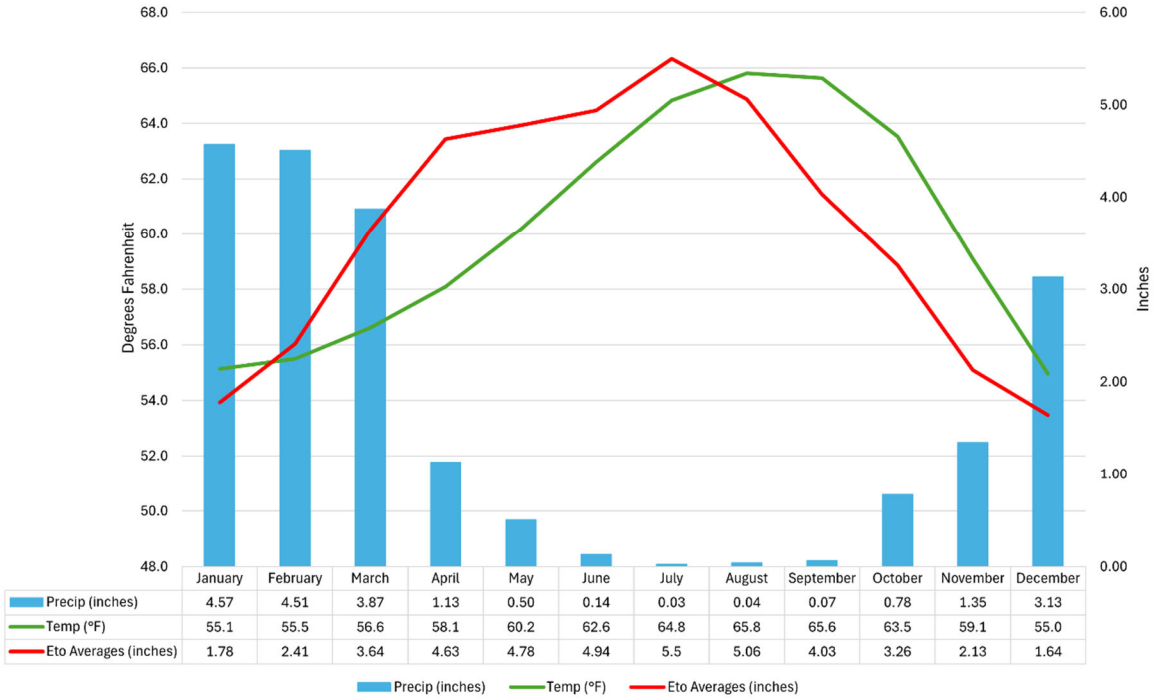
Seasonal marine fog is another defining feature of the local climate. Fog commonly moves inland from the Santa Barbara Channel, especially during May and June, producing a persistent overcast layer ("June Gloom"). This phenomenon contributes to a seasonal dip in reference evapotranspiration observed in long-term averages for June.

Snowfall is rare, but occasional cold frontal systems can bring freezing temperatures and trace amounts of snow or ice to the higher elevations of the Santa Ynez Mountains. Autumn typically begins warm and dry, transitioning to cooler and wetter conditions later in the season.

The area is also periodically affected by hot, dry Santa Ana winds, most commonly in late summer and early fall, which can elevate evaporative demand and drive higher water use late into the year. The final spring rains generally occur in late April or early May.

Figure 3-2 illustrates the average monthly temperature, rainfall, and evapotranspiration for the service area based on monthly data from 1991 to 2024. As shown, when temperatures increase, evapotranspiration rates increase while precipitation decreases. Actual annual rainfall totals deviate quite significantly from the average as illustrated in Figure 3-3; in most years, precipitation totals fall below the mean.

Figure 3-2 Historic Average Climate Conditions

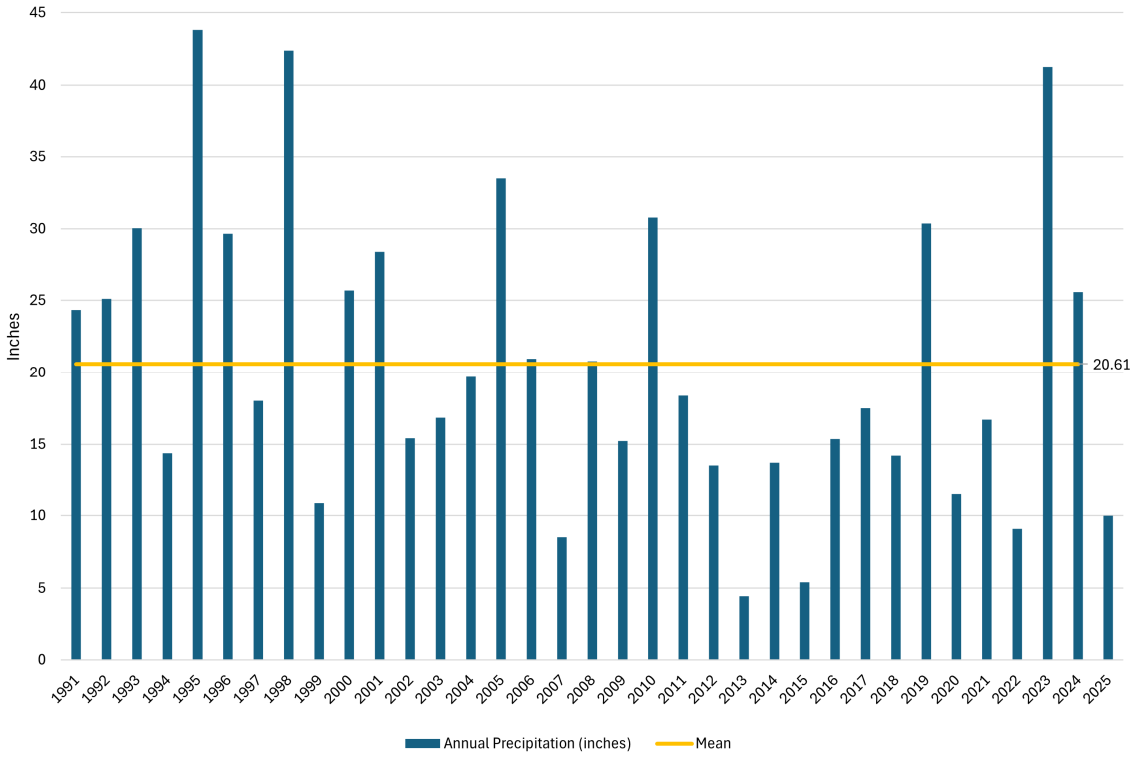


	January	February	March	April	May	June	July	August	September	October	November	December
Precip (inches)	4.57	4.51	3.87	1.13	0.50	0.14	0.03	0.04	0.07	0.78	1.35	3.13
Temp (°F)	55.1	55.5	56.6	58.1	60.2	62.6	64.8	65.8	65.6	63.5	59.1	55.0
Eto Averages (inches)	1.78	2.41	3.64	4.63	4.78	4.94	5.5	5.06	4.03	3.26	2.13	1.64

Source: PRISM Climate Group; California Irrigation Management Information System[5]

[5] 1991-2024 temperature and rainfall data from the PRISM Climate Group https://prism.oregonstate.edu/ Location: Lat: 34.4196 Lon: -119.6257 Elev: 46ft; Evapotranspiration data is from CIMIS Santa Barbara Station 107 https://cimis.water.ca.gov/

Figure 3-3 Annual Precipitation Variability in Montecito (1991-2025)



Source; PRISM Climate Group; County of Santa Barbara[6]

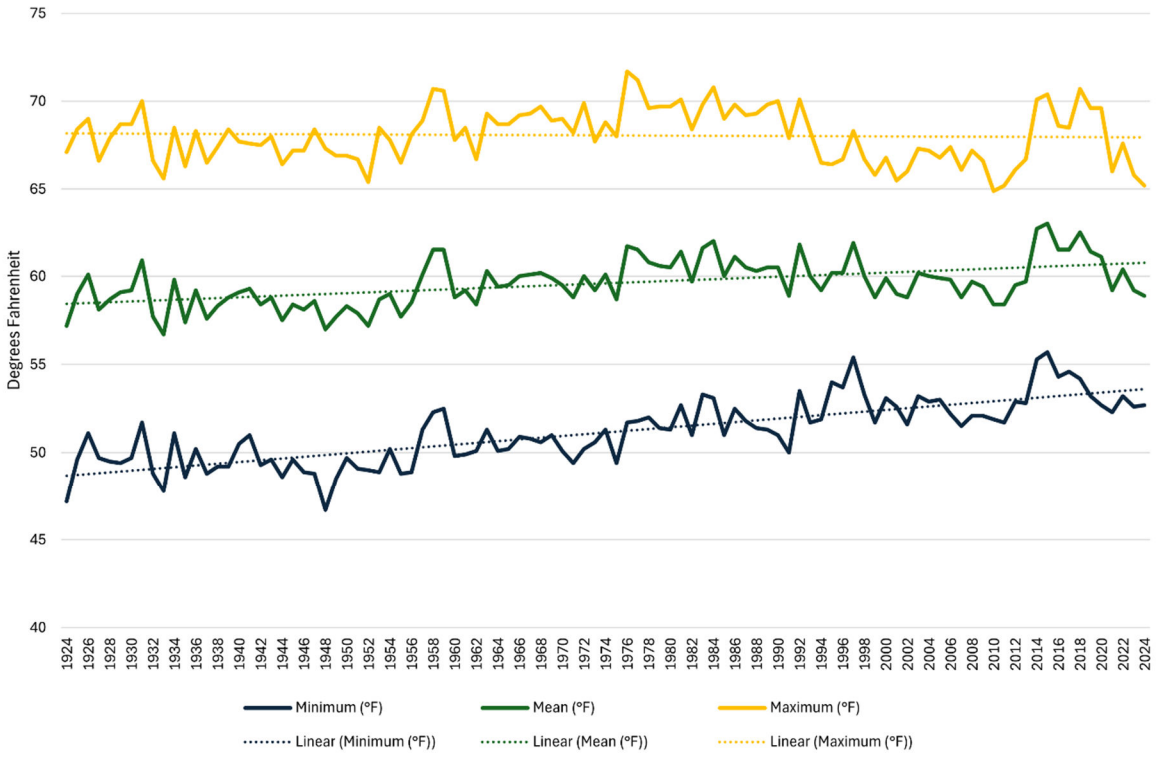
3.3 Climate Change

The CWC does not mandate specific climate-change analyses for UWMPs; however, the 2025 UWMP Guidebook directs urban water suppliers to consider climate change when assessing drought risk, long-term water supply reliability, water conservation and efficiency, and demand management. Climate change is relevant to the District's planning because changes in temperature, precipitation timing and intensity, and hydrologic variability affect both local and imported water supplies, as well as customer demand.

Long-term temperature records indicate a warming trend in the Montecito area, consistent with statewide observations of increasing temperatures and hydrologic variability. Figure 3-4 shows historical annual temperature in Montecito from 1924 to 2024.

[6] 1991-2024 rainfall data from PRISM Climate Group https://prism.oregonstate.edu/ Location: Lat: 39.1239 Lon: -121.6174 Elev: 56ft. 2025 rainfall data from Santa Barbara County https://files.countyofsb.org/pwd/hydrology/historic%20data/rainfall/325mdd.pdf

Figure 3-4 Historical Annual Temperature (1924-2024)



Source: PRISM Climate Group[7]

The District completed its first Climate Action & Adaptation Plan (CAAP) in 2025, which provides a comprehensive evaluation of climate trends that could potentially affect the District's water sources, facilities, and operations.[8] Key findings from the CAAP include:

- **Temperature Trends:** Average maximum temperatures at the District Headquarters are projected to increase by approximately 6.3°F by the end of the century, with heat days greater than 87°F increasing from two days historically to up to 17 days per year.
- **Precipitation Variability:** While annual precipitation totals are projected to remain broadly similar on average, future rainfall is expected to occur in fewer but potentially more intense storm events.
- **Sierra Nevada Snowpack:** Reduced snowpack and higher temperatures can result in variability in the timing of precipitation and reduce SWP supply deliveries.
- **Extreme Events:** Wildfire, extreme heat, atmospheric rivers, and post-fire debris flows are expected to continue to be important considerations for infrastructure and watershed management.

These climate drivers affect both water supply availability (local and imported) and water demand patterns, particularly landscape irrigation during prolonged hot and dry periods.

[7] PRISM Climate Group https://prism.oregonstate.edu/ Location: Lat: 39.1239 Lon: -121.6174 Elev: 56ft
[8] Montecito Water District. 2025. Climate Action and Adaptation Plan.

3.3.1 Climate Hazards Relevant to UWMP Reliability Planning

The CAAP identifies several climate hazards with direct implications for the District's water supply reliability assessments in Chapters 6 and 7:

- **Drought:** Increased frequency of dry years poses risk to Jameson Lake, Cachuma Project supplies, SWP deliveries, and groundwater recharge.
- **Wildfire:** Watersheds above Jameson Lake and Lake Cachuma are susceptible to burn related sedimentation, water quality degradation, as experienced during the 2017 Thomas Fire. District infrastructure within the District service area is also vulnerable to wildfire damage.
- **Extreme precipitation and debris flows:** Postfire debris flows can severely impact conveyance and treatment facilities as seen in the 2018 Montecito Debris Flow; several the District facilities are located within 100- and 500-year flood zones.
- **Extreme heat:** Elevated temperatures increase reservoir water quality risks and can drive higher evapotranspiration-based irrigation demand.
- **Sea level rise:** Longterm risk to coastal imported water infrastructure, including the City of Santa Barbara's desalination plant; groundwater basins currently have low susceptibility to seawater intrusion but require continued monitoring.
- **Landslides:** Steep hillside areas pose risks to pipelines, reservoirs, and the Highline transmission main.

3.3.2 Adaptation Strategies that Support UWMP Planning

The CAAP identifies adaptation and operational strategies that directly support DWR's guidance to incorporate climate considerations into UWMPs, including:

- **Infrastructure hardening:** Fire resistant materials, ember resistant retrofits, floodproofing, landslide stabilization, reservoir mixers, and protections for critical facilities.
- **Supply diversification and reliability:** Groundwater banking evaluation, recycled water feasibility analysis, continued conservation programs, and maintenance of emergency interties.
- **Enhanced operational monitoring and resilience:** Supervisory Control and Data Acquisition (SCADA) improvements for system monitoring; expanded backup power to address outages associated with heat, wildfire, or extreme storms.
- **Demandside efficiency:** Continued implementation of statewide "Making Water Conservation a California Way of Life" requirements.

These measures align with DWR's recommended practices for addressing climate change through adaptive management, demand efficiency, and a diversified, resilient supply portfolio.

Although hotter and drier conditions may increase outdoor water use potential, the District has observed lower residential demands since 2021, reflecting enduring demand hardening as a result of conservation behaviors. The District will continue to monitor climate influenced demand patterns and incorporate updated information into future UWMP cycles.

3.4 Service Area Population, Demographics, and Land Uses

Service area population and land use projections are critical to developing an effective planning framework, as population growth and demographic trends are primary drivers of water demand. These projections directly influence planning measures for system supply, delivery, infrastructure, and demand management. Similarly, understanding the economic, social, and demographic trends give valuable insight into water management and planning. This section of the UWMP addresses these factors to provide a basis for forecasting future water use.

3.4.1 Current Population

The large majority of the District service area connections are in the unincorporated communities of Montecito, Summerland, and Toro Canyon, along with very small portions of the city of Santa Barbara. For the purposes of calculating the historical service area population and historical growth rates this UWMP uses data from the U.S. Census Bureau's American Community Survey and Westmont College.

Since the formation of the District in 1921, Montecito Water District population has seen slow growth, the largest increase coming with the annexation of the Summerland County Water District in 1995. With high property values and cost of living, Montecito does not generally see the same population growth due to new residents moving to the area compared to other locations within the County. The last property annexation into the service area was approximately 14.9 acres in 2022.

The residential population of the District's service area has not fluctuated significantly over the past 25 years, as the unincorporated areas on the South Coast have had limited growth opportunities.

The 2025 population estimate for the District's service area is based on the methodology developed in its 2022 Water Use Efficiency Plan, which integrates multiple data sources to better reflect the unique characteristics of the District service area. The District reviewed U.S. Census datasets for the communities of Montecito, Summerland, and Toro Canyon, analyzed the vacation rental and second home market using AIRDNA, and incorporated Westmont College enrollment data.

Estimating population within the District service area is challenging because of several factors not captured in traditional Census counts. A substantial portion of the District's customers maintain secondary residences in Montecito and are officially counted as residents of another city or state. Additionally, many large estates rely on onsite staff and caretakers, who may reside outside the service area but contribute to daily water use. These populations create measurable water demand, yet do not appear in standard residential population datasets.

Table 3-2 presents the District's 2025 population estimate, with annual values calculated using the residential occupancy rate and active service-connection data shown in Table 3-1.

Table 3-2 2025 Estimated Population

Population	Source
7,719	100 percent of the U.S. Census population for Montecito (8,823) after subtracting non-institutionalized group quarters (1,104)
1,248	100 percent of the U.S. Census population for Summerland (1,248) after subtracting non-institutionalized group quarters (0)
1,289	75 percent of the U.S. Census population for Toro Canyon (1,736 total) after subtracting non-institutionalized group quarters (17)
917	Population of people occupying a second home in Montecito based on average size of owner occupied unit (2.3) multiplied by vacant units (798 in the ACS 2023 5 Year Survey DP04 table) multiplied by a 50 percent occupancy rate. This percentage of the population does not characterize their Montecito home as their primary residence, implying they are there less than 50 percent of the year.
258	Population of people occupying a second home in Summerland multiplied by a 50 percent occupancy rate.
195	Population of people occupying a second home in Toro Canyon multiplied by a 50 percent occupancy rate. Household size is multiplied by 75 percent of the vacant units.
372	The approximate number of total full-time equivalent people in a short-term rental, per year, using a second home when the second homeowner isn't there. This is a weighted average from data found on Keydatadashboard.com, which includes the average number of active rentals available in Montecito + Summerland in 2025 (356), weighted using the number of rooms (resulting in an average 3.9 persons per household for the rented days), and a weighted renter occupancy rate (26.84 percent).
1,104	Total number of Westmont College Students consistent with Census Fall 2025 on campus enrollment reports (1,150)
Total 2025 Population:	**13,102**

3.4.2 Projected Population

Developing accurate service area population forecasts requires evaluation of historical growth patterns, local economic conditions and projections, and current and anticipated land uses. Table 3-3 projects population growth by applying an annual growth rate of 0.5 percent to the baseline population shown in Table 3-2 consistent with the Montecito Community Plan and the *Future Demand and Water Supply Options Update 2025* prepared for the District (Bachman 2025; Appendix D).

Table 3-3 Population Forecast (DWR Submittal Table 3-1 Retail)

	2025	2030	2035	2040	2045	2050
Population Served	13,102	13,433	13,772	14,120	14,476	14,842

Source: Appendix D

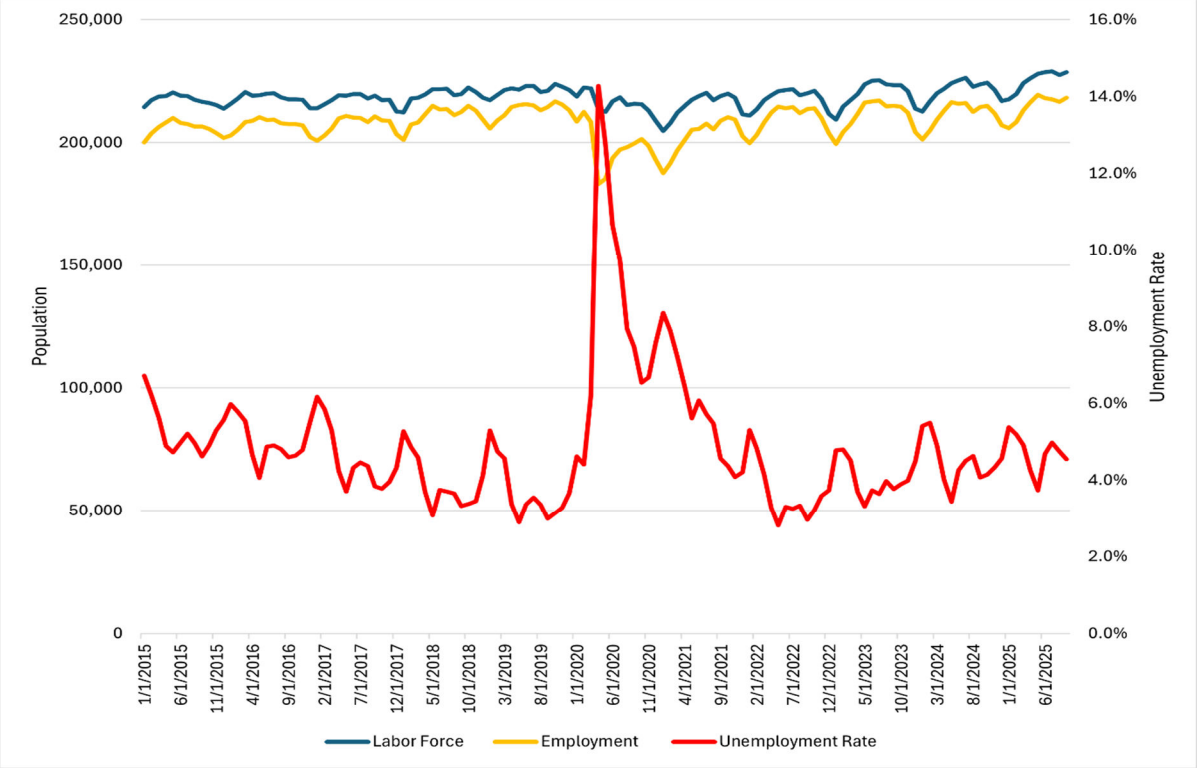
3.4.3 Economic Trends & Other Social and Demographic Factors

The District includes the unincorporated communities of Montecito, Toro Canyon, and Summerland. These three communities are similar in their economic and demographic makeup. The service area is characterized by affluent residential neighborhoods, large landscape parcels, and a relatively small commercial base. These characteristics result in a demand profile with a high proportion of single

family residential outdoor use, especially during dry and warm conditions. Additionally, Westmont College, sits on a 111-acre campus with approximately 1,300 students and 300 faculty and staff.

Santa Barbara County employment and unemployment data from 2015 to 2025 is presented in Figure 3-5. The coronavirus pandemic affected the national (and global) economy in 2020. As shown in Figure 3-5, the County's unemployment rate spiked to 14 percent in April 2020. Since 2020, unemployment has declined, with an annual countywide average unemployment rate of 5.8 percent in 2021, and a 4.5 percent annual countywide average unemployment rate in 2024. The District staff anecdotally understand that some of its customers who only reside in their homes seasonally may have become permanent residents during the coronavirus pandemic but now have continued to use their homes seasonally.

Figure 3-5 Santa Barbara County Employment and Unemployment



Source: California Employment Development Department 2025[9]

3.5 Land Uses Within the Service Area

CWC §10631(a) requires the UWMP to describe current and projected land uses within the service area and to coordinate, as appropriate, with local land-use authorities. This section summarizes the land-use pattern that informs the District's demand forecasting and supports consistency between this UWMP and regional land-use plans and policies.

[9] California Employment Development Department. 2025. Unemployment Rates (Labor Force). https://labormarketinfo.edd.ca.gov/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE

Land use in the District's service area is predominantly low-density single-family residential, with a 111-acre liberal arts college campus and a small share of multi-family, commercial/institutional, golf course irrigation, and agricultural irrigation. As reflected in customer classifications and service connections, approximately 92 percent of connections are single-family residential, which aligns with observed demand patterns and the outdoor-use sensitivity described in Chapter 4.

The service area is largely built out, with limited new development potential. The District's current planning assumptions include:

- Modest residential growth through development of remaining buildable lots and small infill, with a greater share of additional single family units than multifamily units; and
- Accessory Dwelling Units (ADUs) added on some existing parcels. The District currently assumes a net neutral effect of ADUs on parcel level water use over the long term, as added indoor use may be offset by reduced landscape area. These assumptions are revisited as part of each UWMP update.

The District coordinates UWMP preparation with local and regional agencies and provides notice to affected cities and the County. The District's demand projections and land-use-based growth assumptions are designed to be consistent with regional expectations used in this UWMP's water use characterization (Chapter 4).

3.6 Delivery System Details

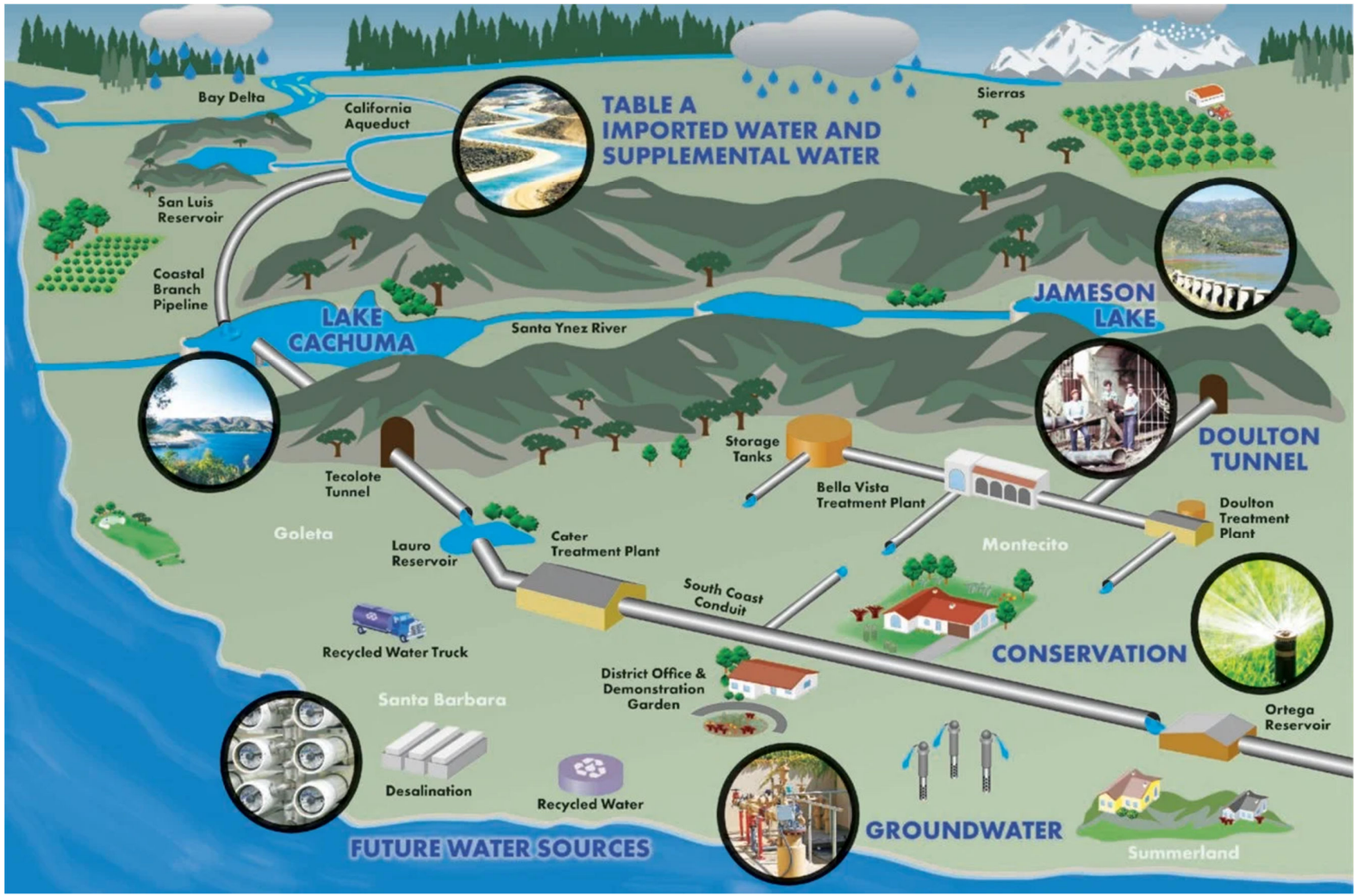
The District operates a potable water delivery system that conveys, treats, stores, and distributes water to customers throughout its 15.4 square mile service area. This subsection provides an overview of the District's water system in order to support the water use and supply analyses presented in later chapters.

The District's potable water system is supplied by a combination of local surface water, regional surface water, imported water, and local groundwater, as described in Chapter 6. These supplies enter a complex distribution network shaped by the District's topography, elevation differences, historic gravity-fed infrastructure, and reliance on both local and imported sources.

The District's current delivery system includes the following. A visual of the District's delivery system is shown in Figure 3-6.

- Two surface water treatment plants (Bella Vista and Doulton WTPs), which treat Jameson Lake supplies conveyed through the Doulton Tunnel.
- Eight active storage reservoirs and tanks providing operational storage and balancing service area elevations.
- Approximately 114 miles of distribution pipeline, much of which dates from the 1920s–1940s, serving a predominantly low-density, hillside residential area.
- Seven pump stations, necessary to lift imported supplies from the South Coast Conduit into the higher portions of the District's distribution system.
- Twelve active groundwater wells, with onsite treatment as required.
- Conveyance connections to regional facilities, including the South Coast Conduit (for Cachuma Project and SWP deliveries), the City of Santa Barbara's Cater WTP, and the City of Santa Barbara's Charles E. Meyer Desalination Plant.

Figure 3-6 Delivery System



Imported SWP water is conveyed from San Luis Reservoir via SWP facilities (i.e., the California Aqueduct and subsequently the Coastal Branch Pipeline) to Lake Cachuma. Lake Cachuma is a reservoir located on the Santa Ynez River created by the Bradbury Dam and is a primary source of water for the District. The 6.4-mile Tecolote Tunnel brings water from Lake Cachuma through the mountains to the South Coast and into the South Coast Conduit pipeline which runs from Goleta to Carpinteria. Water from this source is treated by the City of Santa Barbara at the Cater WTP and is conveyed to the District via the South Coast Conduit.

The District-owned Jameson Lake and Juncal Dam are located along the upper reaches of the Santa Ynez River. Water from this primary water source is conveyed in the 2.25-mile long Doulton Tunnel through the mountains and delivered to the District's Doulton and Bella Vista WTPs.

In 1948, USBR started the Cachuma Project to capture Santa Ynez River water and the District signed on to the project in 1949. As previously described, this water is conveyed via the South Coast Conduit, but since it lies below the service area, pump stations are required to boost South Coast Conduit water into the District's distribution system. The Summerland County Water District, which was contiguous with the District, was annexed in 1995 resulting in an initial 540 new customers and both Cachuma and SWP water entitlement.

The District's groundwater is sourced from the Montecito Groundwater Basin and the Toro Canyon Subbasin, most of which lies within the Montecito Groundwater Basin and service area. Groundwater from the local production wells is treated onsite as necessary and delivered into the District's distribution system.

The Bella Vista and Doulton WTPs serve the District exclusively and treat surface water from Jameson Lake, which is delivered through the Doulton Tunnel. The tunnel was completed in 1928 and currently supplies water to the 2.25 million gallons per day (MGD) combined treatment plant capacities. Water treatment for supplies delivered through the South Coast Conduit from the SWP is treated at the Cater WTP in a joint operation with the City of Santa Barbara and Carpinteria Valley Water District. This traditional coagulation and flocculation type plant is currently sized for 37 MGD to meet the needs of the multiple South Coast agencies.

Potable water pipes (i.e., pipes used to convey purified water) owned by the District represent a range of materials and ages. Approximately 80 percent of the pipelines in the system are ductile iron or cast iron and approximately 70 percent of all pipes in the system 6-inch to 8-inch. Approximately 82 miles of pipes date from before 1980 with the earlier pipes dating back to the early 1920s.

Historic infrastructure continues to play a critical operational role, though portions are subject to aging and hazard vulnerability, as demonstrated by damage sustained during the January 2023 winter storm, which temporarily severed the Jameson Lake transmission pipeline before repairs were completed in mid-2023.

These system details, together with the land use and population projections described in Section 3.4, provide the basis for the water use forecasting in Chapter 4, and the water supply assessment in Chapters 6 and 7.

4 Water Use Characterization

Understanding trends in water use is essential to enable the District to reliably and cost-effectively manage its water supplies and continue to meet customer needs. Characterization of past and current water use, coupled with considerations of anticipated growth, new regulations, changing climate conditions, and trends in customer water use behaviors are all considered in projecting demands. The chapter presents water use analysis and demand projections, as well as other statutory requirements.

4.1 Potable Water Versus Non-Potable Use

Currently, the District's potable water treatment and distribution system is comprised of two surface water WTPs, nine storage reservoirs, approximately 114 miles of distribution pipeline, and seven pumping stations. In addition, the District also includes six potable water production wells and six non-potable production wells. All District potable water is treated to meet all federal and state drinking water standards.

The District is one of many public water agencies in Santa Barbara County. Not all properties within the District's service area are served by the District. Those properties not served by the District use private groundwater wells operated individually or by private water companies. The use and treatment of water from groundwater wells for potable use by individual private water well operators is under the permit authority of Santa Barbara County. Table 4-1 shows the District's 2025 actual total uses for potable and non-potable water.

Table 4-1 2025 Actual Total Uses for Potable and Non-Potable Water (DWR Submittal Table 4-1)

	2025 Actual Water Use	
Use Type	**Level of Treatment When Delivered**	**Volume**
Single-Family Residential	Potable	2,729
Multi-Family Residential	Potable	86
Commercial	Potable	260
Institutional/Governmental	Potable	317
Agriculture	Potable	276
Juncal Exchange	Potable	300
Distribution System Water Loss		164
Subtotal Potable		*4,132*
Non-Potable Water Use	Non-potable	106
Subtotal Non-Potable		*106*
Total		**4,238**

[1] The total Juncal Exchange volume is 300 AF; however 297 AF is reported as 3 AF was exchanged through interties.

4.2 Past, Current, and Projected Water Use by Sector

As described in Chapter 2, the District currently supplies potable water to approximately 4,674 customer connections. The current customers, their recent and expected water use trends, and the District's on-going demand management efforts targeting these customers provide a foundational basis for this UWMP's water use forecast to 2050.

4.2.1 Water Use Sectors

As shown in Table 4-1, above, water use sectors in the District's service area include single-family residential, multi-family residential, commercial, institutional/governmental, and agriculture uses. Non-potable water use in the District's service area is used for outdoor landscaping.

4.2.2 Past and Current Water Use

Table 4-2 presents the District's past and current customer water use by sector for 2021 through 2025. This information is provided as context for recent water use trends, including the duration of a short drought period (2021-2022). Figure 4-1 presents total water use from 2021 to 2025 and Figure 4-2 presents the monthly single family residential demands over the same period. The District's water service demand under each customer classification dropped substantially between 2021 and 2024 as the result of water shortage restrictions implemented in response to the 2021-2022 drought. However, water use in 2025 has increased as a result of below average rainfall received in the first part of 2025. Of these water use sectors, single-family residential utilizes the most water and has the largest variability between years. For all water use sectors, water use is higher in the summer months compared to the winter, when rainfall helps to meet the water needs of landscapes.

Table 4-2 Customer Use: 2021 to 2025 (values in AF)

	Annual Demands				
Category	**2021**	**2022**	**2023**	**2024**	**2025**
Single Family Residential	3,280	3,187	2,544	2,528	2,729
Multi Family Residential	112	100	90	85	86
Commercial	217	234	213	232	260
Institutional/Governmental	294	335	223	278	317
Agricultural	310	319	234	229	276
Juncal Exchange	297	295	296	298	297
Distribution System Water Loss	218	254	93	250	164
Non-Potable	150	137	98	109	106
Total	**4,879**	**4,861**	**3,790**	**4,010**	**4,321**

[1] The total Juncal Exchange volume is 300 AF, some of which is exchanged through interties

Figure 4-1 Customer Use: 2021 to 2025 (values in AF)

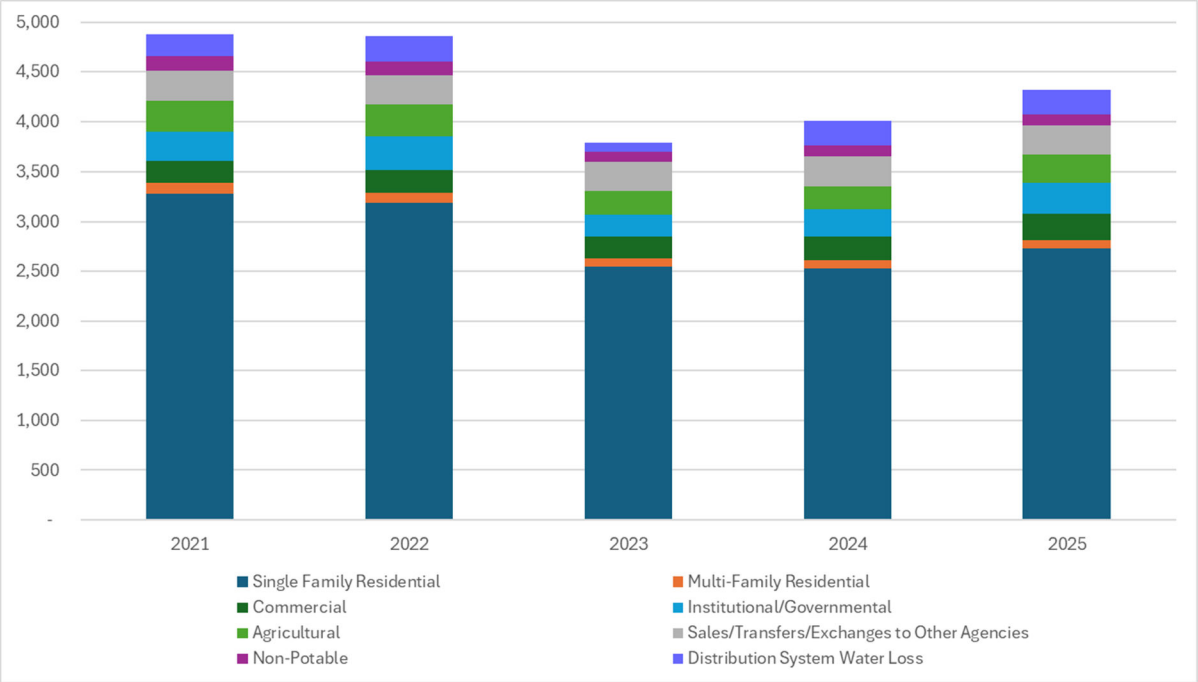
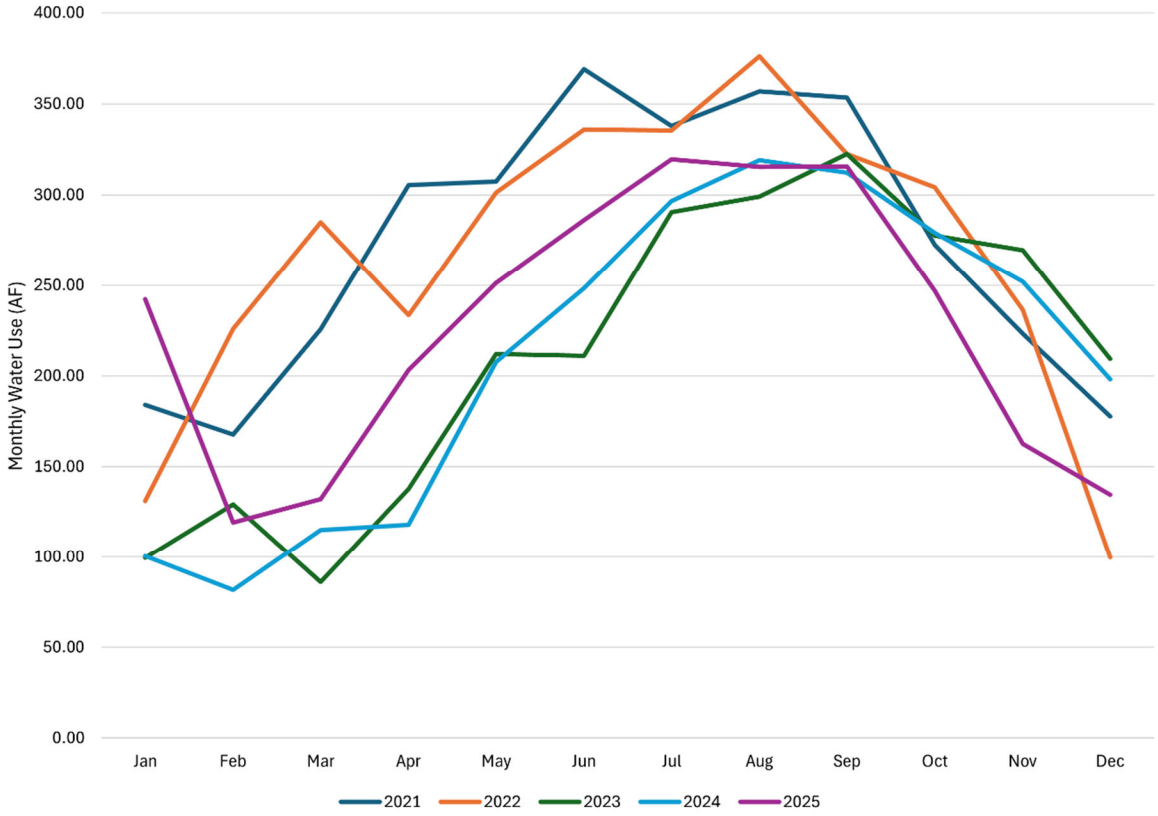


Figure 4-2 Single Family Residential Monthly Use: 2021 to 2025 (values in AF)



The single-family residential classification illustrates three important characteristics of the District's water service: (1) it represents over 70 percent of the annual use in every month, (2) it has summer uses that are over two to three times the monthly volume needed in winter months, and (3) it appears highly dependent on weather conditions in non-summer months (e.g. use can range from under 100 AF to over 200 AF in December). This understanding supports the District with additional insight necessary for assessing the seasonal reliability of its water supplies, forecasting use into the future, and developing and quantifying successful water shortage contingency response actions.

The 2025 annual customer use reported in Table 4-1 of 4,071 AF is 15 percent less than the 2021 customer water use of 4,661 AF. A major contributor to this decrease was the decline in single-family residential use from 3,280 AF in 2021 to 2,729 AF in 2025 resulting from high levels of rainfall in 2023 and 2024. When water shortage measures are put in place, they often trigger permanent shifts in how people use water, leading to a long-term reduction in demand that persists well beyond the emergency. Irrigation controllers and landscape changes made during drought reduce outdoor use in ways that don't fully rebound, while fixture upgrades lock in lower consumption structurally. At the same time, conservation habits formed during the shortage may persist, reinforcing a new, lower baseline. Together, these behavioral and infrastructural changes "harden" demand, meaning the reduced consumption carries forward into subsequent years. For example, when the single-family maximum monthly value for 2025 was compared to the maximum monthly value from the 2021 to 2024 period, the 2025 maximum monthly value was approximately 17 percent lower than the pre-drought value, demonstrating the difference in demands before and after implementation of water conservation efforts.

4.2.3 Water Budgets

In April 2025, the District introduced property-specific Water Budgets,[10] a data-driven tool that provides each customer with a unique, science-based guide for efficient indoor and outdoor water use based on their specific property characteristics. Property-specific Water Budgets account for seasonal changes in water use such as irrigation in winter versus summer and provide flexibility for customers to choose how they use water on their property while discouraging water waste and excessive use. While property-specific Water Budgets are not used as a demand forecast, the implementation of the Water Budget program has allowed the District to effectively plan and anticipate yearly customer demands. The cumulative water budget for all District customers is 4,334 AFY. As shown in Table 4-1, the District's actual use totals of 4,325 AF did not exceed the cumulative water budget for all District customers. This comparison demonstrates that recent normal-year customer demands are broadly aligned with the efficient use expectations embedded in the Water Budget framework. The District uses this alignment as a qualitative validation of the demand baseline used for projecting future water use, rather than as a substitute for the UWMP demand forecast methodology.

4.3 Projected Water Use

Forecasting future water demands begins with an understanding of existing customer demands and trends, recognizing the additional customers expected through growth, and considering the factors that will influence the water use of both existing and new customers well into the future – especially factors that directly affect the efficiency of water use. As required by the UWMP Act, the future

[10] Montecito Water District. 2025. Water Budgets. https://www.montecitowater.com/conservation/water-budgets/

water uses of both existing customers and those added over the 25-year planning horizon should reflect the "efficient use" of water.

4.3.1 Existing Customer Future Use

To be conservative and assure the analysis of water system reliability is adequate, the District is maintaining the annual "current" customer demand, as shown in Table 4-2, which equates to a total annual customer demand of just over 4,000 AF, with a production need of about 4,200 AF when considering system losses (described further in Section 4.6).

While these existing customers may undertake a variety of conservation measures – actively through decisions to modify behavior or water use, or passively through the purchase of appliances and fixtures that simply use less water – they may also expand their future use. Holding the current use as a constant for all existing customers into the future will provide a conservative number that can be re-evaluated over time and in compliance with forthcoming urban water use objectives.[11]

4.3.2 New Customer Future Use

As detailed in Section 3.4.2, the District anticipates only a small amount of growth with an associated increased demand placed upon its water supplies. Forecasting the needs of these future customers is dependent upon the type and number of customers and the unit water demand factors associated with each customer type.

Several factors generally affect the forecast of future customer use, ranging from State and local landscape regulations, building code requirements, and other water use mandates, to changes in the types of housing products being offered. However, as described in Section 3.4.3, the District's service area is unique in that it is a small, affluent residential community that has limited growth potential because it is nearly built out. Thus, many of the standard factors affecting future water use are not applicable to forecasting the future water needs for the District's customers.

As discussed in Section 3.5, the District anticipates the growth of ADUs, a type of housing product that is also non-traditional. While plumbing codes and the availability of fixtures and appliances will conform to the State building codes, ADUs are anticipated to use water consistent with long-term average expectations on a unit-by-unit basis. Furthermore, the construction of ADUs will often displace current landscape and thus displace the outdoor landscaping demand – replacing it with an overall lower water use for the same parcel footprint.

For this 2025 UWMP, the District assumes a gradual increase in both residential and non-residential service connections. Residential customers will include both single-family dwelling units built under a variety of densities and multi-family residential dwelling units. Non-residential uses are expected to include mostly new commercial establishments. To be conservative with the future water use forecast, the District also anticipates a slight increase in irrigated agricultural acres which are served with potable water supplies. This expansion reflects trends for locally grown agricultural products. As new Agricultural customers are currently not allowed, growth in water demand of existing customers is projected through increased acreage.

Table 4-3 summarizes the District's anticipated new customer growth to occur by 2050, based on the population growth projections shown in Section 3.4.2. For purposes of this 2025 UWMP, the annual growth rate of 0.5 percent was used to forecast demand consistent with the Montecito

[11] Per CWC §10609.20, urban water suppliers shall calculate a urban water use objective composed of, among other factors, aggregated efficient indoor water use based upon standards of no more than 55 GPCD, decreasing to 50 GPCD by 2030

Community Plan and the *Future Demand and Water Supply Options Update 2025* prepared for the District (Appendix D).

Table 4-3 Anticipated Growth by Customer Classification

	Forecast New Connections				
Category	**2030**	**2035**	**2040**	**2045**	**2050**
Single-Family Units Added	19	19	19	19	19
Multi-family Units Added	4	4	4	4	4
Agricultural Acres Added	1	1	1	1	1
Commercial Connections Added	1	1	1	1	1

Notes:
Forecast new connections based on percentage growth in connections from 2021-2025.

Demand factors were calculated for each of the land use categories served by the District by dividing the average water use by category from 2021 to 2025 by the average number of connections by category for that same timeframe. While the demand factors were not used to forecast future demands, they provide the District with information about water use trends within each customer category. Demand factors are as follows:

- Single Family Residential – 0.67 AFY/connection which illustrates the affluent, large lot characteristics of the Montecito area.
- Multi-Family Residential – 1.42 AFY/connection for multiple dwelling units served through a single meter, such as apartments and townhomes.
- Commercial – 1.72 AFY/connection for a wide array of commercial users such as restaurants and retail establishments
- Institutional/Governmental – 2.21 AFY/connection which includes parks, government buildings, and schools.
- Agriculture – 6.51 AFY/connection for small-scale farming operations.

In addition, the District utilizes a Smart Rebates Program which provides rebates to owners of single-family residential, multi-family residential, commercial, and institutional land uses which implement a Smart Rebate offered by the District. These rebates include the use of mulch, drip irrigation, smart irrigation controllers, high efficiency residential appliances, high efficiency toilet and urinals, and replacement of turf landscape with native or drought tolerant planting. Based on District statistics from 2023-2025, the District achieves a water savings of approximately 2.53 AFY from the Smart Rebate Program, which is accounted for in demand forecasts.

4.3.3 Summary of Forecast Water Use

Based upon the estimated water use of the existing and new customers, the District anticipates a gradual increase in use over the planning horizon. Table 4-4 presents the forecast customer water use. Although the forecast is presented in 5-year increments through 2050, the monthly pattern is expected to mimic the current monthly pattern detailed in prior tables. This characterization is important when evaluating the District's water service reliability as detailed in Chapter 5. Distribution system losses are presumed to further decrease with the District's AMI technology into the future, but are held to a conservative 5 percent for this forecast.

Pursuant to CWC §10631.1, retail suppliers are required to include the projected water use for lower income households in 2025 UWMPs. Per California Health and Safety Code §50079.5, a lower income household has an income below 80 percent of area median income, adjusted for family size. The annual median household income from the 2024 U.S. Census Bureau American Community Survey is approximately $155,814 for the District's service area.[12] Therefore, to be considered a lower income household, a household would need to have an annual income less than approximately $124,651 per year. According to the Census data, approximately 30 percent of the households are below this 80- percentile income. All demands, including those for lower income households, are included in the demand projections presented in Table 4-4.

[12] This data is from the Median Household Income American Community Survey 5-Year Estimates Data Profile DP03: Selected Economic Characteristics
https://data.census.gov/table/ACSDP5Y2024.DP03?q=Montecito+CDP,+California&g=160XX00US0675714,0679529&d=ACS+5-Year+Estimates+Data+Profiles

Table 4-4 Total Uses of Potable and Non-Potable Water - Projected (DWR Submittal Table 4-2)

Use Type	Additional Description (as needed)	Projected Water Use (AF)					
		Level of Treatment	2030	2035	2040	2045	2050
Single Family Residential		Potable	2,798	2,869	2,941	3,015	3,091
Multi Family Residential		Potable	88	91	93	95	98
Commercial		Potable	267	273	280	287	294
Institutional/Governmental		Potable	325	333	342	350	359
Agricultural		Potable	283	290	297	305	312
Juncal Exchange		Potable	300	300	300	300	300
Distribution System Water Losses		Potable	305	313	319	326	334
Subtotal Potable			4,366	4,469	4,572	4,678	4,788
Non-Potable	Landscaping	Non Potable	109	112	115	118	121
Smart Rebate Program Savings			-3	-3	-3	-3	-3
Subtotal Non-Potable			109	112	115	118	121
Total			**4,472**	**4,577**	**4,684**	**4,795**	**4,908**

4.4 Adjusting Water Use Forecasts for Single-Dry and Multiple Dry Conditions

The demand forecast presented above represents expected water needs under normal hydrologic conditions. To credibly forecast potential maximum future water use, the forecasted normal-year water uses must be modified to reflect anticipated increases in demand during drier conditions. In the case of the District, this can also include the high-wind, dry conditions that can occur in fall or early winter months coupled with limited rainfall which can dramatically increase single-month demands.

Conservative modifications to the forecasted normal year water use to more likely reflect use conditions during drier years are warranted to help adequately address water service reliability in Chapter 7. For purposes of this UWMP, the following adjustments are made:

- Single dry year: Landscape irrigation needs would increase to reflect the generalized earlier start of the landscape irrigation season due to limited rainfall in the single driest year or to reflect continued demands when rainfall is still absent in November or December. Since this increase only applies to the outdoor portion of a customer's use, a simple adjustment factor of nine percent is applied to the total normal-year forecasts to conservatively reflect the expected increase in demand for water for landscaping. This increase would represent the "unconstrained demand" expected prior to any District -imposed conservation measures (e.g., as proposed in the WSCP).
- Multiple dry years: During multiple dry years, demands are expected to increase at an additional rate of two percent increase year over year from the single dry year increase of nine percent. This is representative of an "unconstrained demand" that would be expected prior to any WSCP actions the District may find are warranted to reduce customer demands.[13]

These values are reflected in tables provided for the Drought Risk Assessment presented in later subsections.

4.5 Climate Change Considerations

Including climate change into a water use analysis aids in understanding the potential effects on long-term reliability, which in turn, allows the District to proactively begin planning appropriate responses. For example, hotter and drier weather may lead to increased demand in landscape and agricultural irrigation especially during spring and fall months, increasing the pressure on water supplies that may have availability restrictions during these periods.

This potential is reflected in the consideration of the single dry year increase of nine percent that is used for the water service reliability analysis, as discussed previously. Whether the elevated single dry year water forecast becomes more akin to the "normal" demand will become more apparent as the District continues to assess monthly water use trends throughout its service area.[14]

[13] CWC §10632(a)(2) states water suppliers should use "unconstrained demand" when performing their annual water supply and demand assessment.

[14] A closer assessment of the correlation of monthly water use by customer type to rainfall and temperature will help the District improve water use forecasts to assure the effects of climate change are adequately being reflected in water service reliability analyses.

4.6 Existing Distribution System Losses

Distribution system water losses are the physical water losses from the District's water distribution system up to the point of delivery to the customer's system (e.g. up to the residential water meter). Since 2016, the District has been required to quantify its distribution system losses using the American Water Works Association Method (Title 23 California Code of Regulations §638.1 et seq.). The District submits its water loss report annually by October 1 of each year for the prior year's estimated system losses. Table 4-5 presents the loss based upon the difference between total customer sales and total production as reported by the District in various annual water loss reports (see Appendix I). Average water loss over the 2021 to 2025 timeframe was 4.8 percent. Average annual water loss for 2020 to 2025 was 5.3 percent of potable water use, with a peak water loss of 6.8 percent in 2024.

Table 4-5 Distribution System Loss: 2020 through 2024

Year	2020	2021	2022	2023	2024
Distribution System Loss	288	218	254	93	250

As can be anticipated given the dynamic functions of a pressurized potable water distribution system, the estimated annual distribution system loss as a percentage of water entering the system will vary year-to-year and month to month. While conservatively high given additional savings with the installation of AMI meters, a distribution system water loss of 5 percent is used for purposes of water use forecasting. CWC §10608.34 requires water suppliers to provide data to determine whether the supplier will meet its State Water Board water loss performance standard for real and apparent losses. The real water loss performance standard for the District is 36.2 gallons per connection per day, a 1.4 percent reduction from the State-estimated baseline of 36.7 gallons per connection per day. Suppliers will be required to submit a registry of breaks, repairs, and estimates of water loss every three years, beginning in 2029 for the 2025 to 2027 period. Water losses for the supplied data period will be assessed compared to the performance standard. The District's apparent water loss currently averages about 12.7 gallons per connection per day, per the most recently submitted water loss report. Table 4-6 shows the District's progress towards the 2028 Water Loss Standard.

Table 4-6 Progress Towards 2028 Water Loss Standard (DWR Submittal Table 4-6 Retail)

		Real Water Loss					Apparent Water Loss				
		State Water Board Standard		Most Recent AWWA Water Loss Audit			State Water Board Standard		Most Recent AWWA Water Loss Audit		
Public Water System ID #	Did the Water Board Calculate a Water Loss Standard for this Public Water System?	2028 Real Water Loss Standard per Unit per day	Units for Real Water Loss	Number of Units (Connections or Miles corresponding with units selected)	Volume of Total Real Loss	Real Water Loss Per Unit per Day	2028 Apparent Water Loss Standard per Unit per Day	Units for Apparent Water Loss	Number of Connections	Volume of Total Apparent Loss	Apparent Water Loss Per Unit per Day
CA4210007	Yes	36.2	Gallons per Service Connection per Day (GPSCD)	4,811	180.4	33.5	18.3	GPSCD	4,811	68.2	12.7

4.7 Forecasting Water Use for the DRA and Annual Assessment

Two UWMP requirements that help water suppliers assess and prepare for drought conditions are the Drought Risk Assessment[15] and the Annual Water Supply and Demand Assessment.[16] These planning requirements were established in part because of the significant duration of recent California droughts and the predictions about hydrological variability attributable to climate change. The Drought Risk Assessment requires assessing near-term water supply reliability over five consecutive dry years, covering 2026 to 2030 for this UWMP. The Annual Water Supply and Demand Assessment (Annual Assessment) undertakes a similar analytical exercise as the DRA but uses actual conditions anticipated for the particular upcoming water year. The Annual Assessment is further detailed in Chapter 1.

4.7.1 Projecting Water Use for 5-year Drought Risk Assessment

The Drought Risk Assessment uses supplier-defined hypothetical drought conditions expected to occur from 2026 to 2030 to test the resiliency of their water supply portfolio and their WSCP actions to meet severe conditions.

DWR recommends that suppliers first estimate expected water use for the next five years without drought conditions (also known as unconstrained demand). These estimates would then be adjusted to estimate the five-years' cumulative drought effects. Total water use for 2026, for example, is developed by modifying the water use representation for "current" conditions (see Table 4-7) taking into consideration the anticipated demand response to dry conditions, with each subsequent year further adjusted as appropriate. Adjustments year-to-year reflect several factors the District anticipates may occur, including increases from growth and outdoor landscape needs.

Each year is further adjusted to reflect anticipated increases in the "unconstrained demand" during a single dry year. As noted previously, this is reflected by applying a 9 percent increase to the total estimated demand in each year (greater than the 2 percent increase used in the multiple dry year analysis in Section 7.1). This conservative assumption (9 percent increase in demand year-over-year) serves as a stress case for drought response by the District, in terms of managing local water supplies and implementing the WSCP shortage actions to mitigate unsourced demand.

Table 4-7 Forecast DRA Water Use for 2026 through 2030 (AF)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2026	193	225	243	343	417	426	519	532	808	459	366	254	**4,785**
2027	197	230	249	351	426	435	530	543	818	469	374	258	**4,880**
2028	202	235	254	358	435	444	542	555	829	479	382	263	**4,978**
2029	206	241	260	366	444	454	553	566	839	489	390	270	**5,078**
2030	211	246	265	374	454	463	564	578	850	499	399	276	**5,179**

Notes: DRA forecast includes the 300 AFY transfer required pursuant to the Juncal Exchange

[15] CWC §10635(b)
[16] CWC §10632.1

5 SB X7-7 Baselines, Targets, and 2025 Reporting

This chapter describes the Water Conservation Act of 2009, also known as SB X7-7, and demonstrates the District achieved the 2020 urban per capita water use reduction of 20 percent as directed under the UWMP Act for urban retail suppliers (CWC §10608.40).

In 2009, the Senate Bill 7 of Special Extended Session 7 (SB X7-7) was incorporated into the UWMP Act requiring that all water suppliers increase water use efficiency with the overall goal to decrease per capita water consumption within the state by 20 percent by the year 2020. SB X7-7 required DWR to develop certain criteria, methods, and standard reporting forms through a public process that water suppliers could use to establish their baseline water use and determine their water conservation targets. SB X7-7 and DWR's *Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use*[17] specifies methodologies for determining the baseline water demand, the 2015 interim urban water use target, and the 2020 urban water use target. This section demonstrates that the District achieved its 2020 water use target in 2020.

5.1 SB X7-7 Baselines and 2020 Targets

SB X7-7 required urban water suppliers to establish a per capita water use target for 2020 to be calculated by using one of four methods. Method 1 was the per capita water use that is 80 percent of the urban retail water supplier's baseline per capita daily water use using a 10-year average starting no earlier than 1995. The District selected to use Method 1, which calculated a 2020 urban water use target of 338 GPCD, derived as the gross water use divided by the population during a defined baseline period.

5.1.1 Calculating Population and Gross Water Use

To assess compliance with the 2020 water use target in GPCD, the District's population and gross water use were compared to the SB X7-7 target. Gross water use was calculated as the total amount of water received, including local and regional surface water, groundwater, imported SWP water, and seepage into the Doulton Tunnel. Gross water use excludes recycled water, agricultural water deliveries, and exchanges or transfers conveyed to other urban water suppliers. The District's target water use was calculated as 338 GPCD for year 2020.

5.2 District Met 2020 Water Use Target in 2020

Urban water retail suppliers are required to report on their SB X7-7 progress to identify if they met their 2020 urban water use target pursuant to CWC §10631.

[17] DWR. 2016. Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use. February 2016

The District met their 2020 target as reflected in Table 5-1 below, which includes their 2020 target and 2020 Actual GPCD. The District was not a part of a merger or consolidation and was not a part of an SB X7-7 Regional Alliance target.

Table 5-1 SB X7-7 2020 Target Progress (DWR Submittal Table 5-1 Retail)

Was Supplier part of a merger or consolidation since 2020?	Regional Alliance Target or Individual Target?	2020 Target	Actual 2020 GPCD	Did Supplier Achieve Targeted Reduction for 2020?
No	Individual Target	338	319	Yes

6 Water Supply Characterization

This chapter provides an overview of the District's water supplies and estimates water supply use in a normal year.

6.1 Water Supply Analysis Overview

The District relies on a variety of local, regional, and State water supply sources to meet its customers' needs, while continuing to work with neighboring water purveyors on the South Coast to identify, investigate, and implement new sources. The District's current water sources include the following:

- Water Supply Agreement (WSA) with the City of Santa Barbara in connection with its desalination facility
- Lake Cachuma/Cachuma Project – regional surface water
- Jameson Lake surface water from the Santa Ynez River
- Doulton Tunnel groundwater infiltration
- Montecito Groundwater Basin well production
- SWP/CCWA – State surface water
- Supplemental water purchases

These water supply sources are detailed further in Section 6.2.

6.1.1 Special Considerations

The District takes into consideration certain conditions that affect the District's water supply availability. These considerations include the effects of climate change and water quality concerns, each of which have an effect on water availability. These considerations are described in greater detail below.

6.1.1.1 Climate Change Effects

According to California's Fourth Climate Change Assessment,[18] the Central Coast Region will face numerous climate impacts, including increased maximum and minimum temperatures, by midcentury. Multi-year average precipitation is expected to increase slightly, but "normal" years will become less frequent and both dry and wet extremes will become more frequent, heightening the risk of both droughts and floods. Precipitation variability will have detrimental effects on stream flows and aquatic organisms, including sensitive species whose protection drives state and federal regulation of water resources. Year-to-year fluctuations are expected to decrease the reliability of local surface water supplies, while rising temperatures will increase evaporation and may harm water quality. Imported water supplies conveyed through the Sacramento-San Joaquin Delta face the additional threat of sea level rise interfering with Delta conveyance systems. The State's Climate Change Assessment predicts that "Water supply shortages, already common during drought, will be exacerbated. Higher temperatures may result in increases in water demand for agriculture and

[18] California Natural Resources Agency. 2018. California's Fourth Climate Change Assessment Central Coast Region Report. https://www.energy.ca.gov/sites/default/files/2019-11/Reg_Report-SUM-CCCA4-2018-006_CentralCoast_ADA.pdf

landscaping."[19] Reduced surface water availability may lead to increases in groundwater extractions, which would threaten the sustainability of supplies for groundwater-dependent water suppliers. Rising sea levels will increase the risk of saltwater intrusion into coastal aquifers. Extremely destructive wildfires, like the 2017- 2018 Thomas Fire, may become more frequent and heighten the risk of property destruction, public safety power shut offs, and air and water quality impacts. Wildfire impacts will also accelerate sedimentation into water supply reservoirs and smoke will have public health impacts on residents.

Currently, there is still considerable uncertainty about the timing, direction, and magnitude of climate change impacts on various aspects of water resource management. Despite this uncertainty, it is still possible for water suppliers to prepare for future climate change impacts. The District's efforts to obtain additional local, independent water supplies will help ensure reliable water supplies in the face of climate change. The Montecito Groundwater Basin Groundwater Sustainability Plan (GSP),[20] approved by DWR in February 2025, provides an improved framework for responsible management of local groundwater supplies. Additional adaptation strategies less directly related to water resources include preparedness for public safety power shutoffs and land management practices that protect native species and reduce the risk of catastrophic fire. The Montecito Basin GSP includes a Climate Change scenario which models future groundwater conditions representing an anticipated change in temperature, precipitation, and corresponding groundwater demands. The modeling included within the Montecito Basin GSP concludes that the Montecito Groundwater Basin is not anticipated to experience chronic groundwater level lowering throughout the UWMP horizon. The District is committed to using the best available scientific information to inform decision-making now and in the future.

6.1.1.2 Water Quality

All water served to District customers meets or exceeds Federal and State drinking water standards as defined by the Federal Safe Drinking Water Act and the State Water Resources Control Board requirements. The District's water quality is documented annually in Consumer Confidence Reports which are available publicly on the District's website (see Appendix E). Each Consumer Confidence Report presents the primary and secondary water quality standards and the measured quality of the District's supplies from each source. Generally, surface water from the Santa Ynez River watershed is of excellent quality and local groundwater is good to moderately good; all water sources are treated before delivery to customers with the exception of non-potable well deliveries for irrigation purposes. In addition to testing water immediately after treatment, the District conducts periodic testing at customer tap to ensure water quality remains reliable throughout the distribution system. Continued close monitoring of water quality carries the additional water conservation benefit by reducing the need for water line flushing.

Despite supplying water of generally excellent quality, the District has encountered water quality challenges in recent years. The 2017-2018 Thomas Fire burned 100 percent of the watershed above Jameson Lake, and subsequent runoff from the burned area impacted this source of supply, resulting in elevated levels of organics and ultimately elevated levels of disinfection byproducts. The District's response included suspending deliveries of water from Jameson Lake for approximately one year. Upgrades were made to the Bella Vista WTP to reduce the potential for the development

[19] Langridge, Ruth. (University of California, Santa Cruz). 2018. Central Coast Summary Report. California's Fourth Climate Change Assessment. Publication number: SUM-CCCA4-2018-006.
[20] Montecito Groundwater Agency. 2023. Groundwater Sustainability Plan https://www.montecitogsa.com/doc/7530/

of disinfection byproducts in the distribution system. These upgrades will make the District more resilient to future wildfire impacts.

Other potential threats to the quality of the District's water supplies include droughts and heatwaves, which can lead to harmful algae blooms in surface reservoirs, and potentially saltwater intrusion increasing the salinity of groundwater. The District maintains an Algaecide Application Permit to treat algal blooms at Jameson Lake should algae blooms occur. The District will continue to monitor water quality proactively to mitigate future threats.

6.2 Water Supply

6.2.1 Desalinated Water

6.2.1.1 Water Supply Agreement with the City of Santa Barbara

Desalinated water opportunities on the South Coast of Santa Barbara County began with the construction of the City of Santa Barbara's Charles E. Meyer Desalination Facility, built between 1990 and 1992 as an emergency drought water supply during the 1987-1992 drought. The facility was placed in standby mode in 1992 following a wet winter and was recommissioned in 2017. In September 2020, the District and the City of Santa Barbara executed a 50-year WSA which secures the District 1,430 AFY local drought-proof potable water from the City of Santa Barbara's Charles D. Meyer Desalination Facility that the District is obligated to purchase and receive, regardless of hydrologic conditions. This supply source is considered very reliable and supplied the District with approximately 35 percent of its 2025 water supply needs. Delivery of water supplies from the Charles D. Meyer Desalination Facility began in 2022.

The water delivered to the District meets all state and federal primary water quality requirements and can be supplied from any City water supply source or a combination thereof, which offers the City additional operationally flexibility. The WSA greatly reduces the risk of shortages in dry years and reduces the District's reliance on imported supplies from the Delta.

6.2.2 Surface Water

Surface water supplies have historically constituted more than 95 percent of the District's typical water year supply. Surface water runoff to Jameson Lake and two other small tributaries in the upper Santa Ynez watershed were the District's primary source of water supply from the 1920s until the 1950s when the Cachuma Project was completed. While the District's supply portfolio has diversified considerably since then, local surface water is still an important source of water in normal years.

6.2.2.1 Lake Cachuma/Cachuma Project – Regional Surface Water

The District receives regional surface water from the Santa Ynez River watershed via Lake Cachuma, which can supply up to 58 percent of the District's total supply in wet years or be curtailed to zero in critically dry years. USBR owns the Cachuma Project and contracts with the Cachuma Operations and Maintenance Board (COMB) for operations and maintenance. COMB is a Joint Powers Authority whose members include Goleta Water District, City of Santa Barbara, Carpinteria Valley Water District, and Montecito Water District. Each member water agency has individual contracts which define each water agency's proportionate share of the Lake Cachuma water supply. The District's proportionate share of the Lake Cachuma water supply is 10.3 percent.

Water in Lake Cachuma is impounded by the federally owned Bradbury Dam, which was constructed in 1953 on the Santa Ynez River approximately 30 miles northwest of Montecito. The dam is a zoned earth-fill structure that is 206 feet high above the streambed. The dam was seismically retrofitted in 2001 and was fitted with flashboard extensions to increase the capacity of the lake in 2004. Per a bathymetric survey conducted in 2021, Lake Cachuma's overall capacity is 192,978 AF.

The Cachuma Project operates under a permit granted by the SWRCB. The current Water Rights Order 2019-0148 continued earlier requirements for water releases to protect downstream interests of the City of Lompoc, Santa Ynez River Water Conservation District - Improvement District No. 1, and riparian groundwater pumpers located along the Santa Ynez River. This Order required hearings and its Environmental Impact Report was completed in 2011. The final Water Rights Order was issued in 2019.[21]

The USBR and the Cachuma Project Member Units have developed revisions to Project operations since 1993 to improve habitat conditions for steelhead trout while still maintaining water supplies. In 2000, the National Marine Fisheries Service (NMFS) issued a Biological Opinion for USBR's operation and maintenance of Bradbury Dam. NMFS is the agency within the Department of Commerce that oversees the protection of Southern California steelhead trout. The 2000 Biological Opinion addresses the effects of Cachuma Project operations on steelhead and its designated critical habitat in accordance with Section 7 of the Endangered Species Act. In 2014, the NMFS and USBR formally initiated re-consultation of the Biological Opinion which may change the amount of future deliveries allowed from Lake Cachuma allocation to the District. This process is still ongoing.

The District's full entitlement from Lake Cachuma during years of normal rainfall is 2,651 AFY, which is curtailed on a percentage basis in dry years. Lake Cachuma is operated based on an operational yield that was developed through experience during long-term droughts and acceptable delivery reductions during such drought periods. Water is diverted from Lake Cachuma through the Tecolote Tunnel, which extends approximately 6.4 miles through the Santa Ynez Mountains to the head works of the South Coast Conduit. The South Coast Conduit is a gravity-fed concrete pipeline that runs approximately 26.4 miles and includes four regulating reservoirs - Glen Annie Dam and Reservoir (not in service since 2002 due to seismic concerns), Lauro Reservoir, Ortega Reservoir, and Carpinteria Reservoir. Lake Cachuma water supplies delivered to the South Coast Conduit are treated at the City of Santa Barbara's Cater WTP.

For the District's Cachuma Project surface water supply (including SWP delivered to Lake Cachuma), the District entered a Joint Powers Agreement with the City of Santa Barbara in 1978 for the construction, operation, and maintenance of the Cater WTP, a regional water treatment facility serving the City of Santa Barbara, Carpinteria Valley Water District, and Montecito Water District. The Cater WTP has a production capacity of 37 MGD and is owned and operated by the City of Santa Barbara. The District has a 20 percent interest in the Cater WTP which provides water deliveries daily to meet customer usage at all demand levels. Treated water from the Cater WTP is delivered to Montecito through the South Coast Conduit operated by COMB.

The District has metered turnouts supplied by the South Coast Conduit. These metered turnouts include; Barker Pass, Office, East Valley, Lambert, Toro Canyon, Sheffield, Asegra Road, Ortega Pump Station Control, and County Yard.

[21] The District's Lake Cachuma supply is currently allocated pursuant to short-term extensions of the existing Cachuma Project water service contracts. While the District has a preference for a long-term contract to provide greater planning certainty and operational stability, the absence of such as contract does not indicate an anticipated loss of supply. Consistent with conservative UWMP planning practices, and independent of ongoing contract discussions with federal and state partners, the District has incorporated the 30 percent reduction scenario for Lake Cachuma supplies to account for contractual, regulatory, and hydrologic uncertainties.

6.2.2.2 Jameson Lake & Doulton Tunnel

Jameson Lake provides the District an average of 1,392 AFY, based on historical supply data from 1942-2024. Jameson Lake is formed by Juncal Dam, located on the upper reaches of the Santa Ynez River at the confluence with the North Fork stream. It is supplemented by seasonal diversions from Alder Creek. Water from Jameson Lake is diverted through the Doulton Tunnel under the Santa Ynez Mountains into the District's service area. There is significant infiltration of groundwater into the tunnel, which supplements this source with an additional volume of water. Natural inflow into Doulton Tunnel produces approximately 424 AFY based on average inflows from 1942-2024. When the District acquired the rights to Jameson Lake from the City of Santa Barbara, the District agreed to transfer 300 AF of water annually to the City in perpetuity.

Operations at Jameson Lake were disrupted by the Thomas Fire in December 2017. The massive wildfire, California's largest ever recorded at the time, burned 100 percent of the watershed above the reservoir and destroyed the dam caretaker residence and other MWD maintenance structures. Jameson Lake's supply was rendered undeliverable due to contamination from the Thomas Fire from December 2017 until May 2019.[22] The District implemented a treatment improvement project at its Bella Vista water treatment facility to respond to the increased presence of ash and other debris that react during the treatment process. Total deliveries from Jameson Lake were 746 and 634 AF in 2024 and 2023, respectively.

When Juncal Dam was completed in 1930, the reservoir had a capacity of approximately 7,000 AF. Siltation over time (and especially after the Thomas Fire) has reduced its capacity to 4,587 AF, as measured by a bathymetric survey in 2024.[23] Periodic surveying of the reservoir bottom has shown that siltation has reduced reservoir capacity by an average of about 25 AFY during normal (non-fire) years. The District continues to perform periodic silt surveys and other studies on the reservoir and has developed a conjunctive use operational plan for all District supplies that includes an operational annual yield and rule curve based on Jameson Lake capacity. The 2020 rule curve for Jameson Lake was used to project future water supplies. The 2020 rule curve is intended to reduce diversions and prioritize multi-year storage, which preserves water in storage for use in the later years of a multi-year drought.

Jameson Lake supply availability is directly related to rainfall. Deliveries were reduced during the during water years 2021-2022 due to drought conditions, but has since been increased due to above average rainfall. Droughts and catastrophic wildfire events may become more frequent or prolonged in the future, reducing the reliability of this water supply.

6.2.3 Groundwater

6.2.3.1 Basin Description

The District overlies the Montecito Groundwater Basin (Montecito Basin; Basin No. 3-049) which occupies approximately 9.6 square miles between the Santa Ynez Mountains and the Pacific Ocean.[24] The District owns and maintains six potable water production wells and six non-potable production wells, which together supplied an average of 381 AFY between 1942 to 2024. Entitlements to groundwater in the Montecito Basin have not been adjudicated and are subject to

[23] Prober Land Surveying. 2024. Jameson Reservoir Bathymetry Survey 2024.
[24] DWR. 2004. Montecito Groundwater Basin. https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Groundwater-Management/Bulletin-118/Files/2003-Basin-Descriptions/3_049_Montecito.pdf

the rules of prior appropriation. Figure 6-1 illustrates the location of the Montecito Basin and the service areas of local water suppliers, including the District.

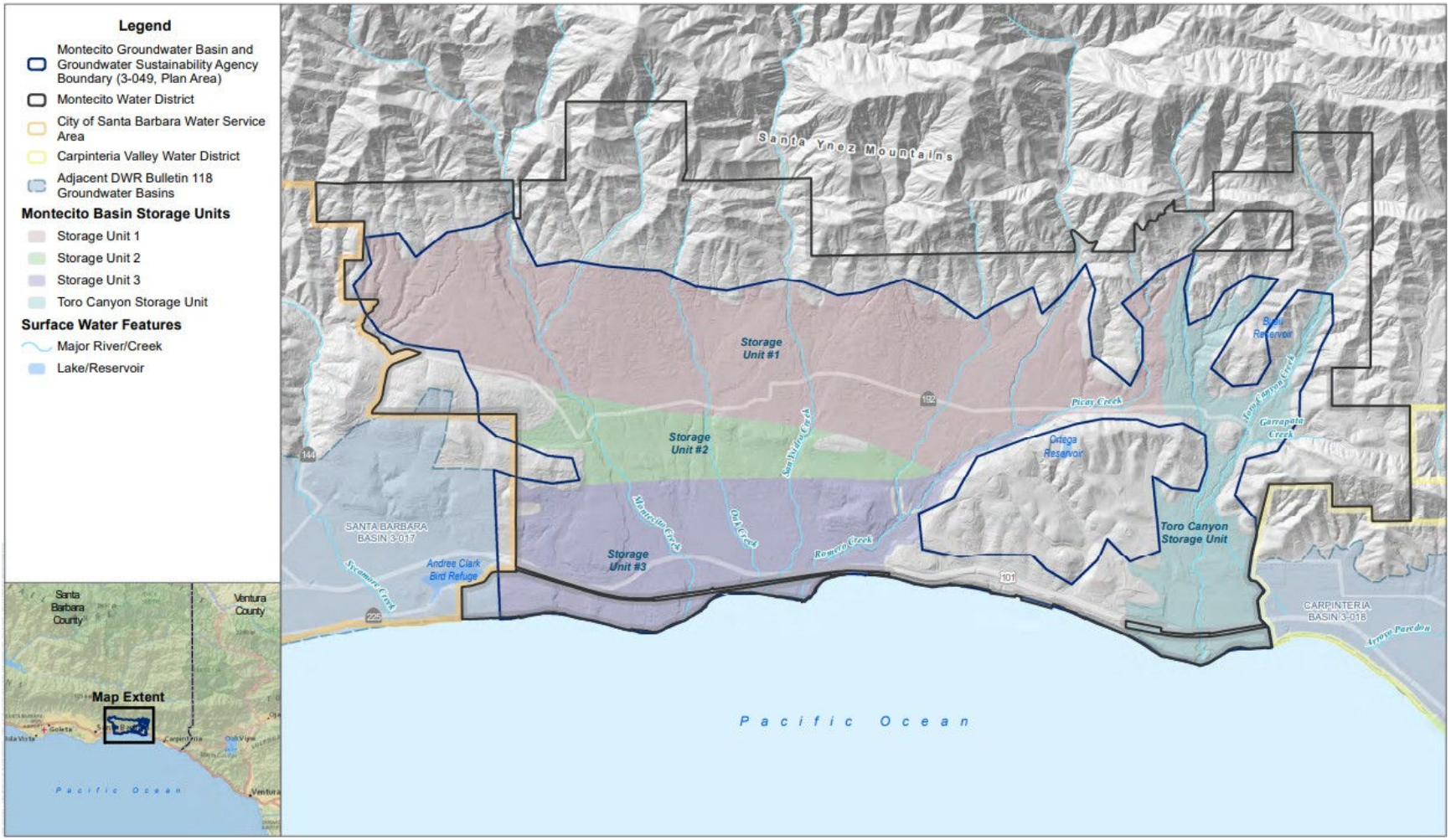
The Montecito Basin is bounded on the north by the Santa Ynez Mountains, on the east by consolidated rocks, on the southeast by an administrative boundary with Carpinteria Valley Water District, and on the northeast by a surface drainage divide that separates the Montecito and Carpinteria Basins. The offshore Rincon Creek fault and the Pacific Ocean bound the basin on the south. An administrative boundary on the west separates the Montecito Basin from the Santa Barbara Basin. The area overlying the basin contains several small creeks that flow from the Santa Ynez Mountains south to the Pacific Ocean.[25] The Montecito Basin is divided into 4 subbasins or "storage units". The first three are divided by east-west trending faults that act as semi-barriers to groundwater movement. The northern unit (Storage Unit 1) is bounded on the south by the Arroyo Parida fault, the central unit (Storage Unit 2) by the Montecito Fault in the south, and the southern unit (Storage Unit 3) by the Rincon Creek Fault. The fourth, the Toro Canyon Storage Unit, is separated from the rest of the Montecito Basin by surfacing sedimentary bedrock and a surface water drainage divide. The extent to which the offshore Rincon Creek fault is an effective barrier to seawater intrusion into the deeper water-bearing zones of the Basin is unknown. The primary water-bearing deposits in the Montecito Basin are the unconsolidated alluvial deposits, and the Casitas and Santa Barbara Formations.[26] Natural recharge in the basin is derived from infiltration of precipitation over the Basin, seepage from streams, and subsurface inflow from consolidated rock.

The shallowest alluvium deposits are of Holocene age and consist of lenses of gravel, sand, silt, and clay. These deposits occur along stream channels and range to 80 feet thick. Deeper alluvium of Pleistocene age is composed of boulders and reddish clay, which, where saturated, yields only modest amounts of water to wells. Groundwater is generally unconfined within alluvial deposits.[27]

The Pleistocene age Casitas Formation consists of clay, silt, sand, and gravel. Groundwater is extracted mainly from the upper Casitas Formation, as it is the chief water-bearing deposit; the lower Casitas Formation is very fine-grained and displays poor water transmitting characteristics.[28]Groundwater in this formation is partially confined along the north side of the Arroyo Parida fault in Storage Unit 1 the northern part of the Basin.

[25] DWR. 2004. Montecito Groundwater Basin. https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Groundwater-Management/Bulletin-118/Files/2003-Basin-Descriptions/3_049_Montecito.pdf
[26] Montecito Groundwater Agency. 2023. Groundwater Sustainability Plan https://www.montecitogsa.com/doc/7530/
[27] DWR. 2004. Montecito Groundwater Basin. https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Groundwater-Management/Bulletin-118/Files/2003-Basin-Descriptions/3_049_Montecito.pdf
[28] Montecito Groundwater Agency. 2023. Groundwater Sustainability Plan https://www.montecitogsa.com/doc/7530/

Figure 6-1 Map of the Montecito Groundwater Basin and Water District Boundaries



Source: Montecito Groundwater Basin Groundwater Sustainability Plan (2023)

Lastly, the Pliocene to Pleistocene age Santa Barbara Formation consists of marine sand, silt, and clay and has a maximum thickness of 2,200 feet in the southern part of the basin. Groundwater within the Santa Barbara Formation is generally confined. This formation occurs only in a restricted area in the southwest portion of the basin and, thus, is of negligible use as a groundwater source. [29]

6.2.3.2 Basin Management

The Sustainable Groundwater Management Act (SGMA) was signed into law by California Governor Jerry Brown on September 16, 2014, and created a framework for statewide groundwater management in California with an emphasis on local control.

In November 2018, DWR approved the District as the Montecito Basin Groundwater Sustainability Agency (GSA), making it responsible for fulfilling the requirements of SGMA for the Montecito Groundwater Basin (Basin).[30] The Basin is designated as a Medium-Priority basin by DWR, which means that the GSA is responsible for the preparation and implementation of a Groundwater Sustainability Plan (GSP) to guide sustainable management of groundwater. The Basin's GSP was completed and adopted in May 2023 and submitted to DWR in June 2023. In February 2025, DWR approved the GSP. As stated in the GSP, the estimated total extraction by all users (the District, private well owners, and mutual water companies) between 2015-2019 averaged 1,266 AFY. In addition, the GSP estimates the sustainable yield for the Basin to be 1,600 AFY. The sustainable yield is defined as the maximum amount of water that can be sustainably extracted from the Basin without causing undesirable results defined in the GSP. Management of groundwater production within this sustainable yield will ensure basin sustainability through the SGMA planning horizon. The GSA is the monitoring entity for the purpose of tracking and reporting groundwater conditions under SGMA to DWR. The District also helps coordinate SWRCB's Groundwater Ambient Monitoring and Assessment Program to evaluate groundwater quality within the Basin.

6.2.3.3 Other Considerations

Contracts for Groundwater Storage

Studies have concluded that the potential for expanded use of local groundwater storage beyond current practices is limited by the relatively small size of the Basin and the lack of suitable locations for enhanced aquifer recharge with recycled water.[31,32] In 2017, the District entered into a long-term groundwater water banking arrangement with the Semitropic Water Storage District (Semitropic Bank) in Kern County to bank surplus SWP and/or supplemental water. The District's portion of the Semitropic Bank is 4,500 AF, with an annual recovery limit of 1,500 AF unless additional capacity is available. Access to this facility provides the District greater supply reliability and protects water in multi-year storage from the risk of spillage or evaporation in surface water reservoirs. Although the Semitropic Bank is located south of the Coastal Branch turnout of the SWP, deliveries can occur to the District through the Coastal Branch in dry years, with the same amount of water returned to the SWP downstream from water pumped from the Semitropic Bank. Water deposited in the Semitropic Bank is subject to a 10 percent loss (for example; 1,000 AF deposited results in 900 AF later recovered). As with the District's other remote supplies, access to the Semitropic Bank could be disrupted by a natural disaster such as an earthquake.

[29] Montecito Groundwater Agency. 2023. Groundwater Sustainability Plan https://www.montecitogsa.com/doc/7530/
[30] Montecito GSA. 2026. https://montecitogsa.com/about/mission-purpose/
[31] Dudek. 2015. Montecito Groundwater Basin Recharge Feasibility Study. Prepared for Heal the Ocean, Montecito Water District, and Montecito Sanitary District. September 2015.
[32] Montecito Water District. 2019. Montecito Recycled Water Facilities Plan. https://www.montecitowater.com/doc/5346/

Groundwater stored in the Semitropic Bank is used as part of a conjunctive use program, in which deposits (recharge) are made during normal and wet years and withdrawals (pumping) are made during dry years when other supplies are less available. In 2020, the District had 1,800 AF stored in the Semitropic Bank. Since initiating participation in the Semitropic Bank, the District has yet to recover water for its use. As of 2025, the District has 5,802 AF stored and available for use.

6.2.3.4 Past Five Years Groundwater Pumping

The GSA conducts a survey of approximately 70 water wells (consisting of both District-owned and private wells) located within the District's service boundary twice a year. Prior to the formation of the GSA in 2018, the survey was conducted by the District. The survey consists of measuring the static water elevations in wells and converting this data to a water elevation level with reference to mean sea level. This data is being collected to continue the ongoing efforts to monitor the Basin and is input into a Basin Numerical Model to ascertain groundwater storage conditions within the four defined groundwater storage units. The collection of data twice a year reflects groundwater conditions following the rainfall/groundwater recharge season (spring) and the groundwater extraction season (fall).

Data from monitoring wells with the most complete records in the Basin date back to the 1940s, with data coverage generally improving over time. After a basin-wide low water level period in the mid-1960s, groundwater levels stabilized and recovered from the late 1960s until the mid-1980s, when drought and increased pumping led to rapidly dropping groundwater levels including elevations below mean sea level near the coast. Groundwater levels reached their lowest levels ever recorded at the time in 1991. Representative Monitoring Points (RMPs) are wells identified in the GSP as being representative of groundwater conditions and having the longest and most complete historical records. Hydrographs for the RMPs show that from the late 1980s to the early 1990s groundwater levels declined by approximately 100 feet in Storage Unit 1 and 50 feet in Storage Unit 3.[33] In general, it appears that the most extreme fluctuations in groundwater levels occurred in Storage Unit 1.

After the drought conditions of the early 1990s yielded to wetter hydrologic conditions in the late 1990s, groundwater levels in general recovered until the mid-2000s. The arrival of SWP imports in the late 1990s probably contributed to this recovery by reducing extraction. Then, starting in 2007, water levels again began to rapidly decline by a rate of 6.4 feet per year in Storage Unit 1. From 2007-2019, groundwater levels declined by as much as 77 feet in Storage Unit 1, with declines in the other Storage Units being about half that value.[34] In 2020, water levels began to recover from their recent lows. There are cones of depression apparent around areas with high well densities in Storage Unit 1 and 3, with measured water levels below mean sea level in parts of storage unit 3. As a coastal aquifer, the Basin carries a risk of seawater intrusion, but intrusion may be blocked to some degree by the offshore Rincon Fault. Studies to date have been inconclusive about the magnitude, extent, and even existence of seawater intrusion in the Basin. Because seawater intrusion is an undesirable result under SGMA, the GSA will continue to gather data and closely monitor groundwater conditions particularly in the southern edge of the Basin.

[33] Montecito Groundwater Agency. 2023. Groundwater Sustainability Plan. https://www.montecitogsa.com/doc/7530/ https://montecitogsa.com/about/mission-purpose/

[34] Montecito Groundwater Agency. 2023. Groundwater Sustainability Plan. https://www.montecitogsa.com/doc/7530/ https://montecitogsa.com/about/mission-purpose

In addition to the wells owned by the District, the Montecito Basin also contains private wells. While the precise number of active wells is not known, the GSA has a Well Registry Program that requires all wells in the Basin be registered. As of 2025, the GSA estimates the number of active private wells in the Basin to be between 400 to 500. Most of these private wells are unmetered. Some are used for private domestic water use and some are dedicated to outdoor landscape irrigation. Total Basin extractions depend on a multitude of factors and are estimated from 2020 – 2025 to range from approximately 950 AFY to 1,460 AFY.

The District's last five years of pumping are summarized in Table 6-1.

Table 6-1 Groundwater Volume Pumped (DWR Submittal Table 6-1 Retail)

		Produced Volume (AF)				
Groundwater Type	**Basin Name**	**2021**	**2022**	**2023**	**2024**	**2025**
Alluvial Basin	Montecito Groundwater Basin	312	396	113	121	248

6.2.4 Purchased or Imported Water

The District's water supply includes two sources of purchased or imported water: purchased SWP water from Central Coast Water Authority (CCWA) and supplemental water purchases such as transfer agreements.

6.2.4.1 State Water Project / CCWA – State Surface Water

The District purchases SWP supplies as a member of the Central Coast Water Authority (CCWA). The CCWA is the Joint Powers Authority administrator formed to construct, manage, operate, and maintain the SWP coastal aqueduct treatment and conveyance facilities serving Santa Barbara County. In 1963, the Santa Barbara County (County) Flood Control and Water Conservation District contracted with DWR for the delivery of up to 57,700 AFY of SWP water. The contract did not include the cost of constructing the necessary delivery system to bring SWP water into Santa Barbara County and, when a bond election failed in 1979, the County Flood Control and Water Conservation District sought financing through agreements with local water retailers to provide them entitlements for project funding. The contracts with the local water retailers provided the allotment of 45,486 AFY of SWP water, of which 3,300 AFY was allocated to the District.

The drought of 1987-91 illustrated the vulnerability of the county water agencies to multi-year below average rainfall years. The dwindling local surface water supplies caused mandatory cutbacks in customer water use and residents voted to connect to the State Water Project. In 1991, voters in a number of county communities with retained allocations, including the District, voted to fund the formation of the Central Coast Water Authority to manage and construct facilities for the import of State Water. Through the sale of water to customers, the CCWA member agencies are reimbursing the CCWA and the State Water Project for all costs, including construction and operation.

Construction of SWP conveyance facilities on the South Coast was completed in 1997, which included the 102-mile Coastal Branch of the California Aqueduct and the 42-mile Santa Ynez extension ending at Lake Cachuma where it comingles with other local surface water. Once SWP water reaches Lake Cachuma, it is conveyed through the Tecolote Tunnel to the City of Santa Barbara's Cater WTP for treatment before being conveyed via the South Coast Conduit to the District.

DWR determines the percentage of water available to each SWP Contractor each year as a function of available water supplies within the SWP based on hydrology, reservoir storage, Sierra Nevada

snowpack, and operational and regulatory requirements. The percentage allocation determined by DWR is the SWP Contractor's Table A amount available for delivery that year. The District's full annual SWP Table A water amount is 3,300 AFY for a DWR annual water supply percentage of 100 percent. Since 2000, the annual DWR Table A allocation has averaged 41 percent and ranged from a low of 5 percent to a high of 100 percent.

When delivered, the District's SWP water is conveyed west through the Coastal Branch to Lake Cachuma. Any Table A water not delivered in the year allocated, becomes carryover water and is stored in San Luis Reservoir, located along the California Aqueduct near Los Banos. If San Luis Reservoir reaches full capacity and spilling occurs, any carryover water stored can be lost. To mitigate this risk, the District participates in the Semitropic Groundwater Banking and Exchange Program. This program offers the District a guaranteed right to store and recovery water (Table A and carryover) annually. As of the end of 2025, the District has 5,802 AF of water stored in the Semitropic Groundwater Bank and available for future use.

The 2012-2016 drought lowered the previously published annual reliability of the SWP. The 2023 SWP Delivery Capability Report[35] was used in the 2025 Future Demand and Water Supply Options (Appendix D) to estimate anticipated deliveries over the planning period under various hydrologic conditions.[36] The District relies on the 75 percent level of concern projections in the 2023 SWP Delivery Capability Report to project future deliveries. Table 6-2 contains the amount of water projected to be available to the District based on its current allocation of 3,300 AFY under various hydrologic conditions.

Table 6-2 Current and Projected Annual SWP Table A Allocation

	Year 2023 DWR Baseline[1]		Future Climate Change Scenario	
Simulated Time Period[2]	% of SWP Annual Allocation (Baseline)	Supply Available to District Acre-feet (AF)	% of SWP Annual Allocation (75% LOC)	Supply Available to District Acre-feet (AF)
Long Term Average	53%	1,749	44%	1,452
Single Dry Year 1977	4%	132	2%	66
Single Dry Year 2014	6%	198	5%	165
2-Year Drought 1976-1977	22%	726	11%	363
2-Year Drought 2014-2015	9%	297	7%	231
6-Year Drought 1987-1992	21%	693	15%	495
6-Year Drought 1929-1934	14%	462	12%	396

[1] DWR identifies 2023 as a baseline for the 2023 SWP Delivery Capability Report as the hydrologic modeling prepared by DWR is reflective of 2023 hydrologic conditions.

[2] DWR simulated time periods were manually selected to include the driest and most recent years from modeling conducted by DWR.

Source: DWR 2023 Delivery Capability Report (Table 7-4)

[35] DWR released its Draft 2025 Delivery Capability Report in December 2025 for public review and comment. Comments were accepted through February 2026. For the purposes of this UWMP, the 2023 Delivery Capbility Report is referenced as it aligns with the data used in the 2025 Future Demand and Water Supply Options (Appendix D). The Draft 2025 Delivery Capbility Report is available at: https://data.cnra.ca.gov/dataset/state-water-project-delivery-capability-report-dcr-2025/resource/5d238ff5-899b-4357-8835-5b043f61f5da

[36] DWR. 2023. Delivery Capability Report 2023. https://data.cnra.ca.gov/dataset/finaldcr2023/resource/92356681-957a-48ee-97c4-529d25b9dbb2

As Table 6-2 indicates, the District's allocation of SWP supplies can be significantly reduced during droughts. During the most severe year of the most recent drought, in 2022, the SWP allocation was five percent based on the driest January and February in over 100 years. The District was allocated only five percent of its Table A amount, which equated to 165 AF. To combat historically low deliveries, California's Governor Gavin Newsome issued Executive Order N-7-22 which required all water suppliers across the State to implement their WSCPs for a shortage Level 2 to achieve 20 percent water use reduction. The District considers a five percent allocation to represent the "worst-case scenario" for supply planning purposes based on recent experience.

6.2.4.2 Supplemental Water Purchases

At the height of the 2012-2016 drought, DWR began allowing SWP Contractors to sell water to one another using DWR's SWP conveyance system. Supplemental water purchase agreements, typically coordinated by CCWA through its Supplemental Water Purchase Program, sometimes require an exchange component whereby the District is required to return an amount equal or greater amount of water purchased, typically over a ten-year period. This water return is often referred to as "water debt". The supplemental water purchase agreements include the return conditions of this water debt, which often dictate the return period and other conditions that must be met. Other transfers more closely resemble a one-time purchase and do not require water to be returned at a future date. Avoiding legal injury to other water users is a key determination that DWR examines when considering whether to allow a transfer, and each transfer requires approval from both agencies on a case-by-case basis.

The District purchased 17,806 AF of supplemental water from a variety of other SWP Contractors from 2014 to 2018. The District's latest supplemental water purchase occurred in April 2018. Some transfer agreements the District executed included return requirements. Because of the favorable hydrologic conditions in water years 2017 and 2019, the District was able to fully return owed water. In 2025, the District sold an additional 1,000 AF of excess water to its transfer partners for use by transfer partners.

While supplemental water purchases have proven to be crucial in meeting the District's dry-year needs in the past, the District remains committed to reducing its reliance on this source of water over time in compliance with The Delta Plan. The District's progress towards this goal and demonstration of compliance is included in Section 1.4.2.

6.2.5 Stormwater

Stormwater is not currently a quantifiable source of water supply to the District, and due to hydrogeologic and other limitations, is not expected to provide a measurable amount of water over the planning horizon.

6.2.6 Wastewater and Recycled Water

6.2.6.1 Recycled Water Coordination

The District does not currently use any recycled water as a source of supply. Recycled water was previously considered in the District's 2020 UWMP as a potential option for future water supplies. An initial Recycled Water Facilities Plan was completed by the District in 2018, which recommended non-potable reuse for large irrigation users with the option of indirect potable reuse as the recommended project, pending a hydrogeologic investigation of the Montecito Basin. A Groundwater Augmentation Feasibility Study prepared for the District in 2019 indicated limited

potential of the Montecito Basin for groundwater replenishment with recycled water. In 2023, an Enhanced Recycled Water Feasibility Analysis was prepared in collaboration with the Montecito Sanitary District to inform the future direction of recycled water projects.[37] At this time, recycled water projects within the Enhanced Recycled Water Feasibility Analysis are not considered as long-term options for water supply due to cost constraints.

6.2.6.2 Wastewater Collection, Treatment, and Disposal

There are two independent special districts located within the District's service boundary that provide wastewater collection, treatment, and disposal. The Montecito Sanitary District provides wastewater collection, treatment, and disposal services within the areas of Montecito, while the Summerland Sanitary District serves the community of Summerland. In addition, a very small portion of wastewater generated inside the District's service area along Coast Village Road is served by the City of Santa Barbara with that wastewater conveyed to the City's El Estero Wastewater Treatment Plant (WWTP). Wastewater collected in the service area is summarized in Table 6-3 and Table 6-4 summarizes the discharge of each entity.

Table 6-3 Wastewater Collected within Service Area in 2025 (DWR Submittal Table 6-2 Retail)

Wastewater Collection			Recipient of Collected Wastewater	
Name of Wastewater Collection Agency	**Wastewater Volume Metered or Estimated?**	**Volume of Wastewater Collected from UWMP Service Area 2025 (AF)**	**Name of Wastewater Treatment Plant (WWTP)**	**Is WWTP Located Within UWMP Area?**
Montecito Sanitary District[1]	Metered	517	Montecito Wastewater Treatment Plant	Yes
Summerland Sanitary District[1]	Metered	58	Summerland Wastewater Treatment Plant	Yes
City of Santa Barbara[2]	Estimated	46	El Estero Wastewater Treatment Plant	No
Carpinteria Sanitary District[2]	Estimated	92	Carpinteria Sanitary District Wastewater Treatment Plant	No
Total Wastewater Received from UWMP Service Area in 2025:		**713**		

Notes: The "Volume of Wastewater Collected from UWMP service area" for Santa Barbara's EEWTP and the Carpinteria Sanitary District's WWTP was estimated based on the proportion of service area population living in the District's service area, which is approximately 0.34% for EEWTP and 6.9% for the Carpinteria Sanitary District's WWTP

[1] Data for November-December 2025 is not available for these districts.

[2] 2025 volumetric reports for El Estero Wastewater Treatment Plant and Carpinteria Sanitary District Wastewater Treatment Plant are not currently available; therefore, data for these plants represents estimates based on the 2024 Volumetric Annual Report

[37] Montecito Water District. 2025. Recycled Water. https://www.montecitowater.com/our-water/water-sources-supply-copy/recycled-water/

Montecito Sanitary District

Montecito Sanitary District is an independent special district voted into existence in 1947 by the residents of Montecito to provide for the collection, treatment, and disposal of wastewater. In 1961, Montecito Sanitary District constructed a secondary level wastewater treatment plant capable of processing 750,000 gallons per day, including ocean outfall (located 1,500 feet offshore), and trunk sewer system. Twenty years later, voters approved $3.1 million in revenue bonds to incorporate new technology, double the plant's capacity to 1.5 MGD, implement more stringent testing procedures, and provide emergency power. Montecito Sanitary District provides service to approximately 9,000 people through 3,185 service connections. It maintains approximately 61 miles of sewer pipelines and five pumping stations. Montecito Sanitary District's collection system is predominantly vitrified clay pipe with some areas of polyvinyl chloride pipe.[38] In 2025, Montecito Sanitary District treated approximately 517 AF of wastewater which was discharged through their ocean outfall.

Summerland Sanitary District

Summerland Sanitary District is an independent special district that was voted into existence by the citizens of Summerland in 1957. Summerland Sanitary District provides wastewater collection, treatment, and disposal for approximately 10 percent of the District's service area. Summerland Sanitary District operates and maintains more than eight miles of sewer pipelines and three pumping stations, a 0.3 MGD treatment plant, and a 12-inch diameter ocean outfall extending 740 feet into the Pacific Ocean. The Summerland WWTP was originally designed and constructed as a conventional activated sludge treatment process, however in 1991, the Summerland Sanitary District upgraded to a tertiary treatment facility. In 2025, Summerland Sanitary District treated approximately 58 AF of wastewater which was discharged through ocean outfall.

City of Santa Barbara

The City of Santa Barbara operates a wastewater collection system consisting of 257 miles of sewer pipe and seven lift stations. The City of Santa Barbara owns and operates the El Estero WWTP, which has a design capacity of 11 MGD and serves a population of approximately 86,451 as of 2025[39]. Construction of El Estero WWTP was completed in 1979, providing secondary treated wastewater. El Estero WWTP includes both a secondary treatment facility that discharges to the Pacific Ocean and a 4.3 MGD tertiary treatment train for recycled water. In October 2015, the City began distributing recycled water from the newly constructed tertiary treatment facility. The tertiary treatment facility uses ultrafiltration technology to supply recycled water to parks, schools, commercial landscapes, golf courses, and public restrooms, thereby freeing up potable water for other uses in the City. El Estero WWTP treated a total of approximately 7,689 AF of wastewater in 2024.[40] El Estero WWTP provides wastewater collection and treatment for approximately 3 percent of the District's service area along Coast Village Road.

[38] Montecito Sanitary District. 2025. About the District. https://www.montsan.org/about-the-district
[39] California Department of Finance E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2025. https://dof.ca.gov/forecasting/demographics/estimates/e-5-population-and-housing-estimates-for-cities-counties-and-the-state-2020-2025/
[40] State Water Resources Control Board. 2026. Volumetric Annual Report of Wastewater and Recycled Water. https://www.waterboards.ca.gov/water_issues/programs/recycled_water/volumetric_annual_reporting.html

Carpinteria Sanitary District

The Carpinteria Sanitary District is an independent special district that was formed in 1928 to provide wastewater collection, treatment, and disposal services to the residences and businesses of the City of Carpinteria and unincorporated areas of Carpinteria Valley. The Carpinteria Sanitary District's current wastewater collection system consists of approximately 42 miles of sewer pipeline and eight sewage pump stations which convey flow to the WWTP. The WWTP treats approximately 2.5 MGD of wastewater per day on average. In 2024, the Carpinteria Sanitary District WWTP treated a total of approximately 1,334 AF of wastewater. Carpinteria Sanitary District WWTP provides for approximately 7 percent of the District's service area.

Table 6-4 Wastewater Treatment and Discharge within Service Area in 2025[1] (DWR Submittal Table 6-3 Retail)

Wastewater Treatment Plant Name	Discharge Location	Discharge Location Description	Method of Disposal	Does this plant treat wastewater generated outside of service area?	Treatment Level	Wastewater Treated (AF)	Discharged Treated Wastewater (AF)	Recycled within Service Area (AF)	Recycled outside of service area (AF)
Montecito WWTP	Pacific Ocean	Pacific Ocean	Ocean outfall	No	Secondary	517	517	0	0
Summerland WWTP	Pacific Ocean	Pacific Ocean	Ocean outfall	No	Secondary	58	58	0	0
El Estero WWTP	Pacific Ocean	Pacific Ocean	Ocean outfall	Yes	Secondary	6,791	6,791	0	0
El Estero WWTP	Pacific Ocean	Pacific Ocean	Ocean outfall	Yes	Tertiary	898	0	0	898
Carpinteria Sanitary District WWTP	Pacific Ocean	Pacific Ocean	Ocean outfall	Yes	Secondary	1,334	1,334	0	0
Total						**9,598**	**8,700**		**898**

Sources: Volumes for Montecito WWTP and Summerland WWTP provided from communications with MSD and SSD staff. Volumes for El Estero WWTP and Carpinteria Sanitary District WWTP obtained from the SWRCB 2024 Volumetric Annual Report

[1] The 2024 Volumetric Annual Report represents the most recently available data.

6.2.6.3 *Future Recycled Water Use Options*

The Enhanced Recycled Water Feasibility Analysis[41] evaluated five project concepts for the use of recycled water in the Montecito area and concluded indirect potable reuse via groundwater replenishment in Carpinteria Basin as the preferred concept. This would involve Montecito Sanitary District producing purified wastewater and sending to Carpinteria Valley Water District for injection into the Carpinteria Basin, with Carpinteria Valley Water District providing water supply through an exchange agreement supplied through the South Coast Conduit. The Enhanced Recycled Water Feasibility Analysis identifies potential next steps for this project concept, which include developing a memorandum of understanding between the District, Montecito Sanitary District, and Carpinteria Valley Water District, preparing additional groundwater basin modeling, initiating design, and submit for grant funding. An overview of this project is provided in Table 6-5. However, given the financial constraints of this project, the District assumes no recycled water supply would be available for use in this 2025 UWMP.

Table 6-5 Methods to Encourage Future Recycled Water Use (DWR Submittal Table 6-6 Retail)

Name of Action	Description	Planned Implementation Year	Expected Increase in Recycled Water Use (AFY)
Indirect Potable Reuse via Groundwater Replenishment in Carpinteria Basin	Montecito Sanitary District and the District would provide purified wastewater to Carpinteria Valley Water District and receive water via an exchange through the South Coast Conduit.	N/A	560
Total			**560**

6.2.7 Water Transfers and Exchanges

Water transfers and exchanges have historically been important to meeting the District's water demands, and will continue to play a role in the future.

The District's longest running transfer agreement is with the City of Santa Barbara which originated with the transfer of Jameson Lake water rights from the City to the District in the 1920s. In return, the District agreed to transfer 300 AFY to the City in perpetuity.

In addition, the District has a 2024 Water Management Program Agreement in place with Homer, LLC, which allows the District to assess water supplies and transfer surplus SWP water to Homer, LLC through 2029.

Purchases of supplemental water delivered via the SWP are discussed above in Section 6.2.1. While this supply has been important to meet District demands in the past, it is not projected to be a significant source of District supplies in the future.

6.2.8 Supply From Storage

As described in Section 6.2.2.3, groundwater stored in the Semitropic Bank is used as part of a conjunctive use program, in which deposits (recharge) are made during normal and wet years and withdrawals (pumping) are made during dry years when other supplies are less available. In 2020,

[41] Montecito Sanitary District and Montecito Water District. 2023. Enhanced Recycled Water Feasibility Analysis. https://www.montecitowater.com/doc/8784/

the District had 1,800 AF stored in the Semitropic Bank. Since initiating participation in the Semitropic Bank, the District has yet to recover water for its use. As of 2025, the District has 5,802 AF stored and available for use. While the full 1,500 AF withdrawal limit is available to the District any year, the District will not likely make withdrawals during normal years or single dry years.

6.2.9 Other

The District does not supply water from sources other than those described above.

6.2.10 Future Water Projects

Currently, the District does not anticipate future projects or programs that are expected to have a quantifiable increase in the District's water supply and can reasonably be expected to be implemented within the 20-year planning horizon of the 2025 UWMP.

6.3 Energy Use

An urban supplier must include information on the amount of energy used for various processes of water supply management, including an estimation of energy use for treated water supplies and non-treated water supplies, to the extent that the information is readily available. Energy use is provided herein as Energy Intensity, defined as the total amount of energy expended in kilowatt-hours (kWh) by the urban water supplier on a per AF basis to take water from the location where the urban water supplier acquires the water to its point of delivery.

It is not currently possible to separate out extraction, treatment, storage, and distribution energy uses. System supply is conveyed from a combination of District owned sources (Lake Jameson, Bella Vista and Doulton WTPs, groundwater wells) and SWP and Santa Barbara City and County sources (Lake Cachuma, Cater WTP). Given these complexities, the District uses the Total Utility Approach. This method sums the annual energy consumed for all water management processes, divided by the total volume of water in AF. These processes include diversion, conveyance, placement into storage, treatment, and distribution. The total energy intensity is reported in Table 6-6.

Table 6-6 Energy Intensity – Total Utility Approach[1] (DWR Optional Submittal Table O-1B)

Sum of All Water Management Processes	
Volume of Water Entering Process	**3,955** AF
Energy Consumed	1,776,176 kWh
Energy Intensity	449 kWh/AF

[1] Data is based upon energy and total water production for January 2025 through December 2025.

In January 2025, the District adopted a Climate Action & Adaptation Plan (Appendix F) which provides a comprehensive assessment of the District's current operations and water supplies as it related to climate vulnerabilities and to identify strategies to enhance resiliency. The Climate Action & Adaptation Plan includes measures to increase the District's operational energy efficiency. These include Measure 7, which relates to increasing on-site energy generation and storage where feasible, and Measure 10, which relates to energy conservation in alignment with the District's Environmental Policy. Implementation of measures from the Climate Action & Adaptation Plan would enhance energy efficiency through the planning horizon of the UWMP.

6.4 Normal Year Water Supply

The WSA with the City of Santa Barbara represents a local purchased supply of 1,430 AFY that is expected to yield 1,409 AFY of supply after accounting for line losses (evaporation, conveyance losses, etc.) in all hydrologic conditions. Deliveries of this supply are expected to remain constant throughout the UWMP planning horizon.

The District's full entitlement from Lake Cachuma during years of normal rainfall is 2,651 AFY, which is curtailed on a percentage basis in dry years. The amount of Lake Cachuma water distributed to Cachuma Member Units, such as the District, was modified by the updated Water Rights Order 2019-0148 amending permits 11308 and 11310. This UWMP assumes that the updated Water Rights Order will reduce the water available to the District from this source by 30 percent from its historic average. Accounting for the effects of this reduction, the annual supply available from Lake Cachuma is expected to average 1,855 AFY. In a normal year, not all this available supply may be needed. The District will withdraw only as much surface water from Lake Cachuma as needed to meet normal year demands.

Jameson Lake is operated according to a rule curve that has recently been updated to preserve water supplies from this source for use in the later years of a multi-year drought, which has had the effect of reducing the supply available from this source during normal years. Jameson Lake was also affected by siltation and runoff from the Thomas Fire, which reduced the capacity of this reservoir from 5,144 AF before the fire to 4,587 AF during the most recent bathymetric survey in 2024. Future siltation is expected to continue to reduce the capacity of Jameson Lake at an approximate rate of 25 AFY, which will reduce the reservoir's capacity to 4,072 AF by 2045. Projections for the availability of future supplies from Jameson Lake were prepared using the modified rule curve and assume a constant lake capacity of 3,518 AF. Under these conditions, the available supply yield is based on the District's maximum allocation of 2,000 AFY, set forth as a result of the ruling in Gin Chow v. City of Santa Barbara. This value is the assumed normal year availability for projecting future supplies.

Groundwater infiltration into Doulton Tunnel is a reliable local supply that has averaged 424 AFY over the historical record. This historical average is assumed to be available in future normal years.

Groundwater wells provide both potable and non-potable water to the District and are an important source of supply during drought conditions. Under a strategy of conjunctive use, the District plans to rely on groundwater less during average or above average hydrologic conditions. The projected normal year supply of 300 AFY is based on the *Future Demand and Water Supply Options Update 2025* (Appendix D).

The SWP supply projections are based on 75 percent level of concern projections identified in DWR's 2023 SWP Delivery Capability Report to project long-term annual average deliveries of the District's SWP Table A amount. The 2023 Delivery Capability Report projects that the percent allocation will drop from its current average in 2021 of 53 percent to 44 percent by 2043. With regards to the District's Table A amount (3,300 AFY), this would be a reduction in SWP deliveries from 1,628 AF in year 2030 to 1,452 AF in year 2050.

Supply from storage of banked groundwater is available to the District through its participation in the Semitropic Bank. The District can bank excess supplies during normal and wet years and recover those supplies at a later time, subject to a withdrawal limit of 1,500 AFY. Banked supplies will play an important role in helping the District achieve its goals of reliable, drought-proof supplies. While the maximum withdrawal of 1,500 AF is expected to be available to the District during normal

hydrological conditions, in practice, the District does not plan to produce water from this source during normal years. Use of banked supplies is further limited by the South Coast Conduit capacity. The South Coast Conduit can convey a maximum of 2,916 AFY if Lake Cachuma is below the storage threshold of 25,340 AF. At that point, the combined Cachuma, SWP, and Semitropic supplies are limited by the conveyance cap.

Supplemental water purchases, which have historically been important to meeting District demands during multi-year droughts, are not projected to be a major source of District supplies in the future. The District anticipates 0 AFY of supplemental water purchases in normal years.

The District's 2025 water supply portfolio is summarized in Table 6-7. A summary of the District's projected water supplies under normal year conditions is provided in Table 6-8.

Table 6-7 Water Supplies – 2025 Actual (DWR Submittal Table 6-8 Retail)

		2025		
Water Supply	**Additional Description**	**Water Type**	**Actual Volume**	**Total Entitlement**
Desalinated Water	WSA with the City of Santa Barbara	Potable	1,380	1,430
Imported Water	SWP/CCWA – State Surface Water	Potable	0	3,300
Purchased Water	Supplemental Water Purchases	Potable	0	--
Groundwater	Montecito Groundwater Basin	Potable	248	--
Groundwater	Doulton Tunnel Groundwater Infiltration	Potable	311	--
Surface Water	Jameson Lake	Potable	839	2,000
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	Potable	1,177	2,651
Supply from Storage	Semitropic Groundwater Bank	Potable	0	1,500
Total			**3,955**	**--**

Table 6-8 Water Supplies (Normal Year) – Projected (DWR Submittal Table 6-9 Retail)

		2030	2035	2040	2045	2050
Water Supply	**Additional Description**	**Reasonably Available Volume**	**Reasonably Available Volume**	**Reasonably Available Volume**	**Reasonably Available Volume**	**Reasonably Available Volume**
Desalinated Water	WSA with the City of Santa Barbara[1]	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water[2]	1,628	1,560	1,493	1,452	1,452
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin[3]	300	300	300	300	300
Groundwater	Doulton Tunnel Groundwater Infiltration[4]	424	424	424	424	424
Surface Water	Jameson Lake[5]	2,000	2,000	2,000	2,000	2,000
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water[6]	1,855	1,855	1,855	1,855	1,855
Supply from Storage	Semitropic Groundwater Bank[7]	0	0	0	0	0
Total		**7,616**	**7,548**	**7,481**	**7,440**	**7,440**
Demand		**4,472**	**4,577**	**4,684**	**4,795**	**4,908**
Surplus/(Shortage)		**3,144**	**2,971**	**2,796**	**2,645**	**2,532**

Notes:

In a normal year, the District does not anticipate needing SWP supplies to fulfill demands. Lake Cachuma water supply fluctuation reflects supplies needed to meet normal year demands.

[1] Water Supply Agreement is for 1,430 AFY; estimated supply reflects line loss during conveyance.

[2] SWP allocation is for 3,300 AFY; normal year deliveries based on 2023 SWP Delivery Capability Report 75% LOC (assumes deliveries decrease from 53% in 2023 to 44% in 2043) minus reduction due to SCC capacity constraints (assumes Cachuma supply is priority in conveyance. SWP is assumed not needed in Normal years and results in Surplus.

[3] Normal year supply based on *Future Demand and Water Supply Options Update 2025* (Appendix D).

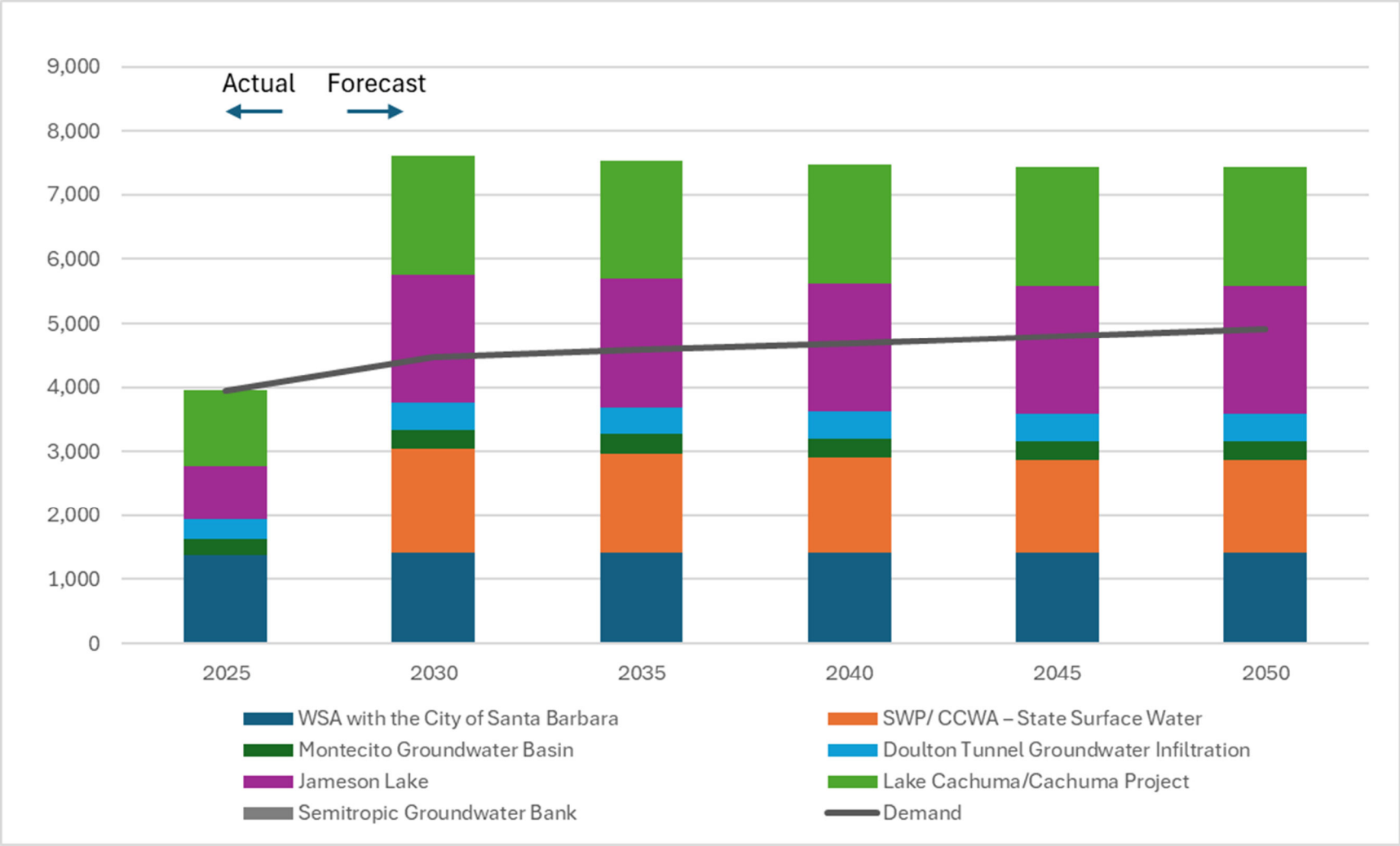
[4] Groundwater infiltration into Doulton Tunnel assumes average yield over historical record 1942-2024 (424 AFY).

[5] Total available supply in the Jameson Lake is based on the 2,000 AFY maximum allocation based on the ruling in Gin Chow v. City of Santa Barbara. Total deliveries based on the Jameson Lake 7-yr modified rule curve and average yield over historical record 1942-2024 is 1,138 AFY.

[6] Cachuma water right is for 2,651 AFY; estimated supply cap of 1,855 AFY reflects estimated 30% reduction per the Future Demand and Water Supply Options Update 2025 (Appendix D). The 1,855 AFY does not account for carryover water from Lake Cachuma. The District will withdraw only as much surface water from Lake Cachuma as needed to meet normal year demands.

[7] Semitropic maximum contractual storage capacity is for 4,500 AFY; maximum annual recovery is 1,500 AFY; assumed not needed in normal water years.

Figure 6-2 Available Water Supplies (Normal Year)



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7 Water Service Reliability and Drought Risk Assessment

This section describes the District's water service reliability to meet demands under various conditions, including normal year, single dry year, and multiple dry year scenarios. The District's assessment of water service reliability is used to direct management actions, provide insight on funding allocations, and allows for project prioritization aimed at increasing service reliability under all scenarios. The UWMP Act also requires a Drought Risk Assessment, which evaluates the reliability of the system assuming the next five consecutive years are dry. Because of the District's diversified water supply sources and recently improved access to local drought-proof supplies, combined with effective demand management as necessary, the District's supplies are found to be reliable through all scenarios examined in this 2025 UWMP.

Constraints on water sources considerations are described in Section 7.1. During one or more dry years, the total water available to the District is constrained. Important examples of supply constraints include reduced inflow to surface reservoirs such as Jameson Lake and Lake Cachuma and limitations due to water rights and contracts such as the Jameson Lake rule curve or Semitropic Groundwater Bank extraction limits, reduced groundwater infiltration into Doulton Tunnel, and reduced deliveries from the SWP/CCWA. In addition to an overall reduction in surface water supplies during multiple dry year conditions, the water quality of the region's open-air reservoirs can also be adversely affected during these extended periods of drought. Each of these sources, to varying degrees, is also vulnerable to natural disasters like earthquakes and wildfires. To compensate, the District will typically pump more local groundwater and withdraw water from long-term storage (groundwater banks and carryover) during dry years.

District demands are also affected by single and multiple dry year conditions, as discussed in Section 7.2. This analysis assumes that unconstrained demands increase by nine percent from normal conditions during the first dry year, and two percent for each subsequent dry year. As necessary, the District can reduce demands by implementing the DMMs as outlined in the WSCP presented in Appendix G.

7.1 Water Service Reliability Assessment

In addition to evaluating the District's preparedness for a severe drought in the near future through the Drought Risk Assessment (Section 7.2), the District is required to assess three scenarios when considering the reliability of a supply source, including the normal year, single dry year, and multiple dry year scenarios. These assessments must be completed at 5-year intervals over the 20- to 25-year planning period.

Each water source among the District's portfolio of current and planned future sources was evaluated for this analysis. Deliveries from these sources, to the extent possible, were compared to their historic record of performance during droughts in 1945-1951, 1983-1990, and 2012-2016. Where appropriate, the District engages in additional ongoing evaluations of supply sources such as periodic siltation surveys of surface reservoirs and participation in local groundwater monitoring through the Montecito Basin GSA. The reliability of each source during a severe multi-year drought beginning in 2030 is briefly discussed below.

City of Santa Barbara Water Supply Agreement

The completion and adoption of the WSA with the City of Santa Barbara in 2020 for 1,430 AFY of desalinated water from the City's Charles E. Meyer Desalination Facility secures a reliable purchased supply for the District in all year types, independent of rainfall. This assessment assumes a constant supply of 1,409 AFY in all years throughout the planning period, which accounts for water lost during conveyance.

Lake Cachuma (Cachuma Project)

The District's available supply from Lake Cachuma during years of normal rainfall is 2,651 AFY. However, over the last 10 years, the allocation has averaged only 72 percent of total, and dropped as low as 0 percent in 2016, the fifth year of a multi-year drought. Due to the regional dependence on this source, it is estimated that allocations during a multiple dry year scenario would be reduced when recharge conditions of the lake are at a minimum. The available capacity forecast for Lake Cachuma during a single-dry year assumes that the total 1,855 AF would be available pursuant to the Future Demand and Water Supply Options Update 2025 (Appendix D). During multiple dry years, the District relies more heavily on Lake Cachuma supplies as other supply sources are reduced. Based on the District's history of relying on Lake Cachuma supplies and carryover water to supplement demands during multiple dry years, the availability of Lake Cachuma supplies are projected to be maintained at 1,855 AF through Year 3 of a multi-year drought. During Year 4 and Year 5, the Lake Cachuma supply is anticipated to be 1,699 AF, consistent with the District's average Lake Cachuma deliveries during historical multi-year drought periods. During years when Lake Cachuma has a capacity of at least 25,340 AF, the elevation of the lake is high enough such that the water from Lake Cachuma is able to move to the South Coast Conduit via gravity at a rate of approximately 389 AF per month. However, in drought years, emergency pumps are required to pump water from Lake Cachuma to the South Coast Conduit, which results in a slower transfer rate of approximately 243 AF per month. The Years 3-5 forecast assumes that this constraint lowers the amount of water supply able to be conveyed to the District.

Jameson Lake

The District relies upon the operational rule curve published in the Water Supply Options 2020 Update and utilized in the Future Demand and Water Supply Options Update 2025 (Appendix D) to determine the annual diversion from Jameson Lake. During the 2012-2016 drought, the previous rule curve was found to drain Jameson too quickly in the early years of a multi-year drought, which resulted in insufficient water in storage for subsequent dry years. The Jameson Rule Curve was updated in May 2020 as part of the *Future Water Demand and Water Supply Options 2020 Update*, so that it now provides a 7-year water supply. The rule curve has also been updated to reflect ongoing siltation at the reservoir, including major sediment inputs which resulted from the Thomas Fire. Total reservoir storage in Jameson Lake is estimated to have dropped to 4,587 AF due to rapid siltation in the years following the 2017 Thomas Fire. Continued siltation at a rate of 25 AFY is expected. The projections for the single dry year supplies assume that the total available allocation of 2,000 AF, pursuant to the Gin Chow v. City of Santa Barbara ruling, would be available for the District to utilize. During the multiple dry year condition, diversions are projected to be reduced from the single dry year supply in accordance with the rule curve to reserve this water supply when recharge is at a minimum.

Doulton Tunnel Infiltration

The projections for the single dry year supplies are based on the average of supplies of all dry years from 2001-2024. For multiple dry year projections, it is estimated that this rainfall-dependent source will see a reduction in supply of 5 percent year over year from the single dry year amount, based on average historical losses during multiple drought years.

Groundwater Wells

The District reduces production from Montecito Basin during normal and wet hydrologic periods to allow the basin to recharge, which then allows for increased production during times of drought when other District sources are diminished. Although the long-term average (1942 to 2024) of the District well production was approximately 381 AFY, groundwater wells play an important role in supplementing District supplies during dry periods. For example, District well production reached an all-time high of 637 AF in 2015, the fourth year of a multi-year drought. This strategy is expected to continue, even as SGMA is implemented in the Montecito Basin. The projections for the single dry year and multiple dry year supplies are assumed to be 600 AFY which represents the approximate historic maximum AFY drawn from the Montecito Basin during drought.

State Water Project/CCWA

The District's full allocation of SWP water is 3,300 AFY. The District's water supply projections for this source are based on the average historical reduction in allocation delivered in single dry years from 2001 – 2025, which averaged an 8 percent reduction from normal year allocations. In a single dry year, no SWP supply is anticipated to be needed to meet demand. Given the variability of cost to deliver SWP water to Lake Cachuma, in addition to pumping constraints at Lake Cachuma described in Section 6.4 above, in drought years the District is only using enough SWP water necessary to satisfy demand. In addition, surplus SWP water is stored in the Semitropic Groundwater Bank or sold pursuant to the 2024 Water Management Program agreement with Homer LLC.

Supplemental Water Purchases

Supplemental supplies are not part of the District's plan to develop local, reliable supplies going forward. Supplemental water purchases are limited by the delivery infrastructure of the SWP and potential losses/spills associated with San Luis Reservoir and Lake Cachuma. While the District has used supplemental water purchases in the past to cover shortages, it is expected that the local, reliable supplies as discussed in Chapter 6 will reduce the need for supplemental supplies in the future. Supplemental water purchases are assumed to be zero.

Stormwater

Supply from this source is not projected to provide a quantifiable supply to the District over the planning period.

Recycled Water

The District does not currently use any recycled water as a source of supply. Recycled water was previously considered in the District's 2020 UWMP as a potential option for future water supplies, but as described in Section 6.2.6.1, recycled water projects are not considered as long-term options for water supply due to cost constraints.

Supply from Semitropic Bank

The District's portion of the Semitropic Bank is 4,500 AFY, with an annual withdrawal limit of 1,500 AF. The District's 2025 balance of stored and available water in the Semitropic Bank is 5,802 AF. This source of reliable water will be a primary water supply for the District as the multiple dry year period progresses. The single and multiple dry year scenarios assumes that the District will make withdrawals necessary to meet demands. However, supply from the Semitropic Bank is constrained by conveyance through the Cachuma Project when lake levels are low and the emergency pumping barge is in use. This assessment assumed Semitropic Bank water may not be able to be pumped from Lake Cachuma in Year 5 of a drought when Lake Cachuma drops below 25,340 AF storage and the South Coast Conduit limits total cumulative water conveyance.

The following sections present the District's projected available supplies under future normal conditions, a single dry year, and multiple dry years respectively.

7.1.1 Normal Year

Table 7-1 shows anticipated normal year supply and demand totals in five-year increments through 2050. Section 6.4 above contains a detailed list of the individual supply sources that comprise the District's supply portfolio in normal year conditions. The District has supplies that are more than sufficient to meet demands during normal years.

Table 7-1 Projected Normal Year Reliability (DWR Submittal Table 7-2 Retail)

	2030	2035	2040	2045	2050
Supply totals	**7,616**	**7,548**	**7,481**	**7,440**	**7,440**
Use totals	**4,472**	**4,577**	**4,684**	**4,795**	**4,908**
Surplus/(shortfall)	**3,144**	**2,971**	**2,796**	**2,645**	**2,532**

Notes: For a summary of water supply by source for normal year conditions, refer to Table 6-8. Lake Cachuma carryover supplies are not included in supply totals as such carryover supplies are variable; however, Lake Cachuma carryover supplies contribute to additional surplus not captured herein.

7.1.2 Single-Dry Year

Table 7-2 presents the anticipated supply and demand totals in five-year increments through 2050 for a single dry year. For all the years simulated, the District has adequate supplies to meet unconstrained demands without implementing its WSCP. Newly developed sources of supply, especially the Santa Barbara WSA and Semitropic Bank storage, are critical to providing the District with reliable supplies during critically dry years. Based on the analysis presented below, the District is well prepared for a severe drought lasting one year.

Table 7-2 Projected Single Dry Year Reliability (DWR Submittal Table 7-3 Retail)

	2030	2035	2040	2045	2050
Supply totals	7,590	7,528	7,466	7,429	7,429
Use totals	4,874	4,989	5,106	5,226	5,349
Surplus/(shortfall)	2,715	2,538	2,360	2,203	2,079

Table 7-3 Detailed Water Supplies (Single Dry Year) – Projected

Water Supply	Additional Description	2030 Reasonably Available Volume	2035 Reasonably Available Volume	2040 Reasonably Available Volume	2045 Reasonably Available Volume	2050 Reasonably Available Volume
Desalinated Water	WSA with the City of Santa Barbara[1]	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water[2]	1,492	1,430	1,368	1,331	1,331
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin[3]	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration[4]	234	234	234	234	234
Surface Water	Jameson Lake[5]	2,000	2,000	2,000	2,000	2,000
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water[6]	1,855	1,855	1,855	1,855	1,855
Supply from Storage	Semitropic Groundwater Bank[8]	0	0	0	0	0
Total		**7,590**	**7,528**	**7,466**	**7,429**	**7,429**
Demand		**4,874**	**4,989**	**5,106**	**5,226**	**5,349**
Surplus/(Shortage)		**2,715**	**2,538**	**2,360**	**2,203**	**2,079**

Notes:

In a single dry year, the District does not anticipate needing SWP supplies to fulfill demands. Lake Cachuma water supply fluctuation reflects supplies needed to meet single dry year demands.

[1] Water Supply Agreement is for 1,430 AFY; estimated supply reflects line loss during conveyance.

[2] SWP allocation is for 3,300 AFY; single dry year deliveries based on average allocation delivered in single dry years from 2001 – 2025 (48.6%), adjusted for LOC 75% decline, minus reduction due to SCC capacity constraints (assumes Cachuma supply is priority in conveyance. SWP is assumed not needed in single dry years and results in Surplus.

[3] Dry year supply based on the District's modeled maximum average production of groundwater (600 AFY).

[4] Groundwater infiltration into Doulton Tunnel assumes average yield over recent dry years 2001-2024 (234 AFY).

[5] Total available supply in the Jameson Lake is based on the 2,000 AFY maximum allocation based on the ruling in Gin Chow v. City of Santa Barbara.. Deliveries based on the 7-yr modified rule curve and average yield over recent dry years 2001-2024 is 1,373 AFY.

[6] Cachuma water right is for 2,651 AFY; estimated supply cap of 1,855 AFY reflects estimated 30% reduction per the Future Demand and Water Supply Options Update 2025 (Appendix D). The 1,855 AFY does not account for carryover water from Lake Cachuma. The District will withdraw only as much surface water from Lake Cachuma as needed to meet single-dry year demands.

[7] Semitropic maximum contractual storage capacity is for 4,500 AFY; maximum annual recovery is 1,500 AFY; assumed not needed in normal water years.

7.1.3 Multiple Dry Years

Table 7-4 presents the multiple dry year supply and demand totals in five-year increments through 2050. Under multiple dry year conditions, the District will rely on desalination pursuant to the WSA with City of Santa Barbara, and regional surface water (Cachuma Project and Jameson Lake) until those supplies diminish and then, as needed, introduce groundwater, SWP and banked supplies to meet demands.

Lake Cachuma supplies are assumed to be more heavily relied on as Jameson/Doulton supplies decline. The typical decline in base supplies after Year 2 resulting from lower rainfall volumes is balanced with use of carryover storage in Lake Cachuma. The maximum supply from Lake Cachuma in Years 4-5 (1,699 AFY) is based on the average drought deliveries 1984-1990, 2012-2016, and 2021-2022.

Given the constraints related to South Coast Conduit pumping capacity, however, supplies are not always considered sufficient to meet unconstrained demands during multi-year droughts. Shortfalls are projected to occur in Year 3 which the assumed year that Lake Cachuma drops below 25,340 AF storage and results in South Coast Conduit capacity constraints. Shortages would be addressed by invoking WSCP conservation measures, as needed.

The SWP allocations in multiple dry years have shown to decline from the single dry year average (48.6 percent) to a low of 5 percent in the fifth year of drought. The multiple dry year forecast below assumes a linear decline in SWP deliveries from Year 1 (48.6 percent) to Year 5 (5 percent).

The District's diversified supply portfolio is important for assuring supply reliability, especially during the simulated droughts. Even with multiple sources of supply, the District's conservation programs will remain in effect along with the potential for WSCP implementation if needed during the later years of severe multi-year droughts.

Table 7-4 Projected Multiple Dry Year Reliability (DWR Submittal Table 7-4 Retail)

		2030	2035	2040	2045	2050
First year	Supply totals	7,590	7,528	7,466	7,429	7,429
	Use totals	4,874	4,989	5,106	5,226	5,349
	Surplus/(shortfall)	**2,715**	**2,538**	**2,360**	**2,203**	**2,079**
Second year	Supply totals	5,930	5,930	5,930	5,930	5,930
	Use totals	4,972	5,089	5,208	5,331	5,456
	Surplus/(shortfall)	**958**	**840**	**722**	**599**	**474**
Third year	Supply totals	5,508	5,508	5,508	5,508	5,565
	Use totals	5,071	5,191	5,312	5,437	5,565
	Surplus/(shortfall)	**437**	**317**	**196**	**71**	**0**
Fourth year	Supply totals	5,173	5,295	5,418	5,546	5,677
	Use totals	5,173	5,295	5,418	5,546	5,677
	Surplus/(shortfall)	**0**	**0**	**0**	**0**	**0**
Fifth year	Supply totals	5,276	5,401	5,466	5,466	5,466
	Use totals	5,276	5,401	5,527	5,657	5,790
	Surplus/(shortfall)	**0**	**0**	**-61**	**-191**	**-325**

Table 7-5 Detailed Water Supply (Multiple Dry Years – Year 1) – Projected

Water Supply	Additional Description	2030 Reasonably Available Volume	2035 Reasonably Available Volume	2040 Reasonably Available Volume	2045 Reasonably Available Volume	2050 Reasonably Available Volume
Year 1						
Desalinated Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water	1,492	1,430	1,368	1,331	1,331
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration	234	234	234	234	234
Surface Water	Jameson Lake	2,000	2,000	2,000	2,000	2,000
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	1,855	1,855	1,855	1,855	1,855
Supply from Storage	Semitropic Groundwater Bank	0	0	0	0	0
Total		**7,590**	**7,528**	**7,466**	**7,429**	**7,429**
Demand		**4,874**	**4,989**	**5,106**	**5,226**	**5,349**
Surplus/Shortage		**2,715**	**2,538**	**2,360**	**2,203**	**2,079**

Table 7-6 Detailed Water Supply (Multiple Dry Years – Year 2) – Projected

Water Supply	Additional Description	2030 Reasonably Available Volume	2035 Reasonably Available Volume	2040 Reasonably Available Volume	2045 Reasonably Available Volume	2050 Reasonably Available Volume
Year 2						
Desalinated Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water	1,243	1,243	1,243	1,243	1,243
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration	222	222	222	222	222
Surface Water	Jameson Lake	600	600	600	600	600
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	1,855	1,855	1,855	1,855	1,855
Supply from Storage	Semitropic Groundwater Bank	0	0	0	0	0
Total		**5,930**	**5,930**	**5,930**	**5,930**	**5,930**
Demand		**4,972**	**5,089**	**5,208**	**5,331**	**5,456**
Surplus/Shortage		**958**	**840**	**722**	**599**	**474**

Table 7-7 Detailed Water Supply (Multiple Dry Years – Year 3) – Projected

Water Supply	Additional Description	2030 Reasonably Available Volume	2035 Reasonably Available Volume	2040 Reasonably Available Volume	2045 Reasonably Available Volume	2050 Reasonably Available Volume
Year 3						
Desalinated Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water	933	933	933	933	933
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration	211	211	211	211	211
Surface Water	Jameson Lake	500	500	500	500	500
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	1,855	1,855	1,855	1,855	1,855
Supply from Storage	Semitropic Groundwater Bank	0	0	0	0	58
Total		**5,508**	**5,508**	**5,508**	**5,508**	**5,565**
Demand		**5,071**	**5,191**	**5,312**	**5,437**	**5,565**
Surplus/Shortage		**437**	**317**	**196**	**71**	**0**

Table 7-8 Detailed Water Supply (Multiple Dry Years – Year 4) – Projected

Water Supply	Additional Description	2030 Reasonably Available Volume	2035 Reasonably Available Volume	2040 Reasonably Available Volume	2045 Reasonably Available Volume	2050 Reasonably Available Volume
Year 4						
Desalinated Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water	699	699	699	699	699
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration	201	201	201	201	201
Surface Water	Jameson Lake	400	400	400	400	400
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	1,699	1,699	1,699	1,699	1,699
Supply from Storage	Semitropic Groundwater Bank	165	287	410	538	669
Total		**5,173**	**5,295**	**5,418**	**5,546**	**5,677**
Demand		**5,173**	**5,295**	**5,418**	**5,546**	**5,677**
Surplus/Shortage		**0**	**0**	**0**	**0**	**0**

Table 7-9 Detailed Water Supply (Multiple Dry Years – Year 5) – Projected

Water Supply	Additional Description	2030 Reasonably Available Volume	2035 Reasonably Available Volume	2040 Reasonably Available Volume	2045 Reasonably Available Volume	2050 Reasonably Available Volume
Year 5						
Desalinated Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water	165	165	165	165	165
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration	191	191	191	191	191
Surface Water	Jameson Lake	350	350	350	350	350
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	1,699	1,699	1,699	1,699	1,699
Supply from Storage	Semitropic Groundwater Bank	862	987	1,052	1,052	1,052
Total		**5,276**	**5,401**	**5,466**	**5,466**	**5,466**
Demand		**5,276**	**5,401**	**5,527**	**5,657**	**5,790**
Surplus/Shortage		**0**	**0**	**-61**	**-191**	**-325**

7.2 Drought Risk Assessment

This subsection provides the detailed approach for conducting the District's Drought Risk Assessment, including the data and methods used.

7.2.1 Data, Methods, and Basis for Water Shortage Condition

District demands included in the Drought Risk Assessment include anticipated deliveries for treated water to customers and system losses. The projected demands considered climate characteristics, current land uses, and population and growth trends within the service area. Data comes directly from Section 4, with future projections supported by the District's Future Demand and Water Supply Options Update 2025 (Appendix D).

Demand increases are assumed to result from hotter and drier conditions, with values based on historical demand response by District customers between the drought periods of 1945-1951, 1984-1990, and 2012-2016.

If reductions in demand are needed due to an unanticipated supply constraint, the District's WSCP shall be implemented (Appendix G). If results of administering shortage response actions for the initial Stage Declaration indicate adequate supplies to meet expected demands, the Stage Declaration is proclaimed. Conversely, if results of administering shortage response actions for the initial Stage Declaration indicate inadequate supplies to meet expected demands, the Stage Declaration is increased, and the resulting shortage response actions are analyzed. This process is repeated until an appropriate Stage Declaration (and subsequent shortage response actions) results in expected supplies able to meet expected demands.

7.2.2 DRA Water Source Reliability

The assumptions used to analyze long-term service reliability from each supply source were the same as described in Section 7.2, except as specifically noted here.

7.2.3 Total Water Supply and Use Comparison

Table 7-10 below, shows the District's supplies and demands over the next five years assuming the next five years are as dry as the 2012-2016 drought. In the later years of the drought, the supply available from the SWP/CCWA and Jameson Lake decline significantly. The District instead relies on Lake Cachuma carryover water, groundwater production, Santa Barbara WSA deliveries, and withdrawals from Semitropic Bank. The District anticipates only withdrawing modest amounts from Semitropic Bank in the later years of multi-year droughts.

The results presented in Table 7-10 indicate that the District does not have sufficient supplies to meet unconstrained demands in the later years of a multi-dry year scenarios without implementing WSCP actions.

Table 7-10 Five-Year Drought Reliability Assessment (DWR Submittal Table 7-5 Retail)

Water Supply	Additional Description	2026 Reasonably Available Volume	2027 Reasonably Available Volume	2028 Reasonably Available Volume	2029 Reasonably Available Volume	2030 Reasonably Available Volume
Year 5						
Desalinated Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Imported Water	SWP/ CCWA – State Surface Water	1,492	1,243	933	699	165
Purchased Water	Supplemental Water Purchases	0	0	0	0	0
Groundwater	Montecito Groundwater Basin	600	600	600	600	600
Groundwater	Doulton Tunnel Groundwater Infiltration	234	222	211	201	191
Surface Water	Jameson Lake	2,000	600	500	500	350
Surface Water	Lake Cachuma/Cachuma Project – Regional Surface Water	1,855	1,855	1,855	1,699	1,699
Supply from Storage	Semitropic Groundwater Bank	0	0	0	165	489
Total		**7,590**	**5,930**	**5,508**	**5,173**	**4,903**
Demand		**4,785**	**4,880**	**4,978**	**5,078**	**5,179**
Surplus/Shortage		**2,805**	**1,050**	**530**	**95**	**-276**

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8 Water Shortage Contingency Plan

This chapter provides a summary of information from the District's Water Shortage Contingency Plan (WSCP) to demonstrate compliance with DWR requirements. The District's WSCP is a standalone document included as Appendix G.

The WSCP describes how the District intends to predict and respond to potential water shortages, which occur when available water supplies are reduced to a level that cannot support projected demands. The WSCP serves as a planning document to guide the District by identifying response actions for efficient and accountable management of water shortages with predictability and transparency. While the WSCP does not provide absolute direction, it offers a range of response options to address varying water shortage conditions.

Water shortages may be triggered by hydrologic limitations such as prolonged periods of below-normal precipitation, failures or limitations in conveyance or treatment infrastructure, or a combination of both. Hydrologic or drought-related shortages typically develop and subside gradually, whereas infrastructure-related shortages tend to occur more suddenly and unpredictably. Water supplies may be interrupted or substantially reduced due to events such as drought, earthquakes that damage delivery or storage facilities, regional power outages, or toxic spills that affect water quality.

8.1 Water Supply Reliability Assessment

In Chapter 7 of its 2025 UWMP, the District evaluates its ability to meet water demands under normal, single dry, and multiple dry year conditions, as well as through a formal Drought Risk Assessment. Thanks to a diversified supply portfolio—including desalinated water, groundwater, surface reservoirs, and banked storage—the District water service is reliable in all scenarios except the fifth year of a multiyear drought, where small shortages occur.

Demand is assumed to rise during hotter and drier conditions associated with drought. The District faces several supply vulnerabilities during drought, including:

- Reduced surface water inflows to **Jameson Lake** and the **Cachuma Project**
- Reduced **Doulton Tunnel** infiltration
- Declining **Groundwater** levels
- Reduced **SWP** allocations
- Water quality degradation in surface water reservoirs
- Natural disaster risks (earthquakes, wildfires)

To compensate for reductions in regional supply sources, the District can increase imported deliveries such as SWP water, banked water or supplemental water purchases, and local groundwater pumping.

In normal hydrologic years, the District has more than sufficient supplies to meet demands without implementing DMMs through 2050. The District also has sufficient supplies to satisfy demands in all single dry year scenarios analyzed, which means the District is well prepared to weather short droughts without needing to reduce customer demands. In these scenarios, supplies will comfortably exceed demand and result in a surplus without requiring additional DMMs. During

years 1-4 of the multiple dry year scenario, water supplies are anticipated to be sufficient to meet project demands. However, in the fifth year, a minor shortage is projected to occur due to conveyance constraints that limit the delivery of both Cachuma Project and imported supplies. The District's implementation of Stage 1 of the WSCP is likely sufficient to manage demand and fully mitigate the water shortage. This same pattern is observed in the Drought Risk Assessment for years 2026-2030 that is modeled after local demand and supply response in the 2012-2016 and 2021-2022 droughts.

8.2 Annual Water Supply and Demand Assessment

As required by the CWC §10632(a), the District conducts an Annual Water Supply and Demand Assessment (AWSDA) to help inform water resources management decisions for the coming year. The AWSDA methodology is described in the District's WSCP.

The District's 2025 AWSDA[42] concluded the District's current water supply outlook, which assumes dry weather conditions return next winter and customer demand remains at planned levels, projects sufficient water supply to meet demands over the next 3 years without water shortages or the need to acquire supplemental water supplies.

8.3 Six Standard Water Shortage Levels

Pursuant to CWC §10632(a)(2), the District adopted the State's six standard water shortage levels representing 10 percent, 20 percent, 30 percent, 40 percent, 50 percent, and >50 percent supply shortages. These standardized stages, developed by DWR, provide a consistent statewide method for identifying and communicating shortage conditions.

The District's WSCP outlines response actions for each stage, including associated demand reduction or supply augmentation estimates, as required by CWC §10632(a)(3). If the AWSDA shows a water shortage, the AWSDA is presented to the District's Board of Directors for discussion and questions. Staff will modify/update the assessment per direction from the Board. The Board can also provide direction to implement specific management strategies at that time.

8.4 Shortage Response Actions

The District's WSCP establishes a comprehensive set of actions to address water shortages, organized into key categories to ensure flexibility and effectiveness.

8.4.1 Demand Reduction

The District promotes efficient water use at all times through permanent conservation measures outlined in its 2022 Water Use Efficiency Plan and 2024 Ordinance No. 99. These ongoing efforts, supported by education and outreach, form the foundation for managing demand during both normal and shortage conditions. The DMMs outlined in Ordinance 99 include the following described in Table 8-1.

[42] Montecito Water District. Annual Water Supply and Demand Assessment July 1, 2025 through June 30, 2026. https://wuedata.water.ca.gov/public/wsda_attachments/2218488395/AWSDA%20MWD%202025.pdf

Table 8-1 Ordinance 99 Demand Management Measures

Ordinance 99 Demand Management Measure 5.0	
Water Use Efficiencies and Best Practices	
A	Use District-provided smart water meters and the customer interface, WaterSmart to monitor real-time water use and to identify potential leaks.
B	Redesign landscape to replace some or all vegetation with drought-tolerant or native plants.
C	Water lawns and outdoor areas only when needed. Most landscapes do not need to be watered daily and excess watering not only wastes water but can cause harm to the landscape.
D	Improve irrigation management with the installation of a soil moisture sensor for measuring soil moisture and determining when irrigation is needed.
E	Replace or upgrade old irrigation systems with state-of-the-art efficient drip or spray systems.
F	Place 3" to 4" of mulch around trees and plants to retain moisture in the soil.
G	Set lawn mower blades at 3" to 4" to keep lawn longer and retain moisture in the soil.
H	Install water harvesting and diversion features, such as rain gutters, rain barrels, in-ground storage, and rain gardens to capture runoff from roofs and pavement for use on the property and/or groundwater recharge.
I	Install or replace plumbing fixtures with water-conserving plumbing fixtures such as high-efficiency toilets, showerheads, and faucets
J	Reduce the length of showers or the amount of water used for baths.
K	Turn off the water while brushing your teeth or shaving.
L	Install high efficiency appliances including washing machines and dishwashers.
M	Only wash laundry and dishes with full loads.
N	If on a septic system, install a "laundry-to-landscape" graywater system
O	For pre-cleaning dishes, use a filled sink instead of running water.
P	Consider installing an instant water heater on sinks that are located far from the main water heater and/or hot water recirculating system.
Q	Wash vehicles using a waterless car wash product. A waterless car wash is an eco-friendly and efficient car wash that uses little or no water. Alternatively use a commercial car washing facility.
R	Report broken, poorly timed or misaligned sprinklers around the community.
S	After a power outage, irrigation timers often reset to default. Check irrigation timers often.
T	Replace batteries in irrigation timers annually.
U	Cover swimming pools, spas, and hot tubs to reduce water loss due to evaporation.
V	Hotels, motels, etc., offer an option of not laundering towels and linens daily and displaying a notice of this option.
W	Implement additional, available property specific efficiencies as appropriate.
Prohibition Against Waste of Water	
A	Washing of hard surfaces such as driveways, sidewalks, patios and parking lots except where necessary to protect health and safety. Pressure washing for maintenance or repair is not considered water
B	Applying water to landscaping during, and within 48 hours after measurable rainfall of at least one-quarter inch of rain.
C	Applying water to outdoor landscaping in a manner that causes significant runoff such that water flows onto an adjacent property, non-irrigated areas, private and public walkways, parking lots or structures.
D	Washing a vehicle without the use of a bucket and/or hose equipped with a hand-operated shut off nozzle.
E	Using potable water in ornamental fountains or other decorative water features that do not use a water recirculating system.

Ordinance 99 Demand Management Measure 5.0	
F	Irrigating turf on public street medians or publicly owned or maintained landscaped areas between the street and sidewalk where the turf does not serve a community or neighborhood function such as for picnicking, sports, pet walking, etc.
G	Irrigating outdoor landscaping during the warmest part of the day when evaporation is the greatest. Irrigation is most efficient between evening and mid-morning, such as between the hours of 6 p.m. and 10 a.m.
H	Draining and refilling a swimming pool, spa or hot tub more than once every five years.
I	Using potable water to fill new ponds and maintaining the water level for unlined ponds.
J	Allowing an identified water line break or leak to continue without immediately making the necessary repairs or turning off the water service to the property temporarily to prevent water loss until such time as the repair has been completed.

In drought conditions, the District has established its WSCP to further reduce water use. The demand reduction actions for each stage in the WSCP are provided in Table 8-2.

Table 8-2 Demand Reduction Actions (DWR Submittal Table 8-3 Retail)

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value	
1+	Increase communication to customers about parcel specific Water Budgets	Percentage	0-10%	No
1+	Increase Customer's use of WaterSmart, expanding leak alerts	Percentage	0-10%	No
1+	Promote Rebates program, Customer Water Audits and other water efficiency campaigns	Percentage	0-10%	No
1+	Expand public information campaign to enhance awareness of water use efficiency and conservation	Percentage	0-10%	No
2+	Targeted outreach to customers using water in excess of their Water Budget	Percentage	11-20%	No
2+	Targeted outreach to highest water users	Percentage	11-20%	No
2+	Expand conservation communication campaign using methods such as electronic signage	Percentage	11-20%	No
2+	Discourage discretionary uses such as the filling of pools, fountains, and water features	Percentage	11-20%	No
2+	Increase property specific water use efficiency audits	Percentage	11-20%	No
2+	Increased rebates specifically for landscape conversions	Percentage	11-20%	No
2+	Limit sale of water for construction occurring outside the District's service area	Percentage	11-20%	No
2+	Increase system water loss reduction efforts	Percentage	11-20%	No
2+	Implement or Modify Drought Rate Structure or Surcharge	Percentage	11-20%	No
3+	Apply a Drought Factor to Water Budgets aimed at reducing outdoor irrigation for residential and CII customers	Percentage	21-30%	Yes
3+	Establish penalty for water use in excess of Water Budgets; consider establishing budget based rates	Percentage	21-30%	Yes
3+	Pool, spa, and pond refills prohibited; topping off is permitted	Percentage	21-30%	Yes
3+	Limit hydrant flushing	Percentage	21-30%	Yes
3+	Prohibit the sale of water for construction purposes	Percentage	21-30%	Yes
4+	Increase Drought Factor and apply it to Water Budgets	Percentage	31-40%	Yes
4+	Limit outdoor irrigation for residential and CII customers to 1 day per week	Percentage	31-40%	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value	
4+	Use of mechanical devices to restrict flow through service lines on severely over-budget accounts that are non-responsive to outreach, and other mandatory restrictions and enforcement	Percentage	31-40%	Yes
5+	Increase Drought Factor and apply it to Water Budgets	Percentage	41-50%	Yes
5+	Prohibit outdoor irrigation for all customers. Use limited to public health and safety water	Percentage	41-50%	Yes
6+	Prohibit all outdoor use except as necessary to protect public health and safety.	Percentage	Over 50%	Yes
6+	Issue-specific measures developed as needed	Percentage	Over 50%	Yes

8.4.2 Supply Augmentation

During a water shortage, the District may pursue supply augmentation measures to help maintain supply reliability and reduce the need for additional demand reductions. These actions are intended to supplement existing supplies and provide flexibility when conditions limit normal water availability. The District will evaluate potential augmentation options based on feasibility, cost, and availability at the time of implementation, using them as needed to support overall supply and demand balance during shortage events.

Table 8-3 Supply Augmentation and Other Actions (DWR Submittal Table 8-2 Retail)

Shortage Level	Supply Augmentation Methods and Other Actions by Water Supplier	How much is this going to reduce the shortage gap?		Additional Explanation or Reference
		Volume or Percentage	Shortage Gap Reduction Value	
1+	Other Actions (describe)	As Needed	As Needed	Obtain additional supplies through District's ongoing water supply portfolio, as needed to meet shortfall

8.4.3 Operational Changes

During shortage conditions, operations may be affected by demand reduction responses. Operational changes to address a water shortage may be implemented based on the severity of the reduction goal. The District, with Board of Directors approval as needed, will consider their operational procedures at the time of a shortage to identify changes they can take to maximize supply and reduce demand during a water shortage.

8.4.4 Additional Mandatory Restrictions

In addition to any shortage response level being declared, the District maintains prohibitions and restrictions at all times pursuant to the District's Ordinance No. 99.

8.4.5 Seismic Risk Assessment, Mitigation Plan, and Emergency Response Plan

The District maintains several emergency planning documents including its Hazard Mitigation Plan, Emergency Response Plan, Risk and Resilience Assessment, and seismic evaluations that together guide preparedness, response, and recovery efforts during major emergencies. These plans are regularly updated and supplemented by the County's Multi-Jurisdictional Hazard Mitigation Plan.

To ensure continuity during a sudden water supply interruption, the District relies on a diverse supply portfolio, backup power at critical facilities, remote system monitoring, 24/7 on-call staffing, and well-maintained equipment and materials for emergency repairs. Coordination with mutual-aid partners further strengthens response capabilities.

While earthquakes present a key hazard, District facilities have historically performed well. Ongoing mitigation includes seismic upgrades, emergency distribution planning, and regular staff training. The District's diversified supplies and established emergency procedures together enhance system resilience during catastrophic events.

8.4.6 Shortage Response Action Effectiveness

The District routinely tracks water production, distribution, and customer billing data. During a water shortage, this information is compared to normal year demand or to a designated State-required baseline to evaluate progress toward meeting shortage stage objectives. Estimated water savings for each WSCP action are provided in Table 8-2, with higher savings achieved when multiple actions are implemented together. Some measures provide substantial reductions at advanced shortage stages. For example, prohibiting outdoor irrigation in Stage 5 is estimated to reduce the shortage gap by up to 50 percent. These estimates guide the District in selecting and adjusting response actions to meet demand reductions.

8.5 Communication Protocols

The District uses its established communications program to keep customers and stakeholders informed during a water shortage. Public notifications for Board meetings related to the AWSDA or potential shortage declarations follow standard Board noticing and press release procedures.

When the Board declares a shortage stage, the District announces the declaration and associated restrictions through press releases, billing statements, enews, and updates to the District website, which will feature the current stage, restrictions, and available customer resources. Ongoing Board meetings will review conditions, customer response, and any recommended adjustments to the shortage actions.

8.6 Compliance and Enforcement

In accordance with CWC §10632(a)(6), the District enforces water-use restrictions through a tiered compliance approach that may be adjusted as needed. Enforcement measures include:

- First violation: Written warning.
- Second and subsequent violations: A $250 fine, which doubles with each additional violation up to a maximum of $1,000 per violation.
- Fourth violation (or earlier if warranted): The General Manager may require installation of a flow restrictor on the customer's service line.
- The District may apply additional penalties or charges as needed to enforce prohibitions on specific water uses.

These measures support effective implementation of shortage response actions and ensure adherence to District water-use requirements.

8.7 Legal Authorities

The District's authority to manage water supplies and prevent waste is established under the County Water District Law and supported by California Constitution Article X, Section 2. State law (CWC §§31026–31028) authorizes the District to declare water shortages, restrict water use, and adopt ordinances needed to enforce those restrictions. Additional emergency powers under CWC §§350–359 allow the District to declare a water shortage emergency when normal demands cannot be met and to impose regulations that conserve water for essential needs.

The District also coordinates with local agencies under the California Emergency Services Act when broader emergency declarations are necessary. A water shortage emergency will be declared when projected supplies cannot meet demand, and appropriate WSCP measures or additional ordinances will be implemented to ensure compliance.

8.8 Financial Consequences

Implementation of the WSCP can affect the District's finances because reduced water use lowers revenue while costs increase for monitoring, enforcement, customer outreach, and potential supplemental supplies. The District's rate structure, which is composed of fixed monthly charges and variable volumetric rates, means that reductions in water sales can significantly impact revenue, as volumetric charges make up the majority of income.

During shortage conditions, the District may incur additional expenses for staffing, third-party support, equipment, and data tracking. Supplemental water supplies, if pursued, are expected to be more costly than regular sources and will be evaluated as needed.

The District maintains strong financial management practices and can mitigate impacts through tools such as reserve funds, deferring capital or operational expenses, and collecting penalty revenues. The District has enacted a drought rate surcharge in the past to address revenue reductions. Since that time, the District has developed an enhanced rate structure and base rates which are updated approximately every four to five years. These rates are based on updated projected water use forecasts. Projected water use is determined using the best available data and information. During an extended drought, demand is assumed to decrease due to the implementation of DMMs, which may require the District to revisit the need for a surcharge structure or new rates.

8.9 Monitoring and Reporting

In accordance with CWC §10632(a)(9), the District monitors and reports on the effectiveness of WSCP actions to ensure supply and demand remain in balance. After implementing shortage-stage measures, the District tracks both water use and available supplies using the same data sources that support its supply and demand assessments.

District staff will report to the Board at least quarterly with updates summarizing:

- Actual vs. projected demands by customer class and total use
- Actual vs. projected supply availability for each water source
- Supply projections for the next 36 months
- Any additional reporting required by the State

Based on the results, the District will evaluate whether adjustments to the shortage stage or response actions are needed. If necessary, the District may adopt additional measures, update ordinances, or revise the WSCP through the Board process unless urgent conditions require earlier action.

8.10 WSCP Refinement Procedures

The WSCP is designed to remain adaptable, consistent with CWC §10632(a)(10). The District will regularly review its shortage criteria and response actions to ensure they remain effective, incorporating lessons learned and findings from its monitoring and reporting program.

Refinements such as changes to shortage triggers, stage structure, or response actions will be incorporated into future WSCP updates. New actions identified by District staff or the public may be introduced as voluntary measures before being formally adopted.

8.11 Special Water Feature Distinction

CWC Section 10623 (b) requires that suppliers analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas. Under normal conditions, District Ordinance No. 99 prohibits operating decorative water features without recirculation and limits draining/refilling pools and spas to once every five years. At Stage 2+, refilling of pools, spas, and ponds is prohibited, while topping off remains permitted.

8.12 Plan Adoption, Submittal, and Availability

The District's WSCP was prepared and adopted in accordance with CWC §10632(a)(3)(C). The WSCP was presented at a duly noticed public hearing and formally adopted by the District Board of Directors on June 23, 2026 by Resolution No. 2320. Required public and agency notifications were provided, and the WSCP was made available for public review prior to adoption.

Following adoption, the WSCP was made publicly available within 30 days and submitted electronically to DWR through the Water Use Efficiency Data Portal concurrent with the UWMP. Hard copies of the adopted WSCP and UWMP were submitted to the California State Library, and copies were distributed to applicable cities and counties within the District's service area within 30 days of adoption. Any future amendments required by DWR will be adopted by the District Board of Directors and resubmitted to DWR within 30 days of adoption.

9 Demand Management Measures

This chapter describes the District's implementation of Demand Management Measures (DMMs) in accordance with the CWC and the 2025 UWMP Guidebook. It describes implementation during the past five years, actions taken to support State conservation targets, and planned near-term measures. The District's DMM program builds on long-standing conservation efforts, the District's Water Use Efficiency Plan (WUEP),[43] and Ordinance 99 (Water Conservation Ordinance), forming a comprehensive and adaptive water-use efficiency strategy.

9.1 Conservation Legislation and Regulatory Context

In 2018, Senate Bill (SB) 606 and Assembly Bill (AB) 1668 were enacted to establish long-term indoor and outdoor water use conservation goals across the state. Collectively referred to as "Making Conservation a California Way of Life," the bills are companion measures that link state water-efficiency targets with local water-supply planning achieve statewide water conservation goals and maintain reliable water supplies. AB 1668 directs DWR and the SWRCB to develop long-term water use efficiency standards and adopt drought planning measures into the California Water Plan. SB 606 strengthens urban water management planning objectives, requires annual reporting on actual water usage and grants the SWRCB the authority to monitor, verify and take corrective action to remedy violations if a supplier is non-compliant. A key principle of the legislation is development of and compliance with the UWUO, which defines the maximum amount of aggregate water usage for a water purveyor when water is managed efficiently. Further, the UWUO promotes water-use efficiency goals by encouraging permanent conservation practices at the agency level rather than temporary drought restrictions.

California Code of Regulations Title 23, §965 et seq, establishes a framework for calculating an UWUO. SB 1157 set the residential indoor water use standard at 55 GPCD until January 1, 2025, when it lowers to 47 GPCD, and finally lowers to 42 GPCD on January 1, 2030. For the outdoor water use standards, compliance is based on a landscape efficiency factor which indicates the amount of water a supplier needs to deliver to maintain healthy and efficient landscapes.

SB 1572 further directed conservation of potable water by eliminating non-functional turf. The bill mandates removal of non-functional turf and associated reduction in water use, includes a phased compliance schedule with public landscapes by January 1, 2027, CII landscapes by January 1, 2028, and HOA common areas by January 1, 2029.

9.2 History of Conservation Programming

Over time, the District's conservation programming has progressed from traditional, compliance-oriented measures toward a comprehensive, data-driven water use efficiency strategy guided by the District's WUEP. The WUEP evaluated historic performance, identified key drivers of demand, and established a long-term, cost-effective portfolio of efficiency investments aligned with statewide objectives.

[43] Montecito Water District, 2022. Water Use Efficiency Plan. (December 13, 2022)

To support continued long-term reductions, the District evaluated a range of potential measures and ultimately selected the WUEP Strategic Program (Program B) as its preferred implementation pathway. This portfolio emphasizes high-value conservation actions, including AMI engagement, parcel-level water budgeting and monitoring, landscape and device rebates, water audits, and ongoing customer education. According to the WUEP, implementation of the Strategic Program is projected to achieve approximately 842 AFY of water savings by 2045.

9.3 Implementation Over Past Five Years (2021-2025)

Over the past five years, the District has implemented a coordinated suite of conservation measures from the WUEP, including:

- AMI Customer Portal and Targeted Outreach
- Water Loss (District System Leak Detection)
- Mulch Program
- Indoor Appliances Rebate Program – Commercial/Institutional
- Indoor Appliances Rebate Program – Residential
- High Efficiency Toilet Rebates
- Outdoor Water Audits
- Drip Irrigation Rebate
- Smart Irrigation Controller Rebate
- As-Needed Water Budgeting/Monitoring at Parcel Level
- Landscape Conservation/Improvements— Residential
- Community Outreach and Education
- Demonstration Garden
- Commercial/Institutional Audit Program

These measures demonstrate durable conservation beyond temporary drought restrictions and position the District to meet emerging performance standards.

9.4 Demand Management Measures

This section provides a narrative discussion of the District's DMMs. The District's DMM program is designed to reduce potable water demand, improve system efficiency, and enhance long-term water supply reliability under a wide range of hydrologic conditions. These measures support achievement of the District's UWUO established pursuant to State law and complement supply-side investments described elsewhere in this UWMP.

The District implements all foundational DMMs required of retail urban water suppliers, as described below. In addition, the District participates in regional conservation programming through the Santa Barbara County Regional Water Efficiency Program (RWEP)**,** which provides coordinated outreach, technical assistance, and incentive programs throughout the South Coast region.

9.4.1 Water Waste Prevention Ordinances

In June 2024, the District Board of Directors adopted Ordinance 99 (Appendix H) establishing permanent prohibitions on water waste and detailing recommended best practices such as soil-moisture-based irrigation, mulch use, and efficient irrigation hardware. Examples of

water-waste prohibitions include runoff, irrigation during and within 48 hours after measurable rainfall of at least one-quarter inch, and use of potable water in non-recirculating decorative features. Enforcement escalates from a written warning to $250 and then doubles with subsequent violations up to $1,000, with authority to install a flow restrictor in egregious cases and a defined appeal process.

9.4.2 Metering

The District meters all potable water deliveries to customers and maintains production, transmission, and distribution system metering to accurately account for water use and system losses. The District operates ongoing meter testing, calibration, and replacement program to ensure data accuracy.

9.4.3 Property Specific Water Budgets

The District has fully transitioned to AMI, which serves as the foundation for its modern demand management strategy. In April 2025, the District introduced property-specific Water Budgets,[44] a data-driven tool that provides each customer with a unique, science-based guide for efficient indoor and outdoor water use based on their specific property characteristics. The District provides calculated property-specific Water Budgets to all customers on their monthly bill, free of charge. This system integrates with the WaterSmart customer portal, enabling residents to track daily usage and receive automated alerts for potential leaks. More information about Water Budgets, including the methodology for calculations are available at https://www.montecitowater.com/conservation/water-budgets/.

9.4.4 Conservation Pricing

In June 2024, the District adopted a new five-year schedule of rate increases following a comprehensive Cost of Service study.[45] This updated structure maintains a three-tiered pricing system for single-family and multi-family residential connections, designed to provide clear conservation price signals based on consumption levels. Under this methodology, Tier 1 covers efficient indoor use (0-9 hcf), while Tiers 2 (10-35 hcf) and 3 (36+ hcf) are priced significantly higher to reflect the cost of securing supplemental water supplies, such as desalination and SWP imports. This conservation-based rate structure aims to reduce customer water use while ensuring the financial stability needed for critical infrastructure and long-term supply reliability.[46]

9.4.5 Public Education and Outreach

The District provides ongoing public education and outreach to promote water conservation and efficient water use. Outreach efforts include customer bill inserts, District website content, targeted communications, press releases, workshops, and direct customer assistance. The District's website (https://www.montecitowater.com/conservation/) provides access to a wide range of conservation information, rebates and incentive programs, and activities.

Through participation in the RWEP, District customers have access to regionally coordinated education programs, school curricula, professional trainings, and conservation messaging that

[44] Montecito Water District. 2025. Water Budgets. https://www.montecitowater.com/conservation/water-budgets/
[45] Montecito Water District, 2024. "Water Rate Study: Final Report (May 1, 2024) https://www.montecitowater.com/doc/9719/
[46] Montecito Water District, 2024. Rates & Fees https://www.montecitowater.com/customer-service/rates-fees-meters/

leverage economies of scale and consistent regional messaging. These efforts support long-term behavioral changes and improved water use efficiency across all customer sectors.

9.4.6 Distribution System Water Loss

The District proactively manages distribution system water loss through a combination of advanced technology and infrastructure maintenance. A cornerstone of this program is the 2024 rollout of District-wide AMI smart meters, which allow for real-time monitoring of system-wide water demand and the rapid identification of distribution-side leaks. The District is responsible for the ongoing repair and maintenance of its treatment and distribution network up to the customer meter and for any significant water leak on their side of the meter due to circumstances out of their control.[47]

To support these responsibilities, the District implements the following strategies to reduce water loss and protect system reliability:

- **Real-Time Monitoring:** Utilizing the WaterSmart customer portal, the District and its customers receive automated notifications of unusual flow patterns, significantly reducing the duration of undetected leaks.
- **Infrastructure Investment:** The District's water rates and its Water Availability Charge provides dedicated annual funding for capital improvement projects, including the replacement of aging pipelines and upgrading distribution services to minimize physical water loss.
- **Asset Management:** The District employs a proactive asset management strategy to evaluate the condition of its distribution infrastructure and prioritize repairs before catastrophic failures occur. The District completed the first ever Asset Management Plan (AMP) in 2024 which is used to inform long range capital project planning.

The District's American Water Works Association Water Audit is included as Appendix I.

9.4.7 Conservation Program Coordination and Staffing

Since 2020, the District has expanded water conservation programs, coordination and staffing following adoption of the WUEP and Ordinance No. 99. Conservation program management is performed by District staff, who administer audits and rebates, oversee AMI/analytics, coordinate with RWEP, and manage reporting. The District maintains dedicated staffing resources to support water conservation program implementation. The District's Water Conservation Specialist position is responsible for conservation program administration, customer assistance, water audits, landscape efficiency evaluations, and coordination with regional partners.

9.4.8 Other Demand Management Measures

In addition to the foundational measures described above, the District implements supplemental DMMs tailored to local conditions as implemented through the WUEP programs. The WUEP evaluated 20 conservation measures to select DMMs that would meet regulatory and compliance mandates. This included analysis of water savings and benefits based on demands, including cost and savings associated with each program. From this analysis, an implementation strategy and schedule was identified to track progress for 17 identified DMMs as reflected in Table 9-1.

[47] Montecito Water District 2025. Resolution No. 2308. https://www.montecitowater.com/doc/9306/

Table 9-1 Conservation Measures Implementation Schedule (2022–2045)

Measure	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
AMI Customer Portal and Targeted Outreach [B,C]																								
Water Loss (MWD System Leak Detection) [B,C]																								
Mulch Program [A,B,C]																								
School Building Retrofit (implemented through CII indoor rebates) [B,C]																								
Indoor Appliances Rebate Program – Commercial/Institutional [A,B,C]																								
Indoor Appliances Rebate Program – Residential [A,B,C]																								
High Efficiency Toilet (HET) Rebates – Residential [A,B,C]																								
Outdoor Water Audit [B,C]																								
Drip Irrigation Rebate [A,B,C]																								
Smart Irrigation Controller Rebates [A,B,C]																								
Water Budgeting/Monitoring at Parcel Level [B,C]																								
Landscape Conversion/Improvements – Residential [A,B,C]																								
Community Outreach and Education [B,C]																								
Demonstration Garden [B,C]																								
Commercial/Institutional Audit Program [B,C]																								
Water Budget-Based Billing (as needed) [B,C]																								
Grey Water System Rebates (implemented through Landscape Conservation/Improvement rebates) [B,C]																								

Notes:

This schedule does not include any measures that were not included in the Strategic Program as described in the 2022 WUEP.

Superscript notes are defined as follows:

A = measures in the Pilot Program

B = measures in the Strategic Program

C = measures in the All-Inclusive Program

The District's programs include targeted efforts to address water use efficiency for CII, large landscape, and residential customers. Since implementation of the WUEP, the following programs have been implemented by the District.

9.4.8.1 Demonstration Garden

In partnership with the Montecito Community Foundation and Lotusland, the District constructed a Demonstration Garden for the public to learn about sustainable landscaping and efficient outdoor water use. The garden is located at the District's office on 583 San Ysidro Road, Montecito, California 93108. More information is available at https://www.montecitowater.com/conservation/demonstration-garden/.

9.4.8.2 California Water Efficiency Partnership Rebates

The District promotes and participates in the California Water Efficiency Partnership's (CalWEP) Smart Rebates program which offers financial incentives for qualified purchases single-family residential, multi-family residential, commercial, and institutional. Through the District's WUEP, rebate programs were developed intended to reward conservation actions which include installation of mulch, drip irrigation, smart irrigation controllers, landscape conversion/improvements, installation of high- efficiency indoor appliances, toilets, and urinals. More information on the rebate program can be found at https://www.montecitowater.com/conservation/rebates/.

9.4.8.3 Free Water-Wise Checkups

Starting in 2023, the District offers free WaterWise checkups for customers by conducting property evaluations, identifying efficiency improvements, and helping residents reduce both water use and costs. Customers can schedule a visit or request assistance by calling the District's main conservation line at (805) 969-2271, or by visiting the District's website at https://www.montecitowater.com/conservation/on-site-visits/.

9.4.8.4 WaterWise Programs

The District has partnered with Santa Barbara County to promote several WaterWise programs offered to elementary through high school students, including High School Video Contest, free assembly performances (virtual and in-person) for elementary school students, and free parent and teacher resources to promote water use efficiency. More information about these programs can be found at https://www.montecitowater.com/conservation/for-kids/.

In addition, the Santa Barbara County hosts the WaterWise Garden Contest which recognizes water-efficient residential gardens. Residents of Santa Barbara County can apply through the County's website, and awards are given to a residential property in each water provider's service area throughout Santa Barbara County. Landscapes are evaluated based on visual qualities as well as irrigation methods and other sustainable design criteria. More information about this contest can be found at https://www.waterwisesb.org/2325/WaterWise-Garden-Contest.

9.5 Planned Demand Management Measures

The District will continue to evaluate and refine its DMMs to support compliance with UWUO established pursuant to CWC §10609.20 and related statutes. Guided by the WUEP schedule and annual work planning, the District will:

- **Expand AMI analytics** and customer alerts to shorten leak duration;
- **Deepen parcel level water budgeting/monitoring** and high use engagement;
- **Continue indoor/outdoor retrofit incentives and audits** where cost effective;
- **Scale staffing/administration** per WUEP to maintain delivery capacity and reporting; and
- **Monitor and report** UWUO progress and water-loss performance consistent with the Guidebook's reporting tables.

Resources for DMM activities will continue to be incorporated into the District's annual budget and long-range planning processes. Special consideration will be given to evolving water use patterns, climate change impacts, and future regulatory requirements.

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10 Plan Adoption, Submittal, and Implementation

This chapter provides an overview of public and agency notifications completed per CWC requirements, public availability, and UWMP and WSCP adoption.

10.1 Notice of Plan Preparation

CWC §10621(b) requires that water suppliers notify cities and counties within their service area that the UWMP and WSCP are being updated at least 60 days prior to the public hearing. The District's service area includes the unincorporated communities of Montecito, Summerland, and Toro Canyon, as well as small portions of the City of Santa Barbara. The City of Santa Barbara, Santa Barbara County Water Agency, CCWA, Montecito Sanitary District, Summerland Sanitary District, and Carpinteria Sanitary District, were notified of the District's intent to prepare a 2025 UWMP on March 16, 2026. Carpinteria Sanitary District was notified on April 21, 2026. Copies of the notification letters to the Cities and Counties can be found in Appendix C. Table 10-1 shows the notification provided to cities and counties. In addition, agencies and members of the public have been provided opportunities to attend regularly scheduled District Strategic Planning Committee and Board of Directors meetings to discuss the UWMP and WSCP.

Table 10-1 Notification to Cities and Counties (DWR Submittal Table 10-1 Retail)

Entity Name	60 Day Notice	Notice of Public Hearing
City/Special District Name		
City of Santa Barbara	Yes	Yes
Carpinteria Valley Water District	Yes	Yes
Montecito Sanitary District	Yes	Yes
Summerland Sanitary District	Yes	Yes
Carpinteria Sanitary District	Yes	Yes
County Name		
Santa Barbara County Water Agency	Yes	Yes
Other Agency Name		
Central Coast Water Authority	Yes	Yes

10.2 Notice of Public Hearing, Plan Adoption, and Plan Submittal

The 2025 UWMP and WSCP were included as agenda items, noticed, and reviewed at regularly scheduled District Board of Directors meetings held on March 24, 2026, April 14, 2026, and April 28, 2026, and in a Public Hearing held on June 23, 2026. The hearing was held at 9:30am at the District offices, 583 San Ysidro Road, Montecito, California 93108 to provide the public with an opportunity to provide input on the 2025 UWMP and WSCP before adoption was considered on June 23, 2026.

Per Government Code 6066, the District noticed the 2025 UWMP and WSCP public hearing at least two weeks in advance in a local newspaper, with at least five days between the first and second publications. The public hearing was first noticed in the local paper on June 4, 2026 and noticed again on June 11, 2026. The hearing notices are attached as Appendix C.

The District Board of Directors adopted the 2025 UWMP and WSCP on June 23, 2026. A copy of the District Board of Directors resolution of adoption is included as Appendix J.

The 2025 UWMP and WSCP will be submitted to DWR by July 1, 2026 using the DWR Water Use Efficiency Data Portal. The documents will also submitted to the California State Library and to all cities and counties within the District's service area within 30 days of adoption. The District is not regulated by the California Public Utilities Commission, so notification to the Commission does not apply.

Commencing no later than July 1, 2026, the District will have a copy of the 2025 UWMP and WSCP available for public review at the District's office (see address below) during regular business hours.

Montecito Water District
583 San Ysidro Road
Montecito, CA 93108

The final documents will also be posted on the District's website at https://www.montecitowater.com/uwmp/.

10.3 Amending an Adopted Plan

Amendments to the District's 2025 UWMP and WSCP will be made on an as needed basis. Should the District need to amend the adopted 2025 UWMP or WSCP in the future, the District will hold a public hearing for review of the proposed amendments to the document. The District will send a 60-day notification letter to all cities and counties within the District's service area and notify the public in the same manner as set forth above. Once the amended document is adopted, a copy of the finalized version will be sent to the California State Library, DWR (electronically using the WUEdata reporting tool), and all cities and counties within the District's service area within 30 days of adoption. The finalized version will also be made available to the public both online on the District's website and in person at the District's office during normal business hours.

Appendix A

UWMP Checklist

Retail (x = required)	Order	2025 Guidebook Location	Summary as Applies to UWMP	Subject	Relevant Submittal Table	2025 UWMP Location
x	1	Chapter 1	A plan shall describe and evaluate sources of supply, reasonable and practical efficient uses, reclamation and demand management activities.	Introduction and overview	n/a	Section 1.2.1
x	1	Chapter 1	Each plan shall include a simple description of the Supplier's plan including water availability, future requirements, a strategy for meeting needs, and other pertinent information. Additionally, a Supplier may also choose to include a simple description at the beginning of each chapter.	Plan preparation	n/a	Chapter 1
x	2.1	Section 2.1	Every person that becomes a Supplier shall adopt UWMP within one year after it has become a Supplier.	Plan preparation	n/a	Chapter 2
x	2.5	Section 2.5	Supplier shall report the Public Water Systems number, volume of delivered water, and number of connections that are included in this UWMP.	Plan preparation	2-1	Section 2.1
x	2.5	Section 2.5	Supplier shall report if this UWMP is an individual UWMP and whether the Supplier belongs to a regional UWMP or regional alliance.	Plan preparation	2-2	Section 2.1
x	2.5	Section 2.5	Supplier shall report whether the data is in fiscal or calendar years and the units of measure used for reporting water volumes.	Plan preparation	2-3	Section 2.1
x	2.4	Section 2.4	Provide supporting documentation that the Supplier has encouraged active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan and contingency plan.	Plan preparation	n/a	Section 2.2.2
x	2.4	Section 2.4.2	Coordinate the preparation of its plan with other appropriate agencies in the area, including other Suppliers that share a common source, water management agencies, and relevant public agencies, to the extent practicable.	Plan preparation	n/a	Section 2.2.2
x	2.4	Section 2.4.1	Retail Suppliers will include documentation that they have provided their Wholesale Supplier(s)—if any—with water use projections from that source.	Plan preparation	2-4 R	Section 2.2.1
n/a	2.4	Section 2.4.1	Wholesale Suppliers will provide their Suppliers with identification and quantification of the existing and planned sources of water available from the Wholesale Supplier to the Supplier during various water year types.	Plan preparation	2-4 W	
x	3	Chapter 3.0	Describe the Supplier service area.	System description	n/a	Section 3.1
x	3.3	Section 3.3	Describe the climate of the Supplier's service area.	System description	n/a	Section 3.2
x	3.4	Section 3.4.1	Provide the current and projected service area populations for 2030, 2035, 2040, 2045 and optionally 2050.	System description	3-1	Section 3.4.2
x	3.4	Section 3.4.2	Describe other social, economic, and demographic factors affecting the Supplier's water management planning.	System description	n/a	Section 3.4.3
x	3.5	Section 3.5	Describe the land uses within the service area… include the current and projected land uses within the existing or anticipated service area affecting the Supplier's water management planning. Describe the land uses within the service area.	System description and baselines	n/a	Section 3.5
x	4.2	Sections 4.2.3 and 4.2.4	Quantify past, current, and projected water use, identifying the uses among water use sectors.	System water use	4-1 and 4-2	Sectopn 4.2.2
x	4.3	Section 4.3.1	Report the distribution system water loss for each of the five years preceding the plan update.	System water use	4-5	Section 4.6
x	4.3	Section 4.3.2	Retail Suppliers shall provide data to show the distribution loss standards were met.	System water use	4-6	Section 4.6
x	4.2	Section 4.2.5.4	Include projected water use needed for lower income housing projected in the service area of the Supplier.	System water use	4-3	Section 4.3.3
x	4.2	Section 4.2.5.3	In projected water use, include estimates of water savings from adopted codes, plans, and other policies or laws.	System water use	4-3	Section 4.3.2
x	4.2	Section 4.2.5.3	Provide citations of codes, standards, ordinances, or plans used to make water use projections.	System water use	4-3	Section 4.3.3
x	4.2	Section 4.2.5.3	To the extent that a Supplier reports the information described in subparagraph (A), an urban water Supplier shall… Indicate the extent that the water use projections consider savings from codes, standards, ordinances, or transportation and land use plans. Water use projections that do not account for these water savings shall be noted of that fact.	System water use	4-3	Section 4.3.3
x	4.2	Section 4.2.5.6	Demands under climate change considerations must be included as part of the drought risk assessment.	System water use	n/a	Section 4.5
x	5.2	Section 5.2	Retail Suppliers shall report on their compliance in meeting their water use targets. Reporting requirements will vary depending on whether the Supplier: - Was considered an urban retail water supplier in 2020, - Met its 2020 target in 2020, or - Was part of a merger or consolidation since 2020. Chapter 5 Subsections 5.2.1, 5.2.2, and 5.2.3 address each of these situations.	Baselines and targets	5-1	Section 5.2
x	6.1	Section 6.1	When multiple sources of water supply are identified, describe the management of each supply in relationship to other identified supplies.	System supplies	n/a	Section 6.1
x	6.1	Sections 6.1 and 6.2	Provide a discussion of anticipated supply availability under a normal, single dry year, and a drought lasting five years, as well as more frequent and severe periods of drought, including changes in supply due to climate change.	System supplies	n/a	Section 6.1.1
x	6.2	Section 6.2.2	Indicate whether groundwater is an existing or planned source of water available to the Supplier. If groundwater is identified as an existing or planned source of water… (include) a detailed description and analysis of the location, amount and sufficiency of groundwater pumped by the Supplier for the past five years.	Water supplies and recycled water	6-1	Section 6.2.3
x	6.2	Section 6.2.2	Indicate whether a groundwater sustainability plan or groundwater management plan has been adopted by the Supplier or if there is any other specific authorization for groundwater management. Include a copy of the plan or authorization.	System supplies	n/a	Section 6.2.3.2
x	6.2	Section 6.2.2	Describe the groundwater basin.	System supplies	n/a	Section 6.2.3.1

x	6.2	Section 6.2.2	Indicate if the basin has been adjudicated and include a copy of the court order or decree and a description of the amount of water the Supplier has the legal right to pump.	System supplies	n/a	Section 6.2.3.1
x	6.2	Section 6.2.2	For unadjudicated basins… (include) information as to whether DWR has identified the basin as a high- or medium-priority basin in the most current official departmental bulletin.	Water supplies and recycled water	n/a	Section 6.2.3.2
x	6.2	Section 6.2.2	For unadjudicated basins… describe efforts by the Supplier to coordinate with sustainability or groundwater agencies to achieve sustainable groundwater conditions.	Water supplies and recycled water	n/a	Section 6.2.3.3
x	6.2	Section 6.2.2.	If groundwater is identified as an existing or planned source of water… (include) a detailed description and analysis of the location, amount and sufficiency of groundwater pumped by the Supplier for the past five years.	System supplies	n/a	Section 6.2.3.4
x	6.2	Section 6.2.2	Provide a detailed description and analysis of the amount and location of groundwater that is projected to be pumped.	System supplies	6-9	Section 6.4
x	6.1	Section 6.1	Identify and quantify the existing and planned sources of water available for 2025, 2030, 2035, 2040, 2045 and optionally 2050.	System supplies	6-8 and 6-9	Section 6.4
x	6.2	Section 6.2.7	Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.	System supplies	n/a	Section 6.2.7
x	6.2	Section 6.2.5	Describe the wastewater collection and treatment systems in the Supplier's service area with quantified amount of collection and treatment and the disposal methods.	System supplies (recycled water)	6-2	Section 6.2.6.2
x	6.2	Section 6.2.5	Describe the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.	System supplies (recycled water)	6-3	Section 6.2.6.2
x	6.2	Section 6.2.5	Describe the recycled water currently being used in the Supplier's service area.	System supplies (recycled water)	6-4	Section 6.2.6.1
x	6.2	Section 6.2.5	Describe and quantify the potential uses of recycled water and provide a determination of the technical and economic feasibility of those uses.	System supplies (recycled water)	6-4	Section 6.2.6.1
x	6.2	Section 6.2.5	Describe the projected use of recycled water within the Supplier's service area at the end of 5, 10, 15, and 20 years, and describe the actual use of recycled water in comparison to uses previously projected.	System supplies (recycled water)	6-4 and 6-5	Section 6.2.6.3
x	6.2	Section 6.2.5	Describe the actions that may be taken to encourage the use of recycled water and the projected results of these actions in terms of acre-feet of recycled water used per year.	System supplies (recycled water)	6-6	Section 6.2.6.3
x	6.2	Section 6.2.5	Provide a plan for optimizing the use of recycled water in the Supplier's service area.	System supplies (recycled water)	n/a	Section 6.2.6.3
x	6.2	Section 6.2.6	Describe desalinated water project opportunities for long-term supply.	System supplies	6-7	Section 6.2.1
x	6.2	Section 6.2.10	Describe the expected future water supply projects and programs that may be undertaken by the water Supplier to address water supply reliability in average, single-dry, and for a period of drought lasting five consecutive water years.	System supplies	6-7	Section 6.4
x	6.3	Section 6.3 and Appendix O	The UWMP must include energy information, as stated in the code, that a Supplier can readily obtain.	System suppliers, energy intensity	O-1A, O-1B, O-1C, and O-2	Section 6.3
x	7.1	Section 7.1	Provide information on the quality of existing sources of water available to the Supplier and the manner in which water quality affects water management strategies and supply reliability.	Water supply reliability assessment	n/a	Section 7.1
x	7.2	Section 7.2	Service Reliability Assessment: Assess the water supply reliability during normal, dry, and a drought lasting five consecutive water years by comparing the total water supply sources available to the Supplier with the total projected water use over the next 20 years.	Water supply reliability assessment	7-2, 7-3, and 7-4	Section 7.1.1, Section 7.1.2, Section 7.1.3
x	7.2	Section 7.2.3	Describe water management tools and options to maximize resources and minimize the need to import water from other regions.	Water supply reliability assessment	n/a	Section 7.2.3
x	7.3	Section 7.3	Provide a drought risk assessment as part of information considered in developing the demand management measures and water supply projects.	Water supply reliability assessment	n/a	Section 7.2
x	7.3	Section 7.3	Include a description of the data, methodology, and basis for one or more supply shortage conditions that are necessary to conduct a drought risk assessment for a drought period that lasts five consecutive years.	Water supply reliability assessment	n/a	Section 7.2.1
x	7.3	Section 7.3	Include a determination of the reliability of each source of supply under a variety of water shortage conditions.	Water supply reliability assessment	n/a	Section 7.1.1, Section 7.1.2, Section 7.1.3
x	7.3	Section 7.3	Include a comparison of the total water supply sources available to the Supplier with the total projected water use for the drought period.	Water supply reliability assessment	7-5	Section 7.2.3
x	7.3	Section 7.3	Include considerations of the historical drought hydrology, plausible changes on projected supplies and demands under climate change conditions, anticipated regulatory changes, and other locally applicable criteria.	Water supply reliability assessment	n/a	Section 7.1
x	8	Chapter 8	Provide a water shortage contingency plan (WSCP) with specified elements below.	Water shortage contingency planning	n/a	Chapter 8
x	8	Chapter 8	Provide an analysis of water supply reliability (from Guidebook Chapter 7) in the WSCP.	Water shortage contingency planning	n/a	Section 8.1
x	8.2	Section 8.2	Provide the written decision-making process and other methods that the Supplier will use each year to determine its water reliability.	Water shortage contingency planning	n/a	Section 8.1
x	8.2	Section 8.2	Provide data and methodology to evaluate the Supplier's water reliability for the current year and one dry year pursuant to factors in the code.	Water shortage contingency planning	n/a	Section 7.2.1
x	8.3	Section 8.3	Define six standard water shortage levels of 10%, 20%, 30%, 40%, 50% shortage, and greater than 50% shortage. These levels shall be based on supply conditions, including percent reductions in supply, changes in groundwater levels, changes in surface elevation, or other conditions. The shortage levels shall also apply to a catastrophic interruption of supply.	Water shortage contingency planning	n/a	Section 8.3
x	8.3	Section 8.3	Suppliers with an existing WSCP that uses different water shortage levels must cross reference their categories with the six standard categories.	Water shortage contingency planning	8-1	Section 8.4.1
x	8.4	Section 8.4	Suppliers with WSCPs that align with the defined shortage levels must specify locally appropriate supply augmentation actions.	Water shortage contingency planning	8-2	Section 8.4.2
x	8.4	Section 8.4	Specify locally appropriate demand reduction actions to adequately respond to shortages.	Water shortage contingency planning	8-3	Section 8.4.2
x	8.4	Section 8.4	Specify locally appropriate operational changes.	Water shortage contingency planning	8-2	Section 8.4.3
x	8.4	Section 8.4	Specify additional mandatory prohibitions against specific water use practices that are in addition to State-mandated prohibitions are appropriate to local conditions.	Water shortage contingency planning	Table 8-3	Section 8.4.4
x	8.4	Section 8.4	Estimate the extent to which the gap between supplies and demand will be reduced by implementation of the action.	Water shortage contingency planning	8-2 and 8-3	Section 8.4.6
x	8.4	Section 8.4.6	The UWMP shall include a seismic risk assessment and mitigation plan.	Water shortage contingency plan	n/a	Section 8.4.5
x	8.5	Section 8.5	Suppliers must describe that they will inform customers, the public and others regarding any current or predicted water shortages.	Water shortage contingency planning	n/a	Section 8.5
x	8.5	Section 8.5	Suppliers must describe that they will inform customers, the public and others regarding any shortage response actions triggered or anticipated to be triggered and other relevant communications.	Water shortage contingency planning	n/a	Section 8.5

x	8.6	Section 8.6	Retail Supplier must describe how it will ensure compliance with and enforce provisions of the WSCP.	Water shortage contingency planning	n/a	Section 8.6
x	8.7	Section 8.7	Describe the legal authority that empowers the Supplier to enforce shortage response actions.	Water shortage contingency planning	n/a	Section 8.7
x	8.7	Section 8.7	Provide a statement that the Supplier will declare a water shortage emergency per Water Code Chapter 3. *Water Shortage Emergencies*.	Water shortage contingency planning	n/a	Section 8.7
x	8.7	Section 8.7	Provide a statement that the Supplier will coordinate with any city or county within which it provides water for the possible proclamation of a local emergency.	Water shortage contingency planning	n/a	Section 8.7
x	8.8	Section 8.8	Describe the potential revenue reductions and expense increases associated with activated shortage response actions.	Water shortage contingency planning	n/a	Section 8.8
x	8.8	Section 8.8	Provide a description of mitigation actions needed to address revenue reductions and expense increases associated with activated shortage response actions.	Water shortage contingency planning	n/a	Section 8.8
x	8.8	Section 8.8	Retail Suppliers must describe the cost of compliance with Water Code Chapter 3.3, *Excessive Residential Water Use During Drought*.	Water shortage contingency planning	n/a	Section 8.8
x	8.9	Section 8.9	Retail Suppliers must describe the monitoring and reporting requirements and procedures that ensure appropriate data are collected, tracked, and analyzed for purposes of monitoring customer compliance.	Water shortage contingency planning	n/a	Section 8.9
x	8.10	Section 8.10	Describe reevaluation and improvement procedures for monitoring and evaluation the WSCP to ensure risk tolerance is adequate and appropriate water shortage mitigation strategies are implemented.	Water shortage contingency planning	n/a	Section 8.9
x	8.11	Section 8.11	Analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas.	Water shortage contingency planning	n/a	Section 8.11
x	8.12	Section 8.12	Make available the WSCP to customers and any city or county where it provides water within 30 days after adoption of the plan.	Water shortage contingency planning	n/a	Section 8.12
x	9.1	Sections 9.1	Retail Suppliers shall provide a description of the nature and extent of each demand management measure implemented over the past five years. The description will address specific measures listed in code.	Demand management measures	n/a	Section 9.3
x	10	Chapter 10	Retail Suppliers shall conduct a public hearing to discuss adoption, implementation, and economic impact of water use targets (recommended to discuss compliance).	Plan adoption, submittal, and implementation	n/a	Section 10.2
x	10.2	Section 10.2.1	Notify, at least 60 days prior to the public hearing, any city or county within which the Supplier provides water that the Supplier will be reviewing the UWMP and considering amendments or changes to the plan.	Plan adoption, submittal, and implementation	10-1	Section 10.1
x	10.4	Section 10.4	Each urban water Supplier shall update and submit its 2025 plan to DWR by July 1, 2026.	Plan adoption, submittal, and implementation	n/a	Section 10.2
x	10.2	Sections 10.2.2, 10.3, and 10.5	Provide supporting documentation that the Supplier made the UWMP and WSCP available for public inspection, published notice of the public hearing, and held a public hearing about the UWMP and WSCP.	Plan adoption, submittal, and implementation	n/a	Section 10.2
x	10.2	Section 10.2.2	The Supplier is to provide the time and place of the hearing to any city or county within which the Supplier provides water.	Plan adoption, submittal, and implementation	10-1	Section 10.2
x	10.3	Section 10.3.2	Provide supporting documentation that the UWMP and WSCP has been adopted as prepared or modified.	Plan adoption, submittal, and implementation	n/a	Section 10.3
x	10.4	Section 10.4	Provide supporting documentation that the Supplier has submitted their UWMP to the California State Library.	Plan adoption, submittal, and implementation	n/a	Section 10.3
x	10.4	Section 10.4	Provide supporting documentation that the Supplier has submitted their UWMP to any city or county within which the Supplier provides water no later than 30 days after adoption.	Plan adoption, submittal, and implementation	n/a	Section 10.3
x	10.4	Sections 10.4.1 and 10.4.2	The UWMP, or amendments to the UWMP, submitted to DWR shall be submitted electronically.	Plan adoption, submittal, and implementation	n/a	Section 10.3
x	10.7	Section 10.7.2	If revised, submit a copy of the WSCP to DWR within 30 days of adoption.	Plan adoption, submittal, and implementation	n/a	Section 10.3
x	10.5	Section 10.5	Provide supporting documentation that, not later than 30 days after filing a copy of its UWMP with DWR, the Supplier has or will make the plan available for public review during normal business hours.	Plan adoption, submittal, and implementation	n/a	Section 10.3
x	10.6	Section 10.6	If Supplier is regulated by the Public Utilities Commission, include its plan and contingency plan as part of its general rate case filings.	Plan adoption, submittal, and implementation	n/a	Section 10.2

Appendix B

Reduced Delta Reliance Analysis

Table B-1 Optional Calculation of Water Use Efficiency – To be completed if Water Supplier does not specifically estimate Water Use Efficiency as a supply

	Baseline (2007)	2015	2020	2025	2030	2035	2040	2045	2050 (Optional)
Service Area Water Use Efficiency Demands (Acre-Feet)									
Service Area Water Demands with Water Use Efficiency Accounted For	6,638	4,207	4,495	3,955	4,472	4,577	4,684	4,795	4,908
Non-Potable Water Demands	--	--	--	--	109	112	115	118	121
Potable Service Area Demands with Water Use Efficiency Accounted For	6,638	4,207	4,495	3,955	4,366	4,469	4,572	4,678	4,788
Total Service Area Population									
Service Area Population	11,772	11,402	11,516	13,102	13,433	13,772	14,120	14,476	14,842
Water Use Efficiency Since Baseline (Acre-Feet)									
Per Capita Water Use (GPCD)	503	329	348	269	290	290	289	288	288
Change in Per Capita Water Use from Baseline (GPCD)	--	(174)	(155)	(234)	(213)	(214)	(214)	(215)	(215)
Estimated Water Use Efficiency Since Baseline	--	2,222	1,999	3,433	3,209	3,297	3,390	3,485	3,581

Table B-2 Calculation of Service Area Water Demands Without Water Use Efficiency

Total Service Area Water Demands (Acre-Feet)	Baseline (2007)	2015	2020	2025	2030	2035	2040	2045	2050 (Optional)
Service Area Water Demands with Water Use Efficiency Accounted For	6,638	4,207	4,495	3,955	4,472	4,577	4,684	4,795	4,908
Reported Water Use Efficiency or Estimated Water Use Efficiency Since Baseline	--	2,222	1,999	3,433	3,209	3,297	3,390	3,485	3,581
Service Area Water Demands without Water Use Efficiency Accounted For	6,638	6,429	6,494	7,388	7,575	7,766	7,962	8,163	8,369

Table B-3 Calculation of Supplies Contributing to Regional Self-Reliance

	Baseline (2007)	2015	2020	2025	2030	2035	2040	2045	2050 (Optional)
Water Supplies Contributing to Regional Self-Reliance (Acre-Feet)									
Water Use Efficiency	--	2,222	1,999	3,433	3,209	3,297	3,390	3,485	3,581
Water Recycling	--	--	--	--	--	--	--	--	--
Stormwater Capture and Use	--	--	--	--	--	--	--	--	--
Advanced Water Technologies	--	--	--	--	--	--	--	--	--
Conjunctive Use Projects	--	--	--	--	--	--	--	--	--
Local and Regional Water Supply and Storage Projects	4,147	4,241	6,195	3,955	5,988	5,988	5,988	5,988	5,988
Other Programs and Projects the Contribute to Regional Self-Reliance	--	--	--	--	--	--	--	--	--
Water Supplies Contributing to Regional Self-Reliance	4,147	6,463	8,194	7,388	9,197	9,285	9,378	9,473	9,569
Service Area Water Demands without Water Use Efficiency (Acre-Feet)									
Service Area Water Demands without Water Use Efficiency Accounted For	6,638	6,429	6,494	7,388	7,575	7,766	7,962	8,163	8,369
Change in Regional Self Reliance (Acre-Feet)									
Water Supplies Contributing to Regional Self-Reliance	4,147	6,463	8,194	7,388	9,197	9,285	9,378	9,473	9,569
Change in Water Supplies Contributing to Regional Self-Reliance	--	2,316	4,047	3,241	5,050	5,138	5,231	5,326	5,422
Percent Change in Regional Self Reliance (As Percent of Demand w/out WUE)									
Percent of Water Supplies Contributing to Regional Self-Reliance	62.47%	100.53%	126.18%	100.00%	121.41%	119.56%	117.78%	116.05%	114.34%
Change in Percent of Water Supplies Contributing to Regional Self-Reliance	--	38.06%	63.71%	37.53%	58.94%	57.09%	55.31%	53.57%	51.86%

Table B-4 Calculation of Reliance on Water Supplies from the Delta Watershed

	Baseline (2010)	2015	2020	2025	2030	2035	2040	2045	2050 (Optional)
Water Supplies from the Delta Watershed (Acre-Feet)									
CVP/SWP Contract Supplies	3,016	1,616	0	0	1,628	1,560	1,493	1,452	1,452
Delta/Delta Tributary Diversions	--	--	--	--	--	--	--	--	--
Transfers and Exchanges of Supplies from the Delta Watershed	--	--	--	--	--	--	--	--	--
Other Water Supplies from the Delta Watershed	--	--	--	--	--	--	--	--	--
Total Water Supplies from the Delta Watershed	3,016	1,616	0	0	1,628	1,560	1,493	1,452	1,452
Service Area Water Demands without Water Use Efficiency (Acre-Feet)									
Service Area Water Demands without Water Use Efficiency Accounted For	6,638	6,429	6,494	7,388	7,575	7,766	7,962	8,163	8,369
Change in Supplies from the Delta Watershed (Acre-Feet)									
Water Supplies from the Delta Watershed	3,016	1,616	--	--	1,628	1,560	1,493	1,452	1,452
Change in Water Supplies from the Delta Watershed	--	(1,400)	--	--	(1,388)	(1,456)	(1,523)	(1,564)	(1,564)
Percent Change in Supplies from the Delta Watershed (As a Percent of Demand w/out WUE)									
Percent of Water Supplies from the Delta Watershed	45.44%	25.13%	--	--	21.49%	20.09%	18.75%	17.79%	17.35%
Change in Percent of Water Supplies from the Delta Watershed	--	-20.30%	--	--	-23.94%	-25.35%	-26.68%	-27.65%	-28.09%

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Appendix C

Notification and Public Hearing Outreach

RELIABLE SINCE 1921

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Web: montecitowater.com

Board of Directors
Kenneth Coates, President
Brian Goebel, Vice President
Cori Hayman, Director
Tobe Plough, Director
Floyd Wicks, Director

General Manager and Board Secretary
Nick Turner

March 16, 2026

Joshua Haggmark
Water Resource Director
City of Santa Barbara
630 Garden Street
Santa Barbara, California 93101
jhaggmark@santabarbaraca.gov

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Mr. Haggmark:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

The adopted UWMP will be submitted to the California Department of Water Resources, the County of Santa Barbara, and the California State Library by July 1, 2026, as required by law. Information regarding the UWMP update process, including the draft UWMP when available, will be posted on the District's website at www.montecitowater.com/uwmp.

If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

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Tobe Plough, Director
Floyd Wicks, Director

General Manager and Board Secretary
Nick Turner

March 16, 2026

Walter Rubalcava
Water Resources Deputy Director
Santa Barbara County Water Agency
130 East Victoria Street, Suite 200
Santa Barbara, California 93101
wrubalc@countyofsb.org

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Mr. Rubalcava:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

The adopted UWMP will be submitted to the California Department of Water Resources, the County of Santa Barbara, and the California State Library by July 1, 2026, as required by law. Information regarding the UWMP update process, including the draft UWMP when available, will be posted on the District's website at www.montecitowater.com/uwmp.

If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

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General Manager and Board Secretary
Nick Turner

March 16, 2026

Ray Stokes
Executive Director
Central Coast Water Authority
255 Industrial Way, Suite B
Buellton, California 93427
RAS@ccwa.com

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Mr. Stokes:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

The adopted UWMP will be submitted to the California Department of Water Resources, the County of Santa Barbara, and the California State Library by July 1, 2026, as required by law. Information regarding the UWMP update process, including the draft UWMP when available, will be posted on the District's website at www.montecitowater.com/uwmp.

If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

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Brian Goebel, Vice President
Cori Hayman, Director
Tobe Plough, Director
Floyd Wicks, Director

General Manager and Board Secretary
Nick Turner

March 16, 2026

Kelley Dyer
General Manager
Carpinteria Valley Water District
1301 Santa Ynez Avenue
Carpinteria, California 93013
Kelley@cvwd.net

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Ms. Dyer:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

The adopted UWMP will be submitted to the California Department of Water Resources, the County of Santa Barbara, and the California State Library by July 1, 2026, as required by law. Information regarding the UWMP update process, including the draft UWMP when available, will be posted on the District's website at www.montecitowater.com/uwmp.

If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

RELIABLE SINCE 1921

583 San Ysidro Road
Santa Barbara, CA 93108-2124

Phone: 805.969.2271
Fax: 805.969.7261
Email: info@montecitowater.com
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Board of Directors
Kenneth Coates, President
Brian Goebel, Vice President
Cori Hayman, Director
Tobe Plough, Director
Floyd Wicks, Director

General Manager and Board Secretary
Nick Turner

March 16, 2026

John Weigold
General Manager
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, California 93108
jweigold@montsan.org

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Mr. Weigold:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

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If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

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Board of Directors
Kenneth Coates, President
Brian Goebel, Vice President
Cori Hayman, Director
Tobe Plough, Director
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General Manager and Board Secretary
Nick Turner

March 16, 2026

David Lewis
Operations Manager
Summerland Sanitary District
2435 Wallace Avenue
Summerland, California 93067
info@summerlandsd.org

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Mr. Lewis:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

The adopted UWMP will be submitted to the California Department of Water Resources, the County of Santa Barbara, and the California State Library by July 1, 2026, as required by law. Information regarding the UWMP update process, including the draft UWMP when available, will be posted on the District's website at www.montecitowater.com/uwmp.

If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

RELIABLE SINCE 1921

583 San Ysidro Road
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Board of Directors
Kenneth Coates, President
Brian Goebel, Vice President
Cori Hayman, Director
Tobe Plough, Director
Floyd Wicks, Director

General Manager and Board Secretary
Nick Turner

April 21, 2026

Craig Murray
General Manager
Carpinteria Sanitary District
5300 Sixth Street
Carpinteria, California 93013
info@carpsan.com

Re: Notice of Plan Preparation – 2025 Montecito Urban Water Management Plan (UWMP)

Dear Mr. Murray:

This letter provides notice that Montecito Water District (District) is currently preparing an update to its 2025 Urban Water Management Plan (UWMP) in compliance with the California Urban Water Management Planning Act (California Water Code §10610 et seq.).

The State of California requires urban water suppliers to update their UWMPs every five years. The District's 2025 UWMP will incorporate updated information regarding water demands, water supplies, water service reliability under normal and dry year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20year planning horizon. -year conditions, water conservation and demand management measures, and drought preparedness for a minimum 20-year planning horizon.

Consistent with California Water Code Section 10621(b), this notice is being provided at least 60 days prior to the public hearing on adoption of the UWMP. The District anticipates making a draft UWMP available for public review prior to the hearing, and the District's Board of Directors will conduct a public hearing to receive input and consider adoption of the 2025 UWMP on June 23, 2026.

The adopted UWMP will be submitted to the California Department of Water Resources, the County of Santa Barbara, and the California State Library by July 1, 2026, as required by law. Information regarding the UWMP update process, including the draft UWMP when available, will be posted on the District's website at www.montecitowater.com/uwmp.

If you have land use information, growth projections, or other planning considerations that the District should consider during preparation of the UWMP, the District welcomes your coordination and input.

Sincerely,

Adam Kanold, P.E.
Assistant General Manager/Engineering Manager

MONTECITO WATER DISTRICT
NOTICE OF PUBLIC HEARING
2025 URBAN WATER MANAGEMENT PLAN
and WATER SHORTAGE CONTINGENCY PLAN UPDATES
TUESDAY, JUNE 23, 2026, 9:30 A.M.*

Montecito Water District (District) is currently preparing updates to its Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan in compliance with the California Urban Water Management Planning Act.

NOTICE IS HEREBY GIVEN that the Board of Directors of the Montecito Water District (District) will conduct a Public Hearing on Tuesday, June 23, 2026 at 9:30 a.m. to consider input regarding proposed updates to the UWMP and Water Shortage Contingency Plan.

The proposed updates to the UWMP and Water Shortage Contingency Plan are available for public review as of April 30, 2026 at the District Office, 583 San Ysidro Road, Santa Barbara, CA 93108 and on the District web site at: www.montecitowater.com/uwmp
If you are unable to access the information via this link, or need accommodations to review the document, please contact:

Adam Kanold
Montecito Water District
583 San Ysidro Road
Santa Barbara, CA 93108
akanold@montecitowater.com
Phone: 805.969.2271

Written comments can be provided to the contact above up until the date and time of the Public Hearing.

*The public hearing will be conducted in person at the District office located at 583 San Ysidro Road, Santa Barbara, CA 93108. Remote participation information will be available on the meeting agenda posted at the District office, on the website www.montecitowater.com, and by calling 805-969-2271.

Appendix D

Future Demand and Water Supply Options Update 2025



FUTURE DEMAND AND WATER SUPPLY OPTIONS
Update 2025
Montecito Water District

Steven Bachman, PhD

Final, April 7, 2025

TABLE OF CONTENTS

Table of Figures 3
Table of Tables 4
Acronyms Used 4
Executive Summary 5
Introduction 5
Updating the Model 6
Customer Demand 7
Phase I Model Scenarios 7
Scenario I-1 7
Scenario I-2 7
Scenario I-3 7
Phase I Results 8
Phase II Model Scenarios 12
Phase II Scenarios Include: 12
Phase II Results 13
Addition of Local Groundwater Storage Program 15
Conclusions 18
Appendix A. Phase I Graphic Results 20
Appendix B. Phase II Graphic Results 24
Appendix C. Other Considerations 34
Appendix D. Guidance for Urban Water Management Plan 38

TABLE OF FIGURES

Figure 1. State Water delivered. 10
Figure 2. Unused State Water. 10
Figure 3. MWD water in storage with SemiTropic. 11
Figure 4. Local storage of spill water, indicating the amount of water in storage..... 18

Figure A- 1 Sources of supply for Scenario I-1a. 20
Figure A- 2. Sources of supply for Scenario I-1b. 20
Figure A- 3. Sources of supply for Scenario I-2-20%. 21
Figure A- 4. Sources of supply for Scenario I-2-40%. 21
Figure A- 5. Sources of supply for Scenario I-3-50%-20%..... 22
Figure A- 6. Sources of supply for Scenario I-3-50%-40%..... 22
Figure A- 7. Sources of supply for Scenario I-3-75%-20%..... 23
Figure A- 8. Sources of supply for Scenario I-3-75%-40%..... 23

Figure B- 1. Sources of supply for Scenario II-1. 24
Figure B- 2. Sources of supply for Scenario II-2. 24
Figure B- 3. Sources of supply for Scenario II-3a-20%. 25
Figure B- 4. Sources of supply for Scenario II-3a-40%. 25
Figure B- 5. Sources of supply for Scenario II-3b-20%. 26
Figure B- 6. Sources of supply for Scenario II-3b-40%. 26
Figure B- 7. Sources of supply for Scenario II-3c-20%. 27
Figure B- 8. Sources of supply for Scenario II-3c-40%. 27
Figure B- 9. Sources of supply for Scenario II-3d-20%. 28
Figure B- 10. Sources of supply for Scenario II-3d-40%. 28
Figure B- 11. Sources of supply for Scenario II-4a. 29
Figure B- 12. Sources of supply for Scenario II-4b. 29
Figure B- 13. Sources of supply for Scenario II-5a. 30
Figure B- 14. Sources of supply for Scenario II-5b. 30
Figure B- 15. Cost of supplies for Scenario II-1. 31
Figure B- 16. Cost of supplies for Scenario II-2. 31
Figure B- 17. Cost of supplies for Scenario II-3a-40%. 32
Figure B- 18. Cost of supplies for Scenario II-3b-40%. 32
Figure B- 19. Cost of supplies for Scenario II-4a. 33
Figure B- 20. Cost of supplies for Scenario II-4b. 33

Figure C- 1. Storage in Jameson if there is a temporary extra draw. 35

TABLE OF TABLES

Table 1. Parameters for Phase I scenarios. 8
Table 2. Unsourced demand. 8
Table 3. Use of Cachuma supplies. 9
Table 4. SWP use. 9
Table 5. Parameters for Phase II model runs. 13
Table 6. Results of 83 years of model. 14
Table 7. Results of Phase II modeling for Cachuma supplies. 15
Table 8. Results of Phase II modeling for SWP supplies. 15
Table 9. Results of Phase II modeling for local storage program. 17
Table 10. Minimum capacities and injection/extraction rates for storage program 17

Table C- 1. Unsourced demand for Scenario II-6b 35
Table C- 2. Results on Scenario II-6d 36

ACRONYMS USED

AF – acre-feet
AFY – acre-feet per year
CCWA – Central Coast Water Authority
District – Montecito Water District
DWR – California Department of Water Resources
LOC – Level of Concern for projected future SWP deliveries
MWD – Montecito Water District
msl – Mean Sea Level
SGMA – Sustainable Groundwater Management Act
SWP – State Water Project
UWMP – Urban Water Management Plan
WSA – Water Supply Agreement with City of Santa Barbara

EXECUTIVE SUMMARY

MWD periodically examines its portfolio of water sources and compares them against current and future demand. This study updates the latest Future Demand and Water Supply Options Report, dated May 2020, using the latest Santa Ynez River/Cachuma modeling, State Water Project (SWP) availability forecasts, and current/future demand projections. This updated analysis includes potential future reductions in the Cachuma Project (Cachuma) allocation, a potential partial sale of SWP allocation/conveyance capacity, participation in a local groundwater storage program, an extended drought, and a temporary disruption in one of the MWD's primary sources of supply.

The supply/demand model used in this analysis runs in monthly time steps over an 83-year period of past hydrology (1942-2024). Phase I of the analysis examines current and future demand/supplies using current management strategies. Phase II builds on Phase I and examines various strategies to further shore up long-term water supply reliability including the partial sale of MWD's SWP Table A allocation/conveyance capacity and participation in a local groundwater storage program.

The results of the Phases I and II analyses indicate a relatively small amount of unsourced demand, also referred to as a water shortage, in only a few years over the modeled period. This unsourced demand was caused by conveyance limitations in/out of Cachuma and not a shortage of supply. Some or all of this unsourced demand may be met by temporarily pumping more groundwater and/or drawing more Jameson water, which is not limited by the Cachuma conveyance limitations. Alternatively, a small reduction in Customer demand through voluntary conversation could address the unsourced demand.

When the sale of 1,400 acre feet or approx. 43% of MWD's SWP allocation/capacity was modeled, unsourced demand did not increase substantially because Phase I modeling indicates limited use of SWP supplies over the modeled period.

Participation in a local groundwater storage program offers some advantages, such as not being constrained by conveyance restrictions in/out of Cachuma, offering some protection from infrastructure, fire, and earthquake disruptions, and could be used to address any unsourced demand. There are multiple sources of water available to fill a local groundwater storage program. These sources include unused Cachuma carryover water, Cachuma spill water, SWP supplies, and increased draws of Jameson Lake. Minimum storage capacity required is about 600 AF at 2045 demand levels.

The diversity of MWD's water sources provides resilience to temporary supply disruptions, such as the temporary loss of any one source for a period of time.

INTRODUCTION

MWD periodically examines its portfolio of water sources and compares them against current and future demand. The latest analysis was conducted in 2020, which, among other strategies included the potential for a long-term water supply contract with the City of Santa Barbara backed by its desalination plant (WSA). Since 2020, the availability of MWD's surface water supplies including SWP have diminished due to regulatory, environmental and climatic challenges. As a result of the

continued reduction in the availability of SWP supplies and the significant improvements in water supply availability afforded by the WSA, MWD is considering other water supply strategies to further enhance future water availability including selling a portion of MWD's SWP allocation/conveyance capacity and participating in a local groundwater storage program in the Carpinteria Groundwater Basin. These strategies could help offset the financial impacts of MWD's acquisition of local drought-resistant water supplies, i.e., WSA, and eliminate any future projected unsourced demand. This 2025 analysis updates the previous work and considers both a partial sale of SWP supplies and participation in a local groundwater storage program.

UPDATING THE MODEL

The water supply model for the 2020 analysis used the hydrology from 1942 to 2020, along with then-current RiverWare modeling for the Santa Ynez River and modeling for delivery capabilities for the SWP. This 2025 analysis incorporates the hydrologic period of 1942-2024 (a total of 83 years), the Santa Ynez River hydrology included the RiverWare "Water Rights Order" model run, SWP availability[1], and MWD's 2024 updated bathymetric survey for Jameson Lake. In addition, the pipeline capacities that move water supplies into and out of Cachuma to MWD have been refined.

SWP capability was modeled by DWR for both current and future (2045) conditions. DWR has a single scenario for current conditions and three scenarios for future conditions. DWR modeling of current conditions yield an average of 51% of Table A available for Santa Barbara County. The future conditions include centroid inputs (middle of the spectrum of possible model inputs, called "50% level of concern" – average of 43% of Table A available for Santa Barbara County), inputs with less supply in assumptions ("75% level of concern" – average 40% of Table A), and inputs with worse-case assumptions ("95% level of concern" – average 37% of Table A). This analysis utilizes all three levels of concern for future conditions.

There are two significant conveyance constraints on water supplies for MWD that are included in the model. The first constraint is conveying imported supplies, e.g., SWP, into Cachuma from the SWP Coastal Branch Aqueduct. How that water is delivered depends upon the lake elevation in Cachuma. The three options for delivery of imported water to Cachuma have historically included (1) conveying water over Bradbury Dam (dam), (2) conveying water through the dam spillway, and (3) using the dam penstock. At lake levels greater than 720 ft msl, option #1 is used with a capacity of 2,843 AFY for MWD. At lake levels less than 720 ft above msl, option #2 can deliver 3,554 AFY for MWD. In addition, option #3 may be available when lake levels are either above 730 ft or below 665 ft above msl.

The second constraint involves the South Coast Conduit, the regional pipeline connecting Cachuma and Tecolote Tunnel to MWD's service area. At Cachuma Lake elevations greater than 662 ft above msl, MWD's capacity from Cachuma to Lauro Reservoir, located immediately ahead of the regional Cater Water Treatment Plant, is 389 AF/month (4,672 AFY). Below 662 ft above msl, MWD's capacity is 243 AF/month (2,920 AFY). This lower capacity is the result of the limited capacity of the emergency pumping barge in Cachuma, which is used when deliveries via

[1] California Department of Water Resources, 2024, Technical Addendum to the State Water Project Delivery Capability Report, 2023, 274p.

gravity are prohibited due to a low lake level; this capacity could potentially be improved with higher-capacity pumps, but further analysis would be needed.

Two additional updates were made to the model to optimize MWD's use of its water supplies. First, groundwater use is dependent upon the hydrology (wet, average, dry). Use is limited during wet conditions and increased gradually as conditions become dry. Second, SWP supplies are imported to Cachuma in advance of their need to help reduce the impact of the conveyance constraints into Cachuma. Any imported water stored in Cachuma is a risk of loss to spill during a wet year.

CUSTOMER DEMAND

Demand can vary significantly between wet and dry conditions. Current demand was calculated by using demand during the period 2017-2024, which includes a range of hydrologic conditions. The model calculates demand depending upon hydrologic conditions; demand during wet years is 3,717 AFY, during average years is 4,084 AFY, and during dry years is 4,452 AFY.

Future demand in 2045 uses the current demand above and projects an annual increase of 0.5% growth consistent with the Montecito Community Plan. This results in a 2045 projected demand of 4,152 AFY in wet years, 4,563 AFY in average years, and 4,974 AFY in dry years. Actual growth over the last 20 years has been about 0.25%, which lowers projected future demand. As discussed in the Phase I results, the sensitivity of this future demand was evaluated in the modeling.

PHASE I MODEL SCENARIOS

This 2025 update is separated into two phases: Phase I examines current and future demand and supply without additional strategies, and Phase II incorporates various potential strategies to Phase I modeling.

SCENARIO I-1

Current demand, current supplies, current priorities of use for each water supply.

a. With historical sequence of wet, average, and dry years;
b. With extension of the longest dry period by two years to test resiliency of supply.

SCENARIO I-2

Future demand in 2045, future supplies according to SWP centroid (50% level of concern) delivery projections; future Cachuma deliveries reduced by 20%-30%-40%. This future scenario would be considered to be medium risk on the risk spectrum.

SCENARIO I-3

To examine higher-risk scenarios, future demand in 2045 was used with future supplies according to SWP 50% and 75% levels of concern, future Cachuma deliveries were reduced by 20%-30%-40%, and the longest historical dry period was extended by two years.

Scenario Parameters	Demand	SWP	Cachuma Reduction	Extended Dry Period
Scenario I-1a	Current	2023 Adjusted	None	No
Scenario I-1b	Current	2023 Adjusted	None	Yes
Scenario I-2	Future	50% LOC	20-30-40%	No
Scenario I-3	Future	50-75% LOC	20-30-40%	Yes

Table 1. Parameters for Phase I scenarios.

PHASE I RESULTS

Phase I results indicate that there is minor unsourced demand at current demand, and slightly more at future demand. In years with unsourced demand, the amount of unsourced demand is 5% or less of the annual demand or up to 273 AFY (Table 2). In all cases, the unsourced demand was not caused by a shortage of water supply, but rather a limitation in conveyance capacity in the South Coast Conduit. This limitation occurs only when Cachuma storage is low (during very dry periods) and the capacity to bring water to the Cater Water Treatment Plant via the Emergency Pumping Barge is reduced. This reduced capacity affects supply availability anywhere from one to four months. MWD could overcome this capacity limitation by temporarily increasing supplies nearer its service area, such as Jameson Lake or groundwater.

When future demand is lowered by using a growth rate of 0.25% instead of 0.5%, the temporary unsourced demand is reduced by about half but not eliminated.

The details of the amount of each source used during the various model runs is shown in Figures A- 1 to A- 8) included in the appendix.

Scenarios I-2 and I-3 were run with several iterations – SWP 50% and 75% levels of concern and Cachuma reductions of 20%, 30%, and 40%. Results were similar because it was conveyance constraints that resulted in the shortfalls, and not a lack of the water source itself.

Scenario	% of Years	Largest Annual Unsourced Demand (% of Demand/AFY)
Scenario I-1a	4%	2%/74
Scenario I-1b	5%	2%/80
Scenario I-2 20%-40%	5%	5%/264
Scenario I-3 50%, 20%-40%	5%	5%/264
Scenario I-3 75%, 20%-40%	5%	5%/273

Table 2. Unsourced demand from results of 83 years of hydrology in the model.

Water from Cachuma is one of MWD's primary sources of supply. Table 3 indicates the various methods and quantities of use. At current demand, more carryover water is lost to spills because there is less demand for the water. The carryover water lost to spill is a potential source of supply for a local groundwater banking program. An additional source for a local groundwater banking program is spill water, which is little used because customer demand is typically low during these wet months.

Scenario	Directly from Allocation (Avg. AFY)	Spill Water Used (Avg. AFY)	Carryover Used (Avg. AFY)	Carryover Lost to Spill (Avg. AFY)
Scenario I-1a	959	26	45	1,536
Scenario I-1b	963	26	48	1,530
Scenario I-2 20%-40%	1,218 to 1,158	45	141 to 123	735 to 365
Scenario I-3 50%, 20%-40%	1,217 to 1,157	45	141 to 123	735 to 365
Scenario I-3 75%, 20%-40%	1,217 to 1,157	45	141 to 123	735 to 365

Table 3. Use of Cachuma supplies from results of 83 years of hydrology in the model.

An aspect of the water supply that is of interest is the use of SWP supplies by MWD. SWP is used in the model after the WSA (desal), Jameson/Doulton, Cachuma, groundwater, and Cachuma sources (except for dry years when SWP may be delivered to Cachuma in advance of its need to avoid conveyance constraints). SWP supplies are little used at current demand, with use increasing at 2045 demand (Table 4, Figure 1). Subsequently, unused SWP supplies in any year decreases from current demand to 2045 demand (Figure 2). At current demand, SWP supplies stored in SemiTropic are little used, with usage slightly increasing at 2045 demand (Figure 3).

Scenario	Allocation (Avg. AFY)	To Storage (Avg. AFY)	From Storage to Customers (Avg. AFY)	Unused (Avg. AFY)
Scenario I-1a	0	0	0	1,472
Scenario I-1b	0	0	0	1,464
Scenario I-2 20%-40%	17 to 90	0 to 10	0 to 9	1,188 to 1,224
Scenario I-3 50%, 20%-40%	23 to 96	2 to 12	2 to 11	1,124 to 1,164
Scenario I-3 75%, 20%-40%	23 to 96	1 to 4	1 to 4	1,036 to 1,072

Table 4. SWP use from results of 83 years of hydrology in the model.

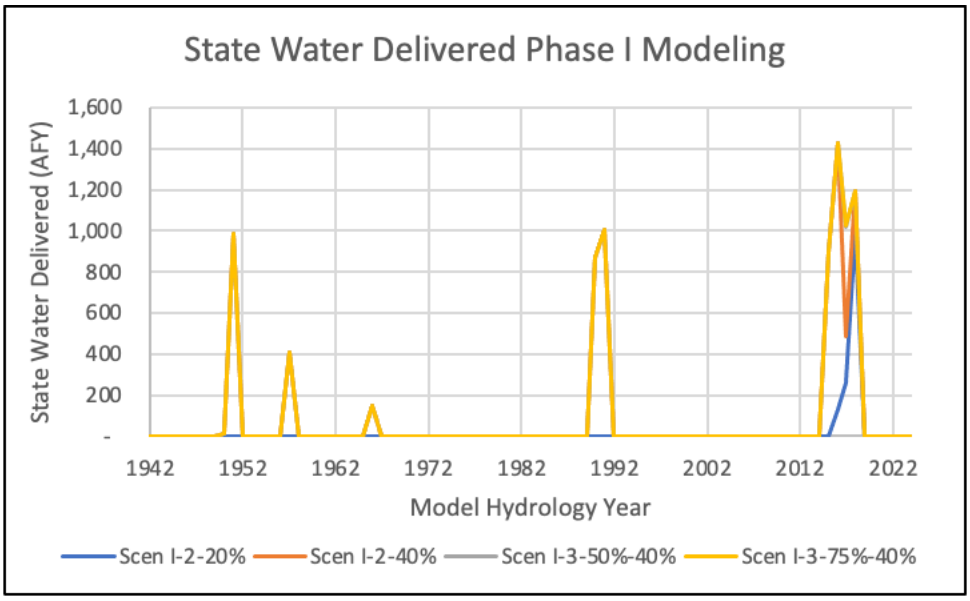


Figure 1. SWP delivered from results of 83 years of hydrology in the model.

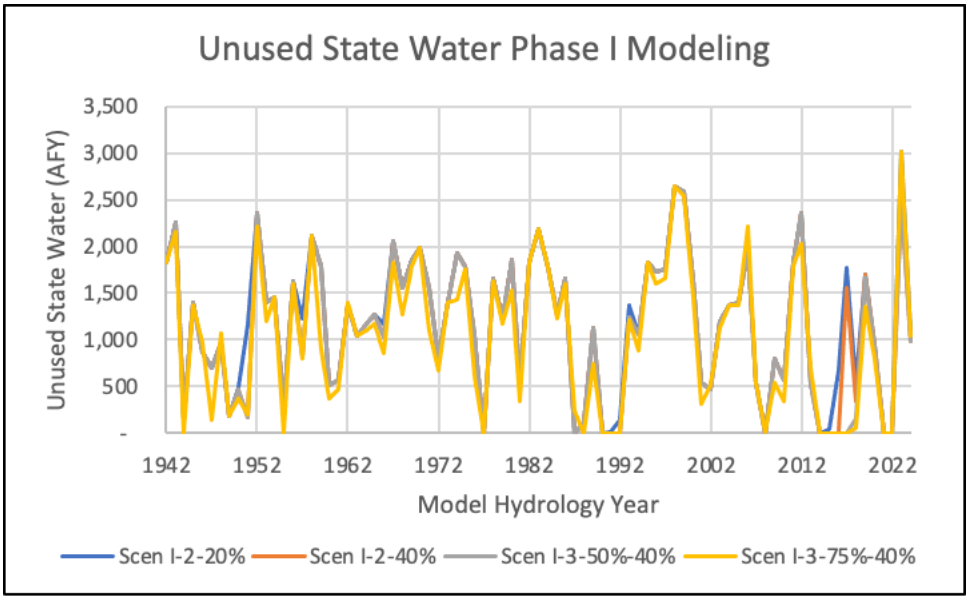


Figure 2. Unused SWP in a model year from results of 83 years of hydrology in the model.

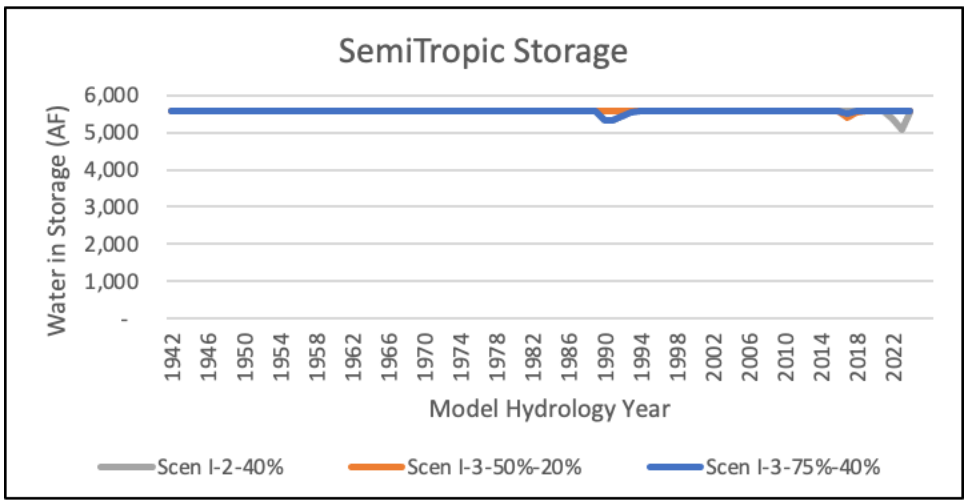


Figure 3. MWD water in storage with SemiTropic from results of 83 years of hydrology in the model.

Model results can be used to provide guidance for the upcoming Urban Water Management Plan (UWMP). This analysis differs somewhat from the format of the UWMP. Appendix C provides suggested input for the UWMP.

PHASE II MODEL SCENARIOS

Phase II models two water supply strategies that have the potential to further shore up MWD's long term water supply reliability while optimizing its limited resources. The first strategy is the potential permanent transfer (or sale) of a portion of MWD's SWP allocation/conveyance capacity or just conveyance capacity. The sale amount modeled was 1,400 AFY of allocation and a proportional amount of conveyance capacity. Phase II modeling includes various combinations of sales/no sale, SWP availability, and reductions in Cachuma allocation. The second strategy modeled is participating in a local groundwater storage program, potentially in the Carpinteria Groundwater Basin. The modeling investigates potential sources of water for banking, the total storage capacity needed, the rates of input/output, and its ability to address any projected unsourced demand.

Phase II modeling took a broader look at the range of supply availability, including the worse-case SWP future availability at the 95% "level of concern", a drought extending two years from historical trends, and a six-month interruption in the delivery of desal water.

PHASE II SCENARIOS INCLUDE:

Scenario II-1: Use current demand, current supplies with the permanent transfer (or sale) of a portion of MWD's SWP allocation and conveyance capacity.

Scenario II-2: Use current demand, SWP allocation and conveyance capacity sale, current supplies with the addition of local injection/extraction capability commensurate with the availability of surplus water to mitigate the projected unsourced demand. This scenario gives an approximation of the amount of local storage/extraction capacity required to meet projected unsourced demand at current demand levels.

Scenario II-3: Use future demand in 2045, future supplies according to SWP centroid (50% level of concern) delivery projections; future Cachuma deliveries reduced by 20%, 30%, or 40%. Addition of local injection/extraction capability commensurate with the availability of surplus water to mitigate the projected unsourced demand. This scenario gives an approximation of the amount of local storage/extraction capacity required to meet unsourced demand at 2045 demand levels.

a. Without sale of SWP;
b. With sale of portion of SWP allocation and conveyance capacity;
c. With sale of portion of SWP allocation conveyance capacity only, no local storage;
d. With sale of portion of SWP conveyance capacity only.

Scenario II-4: Use future demand in 2045, future supplies according to SWP 75% level of concern delivery projections; future Cachuma deliveries reduced by 30%; sale of portion of SWP allocation and conveyance capacity; addition of local injection/extraction capability commensurate with the availability of surplus water to mitigate the projected unsourced demand. This scenario is positioned between the centroid values and the worst-case values. Given the continued reduction

in projected future availability of SWP and the uncertainty in future Cachuma allocation, this scenario may be the most realistic for future planning.

a. Without sale of SWP allocation and capacity;
b. With sale of SWP allocation and capacity.

Scenario II-5: Use future demand in 2045, future supplies according to SWP 95% level of concern delivery projections; future Cachuma deliveries reduced by 40%; the extension of drought conditions by two years, addition of local injection/extraction capability commensurate with the availability of surplus water to mitigate the projected unsourced demand. This scenario uses low supply assumptions and is considered on the high-risk side of the model runs.

a. Without sale of SWP allocation and capacity;
b. With sale of SWP allocation and capacity.

Scenario	Demand	SWP	Cachuma Reduction	Extended Dry Period	Sale	Local Storage
Scen II-1	Current	2023 Adjusted	None	No	Allocation, Capacity	No
Scen II-2	Current	2023 Adjusted	None	No	Allocation, Capacity	Yes
Scen II-3a	Future	50% LOC	20-40%	No	No	Yes
Scen II-3b	Future	50% LOC	20-40%	No	Allocation, Capacity	Yes
Scen II-3c	Future	50% LOC	20-40%	No	Capacity only	No
Scen II-3d	Future	50% LOC	20-40%	No	Capacity only	Yes
Scen II-4a	Future	75% LOC	30%	No	No	Yes
Scen II-4b	Future	75% LOC	30%	No	Allocation, Capacity	Yes
Scen II-5a	Future	95% LOC	40%	Yes	No	Yes
Scen II-5b	Future	95% LOC	40%	Yes	Allocation, Capacity	Yes

Table 5. Parameters for Phase II model runs.

PHASE II RESULTS

Phase II results indicate that without a local groundwater storage program, all scenarios result in small amounts of unsourced demand (Table 6). As in Phase I modeling, unsourced demand is a result of conveyance constraints in and out of Cachuma and not from a lack of supply. The sale of a portion of SWP allocation and conveyance capacity do not negatively impact the unsourced demand – there remains significant unused SWP supplies in all but the most extreme scenarios (i.e., scenario 5) after the sale is accounted for.

MWD's various supplies provide resilience to temporary loss of a source of a supply. A six-month disruption of WSA (desal) water was modeled to test this resilience. Depending upon when the loss occurs (wet, average, drought), unsourced demand varies from 0 AF to about 300 AF during the loss period. These shortages can be filled by temporarily increasing groundwater pumping and/or extra withdraws from Jameson Lake.

Scenario II-4b is considered to be the most likely combination of factors for future planning. This scenario uses SWP projections that are between centroid and worse-case values. It also uses a 30% reduction in future Cachuma allocations.

Scenario	% of Years	Largest Annual Unsourced Demand (% of Demand/AFY)
Scen II-1	4%	2%/74
Scen II-2	4%	2%/74
Scen II-3a, 20%-40%	5%-6%	5%/273-273
Scen II-3b, 20%-40%	5%-5%	5%/273-273
Scen II-3c, 20%-40%	5%	5%-5%/273-273
Scen II-3d, 20%-40%	5%	5%/273-273
Scen II-4a	5%	5%/273
Scen II-4b	5%	5%/273
Scen II-5a	5%	5%/273
Scen II-5b	5%	5%/273

Table 6. Results of 83 years of model. Unsourced demand is calculated before the possible addition of local groundwater storage program.

Scenario	Allocation (Avg. AFY)	Spill Water Used (Avg. AFY)	Carryover Used (Avg. AFY)	Carryover Lost to Spill (Avg. AFY)
Scen II-1	959	26	45	1,536
Scen II-2	961	26	46	1,534
Scen II-3a, 20%-40%	1,218 to 1,158	45	141 to 123	735 to 365
Scen II-3b, 20%-40%	1,218 to 1,158	45	141 to 123	735 to 365
Scen II-3c, 20%-40%	1,218 to 1,158	45	141 to 123	735 to 365
Scen II-3d, 20%-40%	1,218 to 1,158	45	141 to 123	735 to 365
Scen II-4a	1,194	45	144	531
Scen II-4b	1,194	45	144	531
Scen II-5a	1,161	45	119	364
Scen II-5b	1,157	45	123	365

Table 7. Results of Phase II modeling for Cachuma supplies.

Scenario	Directly to Customers (Avg. AFY)	To SemiTropic (Avg. AFY)	From SemiTropic to Customers (Avg. AFY)	Unused (Avg. AFY)
Scen II-1	0	0	0	735
Scen II-2	0	0	0	735
Scen II-3a, 20%-40%	17 to 99	0 to 3	0 to 3	1,188 to 1,132
Scen II-3b, 20%-40%	14 to 26	1 to 9	1 to 8	1,613 to 1,614
Scen II-3c, 20%-40%	17 to 96	0 to 3	0 to 3	1,190 to 1,156
Scen II-3d, 20%-40%	10 to 90	0 to 6	0 to 6	1,190 to 1,153
Scen II-4a	37	0	0	1,077
Scen II-4b	30	0	0	514
Scen II-5a	100	13	12	935
Scen II-5b	102	10	9	442

Table 8. Results of Phase II modeling for SWP supplies.

ADDITION OF LOCAL GROUNDWATER STORAGE PROGRAM

The advantage of a local groundwater storage program closer to MWD's service area is that the conveyance limitations in and out of Cachuma can be largely avoided. Four potential sources of water were investigated for such a program. Although each source was evaluated as a stand-alone source; in practice, storage water would likely be from a combination of the sources.

1) **Cachuma carryover water** – unused Cachuma allocation from a prior year that is in excess of 2,000 AF of carryover water.

2) **Cachuma spill water** – water that becomes available during spill months. While significant spill water can be available and is additive to the Cachuma allocation if delivered, spills are relatively short in duration and infrequent, demand is often low during wet periods, and the available capacity to store this water in a groundwater storage program would likely be relatively small.
3) **Unused SWP supplies** – whereas modeling has indicated a significant amount of unused SWP supplies in most scenarios, SWP supplies would likely be imported for storage during wetter, lower-demand years to avoid conveyance restrictions in/out of Cachuma.
4) **Additional Jameson draw for storage** – Jameson withdraw would increase during wet and average years, lowering the demand for Cachuma water. Because infrastructure limitations do not allow Jameson water to be transported directly to a storage program in Carpinteria, there would have to be an exchange such that Jameson water replaces some of MWD's demand, freeing Cachuma water for the storage program. The extra draw on Jameson would subsequently be replaced during spill years. The total Jameson withdraw including for storage is limited to 2,000 AFY pursuant to the Gin Chow ruling.

Evaluating how each source would be used for storage was accomplished in a two-step fashion. First, the availability of each source was determined for each month of the 83 years of the model. This availability took into account both the amount of potential source water and the conveyance restrictions in/out of Cachuma. Second, the size of the storage program for each of the four sources was determined so that there was no longer any unsourced demand. This step calculated the minimum required size of the bank to avoid unsourced demand. It does not include any safety margin for unforeseen weather or infrastructure problems. All of the sources used by themselves eliminated the unsourced demand, with the exception of Cachuma carryover water (Table 9). Cachuma carryover water could not be accumulated fast enough before the first drought in the model, so the storage project program would need to be "seeded" with initial storage water[2]. Carryover water subsequently performed as well as the other sources of storage water.

As part of the determination of minimum storage capacity, rates of input/output from storage were also determined (Table 10).

Scenario	Maximum Unsourced Demand without Local Storage	W/ Carryover Storage*	W/Spill Storage	W/ SWP Storage	W/ Jameson Storage
II-2	74	0	0	0	0
II-3a-20%	273	0	0	0	0
II-3a-40%	264	0	0	0	0
II-3b-20%	273	0	0	0	0
II-3b-40%	231	0	0	0	0
II-3d-20%	273	0	0	0	0

[2] This problem is in part based upon the sequence of hydrologic years in the model. If there was initially a long sequence of wet or normal years, "seeding" would not be required.

II-3d-40%	231	0	0	0	0
II-4a	273	0	0	0	0
II-4b	273	0	0	0	0
II-5a	278	0	0	0	0
II-5b	217	0	0	0	0

Table 9. Results of Phase II modeling for local storage program indicating that these storage sources eliminated unsourced demand. Although each water source was modeled individually – in practice, a combination of water sources might be used for storage. * Carryover water was not effective by itself unless the storage program was first "seeded" with most of its storage water; the other sources were self-sufficient in initially filling the storage capacity.

Demand	Minimum Storage Capacity (AF)	Injection/Extraction Rate (AF/month)
Current	200	45
2045	600	105

Table 10. Minimum capacities and injection/extraction rates for storage program at current and 2045 demand. The 2045 results are for the most likely scenario (Scenario II-4b).

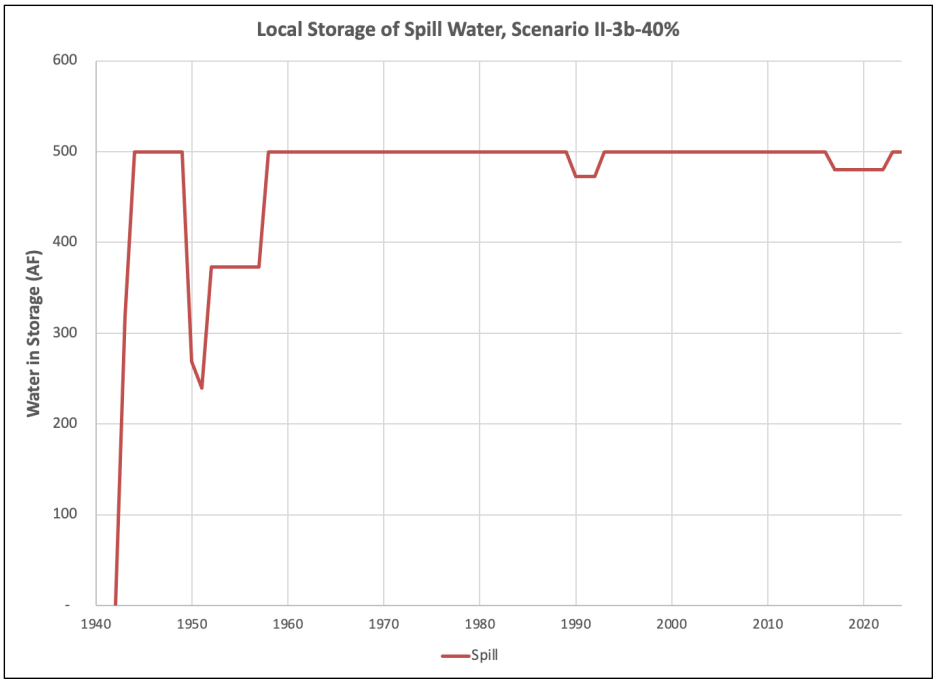


Figure 4. Local storage of spill water, indicating the amount of water in storage. The first years of the figure indicate the initial filling of storage. Use of stored water occurs when there is unsourced demand. Subsequent re-filling of storage may not occur in a single spill year because of conveyance capacities (e.g., early 1950s).

CONCLUSIONS

All the model runs in both Phases I and II resulted in relatively small amounts of unsourced demand (74 to 273 AFY) in 4 to 5 years of the 83 years of the modeled period. This unsourced demand is caused by conveyance limitations in/out of Cachuma rather than a shortage of supply. Some or all of this unsourced demand can likely be met by temporarily pumping more groundwater and/or drawing more Jameson water, which are not limited by the Cachuma conveyance limitations. No additional supplies are considered in Phase II – any new supplies would increase the favorability of these findings.

Disasters, such as the collapse of local tunnels, are not considered in the worst-case scenarios modeled herein, and are not analyzed in this report. Disasters such as the collapse of one or more local tunnels, or a levee break/dam failure on the SWP, or a tsunami damaging the desal facility would obviously produce different results. The District's diverse water supply portfolio helps but does not eliminate the potential impacts of a disaster such as these.

When the sale of a portion of MWD's SWP allocation/conveyance capacity is modeled, projected unsourced demand does not increase substantially because SWP supplies are little used over the model period. The unsourced demand with the sale of a portion of MWD's SWP allocation/conveyance capacity is a maximum of 74 to 273 AFY (maximum 43 to 104 AF/month) and can be mitigated with temporarily increasing deliveries from Jameson and/or groundwater.

For future planning purposes, Scenario II-4b, which incorporates (1) SWP water at 75% LOC (40% reliable), (2) 30% reduction in Cachuma, (3) sale of a 42% (or 1,400 AF) of SWP allocation and conveyance capacity, and (4) acquisition of local groundwater storage, is considered the most realistic combination of centroid and worse case assumptions. The other scenarios provide an indication of the potential range of outcomes.

MWD has several options to decrease or eliminate unsourced demand. These include participation in a local groundwater storage program, increasing pumping capacity in/out Cachuma, increasing groundwater pumping (100-300 AFY), voluntary or mandatory reduction in water demand during anticipated shortages, and acquisition of a new local water supply such as additional desal or recycled water.

MWD has multiple sources of water available for storage in a local groundwater storage program. These sources include unused Cachuma carryover water, Cachuma spill water, unused SWP, and increased draws of Jameson storage. The advantage of local storage is that it is not constrained by conveyance restrictions in/out of Cachuma. The model indicates the minimum storage capacity required is about 600 AF at 2045 demand levels. The model indicates use of a local groundwater storage program fully mitigates any project unsourced demand. Alternatively, any new supplies and/or decrease in demand would also mitigate any unsourced demand.

MWD's diverse water supply portfolio provides resilience to temporary disruptions of supply, such as the temporary loss of WSA (desal) water for a period of time. Depending upon when the loss occurs (wet, average, drought), unsourced demand varies from 0 AF to about 300 AF during the loss period. These shortages can be filled by temporarily increasing groundwater pumping and/or extra withdraws from Jameson Lake.

Under certain rare circumstances (excluding disaster conditions), the District's full SWP allocation (3,300 AFY) and/or associated conveyance capacity could be necessary to avoid unsourced demand. These circumstances depend on many factors including hydrology statewide and the availability of each of the District's water sources. Although the commencement of desal deliveries in 2022 lessened the District's future reliance on imported water, that dependence under certain rare conditions remains. Modeling suggests that future reliance on imported supplies is extremely limited and that the permanent transfer of a portion of the District SWP allocation and conveyance capacity has little impact on unsourced demand. Conceivably, more severe drought conditions could plague California, resulting in a worse water supply condition than historically experienced. Under such a condition, e.g., both Jameson and Cachuma supplies become nearly depleted, desal deliveries and groundwater production coupled with a greater reliance on imported supplies would likely be necessary to mitigate unsourced demand to the greatest extent. If SWP conveyance capacity is reduced through the sale of a portion of the District's SWP allocation and conveyance capacity, the ability to mitigate the unsourced demand would be reduced and it could become challenging, if not impossible to fully mitigate the unsourced demand. As mentioned herein, there are potential future actions that could be implemented to help mitigate or eliminate the projected unsourced demand under these rare circumstances.

APPENDIX A. PHASE I GRAPHIC RESULTS

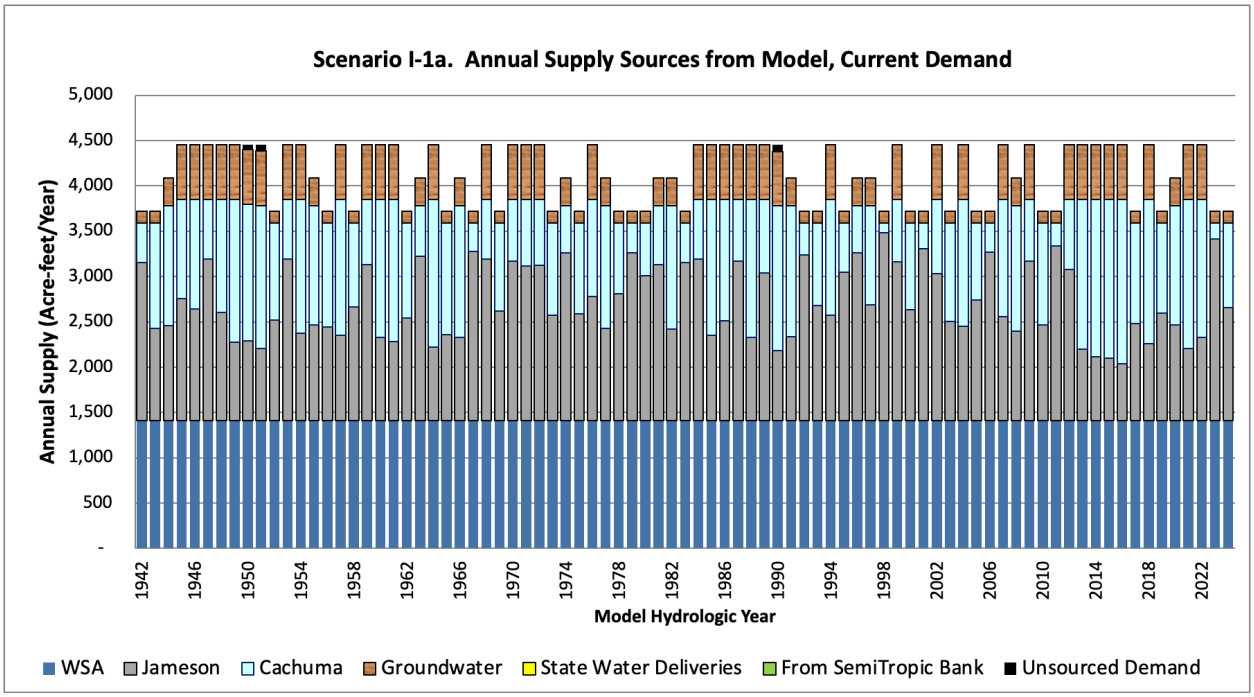


Figure A- 1 Sources of supply for Scenario I-1a from results of 83 years of hydrology in the model.

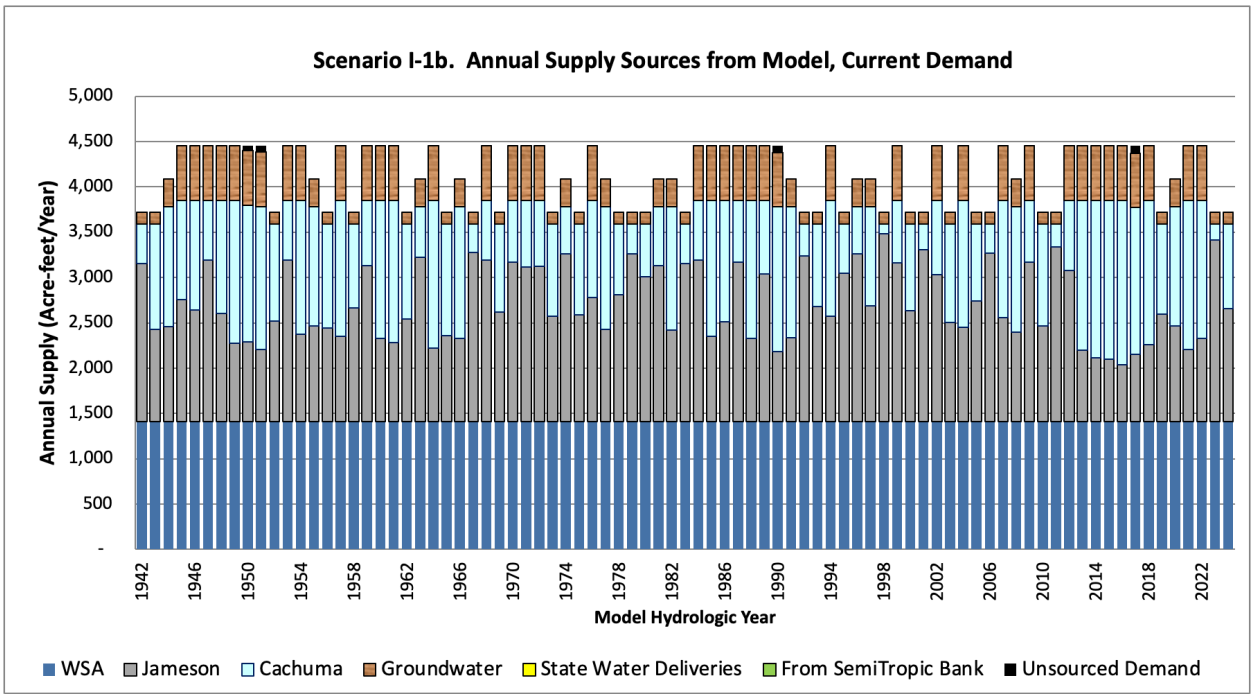


Figure A- 2. Sources of supply for Scenario I-1b from results of 83 years of hydrology in the model. This scenario increases drought by two years.

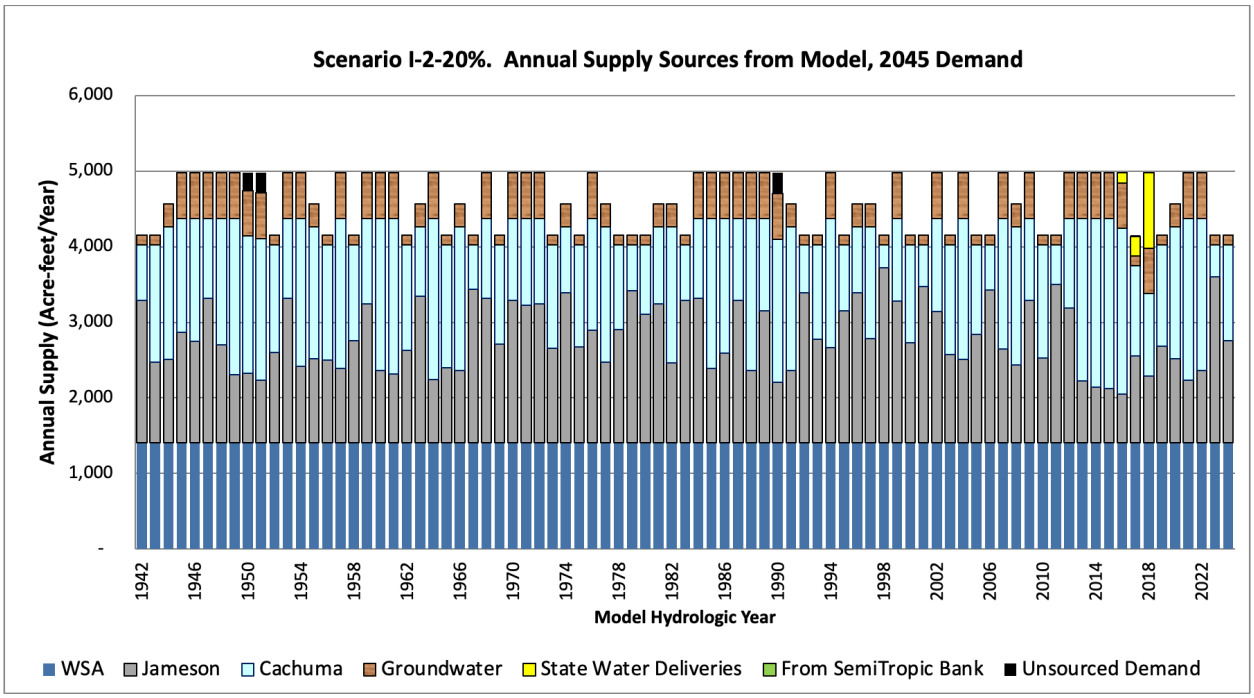


Figure A- 3. Sources of supply for Scenario I-2-20% from results of 83 years of hydrology in the model. Cachuma deliveries are reduced by 20%.

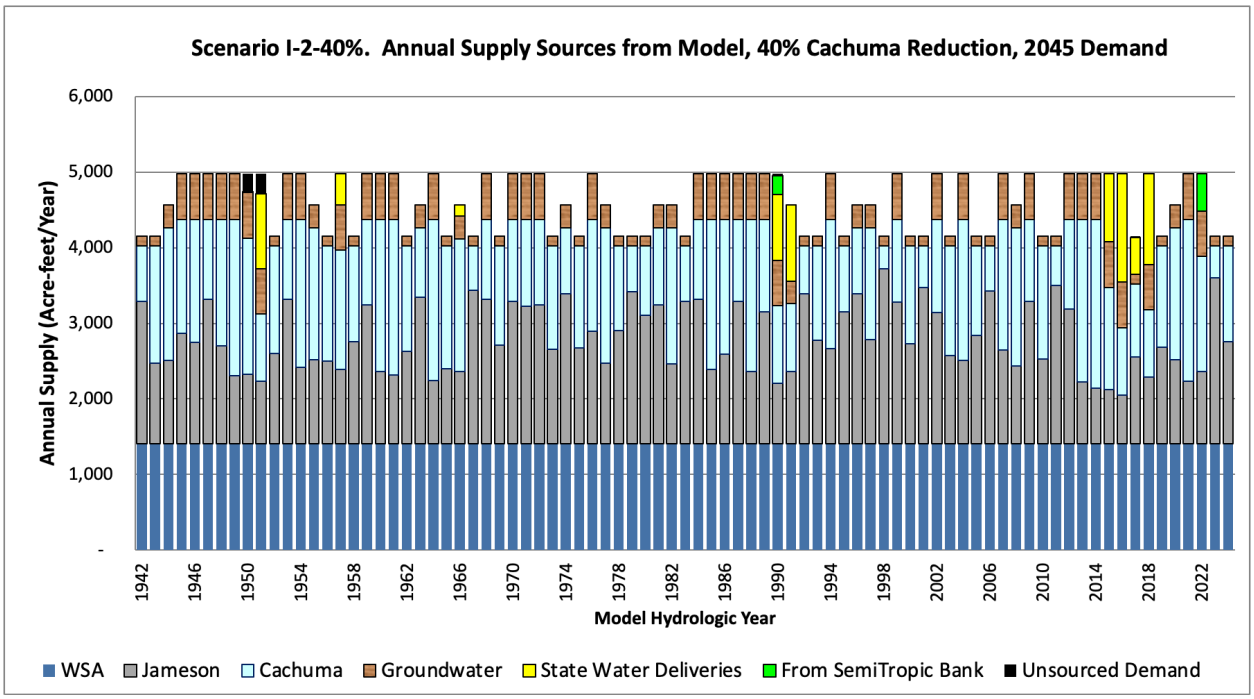


Figure A- 4. Sources of supply for Scenario I-2-40% from results of 83 years of hydrology in the model. Cachuma deliveries are reduced by 40%.

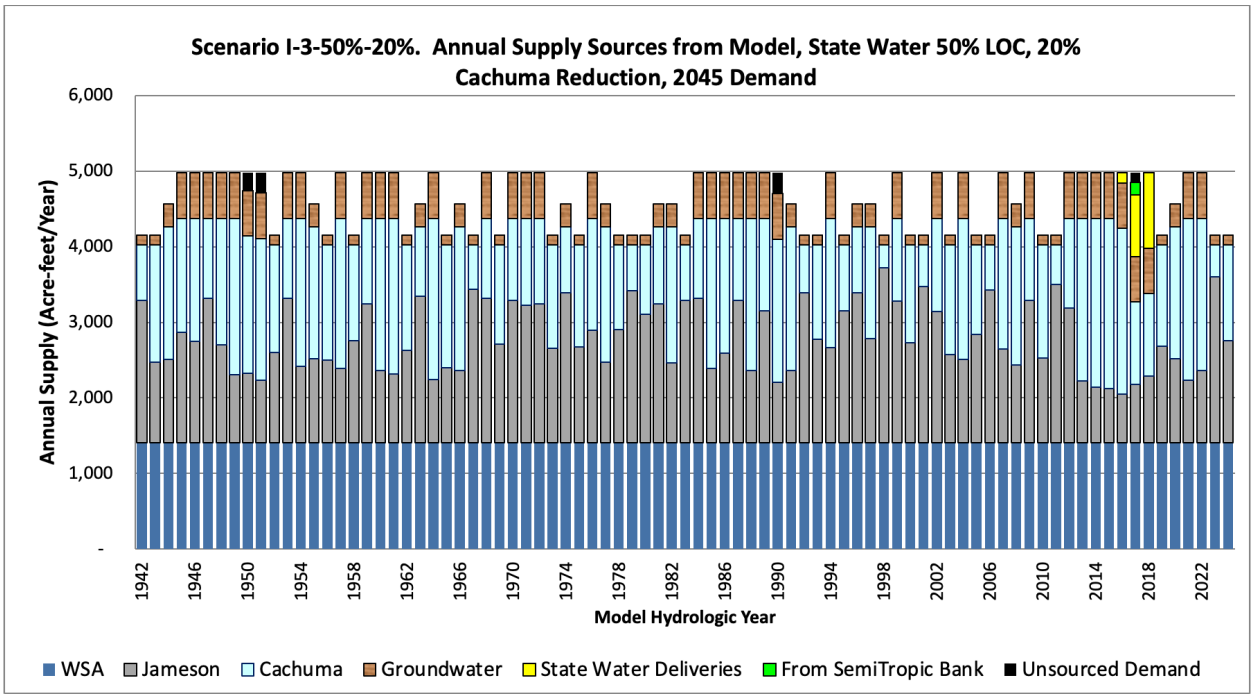


Figure A- 5. Sources of supply for Scenario I-3-50%-20% from results of 83 years of hydrology in the model. Future SWP deliveries are from centroid 50% Level of Concern, Cachuma deliveries are reduced by 20%, drought extended by two years.

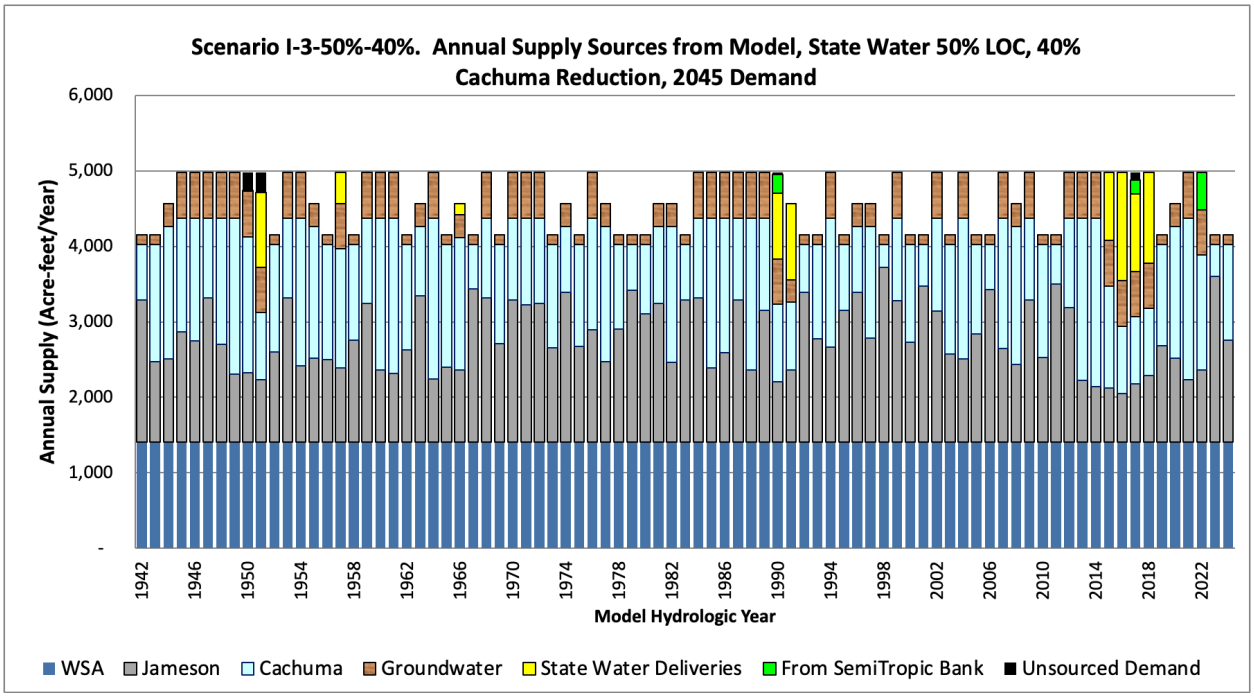


Figure A- 6. Sources of supply for Scenario I-3-50%-40% from results of 83 years of hydrology in the model. Future SWP deliveries are from centroid 50% Level of Concern, Cachuma deliveries are reduced by 40%, drought extended by two years.

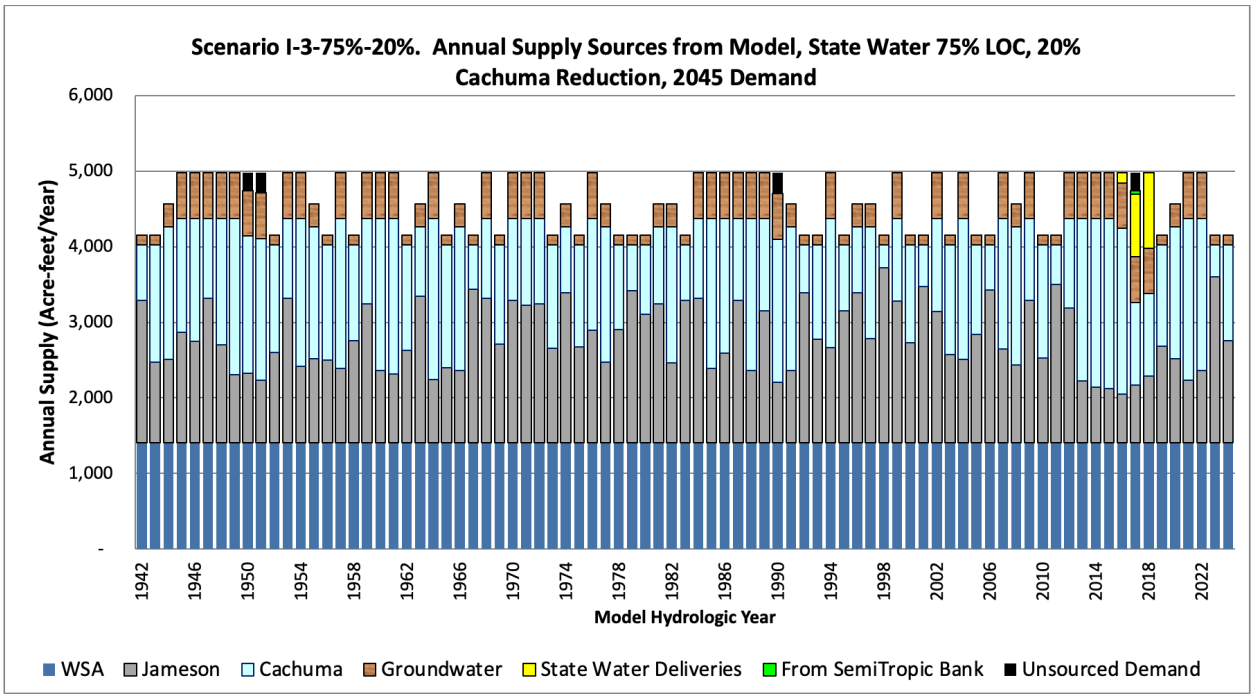


Figure A- 7. Sources of supply for Scenario I-3-75%-20% from results of 83 years of hydrology in the model. Future SWP deliveries are from 75% Level of Concern, Cachuma deliveries are reduced by 20%, drought extended by two years.

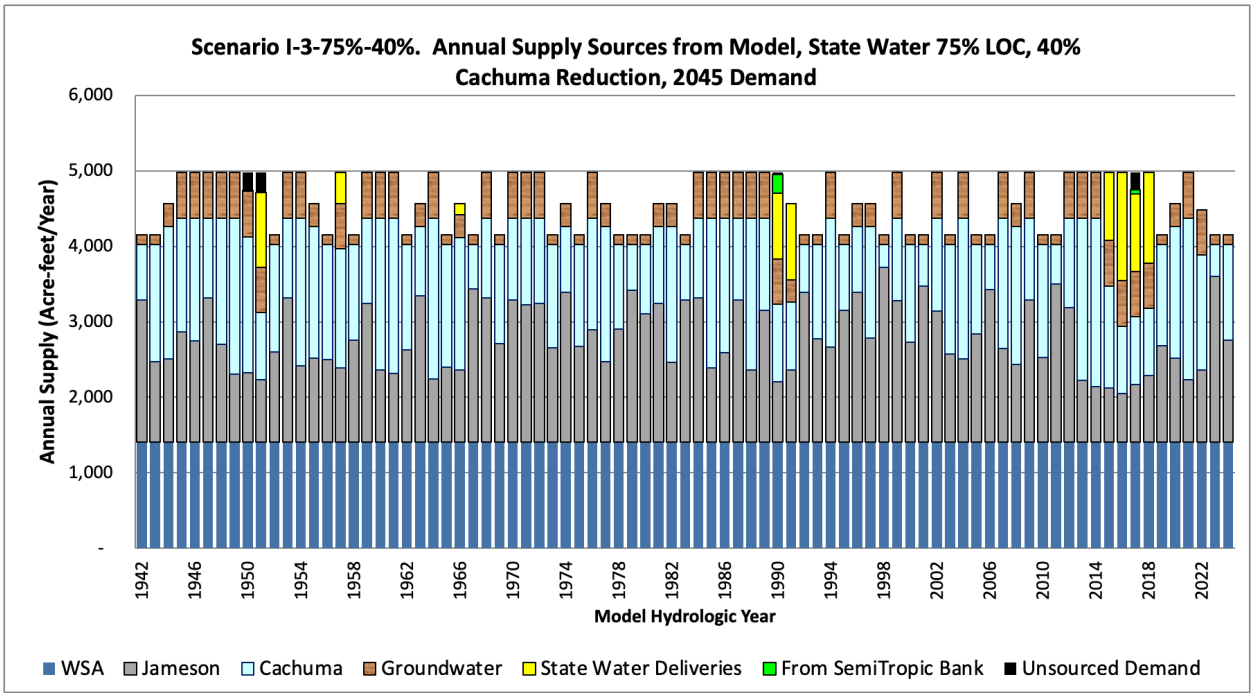


Figure A- 8. Sources of supply for Scenario I-3-75%-40% from results of 83 years of hydrology in the model. Future SWP deliveries are from 75% Level of Concern, Cachuma deliveries are reduced by 40%, drought extended by two years.

APPENDIX B. PHASE II GRAPHIC RESULTS

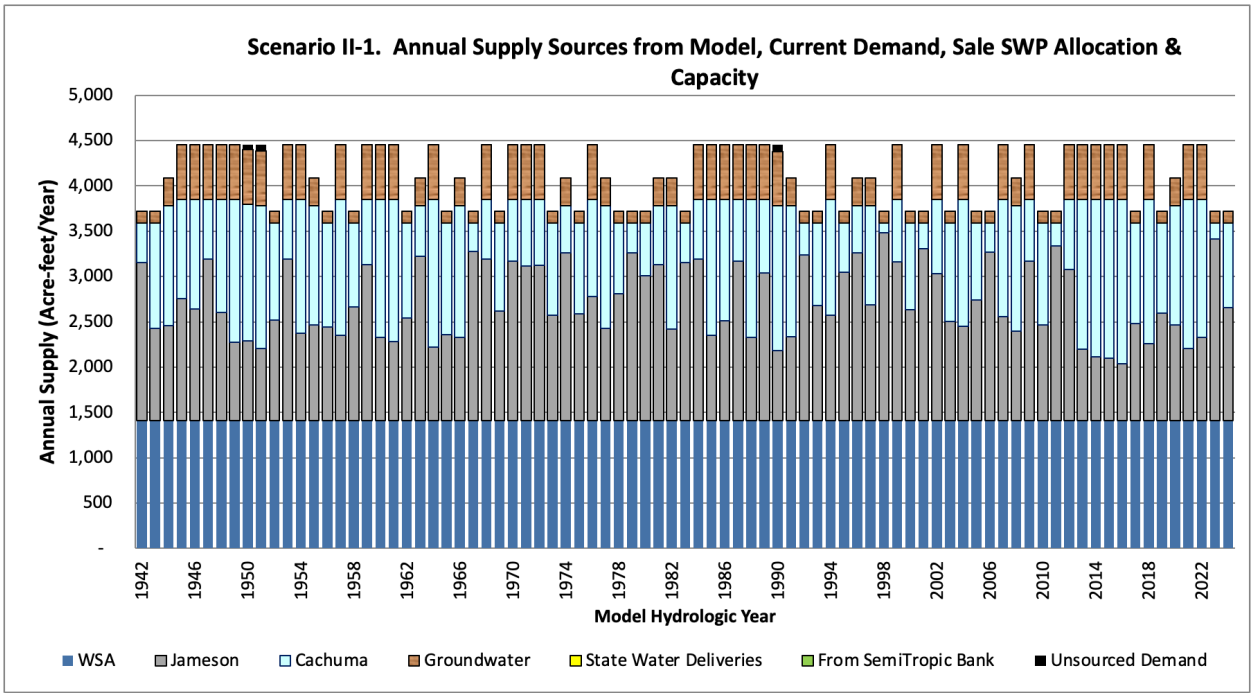


Figure B- 1. Sources of supply for Scenario II-1 from results of 83 years of hydrology in the model.

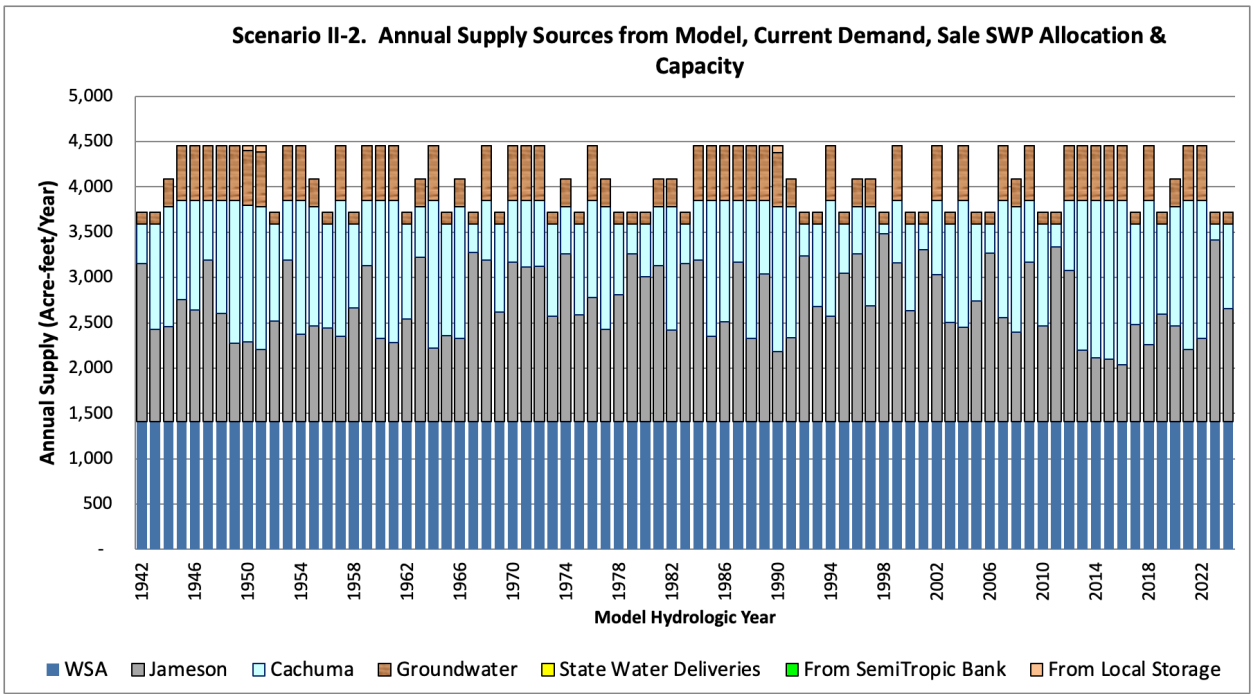


Figure B- 2. Sources of supply for Scenario II-2 from results of 83 years of hydrology in the model. Unsourced demand is replaced by supplies from local storage.

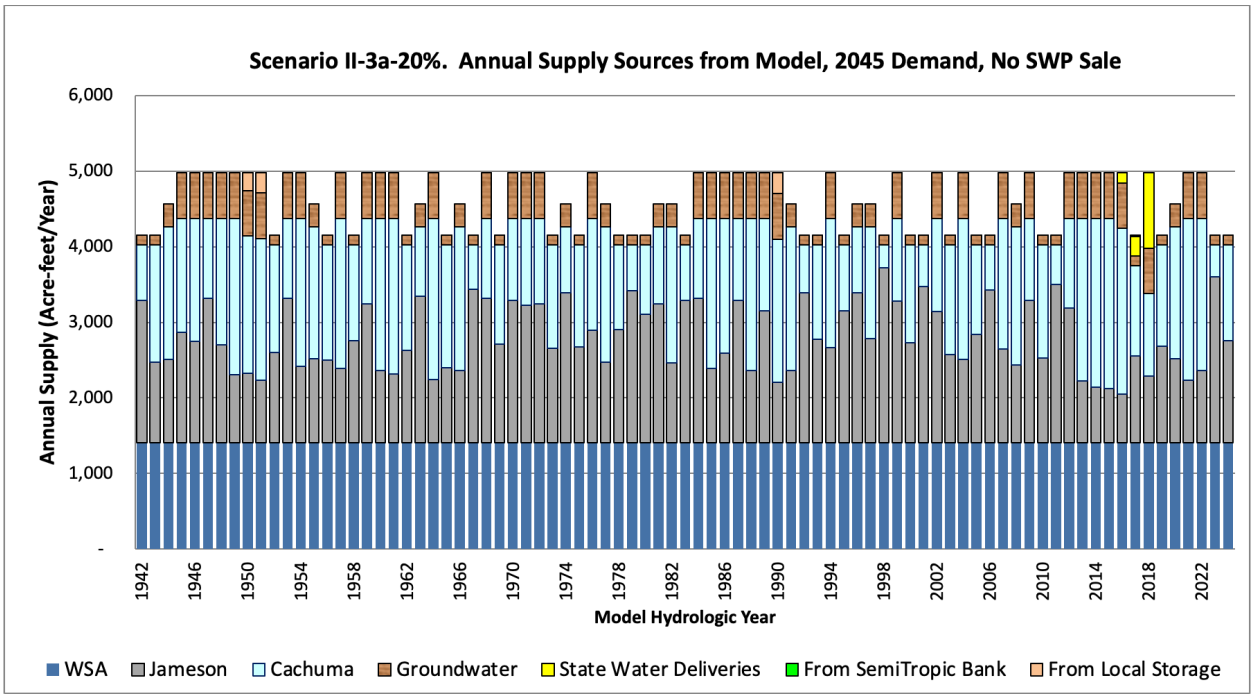


Figure B- 3. Sources of supply for Scenario II-3a-20% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 20% reduction in Cachuma allocations.

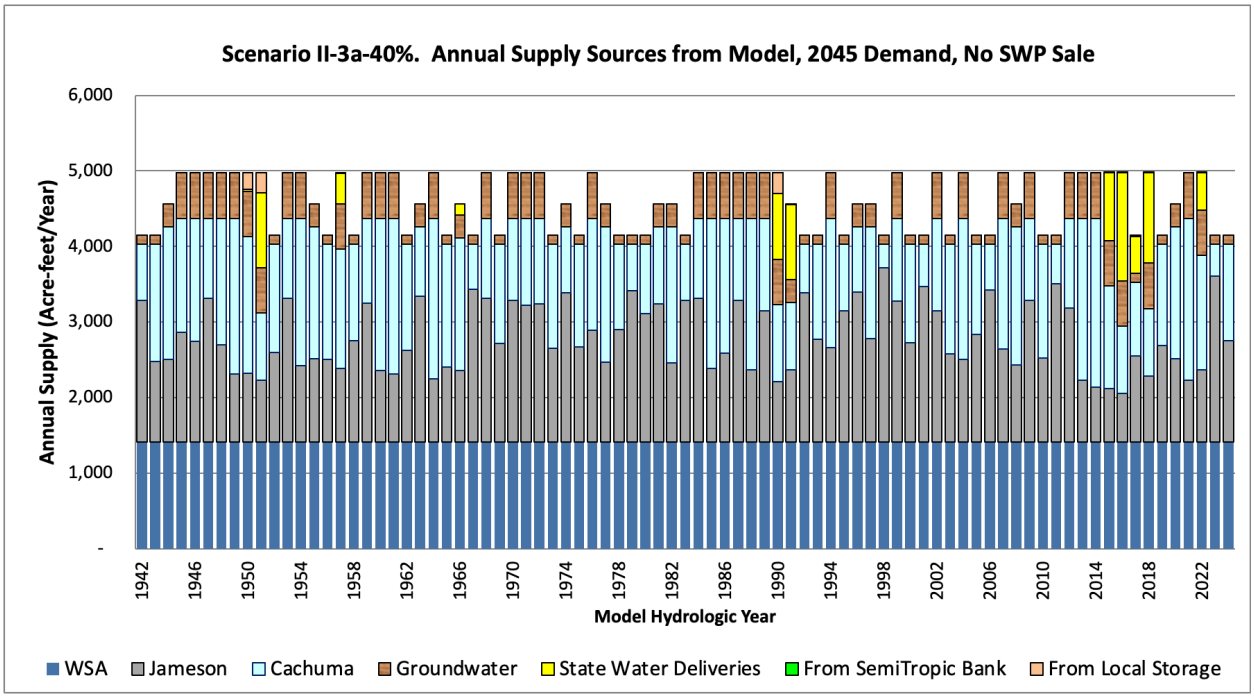


Figure B- 4. Sources of supply for Scenario II-3a-40% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 40% reduction in Cachuma allocations.

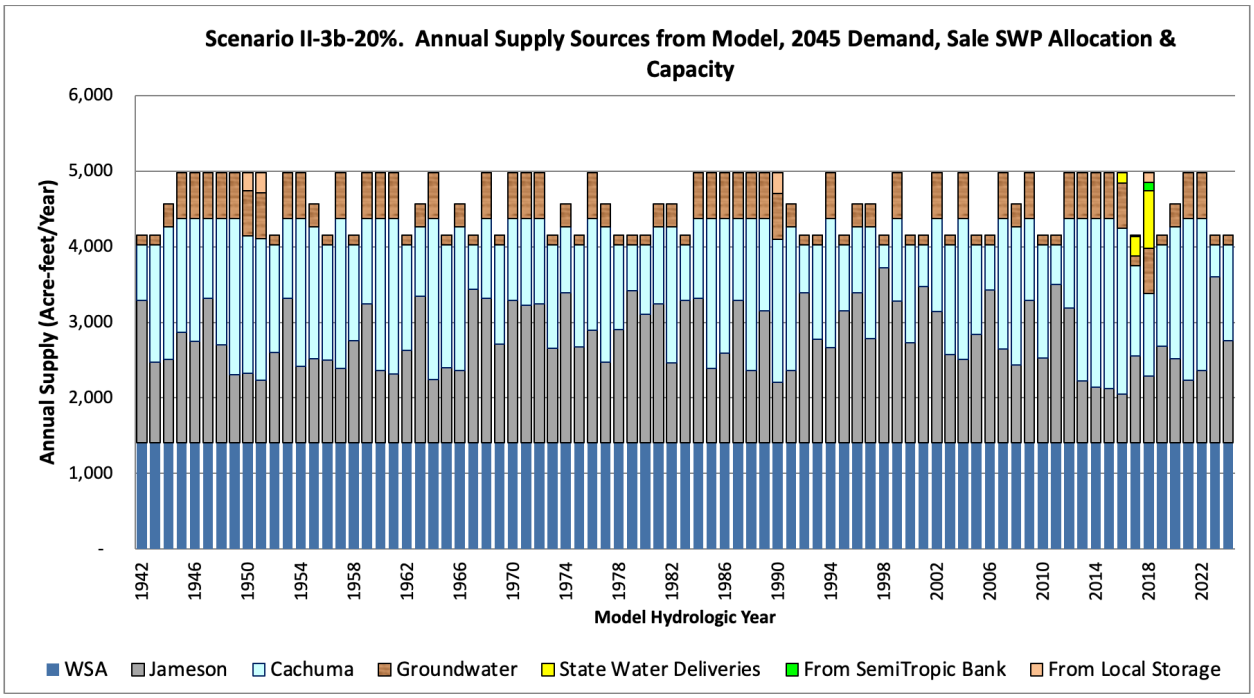


Figure B- 5. Sources of supply for Scenario II-3b-20% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 20% reduction in Cachuma allocations.

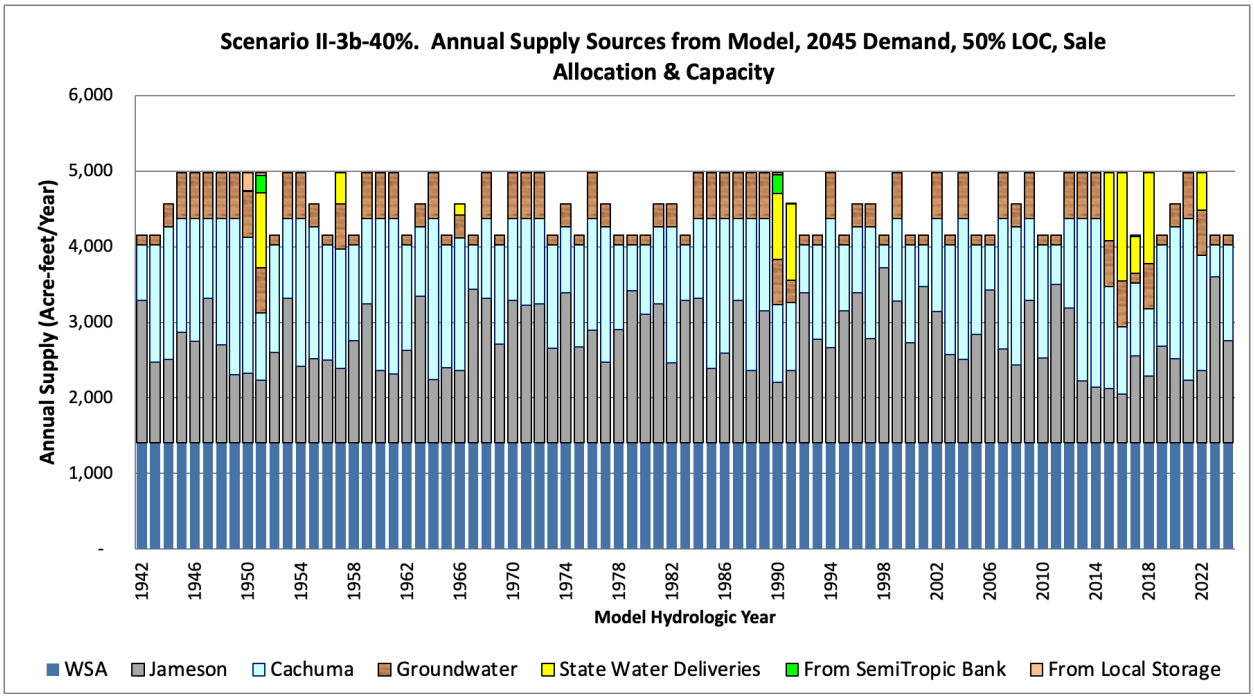


Figure B- 6. Sources of supply for Scenario II-3b-40% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 40% reduction in Cachuma allocations.

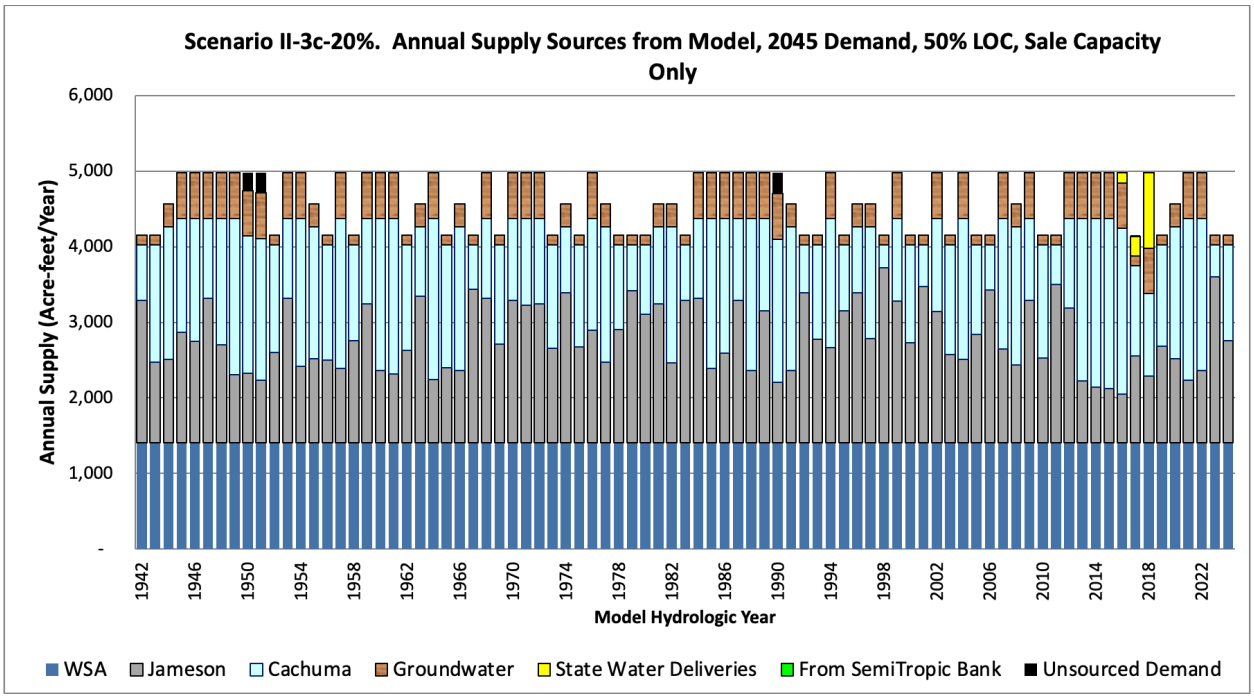


Figure B- 7. Sources of supply for Scenario II-3c-20% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 20% reduction in Cachuma allocations. There is no local storage to offset unsourced demand.

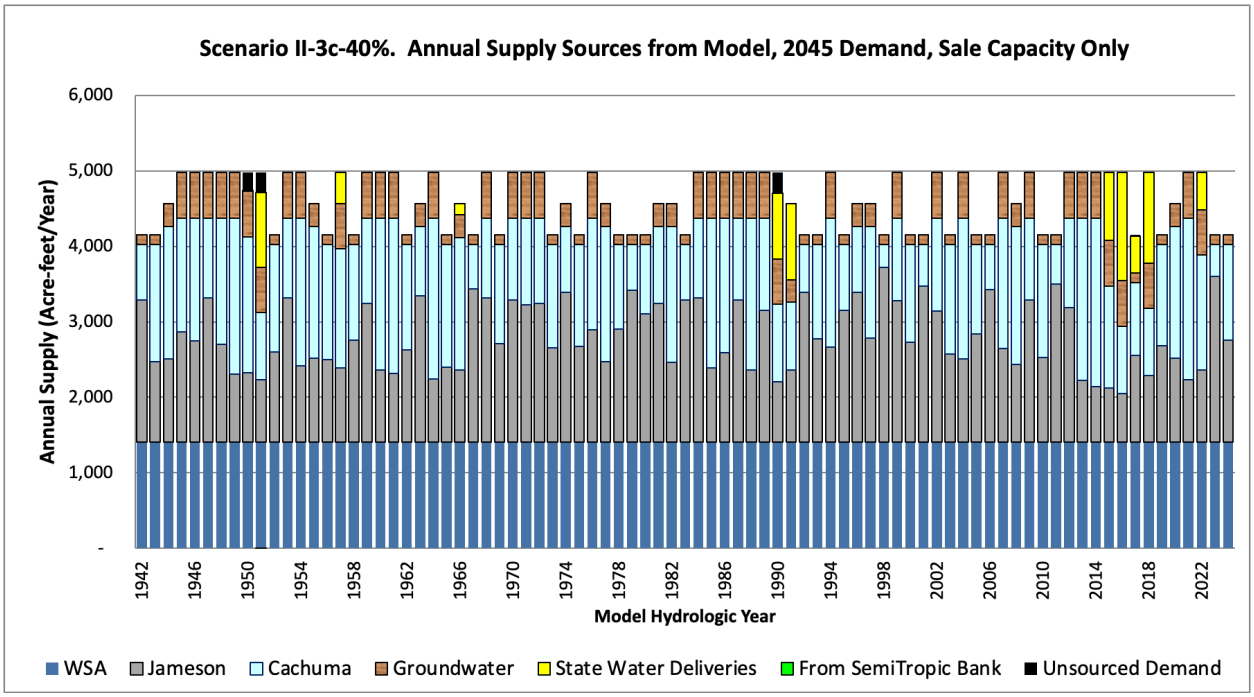


Figure B- 8. Sources of supply for Scenario II-3c-40% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 40% reduction in Cachuma allocations. There is no local storage to help offset unsourced demand.

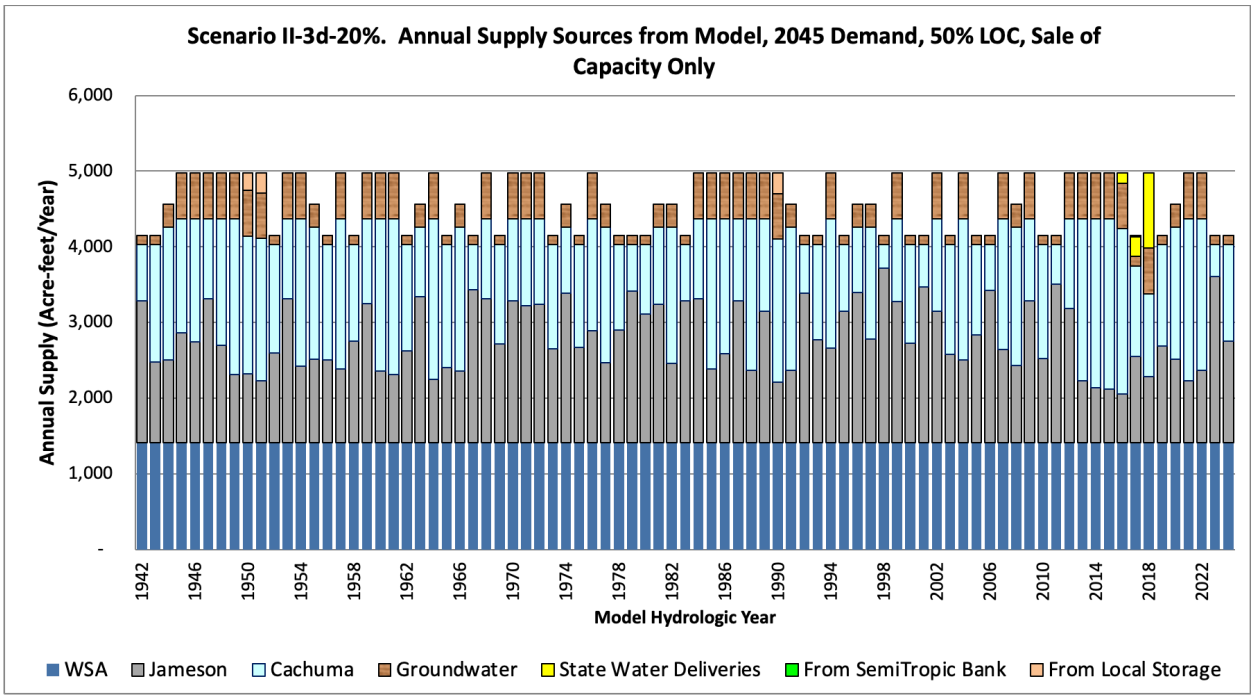


Figure B- 9. Sources of supply for Scenario II-3d-20% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 20% reduction in Cachuma allocations.

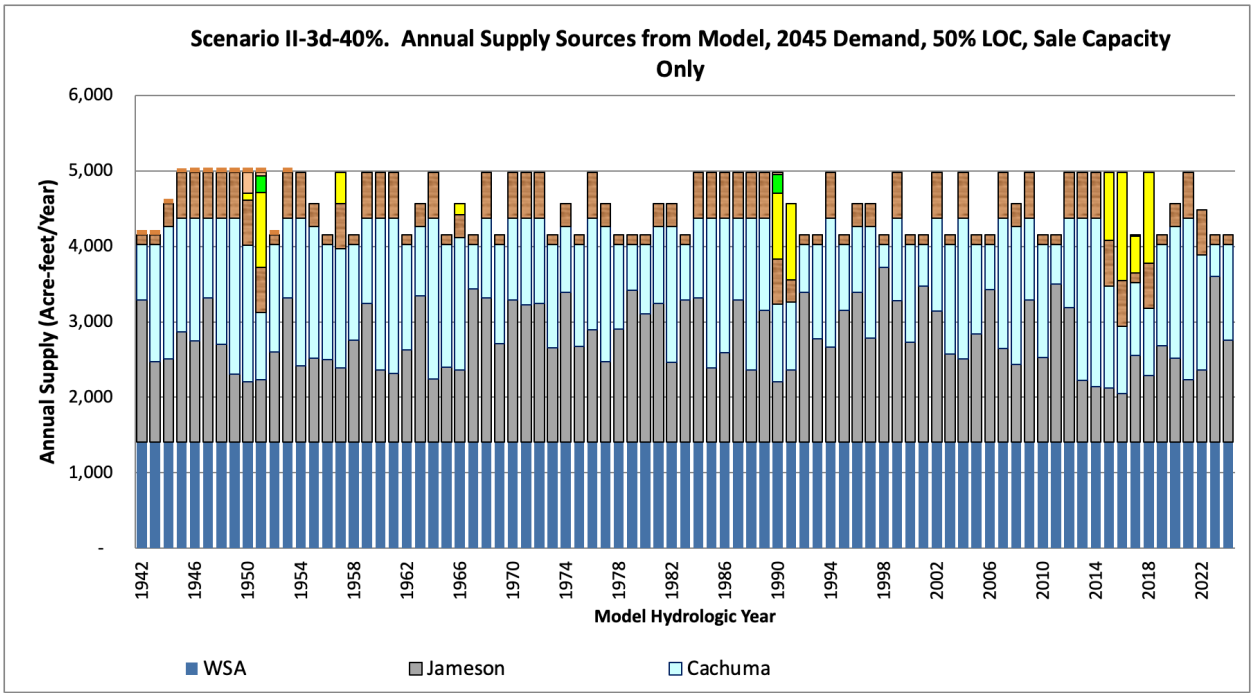


Figure B- 10. Sources of supply for Scenario II-3d-40% from results of 83 years of hydrology in the model. Future SWP is at 50% "level of concern", there is a 40% reduction in Cachuma allocations.

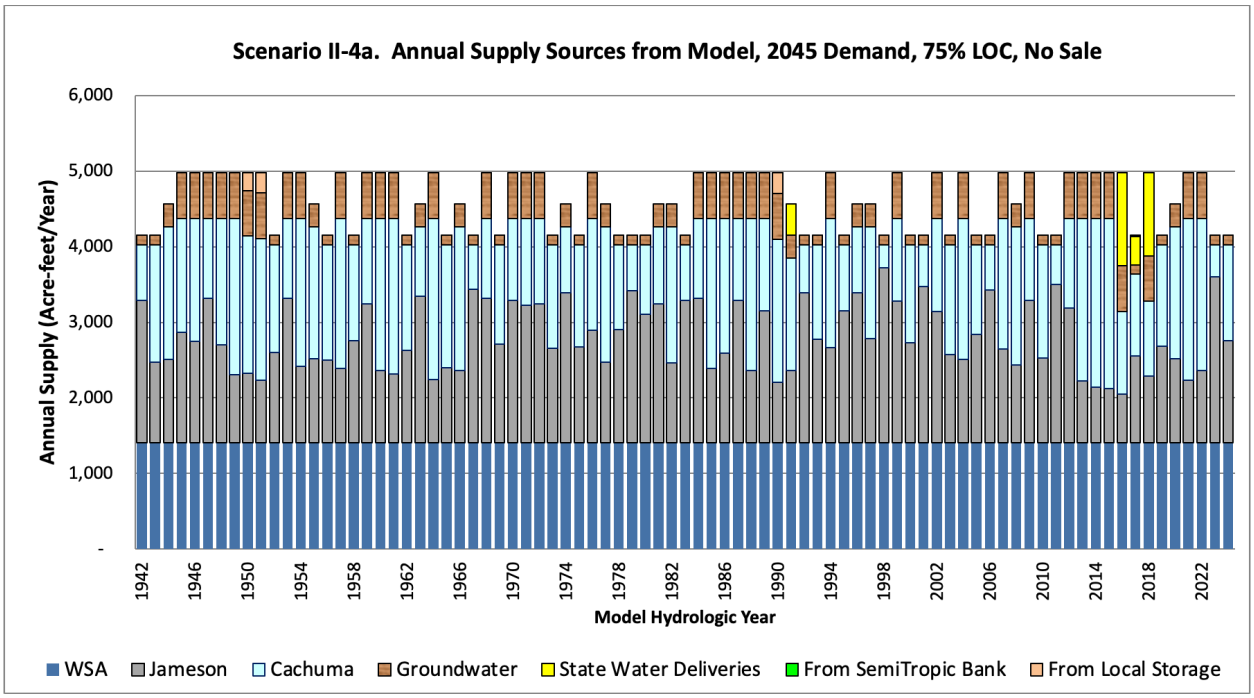


Figure B- 11. Sources of supply for Scenario II-4a from results of 83 years of hydrology in the model. Future SWP is at 75% "level of concern", there is a 30% reduction in Cachuma allocations.

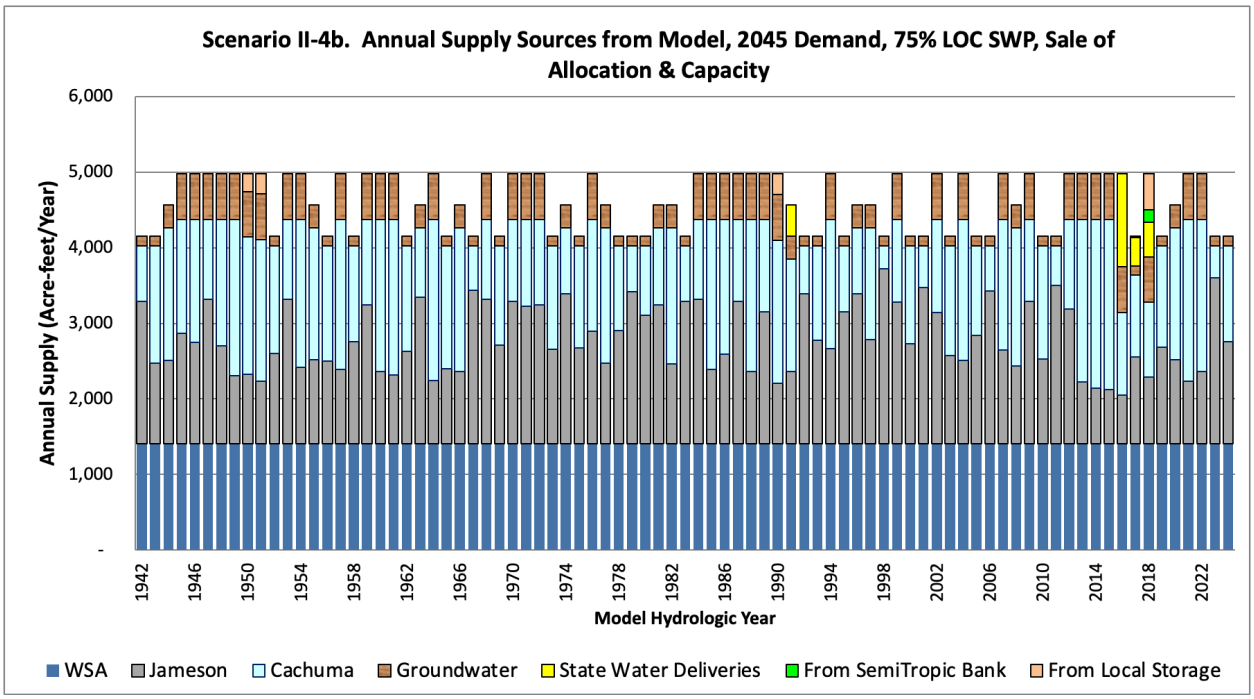


Figure B- 12. Sources of supply for Scenario II-4b from results of 83 years of hydrology in the model. Future SWP is at 75% "level of concern", there is a 30% reduction in Cachuma allocations.

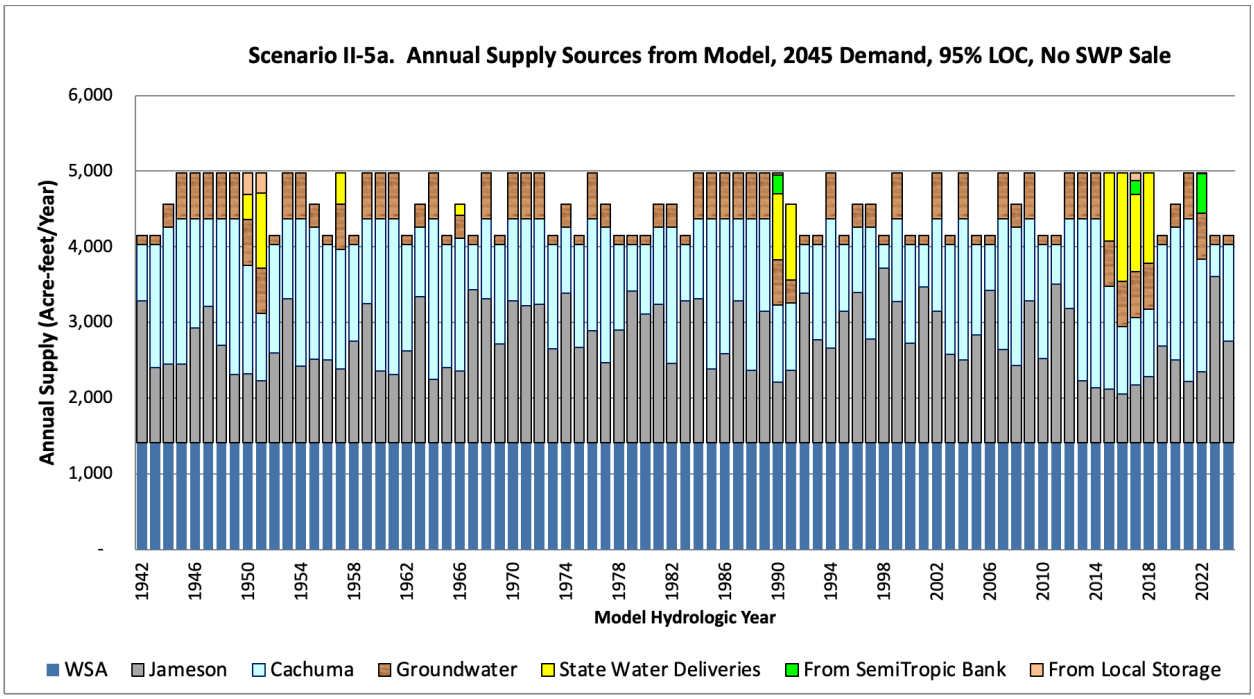


Figure B- 13. Sources of supply for Scenario II-5a from results of 83 years of hydrology in the model. Future SWP is at 95% "level of concern", there is a 40% reduction in Cachuma allocations. This is considered to be the worse-case for MWD water sources with no SWP sale.

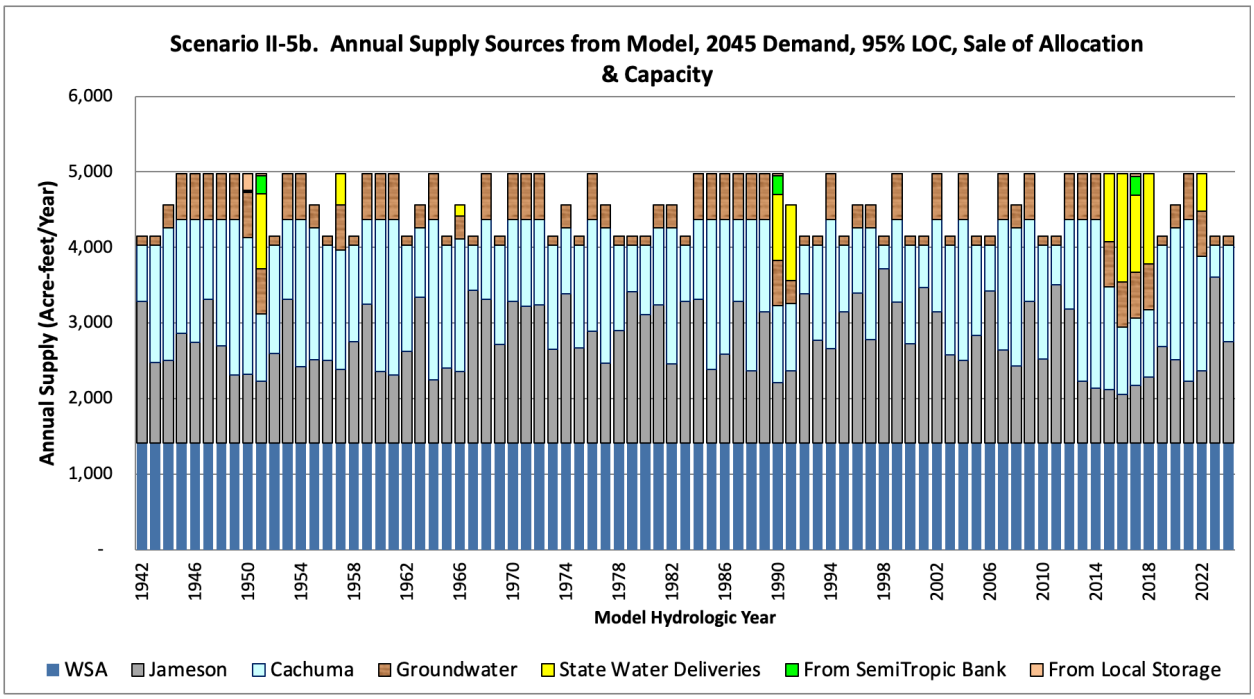


Figure B- 14. Sources of supply for Scenario II-5b from results of 83 years of hydrology in the model. Future SWP is at 95% "level of concern", there is a 40% reduction in Cachuma allocations. This is considered to be the worse-case for MWD water sources with a sale of a portion of SWP.

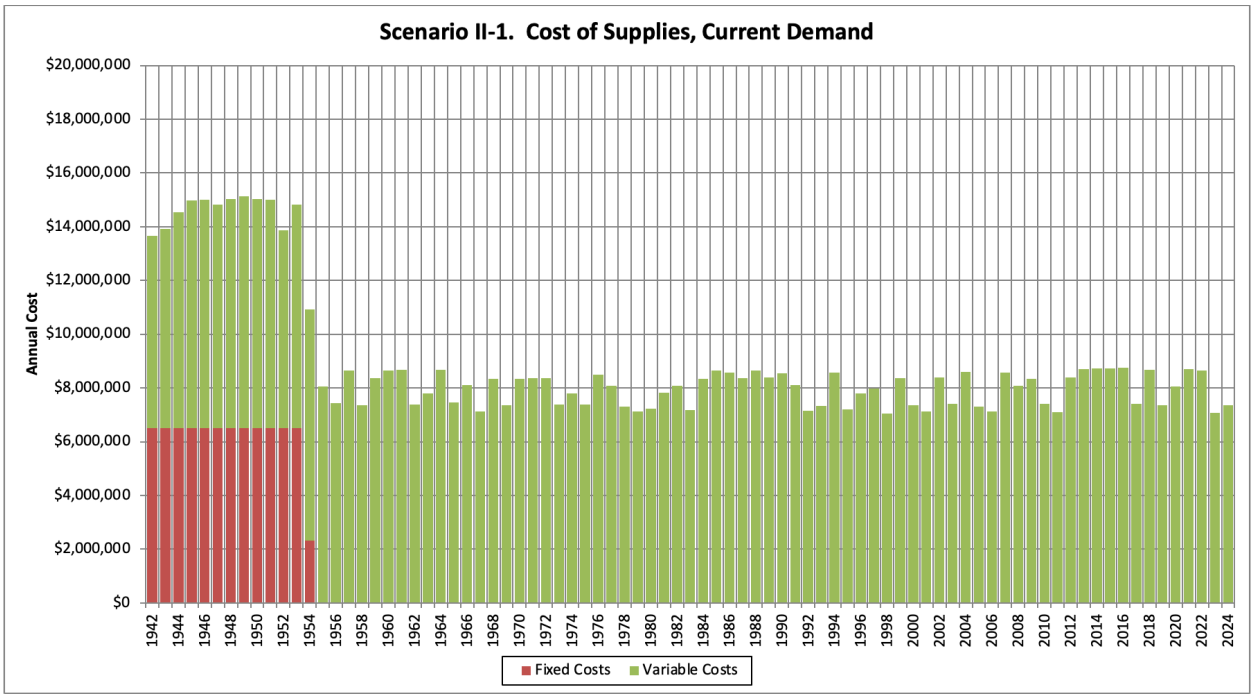


Figure B- 15. Cost of supplies for Scenario II-1 from results of 83 years of hydrology in the model.

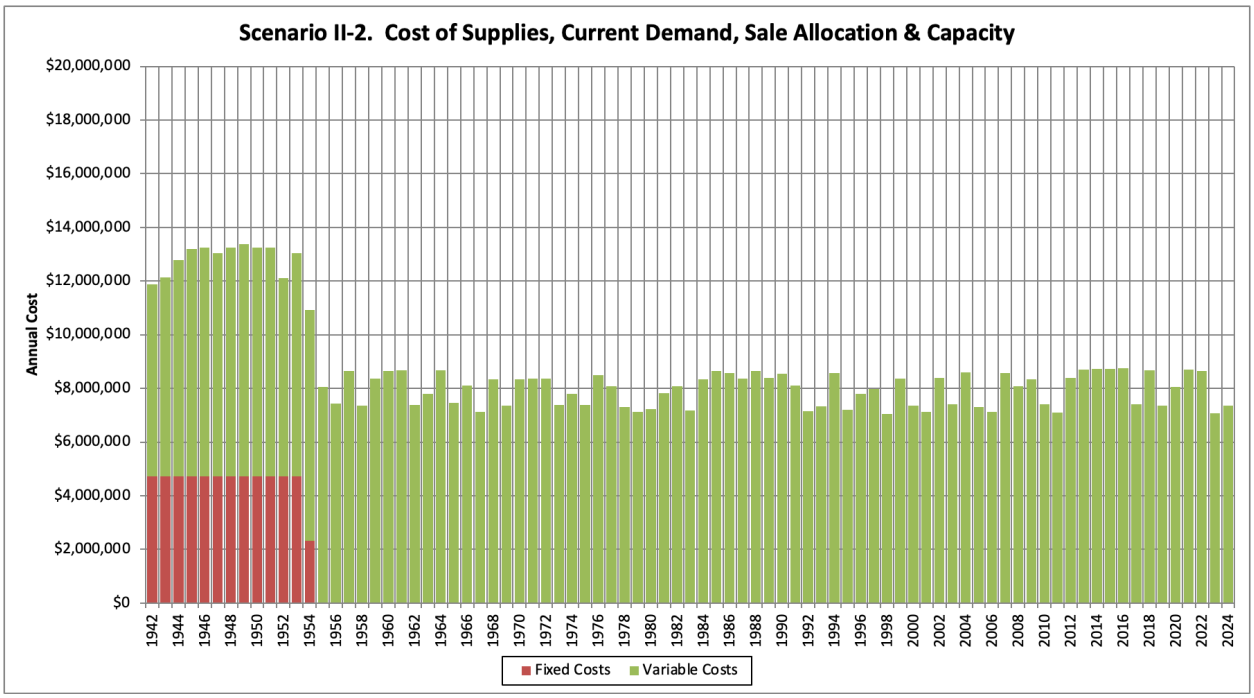


Figure B- 16. Cost of supplies for Scenario II-2 from results of 83 years of hydrology in the model. Current demand, sale of a portion of SWP allocation and capacity. The assumption is that SWP fixed costs would be reduced by an amount proportional to the amount of SWP sale.

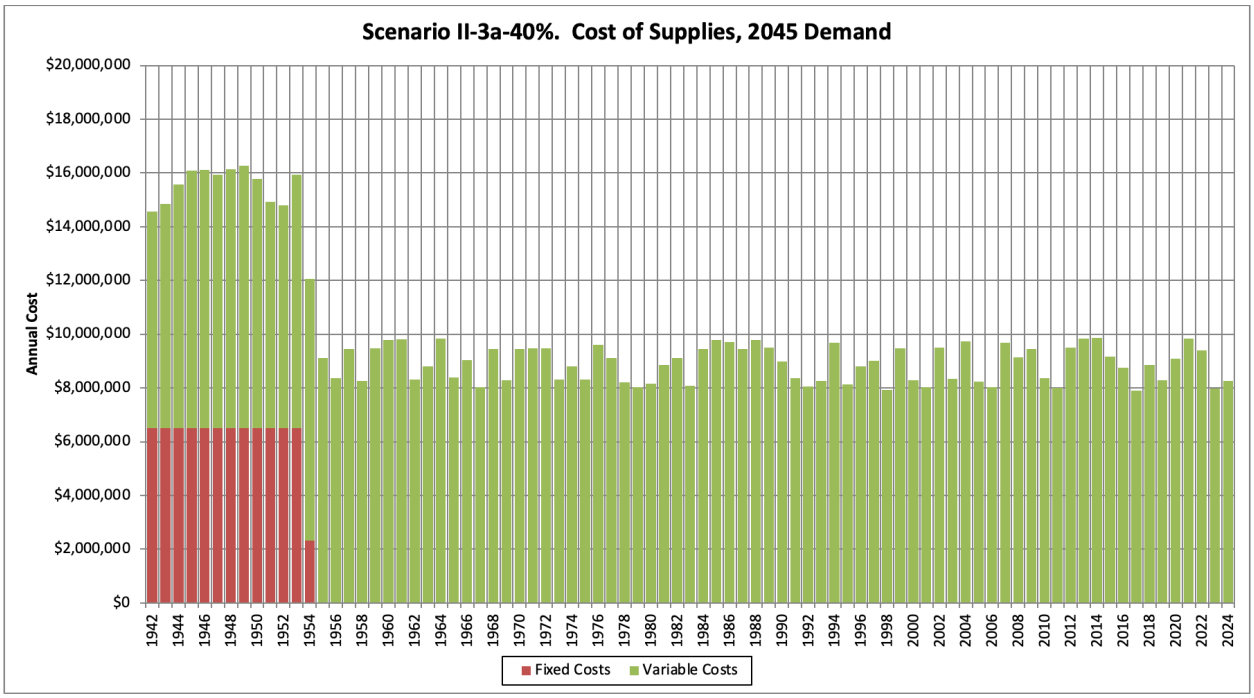


Figure B- 17. Cost of supplies for Scenario II-3a-40% from results of 83 years of hydrology in the model. SWP is at 50% "level of concern" and Cachuma allocations are reduced by 40%.

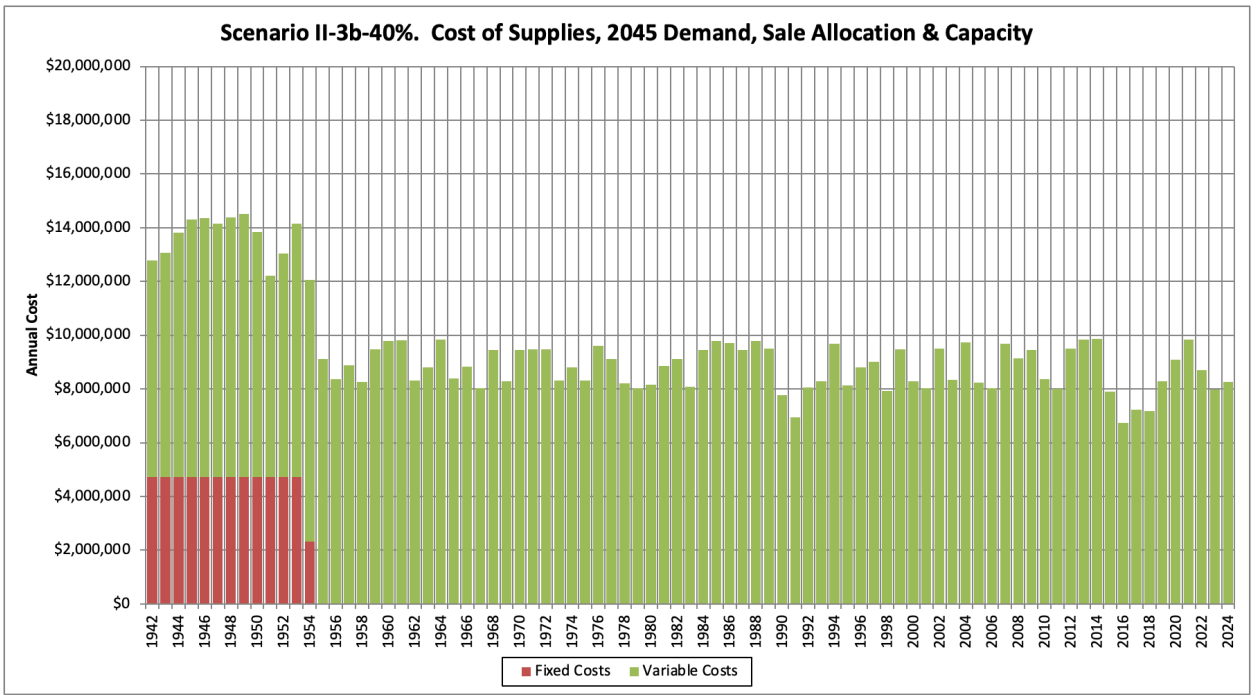


Figure B- 18. Cost of supplies for Scenario II-3b-40% from results of 83 years of hydrology in the model. 2045 demand, sale of a portion of SWP allocation and capacity. The assumption is that SWP fixed costs would be reduced by an amount proportional to the amount of SWP sale.

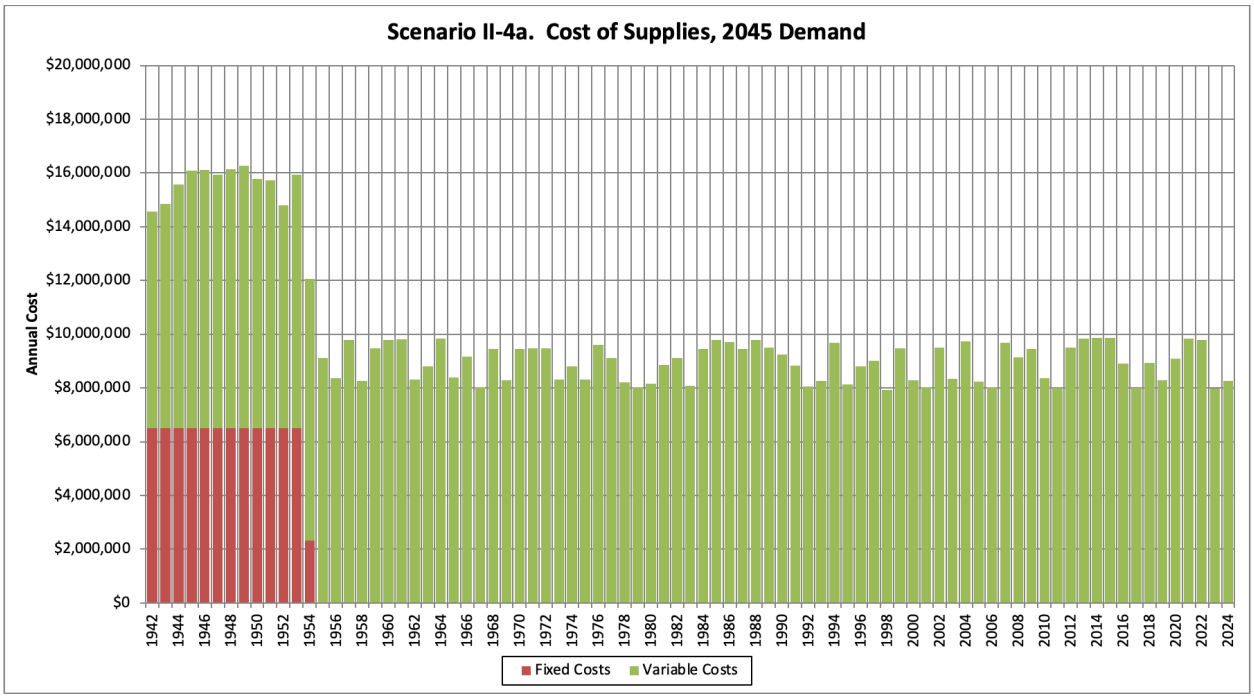


Figure B- 19. Cost of supplies for Scenario II-4a from results of 83 years of hydrology in the model. SWP is at 75% "level of concern" and Cachuma allocations are reduced by 30%.

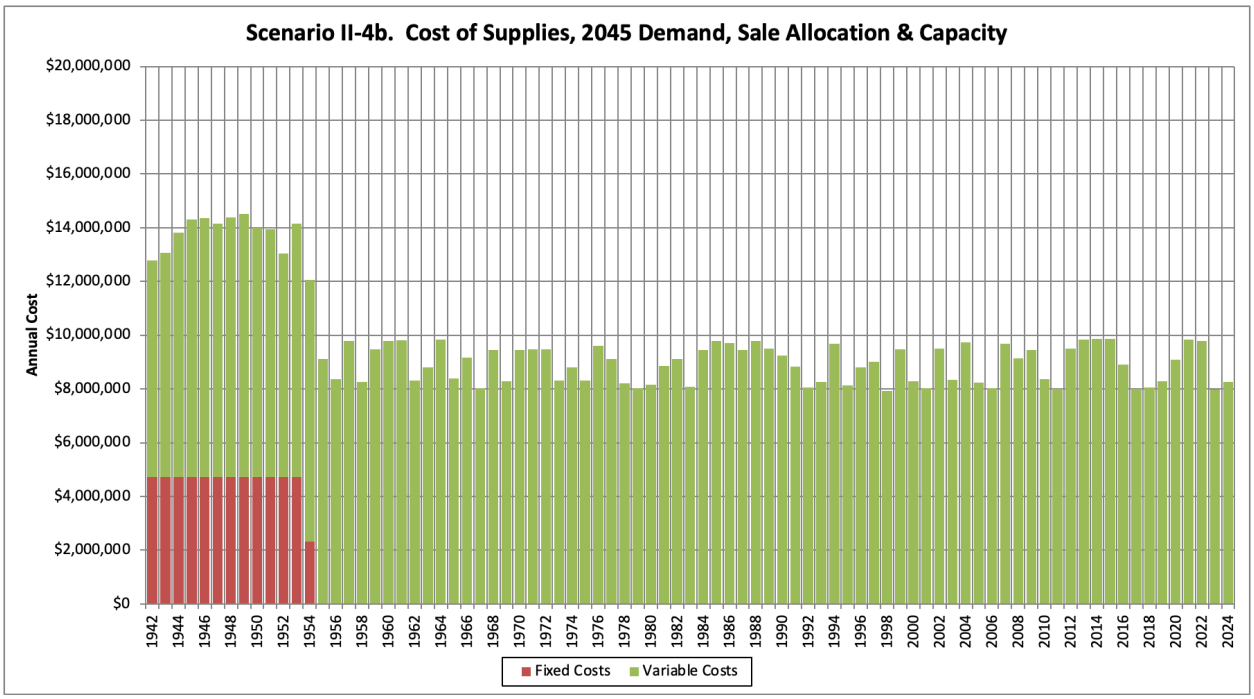


Figure B- 20. Cost of supplies for Scenario II-4b from results of 83 years of hydrology in the model. SWP is at 75% "level of concern" and Cachuma allocations are reduced by 30%. The assumption is that SWP fixed costs would be reduced by an amount proportional to the amount of SWP sale.

APPENDIX C. OTHER CONSIDERATIONS

Following discussions with MWD's Board of Directors, other potential strategies to avoid unsourced demand were also considered. These strategies attempted to overcome the decrease in pumping capacity out of Cachuma during the driest years by bringing in stored water from SemiTropic earlier in a dry sequence of years; this would potentially preserve supplies on the South Coast that are not subject to the Cachuma conveyance limitation. Also evaluated was using Jameson supplies in excess of the rule curve during these driest years. Scenario II-4b, which is considered to be the most realistic future scenario, was used as the basis for this evaluation. This scenario includes SWP 75% LOC (40% Table A average delivery), a 30% reduction in Cachuma allocation, and a sale of 1,400 AFY of SWP allocation. No additional supplies or storage projects are included in this scenario.

A second set of model runs involve more catastrophic scenarios – permanent loss of Jameson, Cachuma, or WSA (desal) following a partial sale of SWP. These scenarios test whether there is unsourced demand after SWP sale in these catastrophic events. Scenario II-4b was also used as the basis for these model runs.

Scenario II-6a – SemiTropic recovery early in sequence of dry years: This scenario examines whether it is beneficial to recover a portion of SemiTropic storage early in a dry-year sequence, transport it to Cachuma, and use it to satisfy unsourced demand. This scenario tested bringing in SemiTropic water in either the second, third, or fourth dry year in a row. **Results**: There was no unsourced demand in any of the years when SemiTropic water was delivered to Cachuma. Thus, the SemiTropic water was not used to meet demand and remained in storage in Cachuma. When there was unsourced demand later in the sequence of dry years, Cachuma Lake levels were low, and water was required to be pumped out of the reservoir. As discussed earlier in this document, conveyance rates are lower when pumping is required. Therefore, there was no remaining pumping capacity to transport SemiTropic water to the South Coast, and the SemiTropic water in Cachuma was eventually lost the next time Cachuma spilled. Thus, this strategy had no advantage in providing water to satisfy unsourced demand.

Scenario II-6b – SemiTropic recovery displaces Jameson use: This scenario is similar to Scenario II-6a, except Jameson water was not used in the year that SemiTropic water is recovered and transported to Cachuma. In theory, SemiTropic water would fill in the demand for Jameson water in that year, preserving Jameson storage for subsequent dry years. **Results:** As indicated in Table C- 1, eliminating Jameson supply in any year creates a small amount of unsourced demand (there is insufficient pumping capacity to bring SemiTropic or any other water from Cachuma to replace the Jameson supply). At the peak of the drought (in this case 2017), there is a small reduction in unsourced demand using this strategy. Thus, this strategy just trades unsourced demand from one year to another and is not particularly beneficial. In addition, the SemiTropic water brought to Cachuma was lost in the next Cachuma spill.

Unsourced Demand				
Scenario	II-4b	II-6b-2nd Dry Yr	II-6b-3rd Dry Yr	II-6b-4th Dry Yr
2013	-	7	-	-
2014	-	-	9	-
2015	-	-	-	4
2016	-	-	-	-
2017	20	13	13	13
2018	-	-	-	-

Table C- 1. Unsourced demand for Scenario II-6b when SemiTropic water is substituted for Jameson supplies in second, third, or fourth dry year in a row. There is a small amount of unsourced demand in the years when Jameson is not used, whereas there is a small reduction in unsourced demand in 2017 at the peak of the drought.

Scenario II-6c – Extra Jameson water used to meet unsourced demand: This scenario temporarily draws on Jameson in excess of the rule curve to meet unsourced demand. This extra draw is replaced the next time Jameson spills, which occurs on average every four years. **Results:** Figure C- 1 indicates that the extra draw reduces Jameson storage temporarily, but the storage is renewed at the next spill. This strategy appears to be viable for the small amount of unsourced demand identified in the modeling.

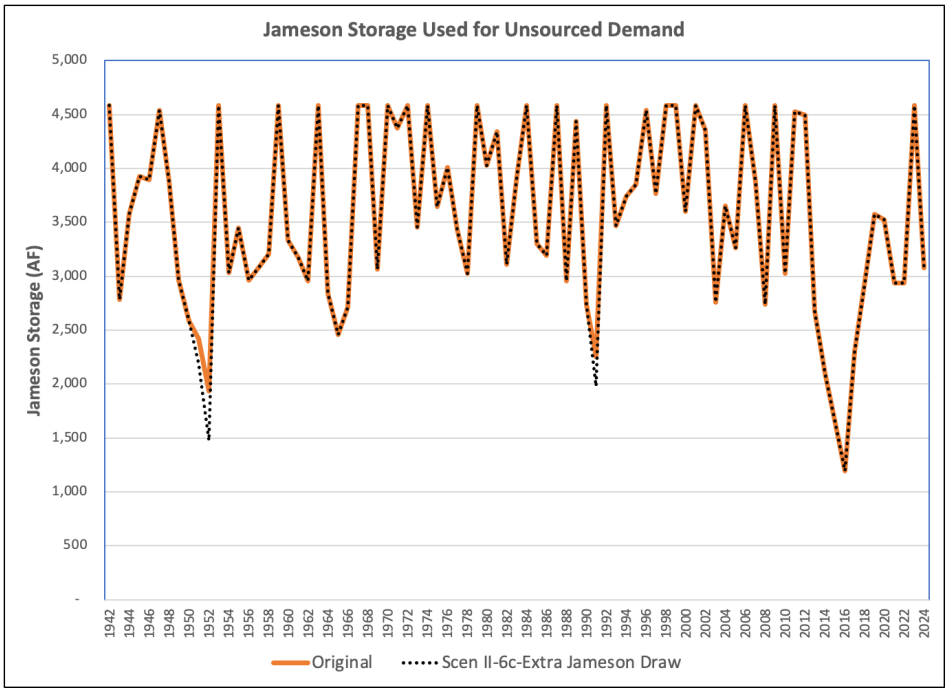


Figure C- 1. Storage in Jameson if there is a temporary extra draw greater than the rule curve to meet unsourced demand. This strategy was run through the 83 years of modeling in Scenario II-6c. Although Jameson storage is temporarily reduced, storage is restored during the next spill.

Scenario II-6d – Combination of Scenarios 6b and 6c: This scenario brings in 1,500 AF of SemiTropic water to Cachuma in third and fourth dry years, with Jameson use eliminated in those years. SemiTropic water would be used first to meet unsourced demand (if there is capacity to bring it from Cachuma to South Coast Conduit), with Jameson water filling in any remaining unsourced demand. **Results:** This combination of scenarios results in no unsourced demand in any of the 83 years of the model. There is significant use of

SemiTropic water during the droughts in the model, with only one year of significant increase in Jameson draws. There is loss of unused SemiTropic water when Cachuma spills – this can largely be mitigated by reducing the amount of SemiTropic water brought to Cachuma in the third and fourth dry years.

Drought Years	Extra Draw from Jameson (AF)	SemiTropic Water to Customers (AF)
1950	210	35
1951	38	215
1987	2	-
1988	-	614
1989	-	-
1990	28	418
2014	9	-
2015	4	892
2017	6	-

Table C- 2. Results on Scenario II-6d indicating the amount of extra draw from Jameson and the use of SemiTropic water during drought years. Unsourced demand is eliminated in these results.

Scenario II-6e – Loss of Jameson supply: In this scenario, Jameson supply is lost for the entire 83 years of the model. As with Scenario II-4b, 1,400 AFY of SWP is sold. By eliminating a supply source near MWD's service area, there is more reliance on bringing water through Lake Cachuma and its conveyance limitations. **Results**: There is unsourced demand greater than 1% of demand in 27% of the model years. The maximum unsourced demand in any year is 18% of demand, or about 900 AFY. The contributing factors in the unsourced demand are conveyance capacity bringing water out of Cachuma and SWP supply shortfalls. The SWP shortfalls occur when annual allocations are reduced during droughts. There is significantly more use of SemiTropic stored water in this scenario. Supplemental water purchases averaging 24 AFY (maximum year of 590 AF) could make up for a portion of these shortfalls – these purchases could reduce unsourced demand to 19% of modeled years and a maximum shortfall of 17% of demand, or 820 AFY. The remaining shortfalls are caused by conveyance limitations both in and out of Cachuma.

Scenario II-6f – Loss of Cachuma supply: In this scenario, Cachuma supply is low for the entire 83 years of the model. As with Scenario II-4b, 1,400 AFY of SWP is sold. **Results:** There is unsourced demand greater than 1% of demand in 37% of the model years. The maximum unsourced demand in any year is 44% of demand, or about 2,200 AFY. The contributing factors in the unsourced demand are SWP supply shortfalls and conveyance limitations. The SWP shortfalls occur when annual allocations are reduced during droughts and some average years. Supplemental water purchases averaging 163 AFY (maximum year of 1,390 AF) could make up for a portion of these shortfalls – these purchases could reduce unsourced demand to 28% of modeled years and a maximum shortfall of 43% of demand, or 2,150 AFY. The remaining shortfalls are caused by conveyance limitations both in and out of Cachuma.

Scenario II-6g – Loss of WSA (desal) supply: In this scenario, WSA supply is lost for the entire 83 years of the model. As with Scenario II-4b, 1,400 AFY of SWP is sold. **Results:** There is unsourced demand greater than 1% of demand in 28% of the model years. The maximum unsourced demand in any year is 35% of demand, or about 1,700 AFY. The contributing factors in the unsourced demand are both conveyance constraints to get water from Cachuma and SWP supply shortfalls. The SWP shortfalls occur when annual allocations are reduced during droughts. Supplemental water purchases averaging 46 AFY (maximum year of 712 AF) could make up for a portion of these shortfalls – these purchases could reduce unsourced demand to 23% of modeled years and a maximum shortfall of 35% of demand, or 1,700 AFY. The remaining shortfalls are caused by conveyance limitations both in and out of Cachuma.

Table 3-7. Projected Water Supply (AF)					
Source of Water Supply	**2025**	**2030**	**2035**	**2040**	**2045**
SWP / CCWA	1,683	1,617	1,551	1,485	1,419
Cachuma	1,591	1,591	1,591	1,591	1,591
Jameson Lake	960	960	959	959	958
Fox & Alder Creek Diversions	400	400	400	400	400
Doulton Tunnel Infiltration	385	385	385	385	385
Groundwater Wells	300	300	300	300	300
Stormwater	0	0	0	0	0
Recycled Water	0	0	0	0	0
Desalination	0	0	0	0	0
Supply from Storage (Semitropic Bank)	1,500	1,500	1,500	1,500	`1,500
Supplemental Water Purchases	0	0	0	0	0
Santa Barbara WSA	1,430	1,430	1,430	1,430	1,430
Santa Barbara Transfer per Juncal Agreement	-300	-300	-300	-300	-300
Total Supplies	7,949	7,883	7,816	7,750	7,683

Table 3-7. From 2020 Urban Water Management Plan with modifications.

Table 3-7 of the 2020 UWMP (Projected Water Supply – modifications shown above) contains a few numbers that are recommended to be updated. For normal year supply reliability, recommendations include:

SWP: Current supply is 1,683 AF (51% of Table A as per DWR 2023), 2045 supply is 1,419 AF (43% of Table A for 50% "level of concern" as per DWR 2023). SWP supplies do not include any future sales of allocation/conveyance.

Cachuma Project: Any future reductions in Cachuma supplies are not known at this time.

Jameson Lake: Average of "normal" years from model, which incorporates Rule Curve: Current supply is 960 AF; 2045 supply is 958 AF.

Doulton Tunnel Infiltration: Average of "normal" years from model derived from 1981-2024 actual data: Current supply is 385 AF; 2045 supply is also 385 AF.

Groundwater Wells: Model has 300 AF for normal years, current and 2045.

Recycled Water: Recycled is 0 AF in model for current and 2045.

SemiTropic: Model has very little SemiTropic used. UWMP may want to treat this differently.

Table 4-7 of the UWMP (Forecast Future Water Use) is recommended to be updated. See discussion in this study in section **Customer Demand**.

Appendix E

2025 Consumer Confidence Report

MONTECITO WATER DISTRICT
A Reliable Supply Since 1921

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.



Nick Turner, General Manager

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.

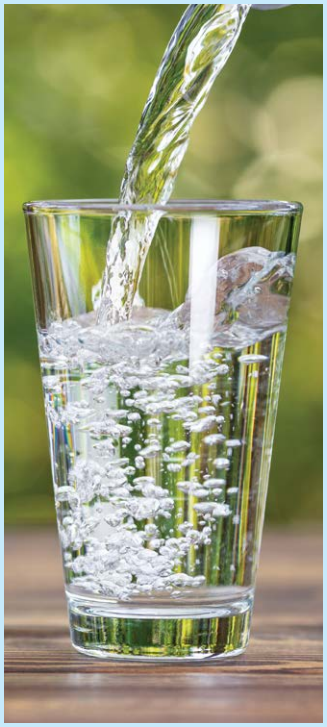
A Note on PFAS: As reported last year, in 2024-2025 the District completed sampling for enhanced detection of PFAS (Per- and polyfluoroalkyl substances).

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



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; runnoff 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 responsibilty 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.

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.

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 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).

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, 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 ug/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 17.1 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.

MONTECITO WATER DISTRICT

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.

BOARD OF DIRECTORS:
Brian Goebel, *President*
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General Manager & Board Secretary

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Appendix F

District Climate Action & Adaptation Plan

Appendix G

Water Shortage Contingency Plan



2025 Water Shortage Contingency Plan

prepared by

Montecito Water District
583 San Ysidro Road
Santa Barbara, CA 93108

prepared with the assistance of

Rincon Consultants, Inc.
180 Ashwood Avenue
Ventura, California 93003

May **2026**

RINCON CONSULTANTS

Table of Contents

Acronyms and Abbreviations....ii
1 Introduction....1
2 Water Supply Reliability Analysis....3
3 Annual Water Supply and Demand Assessment Procedures....4
3.1 Six Standard Water Shortage Levels....5
3.2 Shortage Response Actions....6
3.2.1 Demand Reduction....7
3.2.2 Supply Augmentation....10
3.2.3 Operational Changes....10
3.2.4 Additional Mandatory Restrictions....11
3.2.5 Seismic Risk Assessment, Mitigation Plan, and Emergency Response Plan....11
3.2.6 Shortage Response Action Effectiveness....13
3.3 Communication Protocols....13
3.4 Compliance and Enforcement....14
3.5 Legal Authorities....14
3.6 Financial Consequences of WSCP Implementation....15
3.6.1 Water Budgets....16
3.7 Monitoring and Reporting....16
3.8 WSCP Refinement Procedures....17
3.9 Special Water Feature Distinction....17
3.10 Plan Adoption, Submittal, Availability, and Amendment Procedures....17

Tables

Table 1 Shortage Stages....6
Table 2 Demand Reduction Actions....8
Table 3 Notification to Cities and Counties....18

Acronyms and Abbreviations

Below is the full list of acronyms and abbreviations used in the Water Shortage Contingency Plan.

AWSDA	Annual Water Supply and Demand Assessment
AWWA	American Water Works Association
CWC	California Water Code
DMMs	Demand Management Measures
DWR	California Department of Water Resources
SWP	State Water Project
UWMP	Urban Water Management Plan
WSCP	Water Shortage Contingency Plan
WUEP	Water Use Efficiency Plan

1 Introduction

This Water Shortage Contingency Plan (WSCP) describes how the Montecito Water District (District) intends to predict and respond to foreseeable and unforeseeable water shortages, which may occur when available water supplies are reduced to a level that cannot support typical demand at any given time. The WSCP serves as a planning document to guide the District's Board of Directors, staff, and the public by identifying response actions that allow for efficient and accountable management of water shortages with predictability and transparency. While the Plan does not provide absolute direction, it offers a range of response options to address varying water shortage conditions.

Water shortages may be triggered by hydrologic limitations in supply—such as prolonged periods of below-normal precipitation and runoff—failures or limitations in supply or treatment infrastructure, or a combination of both. Hydrologic or drought-related shortages typically develop and subside gradually, whereas infrastructure-related shortages tend to occur more suddenly and unpredictably. Water supplies may be interrupted or substantially reduced due to events including droughts, fires effecting the watershed, earthquakes that damage delivery or storage facilities, or degradation of water quality such as a harmful algae bloom.

This WSCP describes the following:

- **Water Supply Reliability Analysis.** Summarizes the District's water supply analysis and reliability and identifies the key issues that may trigger a shortage condition.
- **Annual Water Supply and Demand Assessment (AWSDA) Procedures.** Describes the key data inputs, evaluation criteria, and methodology for assessing water supply reliability for the coming year and the steps to formally declare any water shortage levels and response actions, if necessary.
- **Six Standard Shortage Stages.** Establishes water shortage levels to identify and prepare for shortages.
- **Shortage Response Actions.** Describes the response actions that may be implemented for each stage to reduce gaps between supply and demand and minimize social and economic impacts to the community.
- **Communication Protocols.** Describes communication protocols under each stage to ensure customers, the public, and District Board of Directors are informed of shortage conditions and demand management measures (DMMs).
- **Compliance and Enforcement.** Defines compliance and enforcement actions available to administer demand reductions.
- **Legal Authority.** Lists the legal documents that grant the District the authority to declare a water shortage and implement and enforce response actions.
- **Financial Consequences of WSCP Implementation.** Describes the anticipated financial impact of implementing water shortage stages and identifies mitigation strategies to offset financial burdens.
- **Monitoring and Reporting.** Summarizes the monitoring and reporting techniques to evaluate the effectiveness of shortage response actions and overall WSCP implementation. Results are used to determine if additional shortage response actions should be activated or if efforts are successful and response actions should be reduced.

- **WSCP Refinement Procedures.** Describes the factors that may trigger updates to the WSCP and outlines how to complete an update.
- **Special Water Features Distinctions.** Identifies exemptions for ponds, lakes, fountains, pools, and spas, etc.
- **Plan Adoption, Submittal, and Availability.** Describes the process for the WSCP adoption, submittal, and availability after each revision.

This WSCP was prepared in conjunction with the District's 2025 Urban Water Management Plan (UWMP). This document is compliant with the California Water Code (CWC) Section 10632 and incorporated guidance from the California Department of Water Resources (DWR) 2025 UWMP Guidebook, and the American Water Works Association (AWWA) Manual of Water Supply Practices Drought Preparedness and Response.

The District has extensive experience in drought water supply management that began with its inception in 1921. As a community without reliable water supplies in the 1920s, the District embarked upon establishing a reliable water supply for its customers that resulted in the construction and operation of Jameson Lake, Juncal Dam, Doulton Tunnel, groundwater wells, and a District-wide water transmission, distribution, and storage system. Subsequent droughts impacted water supply availability in the region, with new supplies and infrastructure added over time such as: Cachuma Project, State Water Project (SWP), desalination supplies, temporary supplemental supplies, and surface water stored in the Semitropic Groundwater Bank. The District has also enacted demand-side measures during drought times through ordinances such as drought surcharge, allocations and penalties, new connection moratorium, and a water use efficiency program and outreach efforts. These actions have substantially strengthened the District's water reliability, lowering the risk of shortages and lessening the need for future demand-reduction measures.

2 Water Supply Reliability Analysis

The supply reliability projections presented in Chapter 7 of the 2025 UWMP demonstrate that the District will have sufficient supplies during normal hydrologic years.

Demand is assumed to rise during hotter and drier conditions associated with drought. The District faces several supply vulnerabilities during drought, including:

- Reduced surface water inflows to **Jameson Lake** and the **Cachuma Project**
- Reduced **Doulton Tunnel** infiltration
- Declining **Groundwater** levels
- Reduced **SWP** allocations
- Water quality degradation in surface water reservoirs
- Natural disaster risks (earthquakes, wildfires)

To compensate for reductions in regional supply sources, the District can increase imported deliveries such as SWP water, banked water or supplemental water purchases, and local groundwater pumping.

In normal hydrologic years, the District has more than sufficient supplies to meet demands without implementing DMMs through 2050. The District also has sufficient supplies to satisfy demands in all single dry year scenarios analyzed, which means the District is well prepared to weather short droughts without needing to reduce customer demands. In these scenarios, supplies will comfortably exceed demand and result in a surplus without requiring additional DMMs. During years 1-4 of the multiple dry year scenario, water supplies are anticipated to be sufficient to meet project demands. However, in the fifth year, a minor shortage is projected to occur due to conveyance constraints that limit the delivery of both Cachuma Project and imported supplies. The District's implementation of Stage 1 of the WSCP is likely sufficient to manage demand and fully mitigate the water shortage. This same pattern is observed in the Drought Risk Assessment for years 2026-2030 that is modeled after local demand and supply response in the 2012-2016 and 2021-2022 droughts.

3 Annual Water Supply and Demand Assessment Procedures

As established by CWC Section 10632.1, urban water suppliers must conduct an AWSDA and submit an annual water shortage assessment report to DWR. The AWSDA is an evaluation of the short-term outlook for supplies and demands to determine whether the potential for a supply shortage exists and whether there is a need to trigger a WSCP shortage level and response actions in the upcoming fiscal year to maintain supply reliability. Beginning in 2022, the District began preparing and submitting their AWSDA to DWR.

The District analysis incorporates numerous data sources used as evaluation criteria to project probable demands and supply availability for the coming year. Sources to consider include:

- Projected weather conditions
  - National Oceanic and Atmospheric Administration 3-month projections
  - US Drought Monitor current status
  - Precipitation versus historical on monthly basis for state and local forecasts.
- Projected Unconstrained Demand
  - Production versus historic on monthly basis
  - New customer growth
  - Identify artificially supplied water features separate from swimming pools and parks (required per CWC 10632(b)
  - Gallons per capita per day and acre-foot/acre monthly tracking
- Projected Supply Availability
  - Water Supply Agreement with the City of Santa Barbara in connection with its desalination facility
  - Lake Cachuma/Cachuma Project – regional surface water
  - Jameson Lake surface water from the Santa Ynez River
  - Doulton Tunnel groundwater infiltration
  - Montecito Groundwater Basin well production
  - SWP – State surface water
  - Supplemental water purchases
  - Stored water in Semitropic Groundwater Bank

The general procedure is listed below. The District may modify this process based on available data, significant events, process restrictions, or other external factors that may impact the process. If no water shortage exists, staff provide an informational item to the Board of Directors on the results of the AWSDA. If the AWSDA shows a water shortage, the AWSDA is presented to the District's Board of Directors for discussion and questions. Staff will modify/update the assessment per direction from the Board. The Board can also provide direction to implement specific management strategies at that time.

Step 1. Projected Weather Conditions

Compile existing weather data to characterize past 12 months' conditions. Considering recent conditions and available forecasts, select a projected dry year scenario from the historical record of allocations for each source. Dry year scenario assumes the following:

- No additional inflow to Jameson Lake or Cachuma Project
- No additional recharge of Montecito Basin
- Low rainfall year across Northern California, the source of SWP water

Step 2. Projected Unconstrained Demand

Project unconstrained monthly demand for the next 12 months factoring in existing demands, water use budgets, weather projections, and growth projections.

Step 3. Projected Supply Availability

Summarize the current supply availability over the next 12 months for each supply source assuming no supply restrictions. Project next year supply availability over the next 12 months assuming the next year is a dry year as selected in Step 1. For each supply source, utilize the existing conditions coupled with historic availability and other known conditions to project probable monthly availability.

Step 4. Supply Infrastructure Restraints

Identify and describe any projected infrastructure restrictions to delivering supply in the next 12 months.

Step 5. Project Next Year Supply Deliverability

Using results from Steps 3 and 4, identify the current conditions and dry year projected supply delivery for the next 12 months.

Step 6. Projected Dry Year Supply to Demand Comparison

Compare the projected next year unconstrained demand to the next year dry-year projected supply deliverability. Identify any projected monthly shortfall in supply to meet the unconstrained demand, cross-referencing the condition to one of the six water shortage levels identified in this WSCP.

Step 7. Water Resource Strategies

Develop and propose water resource management strategies to address the projected demand to supply comparison, including reference to one of the water shortage stages identified in this WSCP, if necessary.

3.1 Six Standard Water Shortage Levels

Pursuant to CWC §10632(a)(2), the District adopted the State's six standard water shortage levels representing 10 percent, 20 percent, 30 percent, 40 percent, 50 percent, and >50 percent supply shortages. These standardized stages, developed by DWR, provide a consistent statewide method for identifying and communicating shortage conditions.

The District adopted the six standard water shortage levels as presented per CWC Section 10632(a)(3) and summarized in Table 1. This WSCP outlines response actions for each stage, including associated demand reduction or supply augmentation estimates, as required by CWC §10632(a)(3). During a shortage, the District will select only those actions appropriate to the specific conditions; not all actions will be used in every event.

3.2 Shortage Response Actions

Per CWC Section 10632(a)(4) and 10632.5(a), WSCP response actions that must be implemented or considered for each stage to minimize social and economic impacts to the community. This WSCP identifies various actions to be considered by the District's Board of Directors.

In the event of a water shortage, the District will evaluate the cause of the shortage to help inform which response actions should be implemented. Depending on the nature of the water shortage, the District can elect to implement one or several response actions to mitigate the shortage and reduce gaps between supply and demand. The District imposes DMMs within the corresponding shortage stage in addition to DMMs within preceding stages (e.g., if a Stage 2 drought is declared by the District, the District will impose both Stage 2 and Stage 1 DMMs). Table 1 identifies the six shortage stages used as a basis for creating District DMMs.

In August 2024, the District adopted Ordinance No. 99 establishing water use efficiency policies and recommendations. This ordinance provides standing authorization for water use restrictions and prohibitions to become effective upon adoption of a water supply shortage stage at any regular or special meetings by the District Board of Directors.

Table 1 Shortage Stages

Stage	Supply Shortage	Water Shortage Condition
Normal	None	Normal conditions
1	Up to 10 percent	Supply reduction of up to 10 percent from normal annual supply availability, or over any two consecutive months.
2	Up to 20 percent	Supply reduction of up to 20 percent from normal annual supply availability, or over any two consecutive months.
3	Up to 30 percent	Supply reduction of up to 30 percent from normal annual supply availability, or over one month.
4	Up to 40 percent	Supply reduction of up to 40 percent from normal annual supply availability, or over any 2-day time period. This is considered the threshold stage for catastrophic interruption to District supplies.
5	Up to 50 percent	Supply reduction of up to 50 percent from normal annual supply availability, or over any 1-day time period. This condition unlikely with current supply portfolio but could occur due to natural disaster.
6	Greater than 50 percent	Supply reduction of greater than 50 percent from normal annual supply availability, or over any discrete time period. This condition unlikely with current supply portfolio but could occur due to natural disaster.

3.2.1 Demand Reduction

The District supports efficient water use at all times. As such, the District has permanent water use restrictions and measures in place during normal supply conditions described in the District's 2022 *Water Use Efficiency Plan* (WUEP) and 2024 Ordinance No. 99 *Establishing Water Use Efficiency Policies and Recommendations* (Ordinance No. 99). The District promotes individual actions on an on-going basis through its education and outreach resources. As a result of District efforts toward water use efficiency implemented since the 2012-2016 drought, water demand within the District service area has decreased approximately 40 percent since 2016.

The District has identified a variety of DMMs to offset supply shortages. Demand reduction measures are strategies intended to decrease water demand to close the gap between supply and demand. The District employs a variety of techniques to encourage community members to be more involved and educated about water conservation and efficient water use. These techniques include actions planned to be taken at the consumer level including, but not limited to:

- Implementation of the 2022 WUEP, including public outreach of various WUEP programs through the District's website, bill inserts, enews, and press releases
- Use of smart water meters and the WaterSmart customer portal which work in concert to provide real-time water use monitoring and leak detection
- Providing property-specific Water Budgets, a data-driven tool that provides each customer with a unique, science-based guide for efficient indoor and outdoor water use based on their specific property characteristics
- Providing Smart Rebates targeting property improvements that result in a reduction in long-term water use
- Providing onsite water use audits to identify inefficient uses of water

Since implementation of WUEP programs, the District has found these methods to be effective in reducing overall water consumption and managing demands during periods of normal water supply and water shortage conditions. The District will rely on its regular water use efficiency program as well as additional measures to respond to the range of water supply shortages that may arise. A full list of demand reduction methods preformed at various supply shortage stages are provided in Table 2.

Table 2 Demand Reduction Actions

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value	
1+	Increase communication to customers about parcel specific Water Budgets	Percentage	0-10%	No
1+	Increase Customer's use of WaterSmart, expanding leak alerts	Percentage	0-10%	No
1+	Promote Rebates program, Customer Water Audits and other water efficiency campaigns	Percentage	0-10%	No
1+	Expand public information campaign to enhance awareness of water use efficiency and conservation	Percentage	0-10%	No
2+	Targeted outreach to customers using water in excess of their Water Budget	Percentage	11-20%	No
2+	Targeted outreach to highest water users	Percentage	11-20%	No
2+	Expand conservation communication campaign using methods such as electronic signage	Percentage	11-20%	No
2+	Discourage discretionary uses such as the filling of pools, fountains, and water features	Percentage	11-20%	No
2+	Increase property specific water use efficiency audits	Percentage	11-20%	No
2+	Increased rebates specifically for landscape conversions	Percentage	11-20%	No
2+	Limit sale of water for construction occurring outside the District's service area	Percentage	11-20%	No
2+	Increase system water loss reduction efforts	Percentage	11-20%	No
2+	Implement or Modify Drought Rate Structure or Surcharge	Percentage	11-20%	No
3+	Apply a Drought Factor to Water Budgets aimed at reducing outdoor irrigation for residential and CII customers	Percentage	21-30%	Yes
3+	Establish penalty for water use in excess of Water Budgets; consider establishing budget based rates	Percentage	21-30%	Yes
3+	Pool, spa, and pond refills prohibited; topping off is permitted	Percentage	21-30%	Yes
3+	Limit hydrant flushing	Percentage	21-30%	Yes
3+	Prohibit the sale of water for construction purposes	Percentage	21-30%	Yes
4+	Increase Drought Factor and apply it to Water Budgets	Percentage	31-40%	Yes
4+	Limit outdoor irrigation for residential and CII customers to 1 day per week	Percentage	31-40%	Yes

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value	
4+	Use of mechanical devices to restrict flow through service lines on severely over-budget accounts that are non-responsive to outreach, and other mandatory restrictions and enforcement	Percentage	31-40%	Yes
5+	Increase Drought Factor and apply it to Water Budgets	Percentage	41-50%	Yes
5+	Prohibit outdoor irrigation for all customers. Use limited to public health and safety water	Percentage	41-50%	Yes
6+	Prohibit all outdoor use except as necessary to protect public health and safety.	Percentage	Over 50%	Yes
6+	Issue-specific measures developed as needed	Percentage	Over 50%	Yes

3.2.2 Supply Augmentation

During a water shortage, the District may pursue supply augmentation measures to help maintain supply reliability and reduce the need for additional demand reductions. These actions are intended to supplement existing supplies and provide flexibility when conditions limit normal water supply availability. The District will evaluate potential supply augmentation options based on feasibility, cost, and availability at the time of implementation, using them as needed to support overall supply and demand balance during shortage events. During a water shortage, the District may pursue a range of supply augmentation measures to help maintain the reliability of its water system and reduce the severity of required demand reductions. Supply augmentation actions provide additional sources of water or enhance access to existing supplies, allowing the District to stabilize its supply and demand balance when conditions warrant. These actions are intended to complement the District's established water use efficiency measures and provide operational flexibility during both short-term and prolonged shortages. Specific supply augmentation options will be evaluated based on availability, cost, feasibility, and the District's overall water management objectives at the time of implementation.

3.2.3 Operational Changes

During shortage conditions, operations may be affected by demand reduction responses. Operational changes to address a water shortage may be implemented based on the severity of the reduction goal. The District, with Board of Directors approval as needed, will consider their operational procedures at the time of a shortage to identify changes they can take to maximize supply and reduce demand during a water shortage.

These potential actions, depending on shortage levels, could include, but are not limited to:

- Expansion of public information campaign to educate and inform customers of the water shortage emergency and required water use reductions
- Provide information regarding rebates for plumbing fixtures and landscape irrigation
- Implement or modify drought rate structure or surcharge or water emergency tiered pricing, pursuant to the requirements of Proposition 218 and in accordance with California Law
- Review opportunities to reduce overhead and defer non-critical Capital Improvement Projects and/or major maintenance expenditures to help manage a decrease in revenue from lower retail water sales
- Review non-critical facility replacement projects for any opportunities to extend the master planned replacement schedule

3.2.4 Additional Mandatory Restrictions

In addition to any shortage response level being declared, the District maintains the following prohibitions and restrictions at all times.

Pursuant to the District's Ordinance No. 99, the following wasteful uses of water are prohibited:

- Washing of hard surfaces such as driveways, sidewalks, patios and parking lots except where necessary to protect health and safety. Pressure washing for maintenance or repair is not considered water waste.
- Applying water to landscaping during, and within 48 hours after, measurable rainfall of at least one-quarter inch of rain.
- Applying water to outdoor landscaping in a manner that causes significant runoff such that water flows onto an adjacent property, non-irrigated areas, private and public walkways, parking lots or structures.
- Washing a vehicle without the use of a bucket and/or hose equipped with a hand operated shut off nozzle.
- Using potable water in ornamental fountains or other decorative water features that do not use a water recirculating system.
- Irrigating turf on public street medians or publicly owned or maintained landscaped areas between the street and sidewalk where the turf does not serve a community or neighborhood function such as for picnicking, sports, pet walking, etc.
- Irrigating outdoor landscaping during the warmest part of the day when evaporation is the greatest. Irrigation is most efficient between evening and mid-morning, such as between the hours of 6 p.m. and 10 a.m.
- Draining and refilling a swimming pool, spa or hot tub more than once every five years.
- Using potable water to fill new ponds and maintaining the water level for unlined ponds.
- Allowing an identified water line break or leak to continue without immediately making the necessary repairs or turning off the water service to the property temporarily to prevent water loss until such time as the repair has been completed.

3.2.5 Seismic Risk Assessment, Mitigation Plan, and Emergency Response Plan

The District completed a comprehensive *Hazard Mitigation Plan* in 2023, *Emergency Response Plan* in 2026, a *Risk and Resilience Assessment* in 2026, and 2015 *Structural and Seismic Evaluation for District Storage Reservoirs*. Combined, the plans provide the District with an analysis of potential emergencies or events with a coordinated response and recovery strategy. Each plan is updated periodically with the most recent version available on the District's website, unless confidential. The County of Santa Barbara also maintains the *Multi-Jurisdictional Hazard Mitigation Plan* which serves as an umbrella document for the District's service area.

In addition to the District's *Hazard Mitigation Plan* and *Emergency Response Plan*, the District also implements the following procedures to contend with a catastrophic water supply interruption:

- Available water supply is diverse consisting of major supply provided by a local and regional surface water reservoir and local desalination that have separate and independent storage and conveyance facilities.
- Emergency back-up generators have been installed at both District water treatment facilities as well as at all critical District pump stations.
- District's administrative office is supplied by an emergency back-up generator to ensure operations can continue during power outage or other emergency.
- District has a Supervisory Control and Data Acquisition system that allows for remote monitoring and control of the District's water facilities, which have battery back-up provisions and radio telemetry not dependent on public utilities.
- District maintains an up-to-date Geographic Information System web maps which clearly illustrates all District water facilities to allow for proper isolation of pipes, reservoirs, etc. in the event of an emergency.
- District has staff members from two separate departments (Treatment and Distribution) are "on-call" 24-7 to monitor and control District water facility operations at all times.
- District has a full-time dam caretaker that resides at the Juncal Dam/Jameson Lake facility to monitor dam performance.
- District's staff is cross-trained and can perform emergency repairs to the water system including immediate response and repair to water main breaks.
- District maintains heavy equipment including back-hoes and dump trucks which trained staff utilize to make emergency repairs to the water system. The District also maintains additional equipment needed to make water system repairs including but not limited to; sump pumps, jackhammers, compaction equipment, trench shoring, and saws.
- District maintains an inventory of materials at its District Yard including pipe, valves, fittings, repair couplings, etc. to ensure repairs can be made at all hours.
- District coordinates with local contractors as needed to ensure they are familiar with District standards in the event outside contracting assistance is required to make emergency repairs.
- District maintains an Federal Communications Commission-licensed radio system with vehicle mounted radio communication equipment as well as radio equipment stationed at the District office and Bella Vista Treatment Plant to allow for communication in the event cellular communication is unavailable.
- District participates in California Water/Wastewater Agency Response Network, a statewide agency that makes equipment, supplies, and staffing available from outside participating agencies available when called upon during an emergency.
- The District's staff conducts both tabletop exercises and mock field emergency exercises to ensure familiarity with the District's Emergency Response Plan and practice emergency response procedures.

Catastrophic supply interruptions differ from the six drought response stages. Catastrophic interruptions are considered to be sudden interruptions in supply that can immediately reduce the District's available water supply. While it is not possible to identify every potential catastrophic water supply interruption scenario, the District's *Hazard Mitigation Plan* has compiled a range of plausible scenarios that could impact the availability of its existing water supply sources under

normal hydrologic conditions. The seismic risk scenario is summarized below, with many other scenarios presented in the *Hazard Mitigation Plan*.

Earthquake vulnerability for the region is described in the Santa Barbara County's *Multi-jurisdictional Hazard Mitigation Plan* and the *Structural and Seismic Evaluation for District Storage Reservoirs*. According to maps developed by the County of Santa Barbara Office of Emergency Management, minor fault lines run through the District's service area, with some areas being subject to moderate severity liquefaction. While District pipelines and reservoirs are not seismically designed to current codes, District facilities have aged well, with no resulting damage from historical earthquakes such as the Long Beach Earthquake (1931), the Sylmar Earthquake (1971), the Goleta Earthquake (1978), the Loma Prieta Earthquake (1989) and the Northridge Earthquake (1994). District pipelines and reservoirs are vulnerable to the impacts of an earthquake. To date, an earthquake has not been the cause of pipe breakage or reservoir damage, but the District is cognizant of the possible damage during a significant seismic event. Mitigation efforts are developed and presented in the *Hazard Mitigation Plan* and include seismic upgrade projects for existing facilities, including seismic response considerations in new designs, establishing emergency water distribution logistics, routine updates of the *Emergency Response Plan*, and training in Incident Command System Emergency Management.

In addition to the specific seismic event mitigation efforts, the District's efforts to diversify its supply sources also greatly increase its resiliency to seismic as well as other hazard events. The District's robust supply portfolio offers multiple alternative supply sources should one source become unavailable.

3.2.6 Shortage Response Action Effectiveness

The District routinely tracks water production, distribution, and customer billing data. During a water shortage, this information is compared to normal year demand or to a designated State-required baseline to evaluate progress toward meeting shortage stage objectives. Estimated water savings for each WSCP action are provided in Table 2, with higher savings achieved when multiple actions are implemented together. Some measures provide substantial reductions at advanced shortage stages. For example, prohibiting outdoor irrigation in Stage 5 is estimated to reduce the shortage gap by up to 50 percent. These estimates guide the District in selecting and adjusting response actions to meet demand reductions.

3.3 Communication Protocols

The District uses its established communications program to keep customers and stakeholders informed during a water shortage. Public notifications for Board meetings related to the AWSDA or potential shortage declarations follow standard Board noticing and press release procedures.

When the Board declares a shortage stage, the District announces the declaration and associated restrictions through press releases, billing statements, enews and updates to the District website, which will feature the current stage, restrictions, and available customer resources. Ongoing Board meetings will review conditions, customer response, and any recommended adjustments to the shortage actions.

3.4 Compliance and Enforcement

CWC Section 10632(a)(6) requires description of compliance and enforcement provisions. Ordinance No. 99 establishes fines for violating mandated water waste restrictions. Fines for water waste will fund water use efficiency initiatives and targeted outreach toward those who fail to avoid wasteful water use practices or conserve water; increased costs required to manage water waste; and the purchase, if necessary, of additional water supplies to offset wasteful consumption and protect the health and safety of all customers.

Measures will be enforced through the following procedures, in addition to any enforcement measures identified in ordinances. District will modify and adjust the compliance strategy as necessary for each respective situation.

- First violation: Written warning.
- Second and subsequent violations: A $250 fine, which doubles with each additional violation up to a maximum of $1,000 per violation.
- Fourth violation (or earlier if warranted): The General Manager may require installation of a flow restrictor on the customer's service line.
- The District may apply additional penalties or charges as needed to enforce prohibitions on specific water uses.

These measures support effective implementation of shortage response actions and ensure adherence to District water-use requirements.

3.5 Legal Authorities

The District is organized under the County Water District Law [Water Code §§30000-33901] and is authorized to do any act necessary to furnish sufficient water in the district for any present or future beneficial use [Water Code §31020]. This authorization is consistent with California Constitution Article X, Section 2, which declares and requires that water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use of water be prevented.

The District's authority to enact and enforce its WSCP is found in Water Code §31026, which authorizes the District to restrict the use of water during any threatened or existing water shortage and to prohibit wastage of water during such periods. The District is authorized to prescribe and define by ordinance such restrictions, prohibitions and exclusions as the District determines to be necessary [Water Code §31027]. The District's findings as related to its adopted restrictions, prohibitions and exclusions continue unchanged unless and until a contrary finding is made by the Board by resolution or ordinance [Water Code §31028].

The aforementioned powers derived from the District's organizing statutes are in addition to general powers granted to water distributors in Water Code §§350-359. Water Code §350 authorizes the governing body of a distributor of a public water supply to declare a water shortage emergency whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent there would be insufficient water for human consumption, sanitation, and fire protection. Upon a finding of such an emergency condition, the distributor can adopt such regulations and restrictions

on the delivery and consumption of water as will conserve the water supply for the greatest public benefit, with particular regard to domestic use, sanitation, and fire protection [Water Code §353]. The regulations and restrictions remain in force and effect until the supply of water available for distribution within such area has been replenished or augmented, and restrictions may include the right to deny new service connections and discontinue service for willful violations. [Water Code §355 and §356]

The District also coordinates with any city or county within which it provides water supply services for the possible proclamation of a "local emergency" under California Government Code, California Emergency Services Act (Article 2, Section 8558).

The District will declare a water shortage emergency within its service area boundaries when it determines through its best judgement that normal demands and requirements of its customers cannot be met with the projected supplies. Once a water shortage stage has been declared, the District will enforce compliance through a multitude of measures commensurate with each reduction goal. The District will either implement measures per this WSCP or will provide further discrete requirements through ordinances.

3.6 Financial Consequences of WSCP Implementation

Per CWC Section 10632(a)(6), this section describes the financial consequences of implementing the WSCP and potential mitigation strategies.

Implementing any stage of the WSCP is expected to impact the District's financial status. As experienced during previous droughts, revenues will decrease with decreasing usage, and expenses will increase with additional monitoring and enforcement responsibilities, as well as additional costs for replacement supplies if needed.

The District maintains a rate structure with two main components: a fixed charge component (monthly service charge) and a variable volumetric rate (water usage rate), and certain customers have a monthly fire line charge for private fire protection services. Monthly fixed charges are determined by meter size, with larger meters having the capacity to consume more water. Monthly fire line service charge is established based on the diameter of the fire line serving the property. Volumetric component of the water bill is based on the units of water delivered to the property multiplied by the unit rate by customer class. Residential customers have three tier water usage rates, and commercial, institutional, agriculture, and non-potable have a uniform monthly rate.

Enforcement, enhanced outreach, and increase of customer data tracking can add to the District's costs around a water shortage condition. Often times, these additional efforts are prioritized for current staff, and other normal work efforts are delayed or reassigned. If conditions warrant, the District will seek assistance through additional staffing or third-party service providers. These costs depend on the level of support and will be evaluated on a case-by-case basis. An increase in cost can also be associated with additional equipment obtained to support the District's outreach, enforcement, tracking, and management efforts.

Depending on the situation, the District may also be able to obtain supplemental water supplies to mitigate the water shortage condition. These supplies are expected to be more costly than regular supplies and will be evaluated for each specific opportunity.

The District maintains a strong financial management position. However, it is reasonable to expect financial impacts or changes in cash flow during a prolonged water shortage condition. The District

will enact a range of management and financial resources depending on the specific situation that includes:

- Utilizing financial reserves
- Capital project deferment
- Operational and maintenance expense deferment
- Increased revenue from penalties
- And others as identified

The District has enacted a drought rate surcharge in the past to address revenue reductions. Since that time, the District has developed an enhanced rate structure and base rates which are updated approximately every four to five years. These rates are based on updated projected water use forecasts. Projected water use is determined using the best available data and information. During an extended drought, demand is assumed to decrease due to the implementation of DMMs, which may require the District to revisit the need for a surcharge structure or new rates.

3.6.1 Property-Specific Water Budgets

In April 2025, the District introduced property-specific Water Budgets,[1] a data-driven tool that provides each customer with a unique, science-based guide for efficient indoor and outdoor water use based on their specific property characteristics. The District provides calculated property-specific Water Budgets to all customers on their monthly bill. More information about Water Budgets, including the methodology for calculations are available at https://www.montecitowater.com/conservation/water-budgets/.

Water Budgets could be used to implement demand reduction during water shortages.

3.7 Monitoring and Reporting

CWC Section 10632(a)(9) requires reporting and monitoring procedures to implement the WSCP and track and evaluate the response action effectives. The WSCP aims to ensure demands are reduced and/or supply is augmented to balance supply and demand. The District will enact various actions commiserate with each respective stage. The District will then monitor results to maintain the supply/demand balance. Similar to the supply and demand projections used to establish a shortage condition, the District will monitor the same data to determine effectiveness and efficacy. District staff will report to the Board of Directors at least quarterly on status and results. Data reporting will include:

- Actual vs. projected demands by customer class and total use
- Actual vs. projected supply availability for each water source
- Supply projections for the next 36 months
- Any additional reporting required by the State

Data will also be submitted to DWR per any future reporting requirements.

Based on the results, the District will evaluate whether adjustments to the shortage stage or response actions are needed. If necessary, the District may adopt additional measures, update

[1] Montecito Water District. 2025. Water Budgets. https://www.montecitowater.com/conservation/water-budgets/

ordinances, or revise the WSCP through the Board process unless urgent conditions require earlier action.

3.8 WSCP Refinement Procedures

Per CWC Section 10632 (a)(10), the WSCP is intended to be adapted as needed to respond to foreseeable and unforeseeable water shortages.

To maintain a useful and efficient standard of practice in water shortage conditions, the requirements, criteria, and response actions need to be continually evaluated and improved upon to ensure that its shortage risk tolerance is adequate, and the shortage response actions are effective and up to date based on lessons learned from implementing the WSCP. Results from the monitoring and reporting program will be part of the evaluation.

Potential refinements will be documented and integrated in the next WSCP update. Potential changes that would warrant an update could include, but are not limited to, any changes to shortage level triggers, changes to the shortage stage structure, and/or changes to the response actions.

3.9 Special Water Feature Distinction

CWC Section 10623 (b) requires that suppliers analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas. Under normal conditions, District Ordinance No. 99 prohibits operating decorative water features without recirculation and limits draining/refilling pools and spas to once every five years. At Stage 2+, refilling of pools, spas, and ponds is prohibited, while topping off remains permitted.

3.10 Plan Adoption, Submittal, Availability, and Amendment Procedures

This 2025 WSCP was presented for adoption by the District Board of Directors at the June 23, 2026 public meeting. As described in Table 3, notifications were sent to the City of Santa Barbara, Santa Barbara County Water Agency, Central Coast Water Authority, Montecito Sanitary District, Summerland Sanitary District, Carpinteria Sanitary District, and Carpinteria Valley Water District. To comply with the notice to the public, the District published notices in the local newspaper at least two weeks in advance with 5 days between publications. The WSCP was also made available prior to the public hearing.

The WSCP was formally adopted on June 23, 2026, by the District Board of Directors by Resolution 2320. The WSCP was made available to all staff, customers, and any affected cities, counties, or other members of the public at the District's office and online within 30 days of its adoption.

The WSCP was submitted to DWR via the Water Use Efficiency Data Portal at the same time as the 2025 UWMP. A hard copy of the 2025 UWMP and WSCP were submitted to the California State Library within 30 days of adoption. Electronic and/or hard copies were provided to all cities and counties within the District's service area within 30 days of adoption.

The District will make amendments to its adopted WSCP, as required and directed by DWR following its review. If the District revises its WSCP, an electronic copy of the revised WSCP will be submitted to DWR within 30 days of its adoption.

Table 3 Notification to Cities and Counties

Entity Name	60 Day Notice	Notice of Public Hearing
City/Special District Name		
City of Santa Barbara	Yes	Yes
Carpinteria Valley Water District	Yes	Yes
Carpinteria Sanitary District	Yes	Yes
Montecito Sanitary District	Yes	Yes
Summerland Sanitary District	Yes	Yes
County Name		
Santa Barbara County Water Agency	Yes	Yes
Other Agency Name		
Central Coast Water Authority	Yes	Yes

Appendix H

Ordinance 99 Demand Management Measures

ORDINANCE NO. 99
AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ESTABLISHING WATER USE EFFICIENCY POLICIES AND RECOMMENDATIONS

WHEREAS, the Montecito Water District ("District") is a County Water District formed under and pursuant to Section 30000, et seq. of the California Water Code, located in and serving the unincorporated areas of Montecito and Summerland within the County of Santa Barbara; and

WHEREAS, the mission of Montecito Water District is to provide an adequate and reliable supply of high-quality water to the residents of Montecito and Summerland, at the most reasonable cost. In carrying out this mission, the District emphasizes providing outstanding customer service, conducting its operations in an environmentally sensitive manner, and working cooperatively with other agencies.

WHEREAS, the District has a diverse water supply portfolio comprised of both rainfall dependent and rainfall independent sources including local and regional surface water, groundwater, and ocean desalination supplies; and

WHEREAS, the District may do any act necessary to furnish sufficient water in the District for any present or future beneficial use [Water Code § 31020]; and

WHEREAS, consistent with its Urban Water Management Plan ("UWMP"), the District has taken extraordinary actions since 2017 to become less reliant on rainfall dependent water sources and improve water supply reliability. These actions include: securing a right to store surplus water supplies in the Semitropic Groundwater Banking and Exchange Program for future use; participating in a 50-year water supply agreement with the City of Santa Barbara backed by the City's desalination facility; electing to manage groundwater supplies in the Montecito Groundwater Basin through the formation of a Groundwater Sustainability Agency in accordance with the Sustainable Groundwater Management Act; evaluating water reuse; and strongly encouraging voluntary reductions in water use and efficient water use; and

WHEREAS, in 2022, the District adopted a 5-year Strategic Plan, building on the UWMP and outlining actions for achieving the goal of water supply reliability, which actions include managing customer demands and establishing community partnerships for efficient water use; and

WHEREAS, declared State and local drought emergencies over the past decade illustrate the impacts of climate change including increasingly erratic hydrologic conditions, which impact the potential availability of the District's water supplies and foster water supply challenges; and

WHEREAS, the District may establish rules and regulations for the sale, distribution and use of water [Water Code § 31024] and to restrict the use and prohibit the wastage of water [Water Code §§ 31026 – 31029]; and

WHEREAS, over the last decade, the District has adopted various ordinances in response to State and local drought emergencies which include provisions declaring water shortage conditions, implementing mandatory and voluntary water use reduction measures, and

recommending water use efficiency measures. Ordinance 98 is the District's latest ordinance addressing water use, and was adopted in early 2023 following an above average 2022/23 winter bringing drought reprieve statewide, thereby lessening water use restrictions and resulting in the downgrade of the declared water shortage emergency to a Stage 1 condition, and

WHEREAS, the District's reactive responses to changing hydrologic conditions, coupled with extraordinary proactive measures to shore up water supply reliability since 2017, have fostered community awareness to the ongoing water supply challenges and the importance of using water wisely and efficiently as evidenced by District customers having reduced overall water use over the past decade by over 40% consistently; and

WHEREAS, in 2022, recognizing the importance of efficient water use, the District adopted its first Water Use Efficiency Plan (WUEP), a long-term plan targeting permanent reductions in customer water use achieved through various voluntary customer actions supported by District initiatives; and

WHEREAS, supported by the WUEP, the District provides effective customer tools focusing on water use efficiency. These tools include: the installation of smart water meters and the implementation of the Watersmart user interface which work in concert to provide real-time water use monitoring and leak detection; data-driven evaluations and determinations of unique and efficient water use needs for every property; Smart Rebates targeting property improvements that result in a reduction in long-term water use; onsite water use audits to identify inefficient uses of water; and extensive public outreach providing real-time water use notices and educational materials; and

WHEREAS, despite current conditions and a favorable water supply outlook resulting from recent consecutive winters that have produced above average rainfall statewide filling surface water reservoirs and replenishing the groundwater basin, water use efficiency remains a top District initiative and is mandated by the State through its Urban Water Use Objective regulations. Water use efficiency helps extend the availability of the District's limited water resources and enhances long-term water reliability and security.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT AS FOLLOWS:

On the basis of the District's favorable water supply outlook and the importance of ongoing water use efficiency irrespective of hydrologic conditions, the Board of Directors maintains a prohibition on water waste and encourages all customers to adhere to recommended water use best practices as follows:

1. **Water Use Efficiencies and Best Practices**. The following measures are widely publicized, encouraged and/or recommended by the State and/or the District to further enhance water use efficiency and to reduce water waste:

    a. Use District-provided smart water meters and the customer interface, WaterSmart to monitor real-time water use and to identify potential leaks.

b. Redesign landscape to replace some or all vegetation with drought-tolerant or native plants.

c. Water lawns and outdoor areas only when needed. Most landscapes do not need to be watered daily and excess watering not only wastes water but can cause harm to the landscape.

d. Improve irrigation management with the installation of a soil moisture sensor for measuring soil moisture and determining when irrigation is needed.

e. Replace or upgrade old irrigation systems with state-of-the-art efficient drip or spray systems.

f. Place 3" to 4" of mulch around trees and plants to retain moisture in the soil.

g. Set lawn mower blades at 3" to 4" to keep lawn longer and retain moisture in the soil.

h. Install water harvesting and diversion features, such as rain gutters, rain barrels, in-ground storage, and rain gardens to capture runoff from roofs and pavement for use on the property and/or groundwater recharge.

i. Install or replace plumbing fixtures with water-conserving plumbing fixtures such as high-efficiency toilets, showerheads, and faucets.

j. Reduce the length of showers or the amount of water used for baths.

k. Turn off the water while brushing your teeth or shaving.

l. Install high efficiency appliances including washing machines and dishwashers.

m. Only wash laundry and dishes with full loads.

n. If on a septic system, install a "laundry-to-landscape" graywater system.

o. For pre-cleaning dishes, use a filled sink instead of running water.

p. Consider installing an instant water heater on sinks that are located far from the main water heater and/or hot water recirculating system.

q. Wash vehicles using a waterless car wash product. A waterless car wash is an eco-friendly and efficient car wash that uses little or no water. Alternatively use a commercial car washing facility.

r. Report broken, poorly timed or misaligned sprinklers around the community.

s. After a power outage, irrigation timers often reset to default. Check irrigation timers often.

t. Replace batteries in irrigation timers annually.

u. Cover swimming pools, spas, and hot tubs to reduce water loss due to evaporation.

v. Hotels, motels, etc., offer an option of not laundering towels and linens daily and displaying a notice of this option.

w. Implement additional, available property specific efficiencies as appropriate.

For any measure set forth above that requires compliance with a permit or regulation for implementation, such compliance is the responsibility of the individual(s) and/or owner(s) pursuing implementation, not the District.

2. **Prohibition Against Waste of Water**. It shall be unlawful for any District customer obtaining any water from the District to waste any of that water. Examples of water waste include:

   a. Washing of hard surfaces such as driveways, sidewalks, patios and parking lots except where necessary to protect health and safety. Pressure washing for maintenance or repair is not considered water waste.

   b. Applying water to landscaping during, and within 48 hours after, measurable rainfall of at least one-quarter inch of rain.

   c. Applying water to outdoor landscaping in a manner that causes significant runoff such that water flows onto an adjacent property, non-irrigated areas, private and public walkways, parking lots or structures.

   d. Washing a vehicle without the use of a bucket and/or hose equipped with a hand-operated shut off nozzle.

   e. Using potable water in ornamental fountains or other decorative water features that do not use a water recirculating system.

   f. Irrigating turf on public street medians or publicly owned or maintained landscaped areas between the street and sidewalk where the turf does not serve a community or neighborhood function such as for picnicking, sports, pet walking, etc.

   g. Irrigating outdoor landscaping during the warmest part of the day when evaporation is the greatest. Irrigation is most efficient between evening and mid-morning, such as between the hours of 6 p.m. and 10 a.m.

   h. Draining and refilling a swimming pool, spa or hot tub more than once every five years.

   i. Using potable water to fill new ponds and maintaining the water level for unlined ponds.

   j. Allowing an identified water line break or leak to continue without immediately making the necessary repairs or turning off the water service to the property temporarily to prevent water loss until such time as the repair has been completed.

3. **Fines for Water Waste**.

   a. Fines for water waste under this Ordinance are authorized pursuant to Water Code §§ 375- 378 et seq. and will fund conservation initiatives and targeted conservation

outreach toward those who fail to avoid wasteful water use practices or conserve water; increased costs required to manage water waste; and the purchase, if necessary, of additional water supplies to offset wasteful consumption and protect the health and safety of all customers. The Board finds that the fines established under this section:

i. Are not expected to exceed the funds required to provide water service.

ii. Will not be used for any purpose other than to provide water service.

iii. Will not exceed the proportional cost of water service attributable to any parcel.

iv. Are imposed only where water service is actually used by, or immediately available to, a parcel.

b. A written warning will be issued for the first identified incident of water waste. The District will impose a fine in the amount of $250 for the second identified incident of water waste, and doubling with each subsequent identified incident, up to a maximum of $1,000 for any single identified incident. Upon a fourth incident, or upon an earlier incident, if the General Manager determines the violations create a significant threat to the goals of this Ordinance, the General Manager may issue a written order for the installation of a flow restrictor on the service line or lines in question. The Board will be informed of flow restrictor orders when issued and any appeal shall be heard as quickly as possible to allow a flow restrictor to be removed promptly should the Board grant the appeal.

4. **Appeals and Exceptions**.

a. Any customer may appeal any decision made or fine imposed under this Ordinance to the Board of Directors by filing a written appeal with the District within 30 days of written notice of the decision or fine. A committee of the Board will hear the appellant and make a recommendation to the Board of Directors. The Board of Directors shall consider the recommendations of the committee. The District shall give the appellant written notice of the meetings at which the appeal will be considered by the committee and the Board of Directors.

b. The Board of Directors may, in its discretion, continue a hearing, affirm, reverse, or modify the committee's recommendation and make any adjustments and impose any conditions it deems just and proper, if it finds one or more of the following: (1) the restrictions of this Ordinance would cause an undue hardship; (2) the granting of the appeal will not significantly adversely affect the goals of this Ordinance; (3) due to peculiar facts and circumstances, none of the provisions of this Ordinance are applicable to the situation under consideration; or (4) error in the application of this Ordinance or other applicable rules or law.

c. The Board's decision shall be in writing and provided to the appellant and any other person who requests notice of the decision in writing. Such decisions are final as

to the District and not subject to further appeal unless the Board of Directors' decision expressly provides otherwise. Judicial review of final decisions shall be available pursuant to the California Code of Civil Procedure § 1094.5.

5. **Suspension of Conflicting Ordinances and Rules and Regulations**. To the extent that the terms and provisions of this Ordinance are inconsistent, or in conflict with the terms and provisions of any prior District Ordinances, Resolutions, Rules, or Regulations, the terms of this Ordinance shall prevail, and inconsistent and conflicting provisions of prior Ordinances, Resolutions, Rules, or Regulations shall be suspended during the effective period of this Ordinance.

6. **Severability**. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, that invalidity shall not affect the validity of the remaining portions of this Ordinance. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases may be invalid.

7. **Customer Water Use Limitation**. Water use within the District's service area continues to be limited to that allowed under Ordinance 89, or any future amendments, modifications and/or revisions thereto.

8. **Effective Date**. This Ordinance shall become effective upon adoption, and hereby rescinds Ordinance 98 in its entirety.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Montecito Water District this 25th day of June 2024.

AYES: Coates, Goebel, Hayman, Plough, Wicks

NAYS:

ABSENT:

ABSTAIN:

APPROVED:

Kenneth Coates, Board President

ATTEST:

Nick Turner, Board Secretary

Appendix I

District American Water Works Association Water Audit

AWWA Free Water Audit Software: Worksheet

FWAS v6.1

American Water Works Association.
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Water Audit Report for: Montecito Water District
Audit Year: 2024 | Jan 01 2024 - Dec 31 2024 | Calendar

Click 'n' to add notes
Click 'g' to determine data validity grade

To edit water system info: go to start page

To access definitions, click the input name

All volumes to be entered as: ACRE-FEET PER YEAR

WATER SUPPLIED

Water Supplied Error Adjustments — choose entry option:

VOS	Volume from Own Sources:	n	g	3	1,252.460	Acre-ft/Yr	n	g	8	volume	9.720	acre-ft/yr	under-registration	VOSEA
WI	Water Imported:	n	g	3	2,360.950	Acre-ft/Yr	n	g	3	0.25% percent			under-registration	WIEA
WE	Water Exported:	n	g	n/a	0.000	Acre-ft/Yr								WEEA
	WATER SUPPLIED:				3,629.047	Acre-ft/Yr								

AUTHORIZED CONSUMPTION

choose entry option:

BMAC	Billed Metered:	n	g	9	3,368.150	Acre-ft/Yr		
BUAC	Billed Unmetered:	n	g	n/a	0.000	Acre-ft/Yr		
UMAC	Unbilled Metered:	n	g	10	2.160	Acre-ft/Yr		
UUAC	Unbilled Unmetered:	n	g	3	8.420	Acre-ft/Yr	0.25%	default
	AUTHORIZED CONSUMPTION:				3,378.730	Acre-ft/Yr		

Default option selected for Unbilled Unmetered, with automatic data grading of 3

WATER LOSSES

250.317 Acre-ft/Yr

Apparent Losses

choose entry option:

SDHE	Systematic Data Handling Errors:	n	g	3	8.420	Acre-ft/Yr	0.25%	default	
CMI	Customer Metering Inaccuracies:	n	g	6	51.325	Acre-ft/Yr	1.50%	percent	under-registration
UC	Unauthorized Consumption:	n	g	3	8.420	Acre-ft/Yr	0.25%	default	
	Apparent Losses:				68.165	Acre-ft/Yr			

Default option selected for Systematic Data Handling Errors, with automatic data grading of 3

Default option selected for Unauthorized Consumption, with automatic data grading of 3

Real Losses

	Real Losses:				182.152	Acre-ft/Yr
	WATER LOSSES:				250.317	Acre-ft/Yr

NON-REVENUE WATER

NON-REVENUE WATER: 260.897 Acre-ft/Yr

SYSTEM DATA

Lm	Length of mains:	n	g	10	117.7	miles	(including fire hydrant lead lengths)
Nc	Number of service connections:	n	g	10	4,858		(active *and* inactive)
	Service connection density:				41	conn./mile main	
	Are customer meters typically located at the curbstop/property line?				Yes		
Lp		n	g	10			

Average length of customer service line has been set to zero and a data grading of 10 has been applied

AOP	Average Operating Pressure:	n	g	7	110.4	psi

COST DATA

CRUC	Customer Retail Unit Charge:	n	g	10	$11.80	$/100 cubic feet (ccf)	Total Annual Operating Cost	
VPC	Variable Production Cost:	n	g	8	$1,877.93	$/acre-ft	$22,917,826	$/yr (optional input)

Click here to calculate carbon emissions ---> carbon

WATER AUDIT DATA VALIDITY TIER:

***** The Water Audit Data Validity Score is in Tier III (51-70). See Dashboard tab for additional outputs. ***** — go to dashboard

A weighted scale for the components of supply, consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION TO IMPROVE DATA VALIDITY:

Based on the information provided, audit reliability can be most improved by addressing the following components:

1: Water Imported (WI)
2: Volume from Own Sources (VOS)
3: Unauthorized Consumption (UC)

KEY PERFORMANCE INDICATOR TARGETS:

OPTIONAL: If targets exist for the operational performance indicators, they can be input below:

Unit Total Losses:		gal/conn/day
Unit Apparent Losses:		gal/conn/day
Unit Real Losses[A]:		gal/conn/day
Unit Real Losses[B]:		gal/mile/day

If entered above by user, targets will display on KPI gauges (see Dashboard)

Appendix J

District Resolution Adopting the UWMP and WSCP

RESOLUTION NO. 2320

A Resolution of the Board of Directors of the Montecito Water District Adopting the *2025 Urban Water Management Plan* and *Water Shortage Contingency Plan*

WHEREAS, the Urban Water Management Planning Act (California Water Code §§ 10610-10657) requires urban water suppliers to prepare and adopt an urban water management plan to, among other things, report, describe, and evaluate water deliveries, water supply sources, supply reliability, efficient water use, demand management measures, etc.; and;

WHEREAS, a required component of an urban water management plan is a water shortage contingency plan that provides responses for various water shortage conditions; and

WHEREAS, the Urban Water Management Planning Act requires that urban water management plans are updated every five years by urban water suppliers with 3,000 or more service connections or supplying 3,000 or more acre-feet of water annually; and

WHEREAS, Montecito Water District is an urban water supplier providing water to over 4,670 connections and has prepared its 2025 Urban Water Management Plan Update (UWMP) as required by the Urban Water Management Planning Act; and

WHEREAS, the District coordinated the preparation of the UWMP with other appropriate agencies in the area of its intent to review its UWMP and consider its adoption; distributed the draft UWMP to local and regional agencies and other parties who requested a copy of the UWMP; posted the draft UWMP on the District's website; published notices of the June 23, 2026 public hearing in the local newspaper once a week for two successive weeks beginning on June 4, 2026 and posted that notice on the District's website; held a public hearing inviting public input regarding the draft UWMP; and considered all comments received during the public hearing.;

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

1. The 2025 Urban Water Management Plan and Water Shortage Contingency Plan, as presented to the Board and attached to this Resolution, are hereby approved and adopted.
2. The Board authorizes the General Manager to incorporate comments from the public hearing as approved by the Board after the close of the public hearing.
3. The General Manager is authorized and directed to submit a copy of the adopted 2025 UWMP to the Department of Water Resources, the California State Library, the County of Santa Barbara, and the City of Santa Barbara within 30 days of its adoption, as required by California Water Code § 10644.

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:

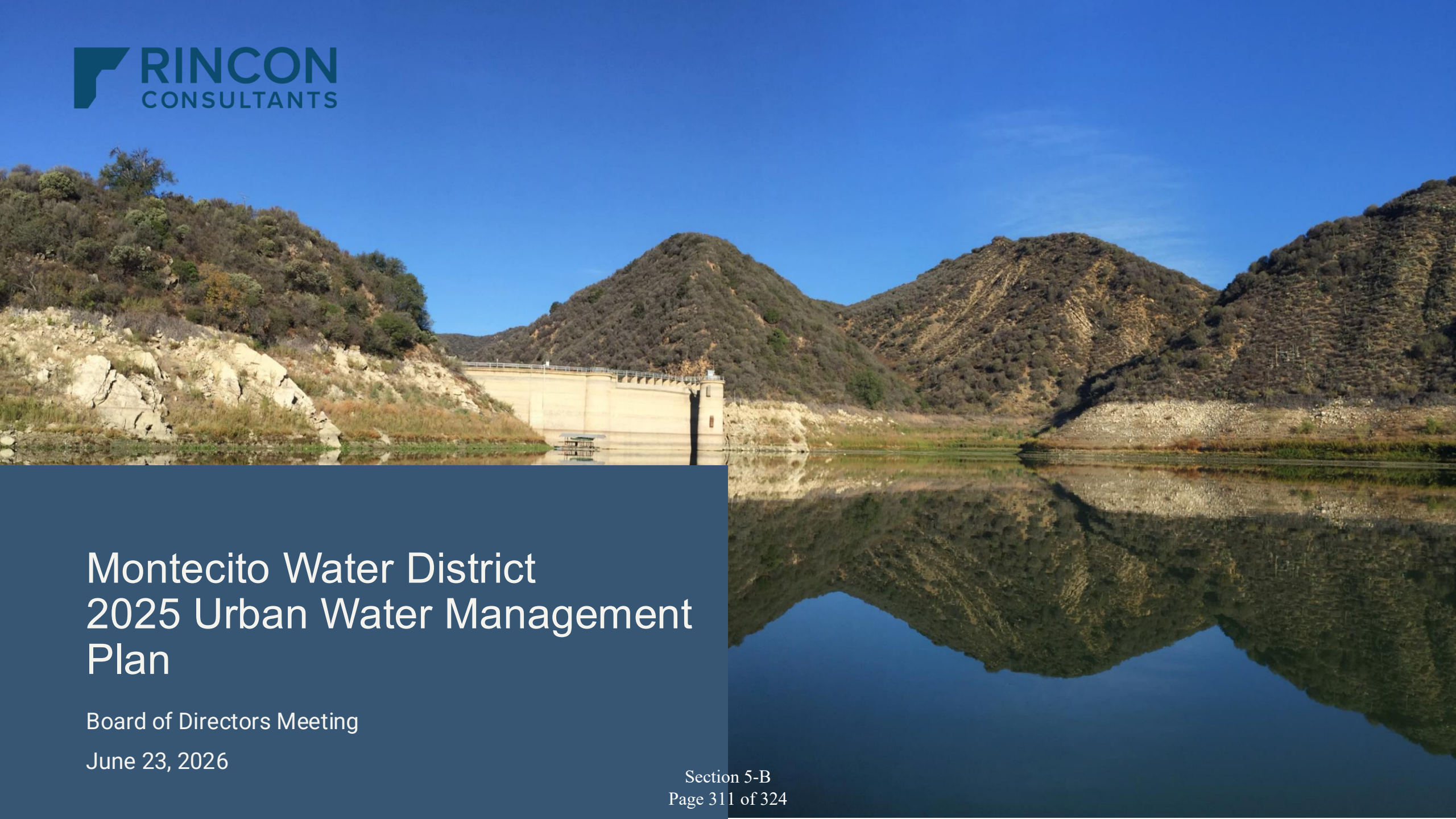
APPROVED:

_____
Brian Goebel, Board President

ATTEST:

_____
Nicholas Turner, Board Secretary

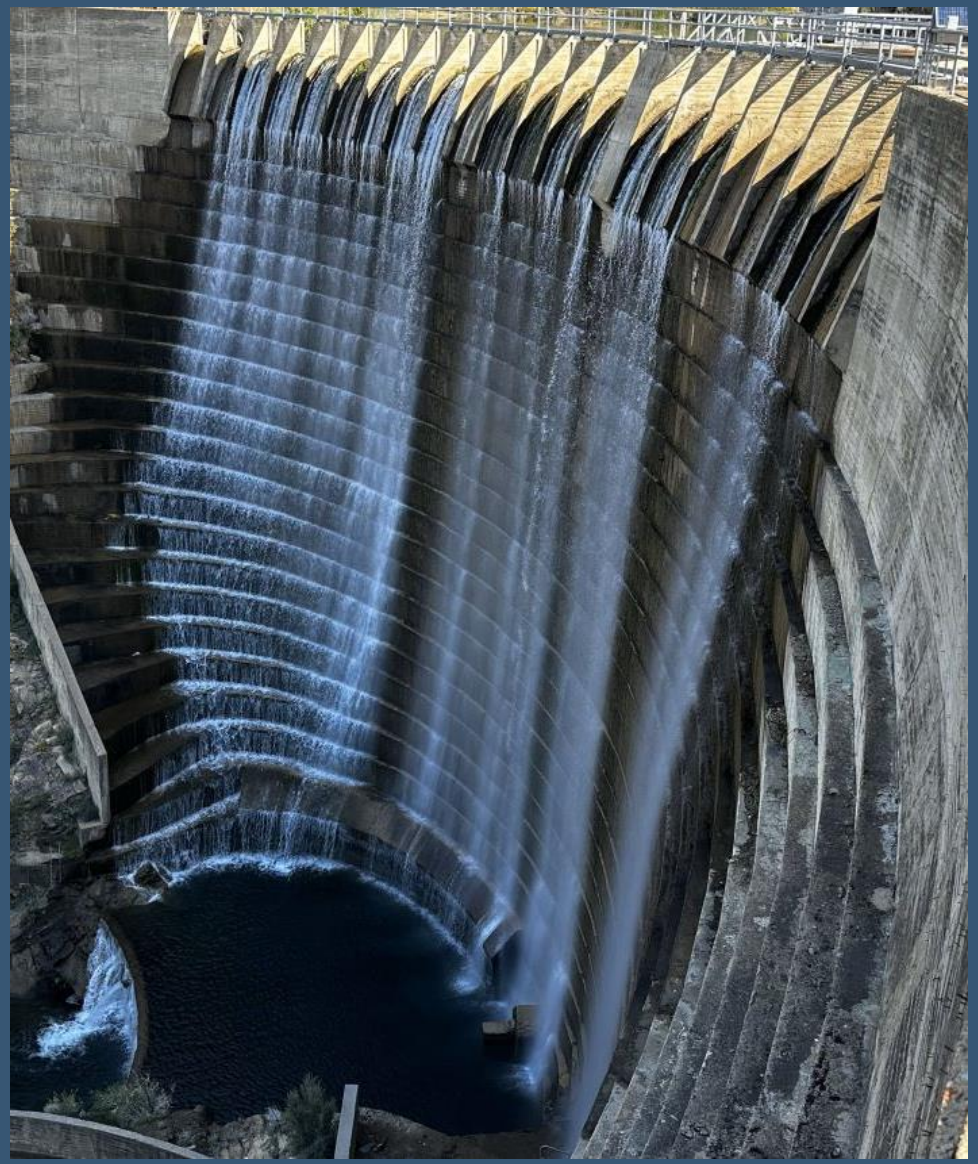
DRAFT



Montecito Water District 2025 Urban Water Management Plan

Board of Directors Meeting

June 23, 2026



Agenda

- Schedule Overview
- UWMP Act Requirements
- Service Area
- Water Demands and Conservation
- Water Supply Portfolio
- Water Supply Availability
- Drought Risk Assessment
- Water Shortage Contingency Plan
- Timeline to Adoption

Schedule Overview



UWMP Act Requirements

Assembly Bill (AB) 797 - UWMP Act (1984):

Requires every **urban water supplier providing water for municipal purposes** either directly or indirectly **to more than 3,000 customers** or supplying more than 3,000 acre-feet per year (AFY) **to adopt and submit a UWMP every five years to DWR by July 1**.

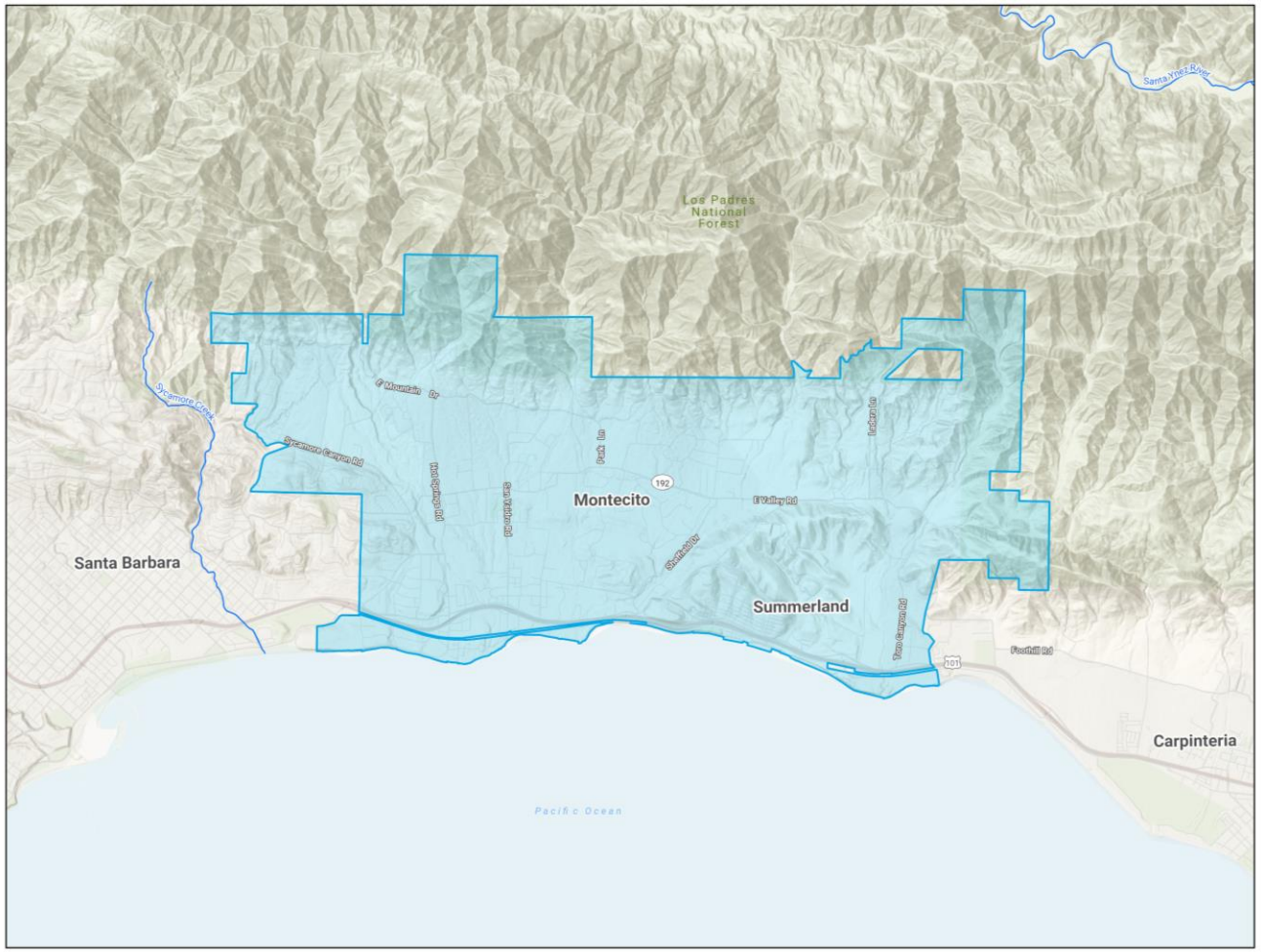
Core requirements for the UWMP include:

- Description of the water service area
- Estimates of past, present, and projected water use
- Estimates of existing and planned supply sources
- Senate Bill (SB) x7-7 analysis and target compliance
- Existing and planned demand management and other conservation measures
- Dry year supply estimates, including 5-year drought risk assessment
- Water Shortage Contingency Plan (WSCP)

Service Area

- Provides potable and non-potable water services to an estimated 13,102 customers
- Delivers water to approximately 4,674 service connections
- Maintains and operates:
  - 2 surface water treatment plants
  - 8 active storage reservoirs
  - 114 miles of distribution pipeline
  - 7 pumping stations

Population - Current and Projected						
	2025	2030	2035	2040	2045	2050
Population Served	13,102	13,433	13,772	14,120	14,476	14,842



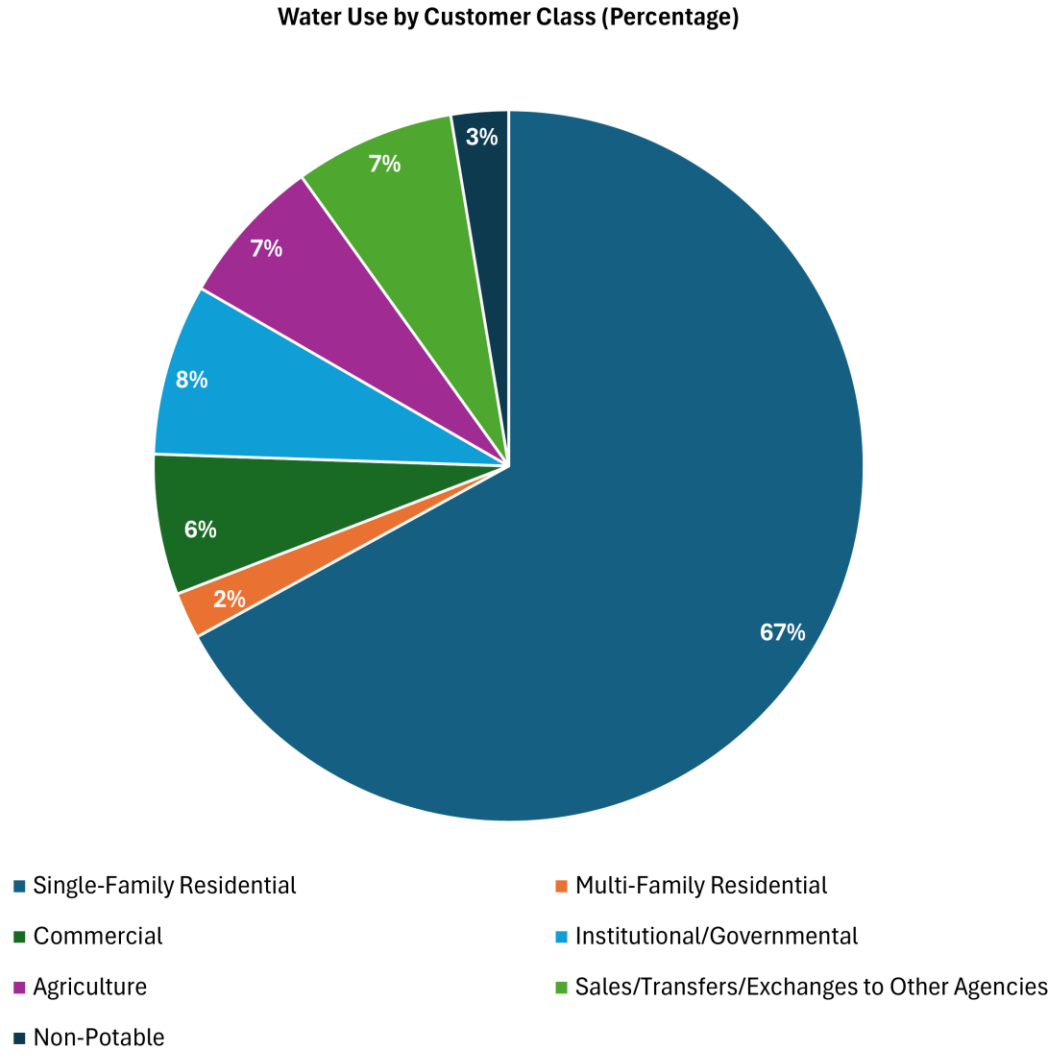
Water Demands and Conservation

Drivers of future demand:

- Future development
- Public education and outreach
- Ongoing conservation programs
- Continued improvements in water-use efficiency

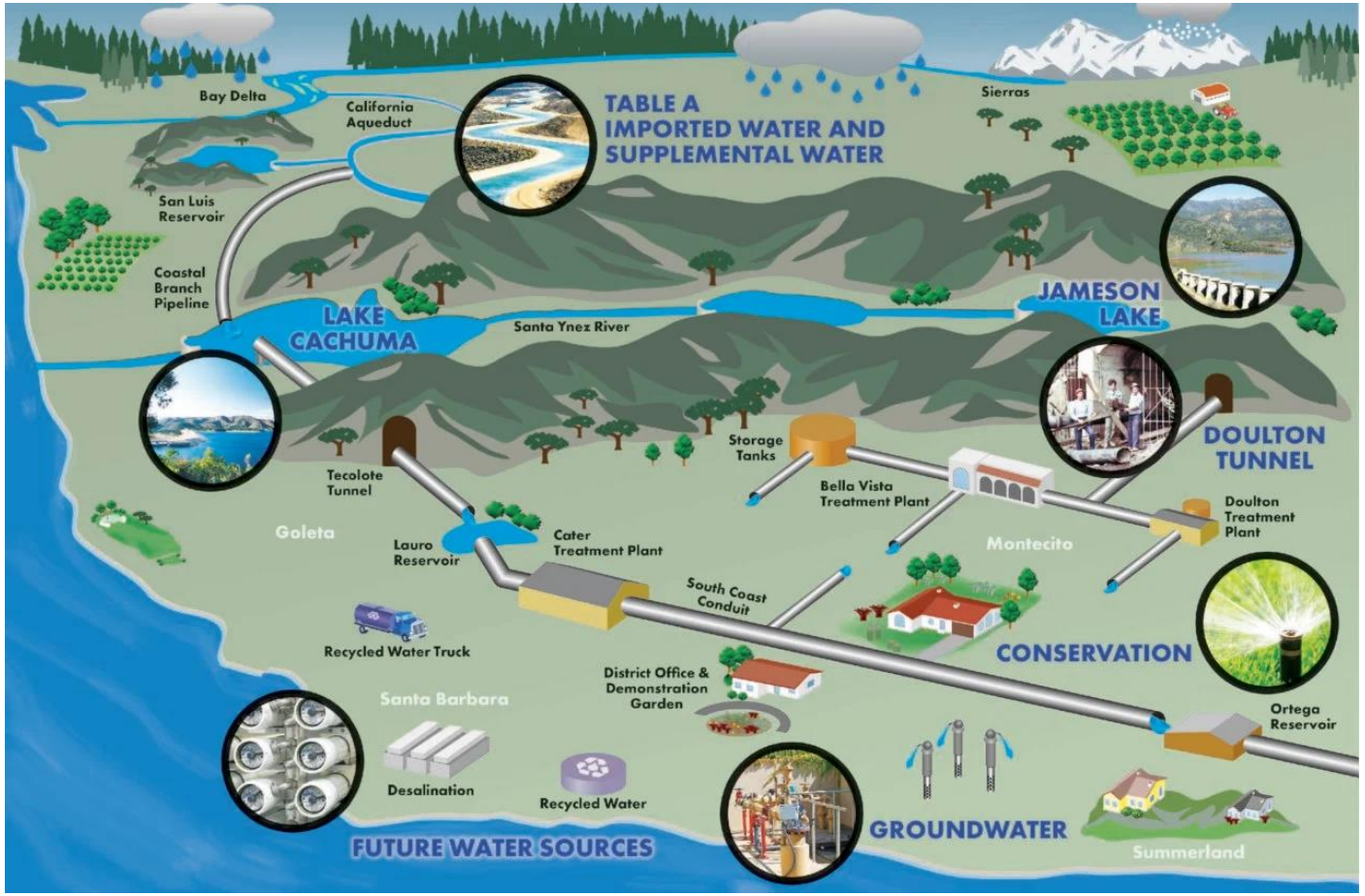
Demand Management Measures:

- District implements demand management measures through the Water Use Efficiency Program and Ordinance 99
- Implementation progress for 17 demand management measures tracked in UWMP



Water Supply Portfolio

- **Desalination** - Water Supply Agreement (WSA) with the City of Santa Barbara
- **Cachuma Project** - surface water from the Santa Ynez River
- **Jameson Lake** - surface water from the Santa Ynez River
- **Groundwater** - Montecito Basin
- **Groundwater infiltration** - Doulton Tunnel
- **State Water Project** (SWP)
  - **Annual SWP Entitlement**
  - **Stored SWP supply** - Semitropic
  - **Supplemental water purchases**, if needed



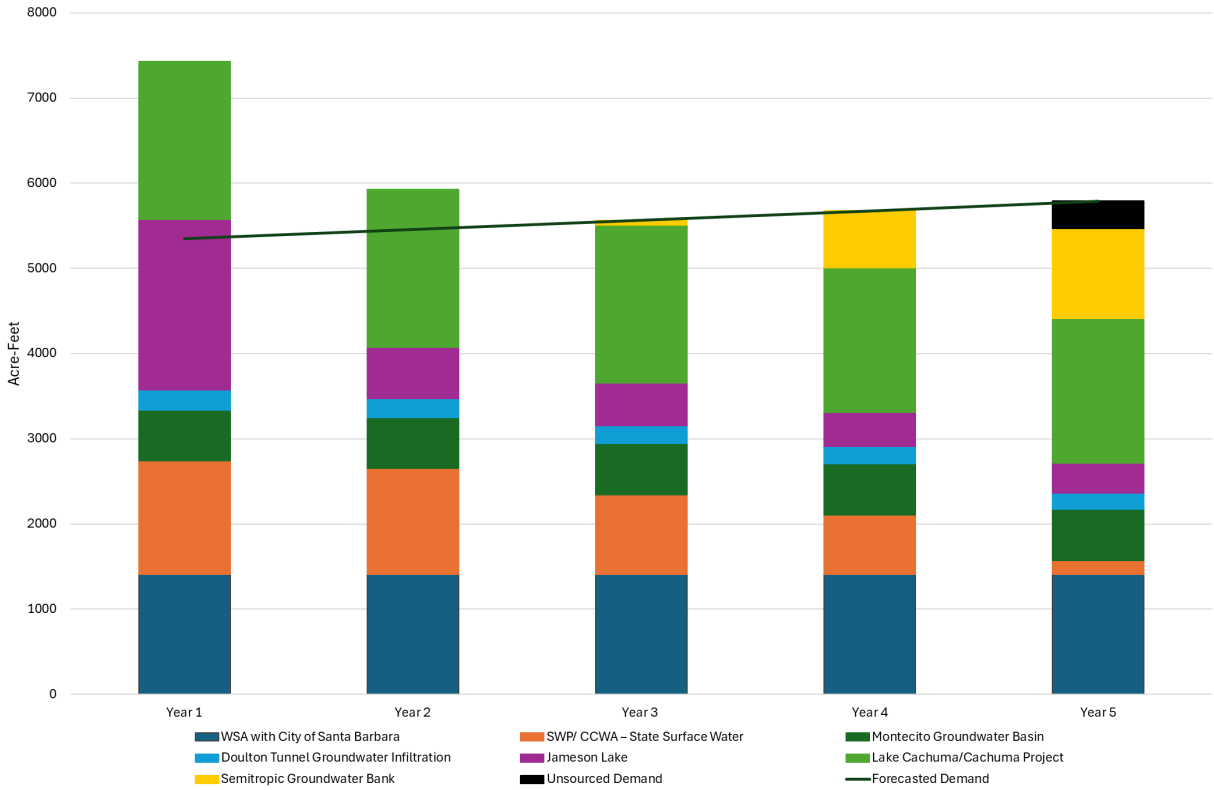
Water Supply Availability (Normal Year)

Water Supply	Description	2030	2035	2040	2045	2050
Purchased or Imported Water	WSA with the City of Santa Barbara	1,409	1,409	1,409	1,409	1,409
Purchased or Imported Water	SWP/ CCWA – State Surface Water	1,628	1,560	1,493	1,452	1,452
Groundwater	Montecito Groundwater Basin	300	300	300	300	300
Groundwater	Doulton Tunnel Groundwater Infiltration	424	424	424	424	424
Surface Water	Jameson Reservoir	2,000	2,000	2,000	2,000	2,000
Surface Water	Cachuma Lake/Cachuma Project – Regional Surface Water	1,855	1,855	1,855	1,855	1,855
Supply from Storage	Semitropic Groundwater Bank	0	0	0	0	0
Total Supply		**7,616**	**7,548**	**7,481**	**7,440**	**7,440**
Demand		**4,472**	**4,577**	**4,684**	**4,795**	**4,908**
Surplus/(Shortage)		**3,144**	**2,971**	**2,797**	**2,645**	**2,532**

Drought Risk Assessment

Water Supply Availability in a Multi-Year Drought, 2050

- Water stored in Semitropic, Jameson Lake, and Cachuma carryover water are not shown, but represent additional water supply for the District
- Supply availability for SWP, Semitropic, and Cachuma water are constrained by conveyance capacity of barge pumps at Cachuma in Years 3-5
- Jameson Lake amounts based on 7-year rule curve
- Minor shortage projected in Year 5
- Full mitigation anticipated
  - Voluntary conservation and/or implementation of Stage 1 WSCP; or
  - Supply augmentation – e.g. future local GW banking, increased GW pumping, increased Jameson diversion, Cachuma barge modification



Water Shortage Contingency Plan

- Describes how the District intends to **predict and respond to foreseeable and unforeseeable water shortages**
- Describes communication protocols, compliance and enforcement, legal authorities, and plan adoption

Core components of the WSCP include:

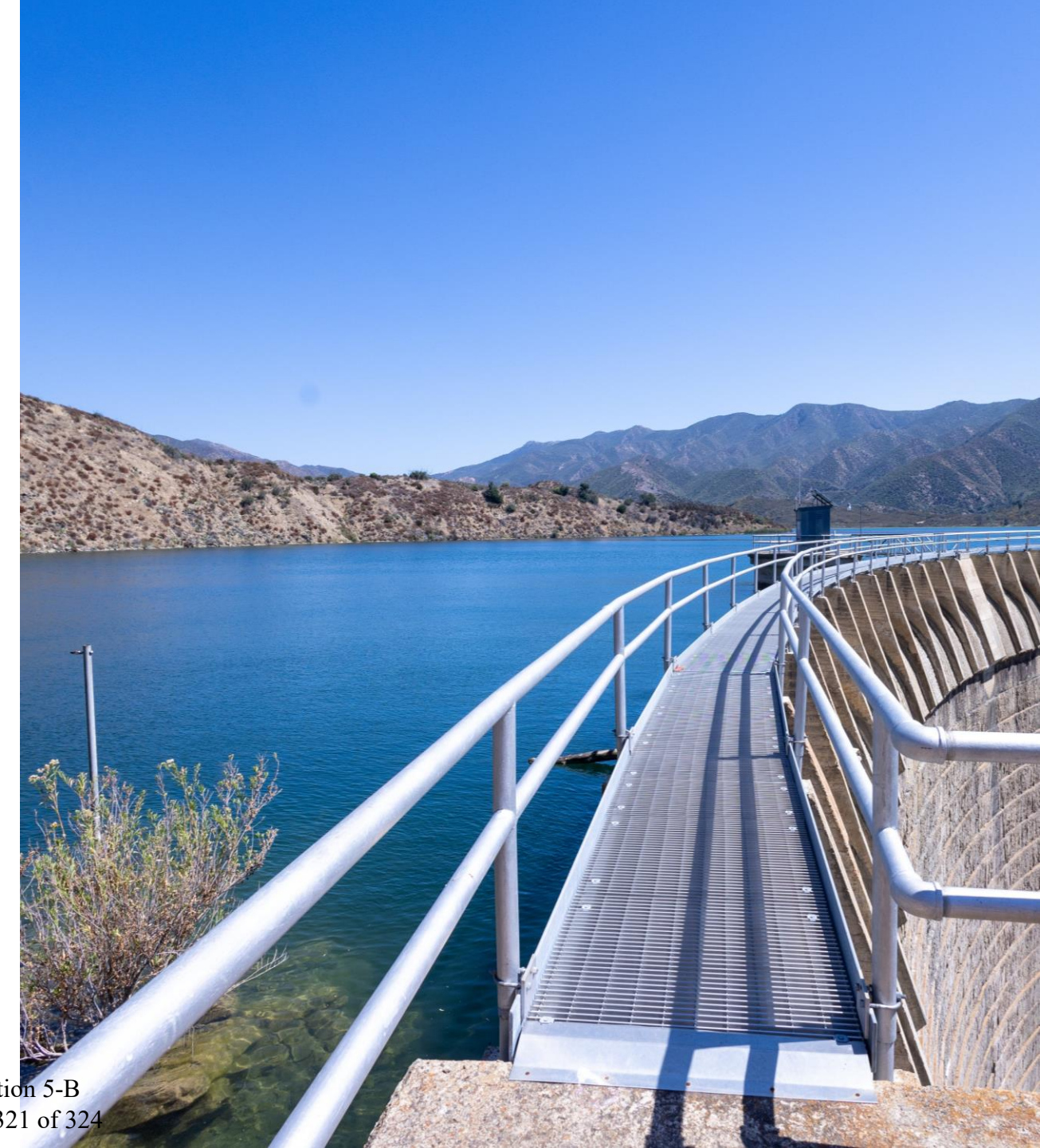
- Six standard shortage stages
- Shortage response actions
- Communication protocols
- Compliance and enforcement
- Monitoring and reporting

Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?		Penalty, Charge, or Other Enforcement?
		Volume or Percentage	Shortage Gap Reduction Value	
1+	Increase communication to customers about parcel specific Water Budgets	Percentage	0-10%	No
1+	Increase Customer's use of WaterSmart, expanding leak alerts	Percentage	0-10%	No
1+	Promote Rebates program, Customer Water Audits and other water efficiency campaigns	Percentage	0-10%	No
1+	Expand public information campaign to enhance awareness of water use efficiency and conservation	Percentage	0-10%	No

Demand Reduction Actions shown here are only for Stage 1, which is the only WSCP Stage required to cover unsourced demand in multi-year drought

UWMP Timeline

- Public Hearing and Board to Consider Adoption – **today!**
- Deadline for Submittal to DWR – **By July 1**



RINCON CONSULTANTS

Questions?

RESOLUTION NO. 2320
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ADOPTING THE *2025 URBAN WATER MANAGEMENT PLAN*
AND
WATER SHORTAGE CONTINGENCY PLAN

WHEREAS, the Urban Water Management Planning Act (California Water Code §§ 10610-10657) requires urban water suppliers to prepare and adopt an Urban Water Management Plan (UWMP) to, among other things, report, describe, and evaluate water deliveries, water supply sources, supply reliability, efficient water use, and demand management measures; and

WHEREAS, a required component of a UWMP is a Water Shortage Contingency Plan that provides responses for various water shortage conditions; and

WHEREAS, the Urban Water Management Planning Act requires that urban water management plans are updated every five years by urban water suppliers with 3,000 or more service connections or supplying 3,000 or more acre-feet of water annually; and

WHEREAS, Montecito Water District is an urban water supplier providing water to over 4,670 connections and has prepared its 2025 UWMP update as required by the Urban Water Management Planning Act; and

WHEREAS, the District has complied with all procedural requirements for the adoption of the 2025 UMWP update including: coordinating the preparation of the UWMP with other appropriate agencies in the area and notifying them of its intent to review the UWMP and consider its adoption; distributing the draft UWMP to local and regional agencies and other parties who requested a copy of the UWMP; posting the draft UWMP on the District's website; publishing notices of the June 23, 2026 public hearing in the local newspaper once a week for two successive weeks beginning on June 4, 2026 and inviting public input; posting the hearing notice on the District's website; holding a public hearing on June 23, 2026; and considering all comments received during the public hearing.;

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

1. The 2025 Urban Water Management Plan and Water Shortage Contingency Plan, as presented to the Board and attached to this Resolution, are hereby approved and adopted.
2. The Board authorizes the General Manager to incorporate comments from the public hearing as approved by the Board after the close of the public hearing.
3. The General Manager is authorized and directed to submit a copy of the adopted 2025 UWMP to the Department of Water Resources, the California State Library, the County of Santa Barbara, and the City of Santa Barbara within 30 days of its adoption, as required by California Water Code § 10644.

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

DRAFT

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-C

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: ASSISTANT GENERAL MANAGER

SUBJECT: AUTHORIZE A PROFESSIONAL SERVICES CONTRACT WITH PUEBLO WATER RESOURCES FOR HYDROGEOLOGIC SERVICES IN CONNECTION WITH THE PADEN 2 AQUIFER STORAGE AND RECOVERY (ASR) PILOT TEST PROJECT

RECOMMENDATION:

That the Board of Directors authorize the General Manager to execute a contract for Professional Services with Pueblo Water Resources for Hydrogeologic Services for the Paden 2 Aquifer Storage and Recovery Pilot Test Project for a not-to-exceed amount of $77,634.

DISCUSSION:

The *Montecito Aquifer Storage and Recovery Feasibility (ASR) Study,* prepared by GSI Water Solutions, was completed in May 2025. Phase 1 of the study involved an analysis to identify fatal flaws relating to the suitability of existing wells, water quality, permitting, storage capacity and injection rates, and high-level cost estimates. Phase 2 involved the preparation of conceptual level engineering designs of the well retrofit, analysis of existing water quality, and more detailed cost estimates. It also identified potential injection wells, and the associated estimated injection rates, construction costs, engineering design, and specific water quality and permitting considerations for a potential ASR program. The report found injection in the Montecito Basin is feasible at four existing District potable wells with estimated injection rates of 72-96 acre feet (AF) per year for a single well program and 216-300 AF per year for a four well program. The total estimated cost of a single well program is $485,000 and a four well program is $1.5M.

Development of the Montecito ASR program requires an application for a pilot injection well permit from the Regional Water Quality Control Board (RWQCB). The pilot injection well would occur at the District's Paden well since it has the highest potential injection rates of 6-8 AF per month (72-96 AF per year). The pilot injection well application must include a technical report prepared by a licensed geologist. For this reason, a qualified consultant is necessary to assist the District with developing the application materials. The application must fully describe the project including the hydrogeologic setting, design flow rates, water quality constituents and concentrations, drawings, and a degradation analysis.

Proposals were obtained from two qualified consultants to develop and execute the Pilot Test project at the Paden 2 well. Proposals from Groundwater Solutions Inc (GSI) and Pueblo Water Resources (Pueblo) have been received and reviewed. After careful review of the proposals and discussions with both consultants, the proposal from Pueblo shows a more efficient and strategic project approach. Pueblo also has more experience working directly with RWQCB staff to permit other ASR wells in the region. The proposed fee from both consultants was within 5% of one another for similar services. For these reasons, a contract award to Pueblo is recommended.

SCHEDULE:

The anticipated project schedule is shown in the Pueblo proposal in Attachment 1. Pueblo is proposing 2 months to perform the ASR capacity analysis, 4 months for work plan development, and 4 months to develop the state RWQCB application. As noted in the proposal, the RWQCB timeline for permit application reviews is 6 months. During the RWQCB's review period, work on Phase 2 could be performed including preparation of construction plans and specifications, and bidding, whereby positioning the District for implementation of the ASR pilot test program, potentially as early as November 2027.

FISCAL IMPACT:

The proposed Fiscal Year 2027 budget includes $80,000 for the completion of the proposed Phase 1 scope of work in the Pueblo proposal.

ATTACHMENTS:

1. Proposal for Hydrogeologic Services; Paden 2 ASR Pilot Test Project, Phase 1 from Pueblo Water Resources

June 2, 2026
Project No. 26-0041

Montecito Water District
583 San Ysidro Road
Santa Barbara, CA 93108

Attention: Mr. Adam Kanold, P.E., Assistant General Manager / Engineering Manager

Subject: Proposal for Hydrogeologic Services; Paden 2 ASR Pilot Test Project, Phase 1

Dear Adam:

Pursuant to your request, Pueblo Water Resources, Inc. (PWR) is pleased to submit this proposal for hydrogeologic services for the Paden 2 Aquifer Storage and Recovery (ASR) Pilot Test Project. ASR is a form of managed aquifer recharge (MAR) that involves the enhanced conjunctive use of surface water and groundwater resources to "bank" water in an aquifer during times when excess surface water is available (typically wet periods) for storage and subsequent recovery of the water from the aquifer when needed (typically dry periods). ASR utilizes dual-purpose injection/recovery wells for the injection of water into aquifer storage and the subsequent recovery of the stored water by pumping. In order to feasibly implement ASR, the following four basic project components are required:

1. A supply of excess surface water for injection;
2. A system for the diversion, treatment and conveyance of water between the source and groundwater storage basin;
3. A suitable groundwater basin with available storage space; and,
4. Wells to inject and recover the stored water.

As applied to the Montecito Water District (MWD), ASR would involve the injection of excess water from Lake Cachuma and/or Jameson Lake, treated to potable standards at the Cater Water Treatment Plant (CWTP) and/or Bella Vista Treatment Plant (BVTP), respectively, then conveyed through the MWD potable water distribution system to ASR wells located in the Montecito Groundwater Basin (MGB). The banked water would then be recovered by the ASR well(s) and/or other MWD production wells when needed.

The MWD recently commissioned an ASR Feasibility Evaluation that was performed by GSI Water Solutions, Inc. (GSI). The ASR Feasibility Evaluation consisted of two phases, which were documented in a Technical Memorandum (TM)[1]:

- Phase 1 focused on identifying potential fatal flaws and a high-level cost/benefit analysis.
- Phase 2 involved a more detailed examination of technical design considerations and costs.

The ASR Feasibility Evaluation identified existing MWD wells that would be suitable for retrofitting as ASR wells and provided first-approximation estimates of potential injection capacities for each of the suitable wells. A water-quality characterization was performed, which included a review of the historical water quality data for the MWD wells, the MWD distribution system and from the two anticipated sources of injection water. The ASR Feasibility Evaluation also provided an overview of the regulatory framework and permitting process for ASR wells in the State of California.

Based on the findings developed from the ASR Feasibility Evaluation, GSI recommended that the Paden 2 well be prioritized as the initial well for advancing the MWD's ASR program. The next step in advancing the ASR program consists of implementing an ASR pilot test project at the Paden 2 well. The overall goal of the ASR pilot testing at Paden 2 is to field verify the findings developed from ASR Feasibility Evaluation and empirically determine site-specific well performance, hydrogeologic and water-quality factors for successfully implementing ASR at the well on a long-term sustainable basis. If pilot testing results indicate that ASR at the well is feasible long-term, the data gathered will provide information for the design basis and completion of CEQA documentation for a permanent ASR project at the well.

Based on our discussions, it is our understanding that the MWD desires support from PWR in developing and implementing an ASR pilot test project at the Paden 2 well. Based on our experience implementing ASR pilot test projects at numerous wells in the Central Coast region, we recommend that the project be implemented in the following two phases:

Phase 1

1. Site-Specific ASR Capacity Analysis
2. ASR Pilot Test Work Plan
3. RWQCB Permitting for ASR Pilot Test

[1] GSI Water Solutions, Inc, *Montecito Water District ASR Feasibility Evaluation*, Technical Memorandum prepared for the Montecito Water District, dated May 1, 2025.

Phase 2

1. Plans, Specifications and Bidding
2. ASR Pilot Test Implementation
3. Data Analysis and Reporting

The purpose of Phase 1 is to analytically refine the estimated injection capacity of the Paden 2 well, develop a Work Plan for implementation of the ASR pilot test program, and obtain Regional Quality Control Board (RWQCB) permit authorization for the ASR pilot test. Based on the findings developed from Phase 1, the scope, budget and schedule for Phase 2 can be reliably developed, which would consist of preparing plans, specifications and bidding for temporary well and site improvements needed to perform the ASR pilot test, implementation of the ASR pilot test program at the well, followed by data analysis and reporting on the ASR pilot test results.

A detailed scope of work to perform the above Phase 1 tasks is presented below:

SCOPE OF WORK

Task 1. Site-Specific ASR Capacity Analysis

The ASR Feasibility Evaluation provided a first-approximation estimate of the potential injection capacity for the Paden 2 well, which was appropriate for the well screening purposes of the evaluation; however, the injection capacity of any given ASR well is actually dependent on a variety of site-specific factors that were not considered for the first-approximation estimate, which can be generally categorized into issues associated with; 1) well response to injection, and 2) aquifer response to injection. Examples of issues associated with the well response include allowable drawup within the well casing before some head limitation is reached, and the available drawdown for well backflushing to maintain injection capacity. Issues associated with aquifer response to injection involve the available "freeboard" in the aquifer system for water levels (piezometric head) to be increased without inducing undesirable results, such as groundwater “daylighting” at the ground surface. To the extent possible, ASR wells should be designed and operated to maximize injection and production rates while operating within the constraints of these site-specific factors.

This task consists of in-depth analyses of the various site-specific factors affecting potential ASR well capacity of the Paden 2 well. The purpose is to establish theoretical sustainable injection and recovery rates for the well. The results of the analysis will be used as a basis for developing the Work Plan and RWQCB permitting for the ASR pilot test (Tasks 2 and 3 below). Site-specific factors to be analyzed for the Paden 2 well include the following:

- Well and aquifer hydraulic response under pressurized and non-pressurized casing scenarios
- Downhole velocity constraints
- Backflush pumping capacities

- Aquifer “hydrofracturing” potential
- Offsite impact limitations
- Recovery pumping capacity

The analysis will also include a quantitative estimate of the hydraulic efficiency of the well and the potential need for rehabilitation to increase the well efficiency and associated ASR capacity of the well for the pilot test. A summary Technical Memorandum (TM) will be prepared documenting the analysis methods and findings.

Task 2. ASR Pilot Test Work Plan

Development of the Work Plan for the Paden 2 ASR pilot test program will include an evaluation and identification of needs for implementing the program and consists of the following main subtasks:

1. Evaluation of need for monitoring well(s) drilling and installation
2. Evaluation of type of well rehabilitation/cleaning that may be needed to prepare the well for ASR testing
3. Identification of temporary modifications to well downhole equipment and pump/motor/discharge head
4. Identification of temporary above-ground facility improvements
5. Development of ASR pilot test program
6. Development of a Sampling and Analysis Plan (SAP)
7. Development of ASR pilot test schedule

The overall purpose of the Work Plan is to develop the information required to scope, budget, and permit the implementation of the ASR pilot testing project. The results will be documented and summarized in a consolidated Work Plan document. A detailed project implementation schedule will also be developed and presented in the Work Plan. The SAP will be provided as an appendix for stand-alone use in RWQCB permitting documents (Task 3). An initial draft will be provided for MWD staff review and comment, with a final version issued following incorporation of any needed revisions.

Task 3. RWQCB Permit Application

The State Water Resources Control Board (SWRCB) has adopted general waste discharge requirements for ASR projects that inject drinking water into groundwater (Order No. 2012-0010-DWQ or General ASR Order). The General ASR Order provides a statewide regulatory framework for authorizing both pilot ASR testing and permanent ASR projects. Oversight of these regulations is done through the Regional Water Quality Control Boards (RWQCBs) and obtaining coverage under the General ASR Order requires the preparation and submission of a Notice of Intent (NOI) application package to the local RWQCB (in this case, the Central Coast RWQCB).

Based on the information developed in the ASR pilot test Work Plan for Paden 2, a Technical Report will be prepared by PWR in accordance with the application requirements of the General ASR Order and will include the following minimum components:

- Project location map
- Identification and description of target aquifers
- Pilot testing schedule
- Delineation of the Areas of Hydrologic Influence
- Identification of all land uses within the delineated Areas of Hydrologic Influence
- Identification of known areas of contamination within the Areas of Hydrologic Influence
- Identification of project-specific Constituents of Concern (COCs)
- CEQA compliance documentation (Categorical Exemption assumed)
- Groundwater Degradation Assessment

It is noted that the General ASR Order application requires documentation of project compliance with the requirements of CEQA; however, the General ASR Order allows that a pilot test may be exempt from provisions of CEQA under CEQA Guidelines Section 15306, which exempts basic data collection that does not result in a serious or major disturbance to an environmental resource. Accordingly, it is assumed that the MWD will file a Notice of Categorical Exemption (NOE) from CEQA for the ASR pilot test under CEQA.

PWR will issue a draft copy of the completed Technical Report for MWD review and comment. PWR will incorporate MWD comments and prepare the final Technical Report for inclusion in the NOI application package. PWR will then prepare a complete NOI application package in accordance with the requirements of the General ASR Order. The package will include the following:

a. Transmittal letter
b. NOI application fee
c. Complete Form 200
d. Technical Report
e. US EPA Underground Injection Control (UIC) registration

PWR will provide the MWD with a completed package ready for signature by the MWD's authorized representative and will transmit the completed NOI package to the Central Coast RWQCB on the MWD's behalf.

It is noted that the Central Coast RWQCB has recently been requiring approximately six months to review NOI packages and issue a Notice of Applicability (NOA) for ASR pilot tests in the region. It is anticipated that preparatory work on Phase 2 of the ASR pilot test program will

occur on a parallel track with the RWQCB review, with the goal of having the temporary well and site improvements ready for ASR pilot test implementation once the NOA is issued.

Task 4. Project Management and Meetings

This task consists of overall project management, budget and schedule tracking, invoicing, and attendance at various project-related meetings. For budgetary purposes, the following meetings are assumed:

- Project kick-off
- Draft ASR Capacity Analysis TM review
- Draft Work Plan review
- Draft NOI Technical Report review

Services Not Included

Services which are (or may be) necessary for the completion of this project, which are not included in our proposal, include the following:

- Distribution system hydraulic modeling of injection flows;
- CEQA compliance documents (assumed provided by MWD);
- Cost of water, electricity, or other utilities, or;
- Any other item not specifically included in PWR's scope of services.

Estimated Fees and Schedule

Based on the scope of services presented herein, we estimate the fees for our services will be **$70,577**, which will be billed on a time-plus-expenses basis in accordance with our current Fee Schedule (attached). A 10 percent contingency has been noted in the attached budget summary (**total with contingency is $77,634**) in the event that unforeseen project complications or constraints arise. We recommend the contingency be held for authorization by MWD staff upon written justification by PWR.

A summary breakdown of costs per task is presented in **Table 1** below, and an estimated fee worksheet is also attached detailing the estimated staff-hours and costs per task item.

Table 1. Estimated Costs Summary

Task	Estimated Costs
1 - ASR Capacity Analysis	$15,940
2 - ASR Pilot Test Work Plan	$20,010
3 - RWQCB Permit Application	$25,527
4 - Project Management and Meetings	$9,100
Subtotal	$70,577
10% Contingency	$7,058
Total	**$77,634**

Based on our current workload, we believe that we can commence work within two weeks of your authorization and an estimated project schedule is presented in **Table 2** below:

Table 2. Estimated Project Schedule

Task	Time Period		Duration (months)
	Start	Finish	
1 - ASR Capacity Analysis	Jul-26	Sep-26	3
2 - ASR Pilot Test Work Plan	Oct-26	Jan-27	4
3 - RWQCB Permit Application	Feb-27	May-27	4
4 - Project Management and Meetings	Concurrent		--
		Total:	**11**

As shown, the work will require approximately 11 months to complete. Assuming work is initiated in July 2026, it would be completed by the end of May 2027 with the submission of the RWQCB NOI package. During the RWQCB 6-month review period, work on the Phase 2 temporary site improvements (plans, specifications, bidding and installation) can be performed and ready to implement the ASR pilot test program, possibly as early as December 2027.

We appreciate the opportunity to provide assistance to the MWD on this important community water-supply project. If you require additional information regarding this or other matters, please contact us.

Sincerely,

PUEBLO WATER RESOURCES, INC.

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

RCM

Attachments: Cost Estimation Spreadsheet
2026 Fee Schedule

Montecito Water District

Paden 2 ASR Pilot Test Project - Phase 1

PWR Project No.: 26-0041

ESTIMATED FEE DETAIL

LABOR		Principal Prof.	Senior Prof.	Drafting	WP	Hours by Task	Estimated Task Cost
	Hourly Fee	$260	$245	$170	$150		
Task	Task Description						
1	Site-Specific ASR Capacity Analysis	50	10	2	1	63	$15,940
2	Pilot Test Work Plan	55	20	3	2	80	$20,010
3	RWQCB Permit Application	60	20	2	1	83	$20,990
4	Project Management and Meetings	35				35	$9,100
	Hours by Labor Category	200	50	7	4		
	Costs by Labor Category	$52,000	$12,250	$1,190	$600		
					Total Labor Hours	261	
					Total Labor Costs	$66,040	

EQUIPMENT AND OTHER DIRECT COSTS	Units	Unit Price	No. of Units	Fee
Water-Level Transducer/Datalogger	Weekly	$300	0	$0
Field Water Quality Instruments	Weekly	$550	0	$0
Water-Quality Sampling Pump	Weekly	$300	0	$0
Ultrasonic Flowmeter	Weekly	$750	0	$0
Vehicle	Daily	$75	0	$0
Per Diem	Daily	$150	0	$0
			Total Equipment and ODCs	$0

OUTSIDE PRODUCTS AND SERVICES	Units	Unit Price	No. of Units	Fee
RWQCB NOI Fee	Lump Sum	$3,945	1	$3,945
		$0	0	$0
		$0	0	$0
		$0	0	$0
		$0	0	$0
			Subtotal	$3,945
			Total Outside Products and Services w/ Markup (15%)	$4,537

COST SUMMARY	
Labor	$66,040
Equipment and Other Direct Costs	$0
Outside Products and Services	$4,537
Subtotal	$70,577
10 % Contingency	$7,058
TOTAL ESTIMATED PROJECT COST	$77,634

PUEBLO WATER RESOURCES, INC.
2026 FEE SCHEDULE

Professional Services

Principal Professional.....$260/hr
Senior Professional.....$245/hr
Project Professional.....$225/hr
Staff Professional $195/hr
Technician.....$185/hr
AutoCad Drafter.....$170/hr
Word Processer $150/hr

Other Direct Charges

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

Equipment Charges

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

*Regionally and seasonally specific to project.

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

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-D

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: ASSISTANT GENERAL MANAGER

SUBJECT: PROPOSED ENVIRONMENTAL DETERMINATION AND AWARD OF CONSTRUCTION PHASE CONTRACTS FOR THE HIGHLINE REPAIR AT BELLA VISTA

RECOMMENDATION:

1. That the Board of Directors consider the Final Initial Study – Mitigated Negative Declaration (IS-MND), Mitigation Monitoring and Reporting Program (MMRP), and any comments received during the public review process, and any other information contained in the administrative record, for the Highline Repair at Bella Vista Project (Project).
2. That the Board of Directors make a finding, based on the Board's independent analysis, review and judgment of the administrative record, including the IS-MND and MMRP, that there is no substantial evidence in the record that this Project will have a significant effect on the environment if the mitigation measures in the Final IS-MND and MMRP are implemented.
3. That the Board of Directors adopt the Final IS-MND and MMRP, prepared in compliance with CEQA and State CEQA Guidelines, and designate the District's office, located at 583 San Ysidro Road, Montecito, California 93108 as the custodian of documents and record of proceedings on which this decision is based.
4. That the Board of Directors award a construction contract for the Highline Repair at Bella Vista to American Pipeline Services for a not-to-exceed amount of $743,250, which is 94% reimbursable by the Federal Emergency Management Agency.
5. That the Board of Directors authorize Professional Services Contract Amendment No. 1 to Wood Rodgers for construction phase services related to the Highline Repair at Bella Vista for a not-to-exceed amount of $116,823, which is 94% reimbursable by the Federal Emergency Management Agency.

DISCUSSION:

The District's 14-inch steel transmission main (referred to as the "Highline"), located along the foothills of Montecito, was damaged by landslides resulting from the January 9-10, 2023 winter storm in a remote area above 2500 East Valley Road. The landslides exposed 300 feet of the

Highline in two adjacent ravines where it had been previously buried. The storm event and subsequent land movement also pushed the Highline downhill slightly, causing the pipeline to shift. While the Highline remains operational, the goal of this project is to reestablish the pipeline by burying it along the slope and at the ravine bottoms to reduce or eliminate the risk of future failure due to similar circumstances.

California Environmental Quality Act (CEQA) Review Process

The District, as CEQA lead agency, hired Rincon Consultants (Rincon) to prepare an IS-MND for the proposed project. A Draft IS-MND was circulated for a 30-day public review commencing on April 22, 2026 and ending May 22, 2026. The Notice of Intent (NOI) to Adopt a Mitigated Negative Declaration and Notice of Public Meeting for the Highline Repair at Bella Vista Project were posted with the Santa Barbara County Clerk on April 22, 2026, and published in the Montecito Journal on April 30, 2026. The Draft IS-MND was available for public review online on the District's website at https://www.montecitowater.com/our-water/capital-projects-rfp/.

CEQA requires the Board to consider the complete environmental record including public comments received during the public review process. No public comments were received during the public review period. The Final IS-MND and MMRP are provided in Attachments 1 and 2, respectively. Comments in the administrative record may include comments received from the public and interested agencies, as well as any comments made at public meetings.

The Board shall adopt the proposed IS-MND and MMRP only if it finds on the basis of the whole record before it (including the IS and any comments received), that there is no substantial evidence that the project will have a significant effect on the environment and that the IS-MND reflects the District's independent judgment and analysis as the lead agency. After adoption, the Notice of Determination shown in Attachment 3 would be filed with the Santa Barbara County Clerk.

Construction Bid Results

On March 16, 2026, a Request for Proposals (RFP) was issued soliciting proposals from qualified construction contractors for the Highline Repair at Bella Vista Project. Two mandatory site walks were offered to interested construction contractors. Site walks were important given the remote access considerations for this project. Bids were due by April 16, 2026, when a public bid opening occurred at the District office. The results of the bid opening are shown in the table below. The engineer's estimate for the project was $800,000. The lowest bidder was American Pipeline Services (APS) based out of Monrovia. Staff reviewed all bids for completeness and found no issues. The District is currently working with APS on the Freehaven and Las Tunas Watermain Project. APS has highly skilled staff to execute the work and has proven responsive and reasonable throughout the Freehaven and Las Tunas Watermain Project. Staff are recommending an award of contract to APS for the Highline Repair at Bella Vista Project.

Table 1 – Summary of Bid Results for the Highline Repair at Bella Vista

Contractor	Total Bid
American Pipeline Services	$743,250.00
Lash Construction	$974,350.00
Schock Contracting	$1,695,735.00
Toro Enterprises	$818,426.00

Construction Phase Design & Environmental Services

In late 2023, the District issued a Request for Qualifications for engineering design and environmental services for the project. After a competitive bidding process, a contract was awarded to Wood Rodgers with Rincon Consultants as the environmental subcontractor to Wood Rodgers. The Wood Rodgers scope of work did not include construction phase services and therefore a contract amendment is needed for construction phase services such as engineering support and environmental monitoring. Engineering support will include review of contractor submittals, responding to contractor requests for information, and review of invoices and change orders, if necessary. Environmental monitoring will include biological monitoring such as pre-construction nesting bird surveys, cultural monitoring during excavation, and management of erosion and sediment control measures. Wood Rodgers has provided a proposal for this work as shown in Attachment 4 with a total proposed fee of $116,823. Approximately $12,000 of this cost is for engineering services during construction and $104,000 is for environmental monitoring during construction. Wood Rodgers, and subconsultant Rincon, have successfully performed the design phase work of this project and numerous prior past projects for the District. Staff recommend an award of contract to Wood Rodgers for a not-to-exceed amount of $116,823.

SCHEDULE:

If awarded at the June 23, 2026 meeting, staff would finalize the proposed contract and amendment in the subsequent 10 days. The next month would be used for contractor submittal review and material procurement. Construction is likely to begin in August 2026 and be completed by November 2026. Staff are in the process of finalizing temporary access agreements on two properties where temporary access and staging is needed during construction and will present those proposed agreements to the Committee and Board when ready for review.

FISCAL IMPACT:

The District received a cash advance of approximately $3.1M for this project in September 2024. This amount was issued based on initial cost estimates. However, this advance exceeds actual needs because actual bids were much lower. This project is included in the Fiscal Year (FY) 2027

proposed budget for a total of $1.28M, which includes costs for construction, temporary easements, and environmental monitoring.

ATTACHMENTS:

1. Final Initial Study Mitigated Negative Declaration for the Highline Repair at Bella Vista Project
2. Mitigation Monitoring and Reporting Program for the Highline Repair at Bella Vista Project
3. Notice of Determination for the Highline Repair at Bella Vista Project
4. Proposal from Wood Rodgers for Construction Phase Services for the Highline Repair at Bella Vista Project



Bella Vista Highline Water Main Repair Project

Final Initial Study–Mitigated Negative Declaration

prepared by

Montecito Water District
583 San Ysidro Road
Montecito, California 93108
Contact: Adam Kanold, PE, Assistant General Manager/Engineering Manager

prepared with the assistance of

Rincon Consultants, Inc.
319 East Carrillo Street, Suite 105
Santa Barbara, California 93101

May 2026

RINCON CONSULTANTS

Table of Contents

Initial Study 1
1. Project Title 1
2. Lead Agency Name and Address 1
3. Contact Person and Phone Number 1
4. Project Location 1
5. General Plan Designation and Zoning 4
6. Description of Project 4
7. Surrounding Land Uses and Setting 8
8. Other Public Agencies Whose Approval is Required 8
9. Have California Native American Tribes Traditionally and Culturally Affiliated with the Project Area Requested Consultation Pursuant to Public Resources Code Section 21080.3.1? 8
Environmental Factors Potentially Affected 9
Determination 9
Environmental Checklist 11
1 Aesthetics 11
2 Agriculture and Forestry Resources 15
3 Air Quality 17
4 Biological Resources 25
5 Cultural Resources 37
6 Energy 43
7 Geology and Soils 45
8 Greenhouse Gas Emissions 53
9 Hazards and Hazardous Materials 55
10 Hydrology and Water Quality 59
11 Land Use and Planning 63
12 Mineral Resources 65
13 Noise 67
14 Population and Housing 75
15 Public Services 77
16 Recreation 79
17 Transportation 81
18 Tribal Cultural Resources 83
19 Utilities and Service Systems 89
20 Wildfire 93
21 Mandatory Findings of Significance 97

References 101
Bibliography 101
List of Preparers 104

Tables

Table 1 Project Site General Plan Land Use Designations and Zoning 4
Table 2 Construction Emissions (tons/year) 21
Table 3 Estimated Construction GHG Emissions 54
Table 4 Groundborne Vibration Architectural Damage Criteria 70
Table 5 Estimated Noise Levels by Construction Phase at Sensitive Receptors 71
Table 6 Construction Vibration Levels 72

Figures

Figure 1 Regional Project Location 2
Figure 2 Project Location 3
Figure 3 Area of Potential Effects Map 7
Figure 4 Geologic Map and Paleontological Sensitivity of Project Site 52

Appendices

Appendix A CalEEMod Detailed Report
Appendix B RCNM Results

Initial Study

1. Project Title

Bella Vista Highline Water Main Repair Project

2. Lead Agency Name and Address

Montecito Water District
583 San Ysidro Road
Montecito, California 93108

3. Contact Person and Phone Number

Adam Kanold, PE
Assistant General Manager/Engineering Manager
Montecito Water District
(805) 969-2271

4. Project Location

The proposed project would consist of repairs to the existing Highline Water Main Pipeline (Highline) at two locations along 2500 East Valley Road in the community of Montecito in Santa Barbara County:

- Repair 1: Eastern Pipeline Replacement (34.447927°, -119.587045°)
- Repair 2: Western Pipeline Replacement (34.448116°, -119.587860°)

The project area consists of steep topography and vegetative cover. The project area is adjacent to several single-family residences and unpaved roads to north, east, and west. Figure 1 presents the regional location of the project site, and Figure 2 presents the location of the project within a neighborhood context.

Figure 1 Regional Project Location



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Fig 1 Regional Location

Project Location

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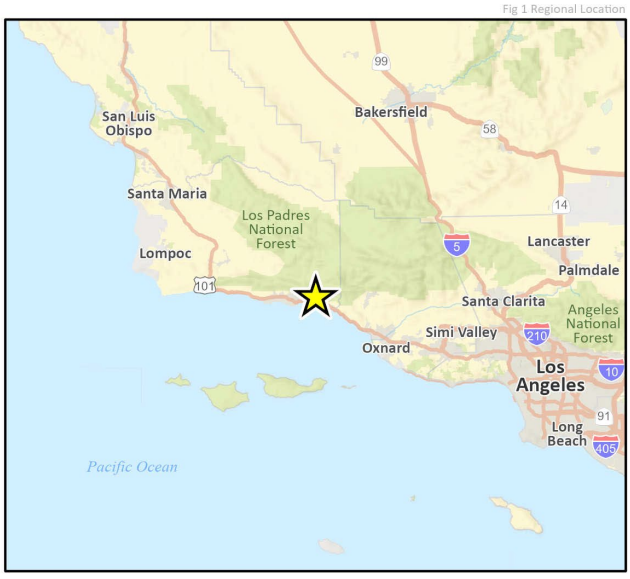
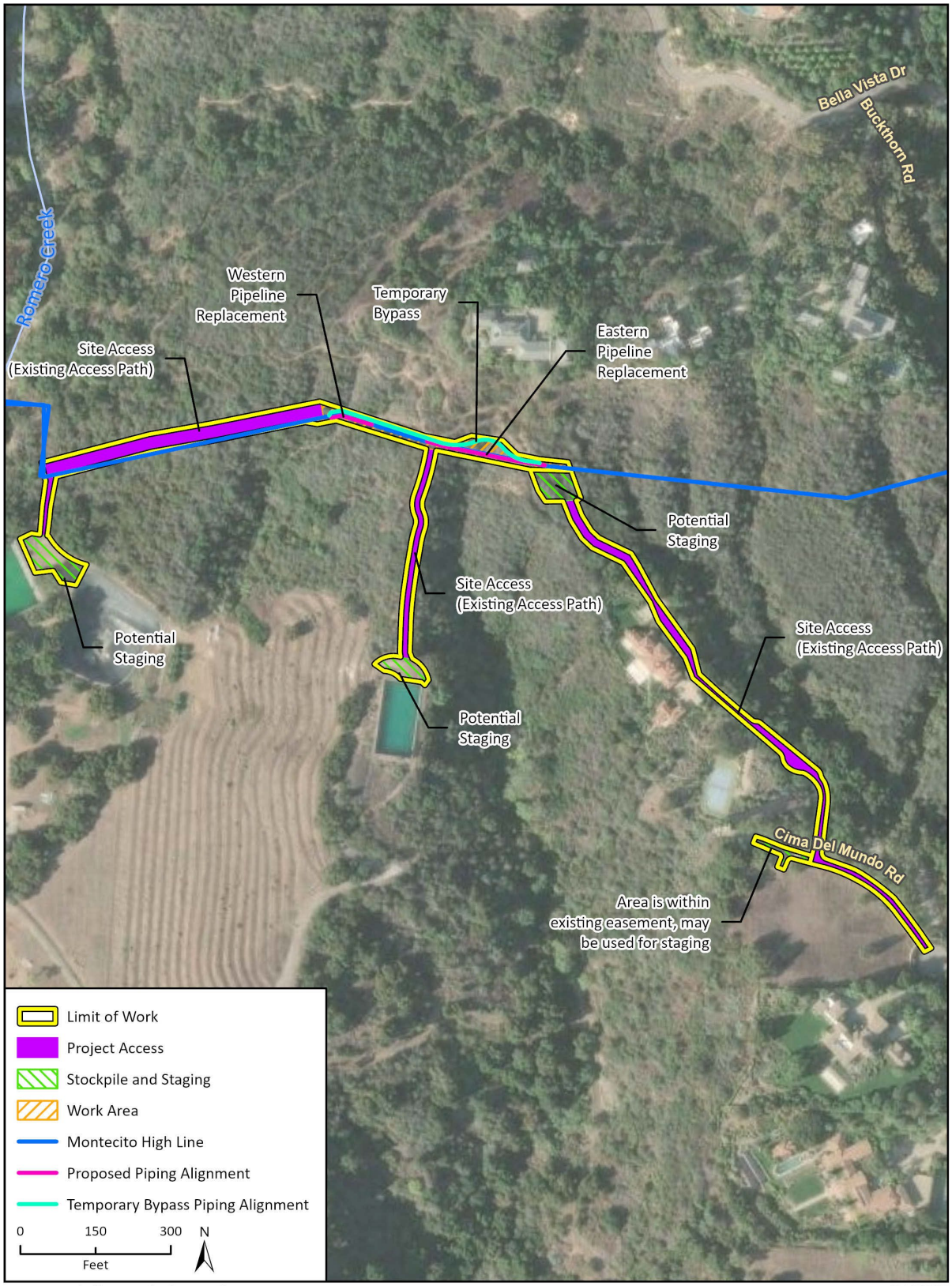


Figure 2 Project Location



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23-14562 EPS
Fig 2 Project Location

5. General Plan Designation and Zoning

Table 1 provides the Santa Barbara County General Plan land use designations and zoning for the proposed project.

Table 1 Project Site General Plan Land Use Designations and Zoning

Assessor's Parcel Number	Land Use Designation	Zoning Designation	Project Activity
155-030-005	MA-40	RMZ-40	Pipeline replacement
155-030-006	MA-40	RMZ-40	Staging and site access
155-030-045	SRR-0.2	5-E-1	Staging and site access
155-030-056	MA-40	RMZ-40	Pipeline replacement and site access
155-250-022	SRR-0.1	10-E-1	Site access
155-250-023	SRR-0.1	10-E-1	Staging and site access

MA = Mountainous Area, SRR = Semi-Rural Residential, RMZ = Resource Management, E-1 = One Family Residential

Per California Government Code Section 53091, building and zoning ordinances of a county or city do not apply to the location or construction of facilities for the production, storage, or transmission of water, wastewater, or electrical energy by a local agency. The following information is provided for informational purposes.

According to Chapter 35.420 of the Santa Barbara County Montecito Land Use and Development Code, the Resource Management zone (RMZ-40) is intended to limit development because of extreme fire hazards, minimum services, and/or environmental constraints, and to encourage the preservation of these areas for uses including grazing, scientific and educational study, and limited residential uses. According to Chapter 35.420 of the Santa Barbara County Montecito Land Use and Development Code, the One-Family Residential Zone (5-E-1 & 10-E-1) is intended to protect the residential characteristics of an area and to promote a suitable environment for family life.

6. Description of Project

The District proposes to remove and replace two damaged segments of the existing Highline Water Main Pipeline in the foothills of Montecito in unincorporated Santa Barbara County. The work would occur in two ravines above 2500 East Valley Road, where landslides during the January 2023 storm event exposed and displaced the pipeline. The project is intended to restore the pipeline to current engineering standards, improve long-term reliability, and reduce vulnerability to future slope instability.

The project includes the following components:

- **Installation of a Temporary Bypass Pipeline**: A 450-foot temporary pipeline would be installed above ground, disinfected, and tested to maintain uninterrupted water service during construction.
- **Removal and Replacement of Damaged Pipeline Segments**: Approximately 245 linear feet of pipeline would be removed and replaced in the eastern ravine ("Eastern Pipeline Replacement") and 110 linear feet in the western ravine ("Western Pipeline Replacement"). The Eastern and Western Pipeline Replacement would occur entirely within the existing 20-foot pipeline easement, and would not extend into or use the existing trail located north of the easement.

The new segments would be installed underground and designed to meet modern seismic and geotechnical standards.

- **Installation of Geocells:** Approximately 90' of geocells will be added directly above both Eastern and Western Pipeline segments to protect the ravines from future erosion. These geocells are a plastic product and will be filled with native soil. Vegetation will grow within the cells completely covering them visually. Geocells are only being installed directly within the easement above the proposed pipeline.
- **Installation of Blowoff Piping:** Blowoff piping will be installed at Eastern and Western Pipeline segments. The blowoffs would stick out of the ground by approximately 6" to 12" and would release water in the event the pipeline should need maintenance or replacement in the future.

Site access is challenging due to the remote hillside setting and dense vegetation. As shown on Figure 2 up to three potential routes are under consideration. The eastern access point would be accessible via Cima Del Mundo Road, and the western and southern access points would be accessible through the neighboring property as coordinated with private property owners. All site access routes would need to be cleared for vegetation. The existing path located north of the eastern pipeline easement would be protected, and would neither be used as a work area nor for project site access. The District and its contractor will use one or more site access routes during construction.

Staging areas for equipment, materials, and worker parking would be located at existing clearings near Romero Creek, south of the central ridge, southeast of the site near Cima Del Mundo, and adjacent to the work area as coordinated with private property owners. Construction personnel would likely park at the District office nearby and carpool to the project site.

Construction would include trenching for buried ductile iron pipes (2 to 8.5 feet deep, 3 feet wide), establishing 12 to 15-foot-wide access roads with grading to a depth of 6 to 8 inches, and managing approximately 220 cubic yards of net earthwork onsite, with approximately 10 cubic yards of pipeline spoils potentially exported if needed. Erosion control materials may be used to mitigate future erosion in the pipeline vicinity.

No groundwater is expected to be encountered during construction, due to the project site's location on a hillside. The existing pipeline would be dewatered prior to construction using existing blow-off valves or tapping methods as needed. After installation, the replaced pipeline segments will be disinfected in accordance with applicable standards, and the testing water used for disinfection will also be dechlorinated before being discharged. Chlorinated water drained from the existing and new pipeline will be dechlorinated prior to discharge.

The estimated construction duration is three months, occurring Monday through Friday from 7:00am to 4:30pm. No nighttime construction would be required.

Area of Potential Effects

The APE is the geographic area or areas within which an undertaking may cause changes in the character or use of historic properties (Figure 3). Determination of the APE is influenced by the undertaking's setting, the scale and nature of the undertaking, and the different effects that may result from the undertaking (36 Code of Federal Regulations [CFR] 800.16[d]). The APE encompasses the horizontal and vertical extents in which effects may occur as a result of project implementation.

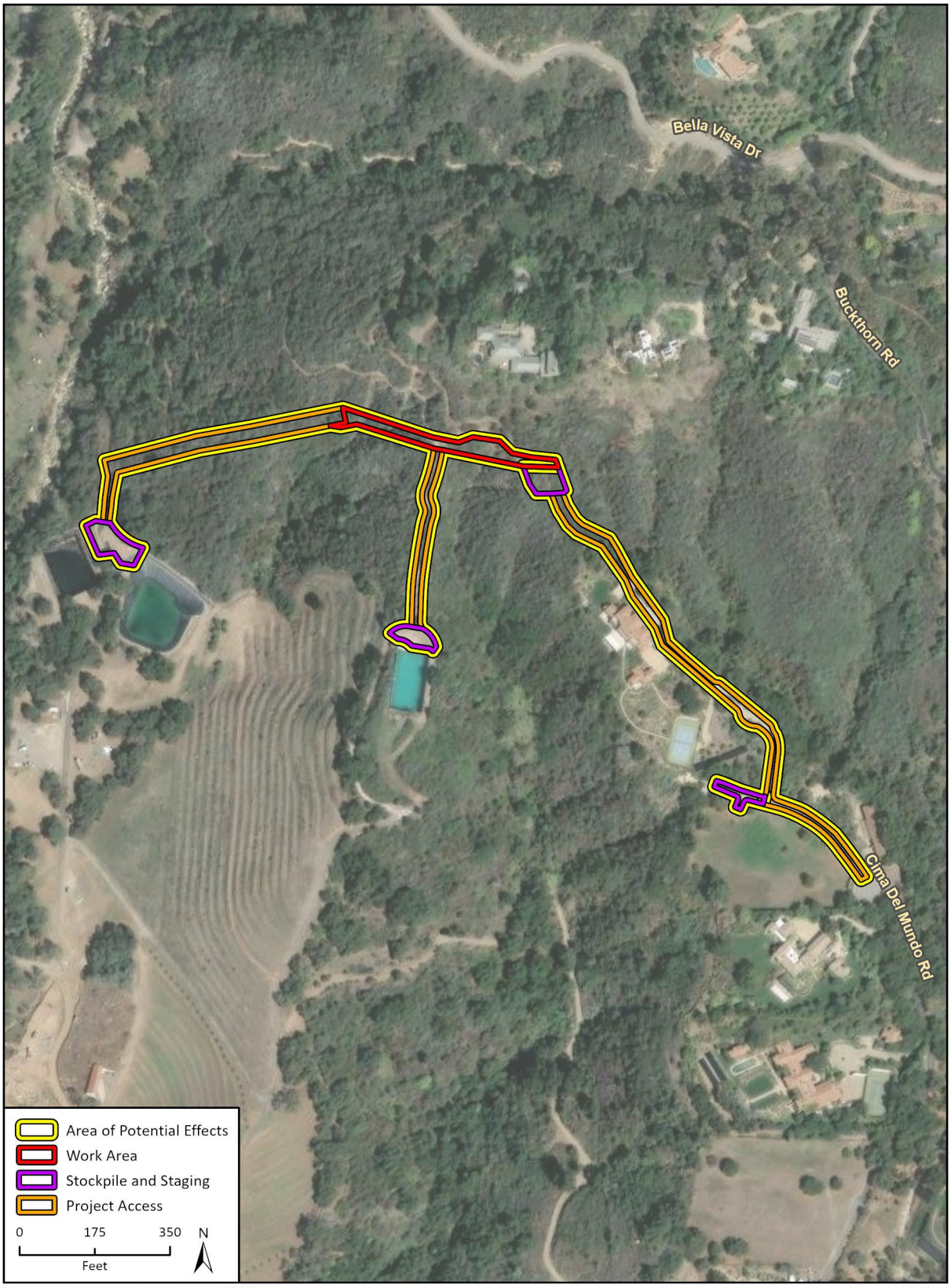
The APE was delineated to encompass all areas that have the potential to be affected by the undertaking, including all areas where ground disturbing activities are proposed, construction

easements, access roads and staging areas, and is limited to the project footprint. Ground disturbing activities associated with the undertaking include the following: grading and widening of existing access roads to a depth ranging from six to eight inches below the ground surface and a width of 12 to 15 feet; replacement of approximately 245 linear feet of pipeline in the Eastern Pipeline Replacement Area; replacement of 110 linear feet of pipeline in the Western Pipeline Replacement Area; removal of 240 linear feet of existing pipeline in the eastern ravine. The undertaking's southwestern and central staging areas, as well as an approximately 100-foot section of the central access road, are located within the historic-aged Racho San Carlos property. Use of this portion of the Rancho San Carlos property would be temporary and generally consistent with the existing design and function of the trail and staging areas. The undertaking includes the installation of blow off piping in the Eastern Pipeline Replacement area and Western Pipeline Replacement area that would range from 6 to 12 inches above the ground surface, introducing a permanent above-ground feature; however, the blow off piping would not be visible from the ranch. Further, the undertaking would not result in permanent visual, vibrational or atmospheric changes, nor would it alter the overall function or integrity of the larger Rancho San Carlos property. Because the undertaking does not have the potential to result in effects, the larger ranch property was excluded from the APE.

The APE must also be considered as a three-dimensional space and includes any ground disturbance associated with the undertaking. The depth of excavation varies from 6 inches to seven feet within the APE. The below ground vertical APE is assumed to be a maximum depth of 8.5 feet below ground to account for trenching activities.

The temporary bypass pipeline will be installed at the ground surface with a height of one foot above the ground surface. The temporary bypass pipeline will be removed after construction and would not introduce any permanent above-ground elements that would alter the setting of the surrounding area. Blow off piping installed within the Eastern Pipeline Replacement area and Western Pipeline Replacement area will extend approximately 6 to 12 inches above the ground surface. Given the minimal height, limited visibility from surrounding viewpoints and its placement within an actively managed utility corridor, the above-ground feature that would be introduced would not materially impair the visual character or setting of the surrounding area. The existing landscape will be returned to preconstruction conditions following implementation of the project. Therefore, the above-grade APE is limited to 12 inches above the ground surface.

Figure 3 Area of Potential Effects Map



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23-14562 CR
Fig X APE

7. Surrounding Land Uses and Setting

The land use setting in the vicinity of the project site is predominantly characterized by rural, low-density residential, and open space uses.

8. Other Public Agencies Whose Approval is Required

The District is the lead agency under CEQA with responsibility for approving the project. The proposed project may require the following permits:

- General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities
- Central Coast Regional Water Quality Control Board, General Waste Discharge Requirements for Discharges to Land with Low Threat to Water Quality (Order 2003-0003-DWQ). This permit is applicable for low-risk dewatering activities such as pipeline dewatering with dechlorinated water. This permit covers discharges to land or percolation facilities that pose minimal threat to water quality.

9. Have California Native American Tribes Traditionally and Culturally Affiliated with the Project Area Requested Consultation Pursuant to Public Resources Code Section 21080.3.1?

The District distributed AB 52 consultation notification letters for the proposed project, which included project information, maps, and contact information, to ten Native American contacts via certified mail on January 9, 2026. The Barbareño Band of Chumash Indians and the Santa Ynez Band of Chumash Indians requested to consult on the project. No additional requests were received during the consultation period. Consultation activities are described in detail in Section 18, *Tribal Cultural Resources.* Consultation with both tribes was concluded in April 2026.

Environmental Factors Potentially Affected

This project would potentially affect the environmental factors checked below, involving at least one impact that is "Potentially Significant" or "Less than Significant with Mitigation Incorporated" as indicated by the checklist on the following pages.

☐	Aesthetics	☐	Agriculture and Forestry Resources	☐	Air Quality
■	Biological Resources	■	Cultural Resources	☐	Energy
■	Geology and Soils	☐	Greenhouse Gas Emissions	■	Hazards and Hazardous Materials
☐	Hydrology and Water Quality	☐	Land Use and Planning	☐	Mineral Resources
☐	Noise	☐	Population and Housing	☐	Public Services
☐	Recreation	☐	Transportation	■	Tribal Cultural Resources
☐	Utilities and Service Systems	■	Wildfire	■	Mandatory Findings of Significance

Determination

Based on this initial evaluation:

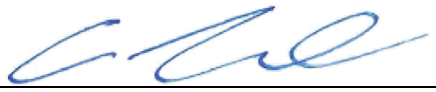
☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

■ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions to the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "less than significant with mitigation incorporated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potential significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

	5/28/2026
Signature	Date
Adam Kanold	Asst. General Manager/Engineering Manager
Printed Name	Title

Environmental Checklist

1 Aesthetics

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Except as provided in Public Resources Code Section 21099, would the project:				
a. Have a substantial adverse effect on a scenic vista?	☐	☐	■	☐
b. Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	■
c. In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from a publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?	☐	☐	■	☐
d. Create a new source of substantial light or glare that would adversely affect daytime or nighttime views in the area?	☐	☐	■	☐

a. Would the project have a substantial adverse effect on a scenic vista?

Although the Santa Barbara County General Plan does not specifically designate scenic vistas, scenic resources can be described as singular vantage points that offer unobstructed views of valued viewsheds. The County of Santa Barbara General Plan Conservation Element identifies several characteristics that contribute to the scenic setting of Santa Barbara County, including views of rolling hillsides, the Santa Ynez mountain range, and the Pacific Ocean (County of Santa Barbara 2010). Although the project is located in two ravines within the rolling hillsides, public views of the project site are limited by topography, vegetation, and private property. During construction, staging areas for equipment, materials, and worker parking would be located at existing clearings near Romero Creek, south of the central ridge, southeast of the site near Cima Del Mundo, and adjacent to the work area as coordinated with private property owners. In addition, the District regularly stages equipment and vehicles at the District office. However, the presence of construction equipment and materials would be temporary, short-term, and limited to the construction period and would not substantially interrupt long-range views. During operation, the

proposed pipeline would be completely buried and out of sight. Therefore, impacts to scenic vistas would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

b. Would the project substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

The Santa Barbara County General Plan Scenic Highways Element identifies scenic resources along the County's highways as valuable resources intended for preservation (County of Santa Barbara 2009). The nearest officially designated State Scenic Highway to the project site is State Route 154 (California Department of Transportation [Caltrans] 2018), located approximately 10 miles west of the site. Due to distance and intervening topography, the project site is not visible from State Route 154. The nearest eligible State Scenic Highway is a segment of U.S. Route 101, approximately two miles south of the project site. Neither of these highways provides views of the project site, nor would the project alter the visual character of these corridors. Therefore, the project would not substantially damage scenic resources within a State Scenic Highway, and no impact would occur.

NO IMPACT

c. Would the project, in non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from a publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?

According to Public Resources Code Section 21071, an "urbanized area" in the unincorporated part of a county is defined as either 1) an area that is completely surrounded by one or more incorporated cities with a combined population of at least 100,000 people (unincorporated areas plus incorporated cities) and the population density of the unincorporated area at least equals the population density of the surrounding city or cities; or 2) an area where the County Board of Supervisors has issued a finding that the general plan, zoning ordinance, and related policies and programs applicable to the unincorporated area are consistent with principles that encourage compact development and submitted this finding to the Office of Land Use and Climate Innovation for comment. The project is located on unincorporated land within the community of Montecito and is not completely surrounded by one or more incorporated cities. Therefore, it does not meet the CEQA definition of an "urbanized area" and is thus evaluated as part of a non-urbanized area.

The closest public views to the project site is north of the site along Bella Vista Drive and west of the project site along Romero Canyon Road. In both cases, public views of the project site are obstructed by geographic features, vegetation, and residences. To the extent they would be noticeable, construction activities would be short-term and limited to the construction period. Once construction is complete, these temporary elements would be removed, and the site would return to a condition consistent with the surrounding setting. Additionally, the proposed improvements would occur within private property and would not introduce features that substantially alter the visual character of the surrounding landscape. Therefore, no scenic resources would be affected and impacts related to visual character and public views would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

d. Would the project create a new source of substantial light or glare that would adversely affect daytime or nighttime views in the area?

Project construction is expected to last approximately three months, occurring Monday through Friday during working hours from 7:00 a.m. to 4:30 p.m. No nighttime construction would be required. However, construction lighting may be necessary during early-morning construction hours during the winter. Surrounding land uses consist primarily of low-density residential properties in a sparsely populated area, which are generally more sensitive to lighting than commercial uses. However, any lighting associated with construction would be temporary, limited to the construction period, and would follow best management practices (BMPs) to minimize glare and spillover. If construction lighting is required, lighting would be shielded and downcast. Furthermore, the project would not permanently add reflective surfaces, such as windows or car windshields, or lighting to the project site or its surroundings. Therefore, the project would not create a new permanent source of substantial light or glare, and impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

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2 Agriculture and Forestry Resources

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	■
b. Conflict with existing zoning for agricultural use or a Williamson Act contract?	☐	☐	☐	■
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)); timberland (as defined by Public Resources Code Section 4526); or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?	☐	☐	☐	■
d. Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	■
e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	■

a. Would the project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

b. Would the project conflict with existing zoning for agricultural use or a Williamson Act contract?

c. Would the project conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)); timberland (as defined by Public Resources Code Section 4526); or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?

d. Would the project result in the loss of forest land or conversion of forest land to non-forest use?

e. Would the project involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?

The project site is not zoned or designated for agricultural use (County of Santa Barbara 2025) and is not located on land enrolled in a Williamson Act contract (California Department of Conservation [DOC] 2024). The nearest mapped agricultural resource is Unique Farmland located approximately 800 feet south of the project site (DOC 2020). However, the proposed work would occur within existing utility corridors and disturbed areas associated with the Highline Water Main Pipeline and would not extend into agricultural lands. Therefore, the project would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use, nor would it conflict with zoning for agricultural use or a Williamson Act contract, and no impact would occur.

The project site is not zoned for forest land or timberland and is not located on or near forest land (County of Santa Barbara 2025). The surrounding land use is characterized by rural residential development and open space with steep topography and vegetative cover, but no designated forest land or timberland resources. The proposed pipeline repair would not involve changes to the existing environment that could result in the loss of forest land or the conversion of forest land to non-forest use. Vegetation clearing for site access would be minimal and limited to non-forest vegetation within existing disturbed areas. Therefore, the project would not impact forest land or timberland resources, and no impact would occur.

NO IMPACT

3 Air Quality

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	■	☐
b. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	■	☐
c. Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	■	☐
d. Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	■	☐

The project area is in the South Central Coast Air Basin (Basin) which covers San Luis Obispo, Santa Barbara, and Ventura Counties. The Santa Barbara County Air Pollution Control District (SBCAPCD) monitors and regulates the local air quality in Santa Barbara County and administers the Air Quality Management Plan (AQMP).[1] The analysis presented in this section is based on information found in the SBCAPCD CEQA Handbook: A Guide for the Preparation of Air Quality Sections in Environmental Documents (SBCAPCD Guidelines), updated by the SBCAPCD in October 2025 (SBCAPCD 2025).

Air quality is affected by stationary sources (e.g., industrial uses and oil and gas operations) and mobile sources (e.g., motor vehicles). Air quality at a given location is a function of several factors, including the quantity and type of pollutants emitted locally and regionally, and the dispersion rates of pollutants in the region. Primary factors affecting pollutant dispersion are wind speed and direction, atmospheric stability, temperature, the presence or absence of inversions, and topography. The project site is located in the southwestern portion of the Basin, which has moderate variability in temperatures, tempered by coastal processes. The air quality within the Basin is influenced by a wide range of emission sources, such as dense population centers, heavy vehicular traffic, industry, and weather.

Air Quality Standards and Attainment

The SBCAPCD is required to monitor air pollutant levels to ensure National Ambient Air Quality Standards (NAAQS) and California Ambient Air Quality Standards (CAAQS) are met. If the standards are met, the Basin is classified as being in "attainment." If the standards are not met, the Basin is classified as being in "nonattainment" and the SBCAPCD is required to develop strategies to meet

[1] The SBCAPCD uses the term clean air plan to describe the strategic plans they are required to prepare. Also called AQMPs, air quality attainment plans, and recently, a rate-of-progress plan, these plans are the foundation for reducing air pollution so that the air in this county meets the state and federal health standards.

the standards. According to the California Air Resources Board (CARB) Area Designation Maps, the project site is located in a region identified as being in nonattainment (transitional) for the ozone NAAQS and CAAQS and nonattainment for the particulate matter less than 10 microns in diameter (PM_{10}) CAAQS (CARB 2025). In December 2022, the SBCAPCD adopted the 2022 Santa Barbara County AQMP, which provides a strategy for the attainment of federal ozone standards (SBCAPCD 2022).

San Joaquin Valley Fever (formally known as Coccidioidomycosis, hereafter referred to as Valley Fever) is an infectious disease caused by the fungus *Coccidioides immitis*. Valley Fever is a disease of concern in the Basin. Infection is caused by inhalation of *Coccidioides immitis* airborne spores, formed when dry, dusty soil or dirt is disturbed by natural processes, such as wind or earthquakes, or by human-induced ground-disturbing activities, such as construction, farming, or other activities. In 2024, there were 12,500 cases of Valley Fever reported in California, with 121 of those cases occurring in Santa Barbara County (California Department of Public Health 2025).

Air Emission Thresholds

Construction

The County of Santa Barbara and the SBCAPCD have not adopted thresholds of significance for construction emissions. However, SBCAPCD acknowledges that CEQA Lead Agencies may use 25 tons per year for any criteria pollutant, except carbon monoxide, as a guideline for determining the significance of construction impacts (SBCAPCD 2025) .

Operation

The SBCAPCD's Guidelines recommend specific operational air emission thresholds for determining whether a project may have a significant adverse impact on air quality within the Basin.

Operation of the project would not have a significant air quality effect on the environment if:

- Emissions from all project sources (mobile and stationary, excluding Portable Equipment Registration Program [PERP]) are less than the daily trigger for offsets set in the SBCAPCD New Source Review Rule, for any pollutant (currently 55 pounds per day for nitrogen oxides [NOx] and reactive organic compounds [ROC], and 80 pounds per day for particulate matter with a diameter of 10 micrometers or smaller [PM10]);
- Emissions are less than 25 pounds per day of NO_x or ROC from motor vehicle trips only;
- Emissions will not cause or contribute to a violation of any CAAQS or NAAQS (except ozone);
- Emissions will not exceed the SBCAPCD health risk public notification thresholds adopted by the SBCAPCD Board;
- Emissions will be consistent with the adopted federal and state Air Quality Plans; and
- Carbon monoxide (CO) impacts including existing background levels are less than the California one-hour standard of 20 parts per million (i.e., impacts do not result in a CO "hot spot").

Due to the County's non-attainment status for ozone and the regional nature of the pollutant, if a project's total emissions of the ozone precursors, NO_x or ROC, exceed the long-term threshold, then the project's cumulative impacts would be considered significant. For projects that do not have significant ozone precursor emissions or localized pollutant impacts, emissions have been taken into account in the Air Quality Attainment Plan (AQAP) growth projections and therefore, cumulative impacts may be considered to be insignificant.

The SBCAPCD Guidelines recommend fugitive dust mitigation measures be applied to all dust-generating activities. Such measures include minimizing the project disturbance area, watering the site prior to commencement of ground-disturbing activities, covering all truck loads, and limiting on-site vehicle speeds to 15 miles per hour or less.

Applicable SBCAPCD Rules and Regulations

To minimize potential impacts from project emissions, the SBCAPCD implements rules and regulations for emissions that may be generated by various uses and activities. The rules and regulations detail pollution-reduction measures that must be implemented during construction and operation of projects. Rules and regulations relevant to the project include the following:

- **Rule 302 (Visible Emissions).** This rule prohibits the discharge of air contaminants from any single emission source for periods totaling more than three minutes in any one hour if the emissions are visibly opaque. This rule is intended to limit visible emissions and associated particulate matter impacts.
- **Rule 303 (Nuisance).** This rule prohibits discharge from any source whatsoever such quantities of air contaminants or other material in violation of Section 41700 of the Health and Safety Code which cause injury, detriment, nuisance or annoyance to any considerable number of persons or to the public or which endanger the comfort, repose, health or safety or any such persons or the public or which cause or have a natural tendency to cause injury or damage to business or property.
- **Rule 345 (Control of Fugitive Dust from Construction and Demolition Activities).** This rule establishes fugitive dust control requirements for any activity associated with construction or demolition of a structure or structures.
- **Rule 323.1 (Architectural Coatings).** This rule establishes volatile organic content limits for architectural coatings that are manufactured, blended, repackaged, supplied, sold, or offered for sale within the SBCAPCD. Rule 323.1 limits the volatile organic content to 50 grams per liter for flat coatings and 100 grams per liter for nonflat coatings and traffic marking coatings.
- **Rule 329 (Cutback and Emulsified Asphalt Paving Materials).** This rule establishes ROC content limits pertaining to the manufacture, application, and sale of cutback and emulsified asphalt materials for paving, construction, and maintenance of streets, highways, parking lots, and driveways.

Projects are expected to manage fugitive dust emissions such that emissions do not exceed SBCAPCD's visible emissions limit (SBCAPCD Rule 302), create a public nuisance (SBCAPCD Rule 303), and are in compliance with the SBCAPCD's requirements and standards for visible dust (SBCAPCD Rule 345). The SBCAPCD also recommends inclusion of Construction Impact Mitigation: PM_{10} Mitigation Measures for projects. These measures, listed below, should be required for all projects involving earthmoving activities, regardless of the project size or duration:

- During construction, use water trucks, sprinkler systems, or dust suppressants in all areas of vehicle movement to prevent dust from leaving the site and from exceeding the SBCAPCD's limit of 20% opacity for greater than 3 minutes in any 60-minute period. When using water, this includes wetting down areas as needed but at least once in the late morning and after work is completed for the day. Increased watering frequency should be required when sustained wind speed exceeds 15 mph. Reclaimed water should be used whenever possible. However, reclaimed water should not be used in or around crops for human consumption.

- Onsite vehicle speeds shall be no greater than 15 miles per hour when traveling on unpaved surfaces.
- Install and operate a track-out prevention device where vehicles enter and exit unpaved roads onto paved streets. The track-out prevention device can include any device or combination of devices that are effective at preventing track out of dirt such as gravel pads, pipe-grid track-out control devices, rumble strips, or wheel-washing systems.
- If importation, exportation, and stockpiling of fill material is involved, soil stockpiled for more than one day shall be covered, kept moist, or treated with soil binders to prevent dust generation. Trucks transporting fill material to and from the site shall be tarped from the point of origin.
- Minimize the amount of disturbed area. After clearing, grading, earthmoving, or excavation is completed, treat the disturbed area by watering, OR using roll-compaction, OR revegetating, OR by spreading soil binders until the area is paved or otherwise developed so that dust generation will not occur. All roadways, driveways, sidewalks etc. to be paved should be completed as soon as possible.
- Schedule clearing, grading, earthmoving, and excavation activities during periods of low wind speed to the extent feasible. During periods of high winds (>25 mph) clearing, grading, earthmoving, and excavation operations shall be minimized to prevent fugitive dust created by onsite operations from becoming a nuisance or hazard.
- The contractor or builder shall designate a person or persons to monitor and document the dust control program requirements to ensure any fugitive dust emissions do not result in a nuisance and to enhance the implementation of the mitigation measures as necessary to prevent transport of dust offsite. Their duties shall include holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the Air Pollution Control District prior to grading/building permit issuance and/or map clearance.

a. Would the project conflict with or obstruct implementation of the applicable air quality plan?

SBCAPCD's Guidelines require projects to be consistent with local and regional air quality plan land use and population forecasts to ensure that project-related land use changes do not interfere with achieving or maintaining State and federal ambient air quality standards. Consistency with the Ozone Plan, otherwise referred to as an AQMP or AQAP, for the projects subject to these guidelines means that direct and indirect emissions associated with the project are accounted for in the Ozone Plan's emissions growth assumptions, that the project is consistent with District rules and regulations, and that the project is consistent with the policies and control measures that are developed and implemented in accordance with the Ozone Plan. All projects involving earthmoving activities must implement standard dust control measures, as provided in Rule 302, 303, and 345 above and outlined in Section 6.1.1 of SBCAPCD's Guidelines, to be consistent with the policies adopted in the AQAP.

The proposed project would not expand water system capacity, nor would it generate new housing, commercial, or industrial land uses (see *Population and Housing* section, below*)*. Additionally, given the relatively small size of project construction activities, it is anticipated that construction workers would come from the regional workforce and would not relocate to Santa Barbara County as a result of the project. In addition, the proposed project would not require additional employees for operation and maintenance activities. As such, it would not contribute directly or indirectly to population growth and would not cause exceedances of the growth forecasts employed in the 2022 Santa Barbara County AQMP. Additionally, earthmoving activities conducted during construction

would implement standard dust control measures, consistent with the policies adopted in the AQAP. Therefore, a less than significant impact would occur.

LESS-THAN-SIGNIFICANT IMPACT

b. Would the project result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?

The proposed project would generate short-term emissions associated with project construction. Long-term emissions associated with operation would be negligible because the proposed project includes temporary bypass pipeline and two new segments to replace the existing damaged pipelines; therefore, operation and maintenance activities would be consistent with existing conditions. Construction emissions were modeled using the California Emissions Estimator Model (CalEEMod) version 2022.1.1.0.

Construction

Project construction would generate temporary air pollutant emissions. These impacts are associated with fugitive dust and exhaust emissions from heavy-duty construction vehicles. Table 2 summarizes the maximum daily pollutant emissions for each project component.

Table 2 Construction Emissions (tons/year)

Maximum Daily Emissions	ROC	NO_X	CO	SO_X	PM_{10}	$PM_{2.5}$
2026	<1	<1	<1	<1	<1	<1
Significance Thresholds	25	25	N/A	25	25	25
Threshold Exceeded?	No	No	N/A	No	No	No

ROC: reactive organic compounds; NO_X: nitrogen oxides; CO: carbon monoxide; PM_{10}: particulate matter 10 microns or less in diameter; $PM_{2.5}$: particulate matter 2.5 microns or less in diameter; SO_2: sulfur dioxide

See Appendix A for CalEEMod Detailed Report.

As shown in Table 2, emissions would not exceed the twenty-five tons per year thresholds. Accordingly, this impact would be less than significant and no mitigation would be required.

With respect to fugitive dust emissions, SBCAPCD states significant construction-related air quality impacts could occur if fugitive dust emissions are generated in such quantities as to cause injury, detriment, nuisance, or annoyance to any considerable number of people or to the public, or which may endanger the comfort, repose, health, or safety of any such person or the public. For construction impacts, the SBCAPCD requires minimizing fugitive dust through dust control measures (Rule 302, 303, and 345). Following compliance with these measures, construction emissions would not be generated in such quantities as to cause injury, detriment, nuisance, or annoyance to any considerable number of people or to the public, or endanger the comfort, repose, health, or safety of any such person or the public. Given the temporary nature of construction emissions and incorporation of fugitive dust reduction measures through compliance with existing SBCAPCD regulations measures, impacts related to fugitive dust would be less than significant.

Operation

Operation and maintenance activities would be consistent with existing activities and therefore, would not generate any new, ongoing maintenance trips or activities. Furthermore, the project

would not increase the system capacity. Therefore, emissions associated with long-term project operation and maintenance would remain unchanged from current conditions and would have a less than significant impact on regional air quality.

LESS-THAN-SIGNIFICANT IMPACT

c. Would the project expose sensitive receptors to substantial pollutant concentrations?

SBCAPCD defines sensitive receptors as facilities or land uses which include members of the population particularly sensitive to the effects of air pollutants, such as children, the elderly, and people with illnesses. Examples of sensitive receptors listed in the SBCAPCD Guidelines include schools, hospitals, and daycare centers (SBCAPCD 2025). Potential sensitive receptors in the vicinity of the project site include single-family residences within 0.25 mile. There are no schools, senior centers, nursing homes, hospitals, or churches within 0.25 mile of the project site.

Toxic Air Contaminants

As discussed under Items 3(b) and 3(c), project construction would result in temporary emissions of criteria pollutants, including fugitive dust, ROC, and NO_X. Construction is expected to take three months to complete and is linear in nature. As such, emissions from construction activities at a given sensitive receptor would occur for only a limited portion of the overall construction period, as construction activities would progress across the project site. Furthermore, compliance with SBCAPCD regulations (Rule 302, 303, and 345) would minimize emissions of TACs and fugitive dust during construction. Therefore, project construction would not expose sensitive receptors to substantial TAC emissions.

CO Hotspots

Traffic-congested roadways and intersections have the potential to generate elevated localized carbon monoxide (CO) levels (i.e., CO hotspots). In general, CO hotspots occur in areas with poor circulation or areas with heavy traffic. Ambient CO concentrations in Santa Barbara County have historically been low. As a result, the SBCAPCD discontinued ambient CO monitoring at its stations countywide in March and July 2004.

The proposed project would not require regular maintenance trips beyond existing conditions. Construction activities would cause a temporary increase in vehicle traffic. Additionally, due to the relatively low background ambient CO levels in Santa Barbara County, localized CO impacts associated with congested intersections are not expected to exceed the CO health-related air quality standards. Therefore, CO “hotspot” analyses are no longer required. The project would not result in CO hotspots on adjacent roadways.

San Joaquin Valley Fever

The population of Santa Barbara County has been and will continue to be exposed to Valley Fever from agricultural and construction activities occurring throughout the region. The fungal spores responsible for Valley Fever generally grow in virgin, undisturbed soil. Soil at the project site is already disturbed by construction of roadways and existing water infrastructure. Due to the previous amount of disturbance at the project site, disturbance of soil during construction activities is unlikely to pose a substantial risk of infection. Substantial increases in the number of reported cases of Valley Fever tend to occur only after major ground-disturbing events such as the 1994 Northridge earthquake (Center for Disease Control [CDC] 1994). Construction of the proposed

project would not result in a comparable amount of ground disturbance. Therefore, construction of the proposed project would not significantly increase the risk to public health above existing background levels. Because the project area does not pose a substantial risk for Valley Fever, Valley Fever-specific mitigation measures detailed in the SBCAPCD Guidelines would not be required.

Summary

The project would not expose sensitive receptors to substantial pollutant concentrations. Impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

d. Would the project result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?

During construction activities, heavy equipment and vehicles would emit odors associated with vehicle and engine exhaust and during idling. However, these odors would be intermittent and temporary and would cease upon completion, and odors would disperse with distance. Although operations of the updated water conveyance system are located near residences, construction activities at these locations would be similar to other construction activities occurring near residences in the city (such as residential and commercial construction) and would not create other emissions, such as those leading to objectionable odors, affecting a substantial number of people. Overall, project construction would not generate other emissions, such as those leading to odors, affecting a substantial number of people. Construction-related impacts would be less than significant.

The proposed pipelines would be installed belowground and would not create objectionable odors during project operation. Operation of the updated water infrastructure would not include activities with the potential to create objectionable odors. Land uses that typically produce odorous emissions include landfills, rendering plants, chemical plants, agricultural uses, wastewater treatment plants, refineries, fast food restaurants, bakeries, and coffee roasting facilities (CARB 2005; SBCAPCD 2017). The proposed project would not include odor-generating components or land uses. Therefore, project operation would not result in odorous emissions adversely affecting a substantial number of people. No operational impacts would occur.

LESS-THAN-SIGNIFICANT IMPACT

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4 Biological Resources

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	☐	■	☐	☐
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	☐	■	☐	☐
c. Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	■	☐	☐
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	■	☐
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	■	☐	☐
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	■

Biological Resources Assessment

In January 2026, Rincon evaluated biological resources at the project site. The evaluation included a literature review and field reconnaissance survey and documented existing site conditions, such as the potential of special status plant and wildlife species, sensitive plant communities, jurisdictional waters and wetlands, and habitat for nesting birds.

Rincon conducted a field reconnaissance survey on January 9, 2026, encompassing the proposed project footprint (i.e., areas which are expected to be affected by the proposed project including the pipe repair construction footprint, staging areas, and access roads) and a 100-foot survey buffer beyond the limits of the project footprint (study area). Temperatures ranged from 51-54 degrees Fahrenheit with clear skies. There was minimal wind (0-5 mph wind speed).

Queries of the United States Fish and Wildlife Service (USFWS) *Information for Planning and Consultation System* (USFWS 2026a), USFWS Critical Habitat Portal (USFWS 2026b), and California Department of Fish and Wildlife (CDFW) *California Natural Diversity Database* (CNDDB) (CDFW 2026) were conducted within a five-mile radius of the study area. The queries were conducted to obtain comprehensive information regarding state and federally listed species, as well as other special status species, considered to have potential to occur within the study area. In addition, the following resources were reviewed for further information about the study area:

- Aerial photographs of the study area and vicinity
- United States Department of Agriculture, Natural Resources Conservation Service *Web Soil Survey* (USDA 2026)
- National Wetlands Inventory (USFWS 2026c)

The findings of the assessment are considered in the impact analysis below.

a. Would the project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?

The majority of the project area consists of chapparal and coast live oak woodland habitats. There is an ephemeral drainage that runs north to south directly through the middle of the project area where the pipeline will be replaced. Additionally, non-native weeds and grasses have become established in large portions of the previously disturbed areas of the proposed access roads. Areas along the pipeline also have been previously disturbed where vegetation removal activities occur yearly for access by MWD.

Special Status Plants

One special status plant species, Santa Barbara honeysuckle (*Lonicera subspicata* var. *subspicata*), was observed during the reconnaissance-level field survey. This species was observed within the disturbance corridor along the easternmost access road. The access road is existing, but will have to be graded and cleared of vegetation to accommodate the transportation of large equipment to the project site (approximately 12-15-foot width is needed). Because the project's impacts would be temporary and localized, removal of a small number of honeysuckle plants would not lead to population-level effects on the species.

No threatened or endangered plant species have potential to occur within the project area, and no designated critical habitat occurs within or adjacent to the sites. Three special status plant species have a moderate potential to occur within the project area, including late-flowered mariposa lily (*Calochortus fimbriatus*), Ojai fritillary (*Fritillaria ojaiensis*), Sonoran maiden fern (*Pelazoneuron puberulum* var. *sonorense*), and Nuttal's scrub oak (*Quercus dumosa*). These species have potential to occur within the project area in areas with chamise-black sage scrub and coast live oak woodland habitat.

Five special status plant species have low potential to occur within the project area, including Miles' milk-vetch (*Astragalus didymocarpus* var. *milesianus*), mesa horkelia (*Horkelia cuneata* var. *puberula*), white-veined monardella (*Monardella hypoleuca* ssp. *hypoleuca*), Hoffmann's bitter gooseberry (*Ribes amarum* var. *hoffmannii*), and black-flowered figwort (*Scrophularia atrata*). Marginally suitable habitat for these species (chamise/black sage scrub) is present within or adjacent to the study area. These species have a low potential to occur and are not expected to be impacted by the project.

The southern ends of the access roads have been previously disturbed and are largely devoid of vegetation except for the establishment of non-native grass and weeds. Chamise-black sage scrub and coast live oak woodland habitat have been established in the northern ends of the access roads. All access roads will be graded and cleared for vegetation. Additionally, construction includes trenching the pipeline which will consist of vegetation removal and excavation within the project site. Impacts to chamise-black sage scrub and coast live oak woodland will occur in areas along the access roads and within the project site. These impacts would be temporary, and natural revegetation is expected after the project is complete.

Due to the limited habitat within the project area and low to moderate potential for locally rare, but not state or federally listed, plant species to occur, the number of individuals directly affected by project construction would be low, if any. Therefore, direct impacts from construction would not result in population-level effects on these species. Indirect impacts to special status plants occurring outside of the project area could occur from dust or run-off material generated during construction but would be minor with the implementation of Mitigation Measures. Impacts to special status plants would be less than significant and would be further reduced through Mitigation Measures BIO-1, BIO-2, BIO-3, BIO-4, and BIO-5, which would limit encroachment into habitat areas, require topsoil salvage, establish a worker environmental training program for the project, and require the presence of a biological monitor.

Special Status Wildlife

The project area and surrounding vegetation has potential to support special-status wildlife species, although no special status wildlife species were observed during the reconnaissance-level field survey. Six special status wildlife species were determined to have moderate potential to occur within the project site: northern California legless lizard (*Anniella pulchra*), coastal whiptail (*Aspidoscelis tigris stejnegeri*), Cooper's hawk (*Astur cooperii*), Crotch's bumble bee (*Bombus crotchii*), coast horned lizard (*Phrynosoma blainvillii*), coast range newt (*Taricha torosa*), and coast patch-nosed snake (*Salvadora hexalepis virgultea*).

The northern California legless lizard, coast range newt, coast horned lizard, and coast patch-nosed snake have moderate potential to occur within the project site and are associated with shrubby chaparral, coastal scrub, and ornamental vegetation and leaf litter and sandy loose and/or moist soils. Some coast live oak woodland and chamise-black sage scrub habitats may be impacted by the project and are suitable for these species, and individuals may be killed or injured during

excavations or vehicle movements. Even staging and parking, if occurring in areas where leaf litter and loose soils could accommodate these species, could result in injury or mortality due to crushing. These impacts would be potentially significant absent mitigation but would be reduced to a less-than-significant level through Mitigation Measures BIO-1, BIO-4, and BIO-5, which requires a workers environmental awareness program, a preconstruction survey for special status wildlife species, and biological construction monitoring.

Crotch's bumble bee is a candidate for listing under CESA and as such, CESA protections are afforded to this species as if it were listed until a determination is made by the California Fish and Game Commission regarding formal listing. Impacts to bumble bees in the form of destruction of nests or injury or death of individual bees would be considered significant under CEQA. The Crotch's bumble bee is associated with chapparal and coastal scrub environments. Suitable foraging flowering resources, including black sage (*Salvia mellifera*), and nesting/overwintering habitat (e.g., rock piles, rodent burrows, loose soil) are present within the project area. Coast live oak woodland and chamise-black sage scrub habitats are suitable for this species, and individuals may be killed or injured during vegetation clearing, excavations, or vehicle movements. These impacts would be potentially significant absent mitigation but would be reduced to a less-than-significant level through Mitigation Measure BIO-6, which requires a pre-construction survey and avoidance of this species.

The Cooper's hawk has potential to occur within the site's oak woodland habitat. This species prefers to nest in large, mature trees. Suitable nesting habitat occurs within mature oaks located within the project area. Because the project is expected to require trimming and/or removal of oak trees, it is possible that Cooper's hawk nests could be destroyed, or that Cooper's hawk eggs or nestlings could be injured or killed during construction. In addition, noise and human presence may cause adult Cooper's hawks to abandon their nests, which can also lead to mortality of eggs and nestlings. These impacts would be potentially significant absent mitigation but would be reduced to a less-than-significant level through Mitigation Measure BIO-7, which requires pre-construction nesting bird surveys and establishment of a protective buffer around any nests encountered.

Two species were determined to have low potential to occur within the project site: San Diego desert woodrat (*Neotoma lepida intermedia*) and California red-legged frog (*Rana draytonii*). Marginally suitable habitat for these species (chapparal habitat and rocky or vegetated drainages with limited or no riparian vegetation) is present within or adjacent to the study area. These species have a low potential to occur as transients within the project area and are not expected to be impacted by the project.

With the implementation of Mitigation Measures identified above, impacts related to candidate, sensitive, or special status species would be reduced to a less-than-significant level.

Nesting Birds

In addition to special status species, the project site contains habitat capable of supporting nesting birds, including those protected under the California Fish and Game Commission (CFGC) and the Migratory Bird Treaty Act (MBTA). The adjacent native trees and shrubs along the project footprint provide suitable nesting habitat for avian species. Specifically, the coast live oak trees and chapparal habitat throughout the project site contain suitable habitat for passerine and raptor species, such as Anna's hummingbird (*Calypte anna*) and red-shouldered hawk (*Buteo lineatus*). Direct impacts to raptors and other nesting birds may result if construction occurs while they are present within or adjacent to the project footprint, through direct mortality or abandonment of nests. Though impacts to common avian species do not generally rise to the level of significance under CEQA, the

destruction of nests during construction activities would be a violation of the MBTA and CFGC Section 3503 and therefore must be avoided. Implementation of Mitigation Measures BIO-1 and BIO-7 would maintain compliance with these federal and state laws.

Mitigation Measures

BIO-1 Worker Environmental Awareness Program

Prior to initiation of all construction activities (including staging and mobilization), all personnel associated with project construction shall attend a Worker Environmental Awareness Program (WEAP) training, conducted by a qualified biologist, to assist workers in recognizing special status biological resources which may occur in the study area. This training will include information about nesting birds and the special status species potentially occurring in the study area.

The specifics of this program shall include identification of special status species and habitats, a description of the regulatory status and general ecological characteristics of special status resources, and review of the limits of construction and measures required to avoid and minimize impacts to biological resources within the work area. A fact sheet conveying this information shall also be prepared for distribution to all contractors, their employees, and other personnel involved with construction of the project. All employees shall sign a form provided by the trainer documenting they have attended the WEAP and understand the information presented to them. The crew foreman shall be responsible for ensuring crew members adhere to the guidelines and restrictions designed to avoid impacts to special status species. If new construction personnel are added to the project, the crew foreman shall confirm the new personnel receive the WEAP training before starting work. The subsequent training of personnel can include a video recording of the initial training and/or the use of written materials rather than in-person training by a biologist.

BIO-2 Sensitive Habitat Fencing

Prior to project mobilization, where the project is adjacent to sensitive habitat (i.e., environmentally sensitive habitat [ESH], riparian habitat, sensitive natural communities); temporary construction fencing shall be erected by the contractor at the edge of the temporary construction area to avoid impacts to the habitat throughout the duration of construction. If complete avoidance is not feasible, impacts shall be minimized as described in Mitigation Measure BIO-3.

BIO-3 Minimization of Sensitive Habitat Impacts

If encroachment into sensitive natural communities cannot be avoided, areas of temporary disturbance within these habitats shall be minimized to the extent practicable. Staging and parking areas shall be limited to sites which are unvegetated and/or previously disturbed areas comprising ruderal vegetation or non-native annual grasslands, ornamental landscaping, and paved/graded areas, to the extent practicable. If removal of sensitive vegetation is necessary during excavation and/or grading, the topsoil (top six inches) shall be salvaged and stored in temporary stockpiles and replaced in the same area following completion of excavation/grading activities. If removal of non-native invasive vegetation is necessary during excavation and/or grading, the plant material and topsoil shall be separated and exported off-site to a landfill or similar disposal facility. Temporary stockpiles with invasive species shall be stored away from salvaged sensitive natural communities and separate from sensitive vegetation topsoil. Natural revegetation is expected in cleared areas after the completion of the project. If revegetation of the site is necessary for soil stabilization

and/or fugitive dust control, the revegetation plant palette shall be free of invasive plants listed in the California Invasive Plant Council Inventory.

BIO-4 Pre-Construction Presence/Absence Survey for Special Status Wildlife Species

Within seven days prior to the commencement of ground disturbing activities, a qualified biologist shall be retained to perform a survey for special status wildlife species in natural habitat areas within the project footprint and a 50-foot buffer to determine the presence/absence of these species. The pre-construction survey shall be conducted on foot within the project footprint and 50-foot buffer. Raking shall be conducted in areas of sandy, loose, and moist soils under sparse vegetation/leaf litter to determine the presence/absence of northern California legless lizard. The qualified biologist shall temporarily move any identified special status wildlife species outside of the construction area, and temporary barriers shall be placed around the construction area, as practicable, to prevent ingress. The results of these surveys shall be documented in a technical memorandum.

BIO-5 Biological Construction Monitoring

A qualified biological monitor shall be present during initial ground disturbing activities and vegetation removal to confirm impacts to special status wildlife species are avoided. The monitor shall have the authority to halt construction activities to avoid potential impacts to special status species. The results of biological monitoring shall be documented in daily logs and a technical memorandum at project completion.

BIO-6 Crotch's Bumble Bee Surveys and Avoidance

A formal habitat assessment shall be performed prior to initiating ground disturbing activities to determine if Crotch's bumble bee suitable nesting or foraging habitat is present in the Project area. The assessment will include:

1. Review of occurrence record data
2. Analysis of foraging, nesting, and overwintering resources
3. Documentation of plant species observed (including what is blooming at the time of the survey and percent cover)

The locations of any nesting resources, including rodent burrows, cavities, thatched grasses, brush, rock piles, logs, and manmade structures like dumped furniture, will be mapped during the assessment. Areas adjacent to the Project will also be considered, as accessible, to determine if there is suitable nesting or foraging habitat.

If suitable nesting and foraging resources are detected during the habitat assessment, they will be avoided by a 50-foot buffer, where possible. If avoidance is not possible, a protocol-survey following the CDFW *Survey Considerations for California Endangered Species Act* (CESA) Candidate Bumble Bee Species (CDFW 2023) will be performed to determine if Crotch's bumble bee is present in the Project area. A minimum of three visits will be conducted during the colony active season (April – August) and will be spaced 2-4 weeks apart. If no Crotch's bumble bees are detected on the site, no further mitigation would be required. If Crotch's bumble bees are detected, consultation with CDFW will be initiated to determine the best way to avoid impacts to bumble bees on the site, and to determine whether an ITP is warranted.

BIO-7 Pre-Construction Nesting Bird Surveys

To avoid disturbance of nesting and special status birds, including raptor species, protected by the MBTA and CFGC 3503, activities related to the project including, but not limited to, vegetation removal, ground disturbance, and construction and demolition shall occur outside of the bird breeding season for migratory birds (January 1 through September 1), if practicable.

If construction must begin during the breeding season, then a pre-construction nesting bird survey shall be conducted no more than seven days prior to initiation of ground disturbance and vegetation removal activities. The nesting bird pre-construction survey shall be conducted on foot inside the project footprint, including a 100-foot buffer (300 feet for raptors), and in inaccessible areas (e.g., private lands) from afar using binoculars to the extent practicable. The survey shall be conducted by a biologist familiar with the identification of avian species known to occur in southern California coastal communities. If nests are found, an avoidance buffer (dependent upon the species, the proposed work activity, and existing disturbances associated with land uses outside of the site) shall be determined and demarcated by the biologist with bright orange construction fencing, flagging, construction lathe, or other means to mark the boundary. All construction personnel shall be notified as to the existence of the buffer zone and to avoid entering the buffer zone during the nesting season. No ground-disturbing activities shall occur inside this buffer until the avian biologist has confirmed breeding/nesting is completed, and the young have fledged the nest. Encroachment into the buffer shall occur only at the discretion of the qualified biologist.

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b. Would the project have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?

The project site is located on a southern slope of the Santa Ynez Mountains above Summerland. Native vegetation has become established along the access roads and around the project area. Vegetation around the project site was documented during the reconnaissance-level biological survey.

Vegetation Communities

Two vegetation communities were documented within the Project site during the field survey – coast live oak woodland and chamise/black sage scrub. A brief description of the oak woodland vegetation community, which is considered sensitive by the County, vis provided below. The vegetation classification used for this analysis is based on *A Manual of California Vegetation, Second Edition* (MCV2; Sawyer et al. 20092).

Coast Live Oak Woodland and Forest (Quercus agrifolia Forest and Woodland Alliance)

Coast live oak woodland and forest (*Quercus agrifolia* Forest and Woodland Alliance) is a warm temperate woodland/forest vegetation community that occurs along canyon bottoms, slopes, and flats. The soils are deep, high in organic matter, and contain sand or loam. Coast live oak is dominant or codominant in the tree canopy where it comprises 50 percent or greater relative cover. Common co-dominants and associates include big leaf maple (*Acer macrophyllum*), valley oak

[2] Sawyer, J.O., T. Keeler-Wolf, and J.M. Evens. 2009. A Manual of California Vegetation, 2nd edition. California Native Plant Society, Sacramento, California.

(*Quercus lobata*), and California bay (*Umbellularia californica*). The tree canopy is open to continuous; the shrub layer is sparse to intermittent; and the herbaceous layer is sparse to continuous. This vegetation community is not considered a CDFW sensitive natural community but is considered sensitive by the County.

This vegetation community comprises a majority of the project area in areas dominated by trees. Coast live oak is the dominant tree species and contains continuous to intermittent canopy cover. The shrub stratum was generally dominated by California sagebrush and coyote brush (*Baccharis pilularis*). The herbaceous understory is sparse except where coast live oak woodland borders chaparral habitat, and where the ephemeral drainage supports a more diverse understory of herbaceous species.

Where sensitive communities occur, the project has been designed to avoid impacts to the extent feasible. Parking and staging will occur mostly within annual grasslands and other previously disturbed areas. Oaks may need to be trimmed or removed to accommodate equipment passage along access routes or to allow staging activities to proceed. Potential impacts to coast live oak woodland would be potentially significant absent mitigation. These impacts would be reduced to a less-than-significant level through Mitigation Measures BIO-2, BIO-3, and BIO-8, which would fence sensitive areas to prevent inadvertent encroachment and ensure that any necessary trimming of oaks is conducted using approved arboricultural practices.

Impacts related to riparian habitat or other sensitive natural communities would be less than significant with mitigation incorporated.

Mitigation Measures

BIO-8 Arborist Study and Tree Protection

Prior to the start of construction, an Arborist Study should be conducted for protected trees with any portion of their dripline within the project area and a 20-foot buffer. Protected trees shall be defined as native trees that are six inches or greater in diameter, as is standard in the county (County of Santa Barbara 2021). The study shall plot the location of protected trees and identify the species. The Arborist Report shall be prepared by a Certified Arborist and include, at minimum, the following:

- An inventory of all protected trees containing a canopy drip line within 20 feet of the project area, as feasible without trespassing on private lands. Inventory data shall record, at minimum: diameter at breast height (DBH), height, canopy spread, and overall health rating
- Description of proposed site development activities including, but not limited to, excavation and grading, any tree trimming for access, and staging/parking within 20 feet of a protected tree canopy dripline.
- Mandatory tree protection recommendations, which shall at a minimum include a site plan depicting the project area, the tree protection zone (TPZ; six feet from the dripline, as is typical in the county [County of Santa Barbara 2021]), and project encroachment boundaries; tree protection fencing, activities prohibited/permitted within the tree protective zone, approved tree trimming practices, and standard measures for protecting trees during construction. The mandatory recommendations shall ensure that any trimming of protected trees is performed in accordance with current arboricultural practices and overseen by a certified arborist.

The Arborist Report shall be submitted to the District for approval prior to the start of any tree-disturbing construction activities.

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c. Would the project have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

No potential wetland areas occur in the project area based on an evaluation of available mapping data, vegetation, and topography.

A jurisdictional ephemeral drainage is located through the middle of the project area, running north to south. This feature flows intermittently, has no defined bed or banks, and is dry for most of the year. Additionally, the feature was dry during the time of the survey, which occurred four days after a rain event that brought over 3 inches of rain to the region. The project area, site access roads, and staging areas would need to be cleared of vegetation prior to use. Additionally, the pipeline will be trenched (three to seven feet deep, 2.5 feet wide) directly through the streambed. Direct impacts from construction could adversely affect water quality (e.g., increased turbidity, addition of pollutants) particularly during storm events. Additionally, indirect impacts from construction materials (e.g., stockpiled materials, construction equipment, and trash) that may be stored onsite could also adversely affect water quality if runoff were to occur during storm events. These impacts would be significant absent mitigation but would be reduced to a less-than-significant level through Mitigation Measures BIO-9 and BIO-10, which would ensure materials are properly stored and stormwater controls are in place to protect water quality. Additionally, necessary permits for the proposed temporary impacts to jurisdictional waters associated with the jurisdictional feature would be obtained prior to initiating impacts. The discharge of fill into the streambed is anticipated to require a Streambed Alteration Agreement from CDFW pursuant to Section 1600 of the CFGC and coverage under Waste Discharge Requirements from the State Water Resources Control Board.

With the implementation of Mitigation Measures BIO-9 and BIO-10, impacts to state waters would be reduced to a less-than-significant level.

Mitigation Measures

BIO-9 Construction Material Storage to Prevent Leaks and Spills

Materials and equipment (when not in use) shall be stored on impervious surfaces or plastic ground covers to prevent spills or leakage. Material storage and material/spoils from project activities shall be located and stored 100 feet from waterways. Adequate spill prevention and response equipment shall be maintained on site and readily available to implement to minimize impacts to the aquatic and marine environments. Construction materials and spoils shall be protected from stormwater runoff using temporary perimeter sediment barriers such as berms, silt fences, fiber rolls, covers, sand/gravel bags, and straw bale barriers, as appropriate.

BIO-10 Construction Best Management Practices

To avoid and/or minimize potential direct and indirect impacts to special status species and potentially jurisdictional waters and water quality outside of the project area, the following Best Management Practices (BMPs) shall be implemented:

g. Prior to project mobilization, all limits of construction work adjacent to potentially jurisdictional waters shall be clearly delineated with orange construction fencing or similar highly visible material and maintained throughout the duration of construction.
h. All temporary materials related to construction of the project would be removed upon completion of the project. The jurisdictional area would be restored to pre-project conditions with the exception of the bank and channel repair area.
i. Off-site tracking of loose construction and landscape materials shall be prevented by implementing street sweeping, vacuuming, and rumble plates, as appropriate.
j. Site washout areas shall be at least 100 feet from a storm drain, open ditch, or surface water and prevent runoff flows from such activities from entering receiving water bodies.
k. All vehicles and equipment shall be in good working condition and free of leaks. The contractor shall prevent oil, petroleum products, or any other pollutants from contaminating the soil or entering a watercourse (dry or otherwise). When vehicles or equipment are stationary, mats or drip pans shall be placed below vehicles to contain fluid leaks.
l. Fugitive dust from ground disturbance activities shall be minimized using water trucks and covering of soil stockpiles.
m. A speed limit of 15 mph for construction vehicles shall be implemented on unpaved non-public roads.
n. All food related trash shall be disposed of in closed containers and removed from the project site each day during the construction period. Construction personnel shall not feed or otherwise attract wildlife to the construction area. At project completion, all project-generated debris, vehicles, building materials, and rubbish shall be removed from the project site.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

d. Would the project interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

The project area is situated in a rural residential area near the interface with adjacent wildlands, and regional wildlife movement is fairly unrestricted in this area. Many of the nearby properties are unfenced, and oak woodland vegetation provides extensive cover for animals conducting localized movements to meet basic life history needs such as feeding, sheltering, and breeding, and are also passable during longer movements such as migration or dispersal. The presence of the drainage channels within and west of the project site increases the suitability for wildlife movement, as these features provide both topographic relief. Roads can also be used as movement routes by certain species. The area is not documented as a wildlife corridor from a regional perspective and is not located within an Essential Connectivity Area as mapped in the *California Essential Habitat Connectivity Project: A Strategy for Conserving a Connected California* (CDFW 2010).

Construction activities would be limited to the two ravines above 2500 East Valley Road, where landslides exposed and displaced the pipeline. Project activities include installation of a temporary bypass pipeline, replacement of the damaged pipeline segments, and optional removal of the existing pipeline. During construction, it is possible wildlife may avoid the project area due to added noise and human presence. In these instances, the animals would be expected to easily find alternate travel routes due to the open and permeable nature of the area (i.e., access to resources would not be cut off by the project). The project would not result in any substantial permanent changes to the project area, and long-term suitability for wildlife movement is expected to be the

same as the current condition. As such, the project's effects on wildlife movement would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

e. Would the project conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

The project is located outside the coastal zone in the Montecito Community Plan (MCP) area. The MCP Policy BIO-M-1.17 states oak trees shall be protected to the maximum extent feasible (County of Santa Barbara 1995). The MCP Policies BIO-M-1.15 and BIO-M-1.16 state native specimen trees (mature trees that are healthy and structurally sound and have grown into the natural stature particular to the species) regardless of size, shall be protected from damage or removal by development to the maximum extent feasible.

The project may have to trip or remove native specimen trees or coast live oak trees along the access routes to the project site. Additionally, excavation and grading has the potential to impact the roots and canopy of native trees. Implementation of Mitigation Measure BIO-8 would reduce impacts to native trees to a less-than significant level by requiring an arborist study prior to the start of construction and by requiring that any tree trimming or removal be performed using current arboriculture practices and overseen by an arborist.

MCP Policy BIO-M-1.19 protects oak woodlands as habitat rather than as individual trees. The project may encroach into woodland habitats during construction through vegetation removal within the project area. Implementation of Mitigation Measure BIO-8 would reduce impacts to woodlands to a less-than-significant level by minimizing the destruction of trees during construction.

MCP-mapped riparian ESH is present within the project area at the southern end of the middle proposed access road (County of Santa Barbara 2025). No construction will occur within the riparian ESH; however, vegetation clearing may be needed along the sides of the access road. Per the MCP Policies BIO-M-1.2 and BIO-M-1.8, riparian ESH shall be protected and a minimum buffer strip for development near streams and creeks in rural areas shall be 50 feet in urban areas and 100 feet in rural areas. The buffers may be adjusted upward or downward on a case-by-case basis but shall not preclude reasonable development of a parcel. Implementation of Mitigation Measures BIO-3, BIO-7, and BIO-8 would reduce indirect impacts to ESH to a less than significant level.

Impacts related to local policies or ordinances protecting biological resources would be less than significant with mitigation incorporated.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

f. Would the project conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

The project does not occur within the coverage area of any Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or State habitat conservation plan, and would not cause any impact related to inconsistencies with such a plan. No impact would occur.

NO IMPACT

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5 Cultural Resources

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?	☐	☐	☐	■
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	☐	■	☐	☐
c. Disturb any human remains, including those interred outside of formal cemeteries?	■	☐	■	☐

CEQA requires a lead agency to determine whether a project may have a significant effect on historical resources (Public Resources Code [PRC] Section 21084.1). A historical resource is (1) a resource listed in, or determined to be eligible for listing in, the California Register of Historical Resources (CRHR); (2) a resource included in a local register of historical resources; and/or (3) any object, building, structure, site, area, place, record, or manuscript that a lead agency determines to be historically significant (CEQA Guidelines Section 15064.5[a][1-3]). Historical resources may include eligible built environment resources and archaeological resources from any time period.

Pursuant to CEQA Guidelines Section 15064.5(a)(3), a resource is considered historically significant if it:

1. Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;
2. Is associated with the lives of persons important in our past;
3. Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; and/or
4. Has yielded, or may be likely to yield, information important in prehistory or history.

CEQA Guidelines Section 15064.5(c) provides further guidance on the consideration of archaeological resources. If an archaeological resource does not qualify as a historical resource, it may meet the definition of a "unique archaeological resource" as identified in PRC Section 21083.2. If it can be demonstrated that a project would cause damage to a unique archaeological resource, the lead agency may require reasonable efforts be made to permit any or all of these resources to be preserved in place or left in an undisturbed state. To the extent that resources cannot be left undisturbed, mitigation measures are required (PRC Section 21083.2[a-b]).

PRC Section 21083.2(g) defines a unique archaeological resource as an archaeological artifact, object, or site about which it can be clearly demonstrated that, without merely adding to the current body of knowledge, there is a high probability that it:

1. Contains information needed to answer important scientific research questions and there is a demonstrable public interest in that information;
2. Has a special and particular quality such as being the oldest of its type or the best available example of its type; and/or
3. Is directly associated with a scientifically recognized important prehistoric or historic event or person.

CEQA Guidelines Section 15064.5 also provides guidance for addressing the potential presence of human remains, including those discovered during implementation of a project.

The impact analysis included herein is organized based on the cultural resources thresholds included in CEQA Guidelines Appendix G: Environmental Checklist Form. Threshold A broadly refers to historical resources. To more clearly differentiate between archaeological and built environment resources, analysis under Threshold A is limited to built environment resources. Archaeological resources, including those that may be considered historical resources pursuant to CEQA Guidelines Section 15064.5 and those that may be considered unique archaeological resources pursuant to PRC Section 21083.2, are considered under Threshold B.

Methodology and Results of Cultural Resources Assessment

Rincon prepared a Cultural Resources Assessment to evaluate potential project impacts to historical and archaeological resources (Pfeiffer et al. 2026). The analysis consisted of a California Historical Resources Information System (CHRIS) records search at the Southern San Joaquin Valley Information Center (SSJVIC) (formerly the Central Coast Information Center) of the project site as well as a 0.5-mile radius surrounding it, a Sacred Lands File (SLF) search conducted by the Native American Heritage Commission (NAHC), historical topographic map and aerial imagery review, geoarchaeological review, and a pedestrian field survey. The following information and analysis is based on the Cultural Resources Assessment.

Pending the results of the records search for the current project, Rincon utilized record search results (records search #24-077) conducted in 2024 for the District's Highline Project that includes the extent of the current project (Rincon Consultants, Inc. 2024). On January 9, 2026, Rincon conducted a pedestrian survey of the project site the pedestrian field survey was conducted using transect intervals spaced approximately 15 meters apart. Exposed ground surfaces were examined for artifacts (e.g., flaked stone tools, tool-making debris, stone milling tools), ecofacts (marine shell and bone), soil discoloration that might indicate the presence of a cultural midden, and historic debris (e.g., metal, glass, ceramics). Ground disturbances such as burrows were also visually inspected. No cultural resources were identified as a result of the field survey.

The CHRIS records search was performed to identify previously conducted cultural resources studies, as well as previously recorded cultural resources within the project site and a 0.5-mile radius surrounding it. The SSJVIC is the official state repository for cultural resources records and reports for Santa Barbara County. Rincon also reviewed the National Register of Historic Places, the California Register of Historical Resources, the California Historical Landmarks list, California Points of Historical Interests list, Archaeological Determination of Eligibility list, the Built Environment Resources Directory, the Santa Barbara County Historic Landmarks list, and the Santa Barbara County Places of Historic Merit list. On February 23, 2026, Rincon received the CHRIS records search results from the SSJVIC. The SSJVIC records search identified four previously recorded cultural resources within 0.5-mile of the project site. None of the resources are located within or adjacent to the project site. The closest previously recorded resource (P-42-001581/CA-SBA-1581) is located

approximately 0.12 mile to the southwest and consists of a precontact low-density shell and lithic scatter.

On December 4, 2025, Rincon contacted the NAHC to request a search of the SLF, as well as an AB 52 contact list of Native Americans culturally affiliated with the project area. On December 10, 2025, the NAHC responded to Rincon's SLF request, stating the results of the SLF search were positive. A positive SLF search indicates that Sacred Lands were identified within one to three miles of the project site.

Rincon's review of historical topographic maps and aerial imagery indicate the project's proposed access roads were observed in their current alignment as trails leading to open air water reservoirs as early as 1928. Further, approximately 100 feet of the project's central access road, as well as the central and southwestern staging areas are located within the historic-aged Rancho San Carlos property.

The geoarchaeological review completed for the current investigation indicate geologic units (Tsp and Qoa) mapped within the project site were deposited during the Oligocene (approximately 33.9 million years ago to 23 million years ago) and the Pleistocene (approximately 126,000 to 11,700 years ago). Both of these geologic units largely predate human occupation of the region. Further, the project site does not contain buried A-horizons, which are generally indicative of natural burial and preservation of archaeological deposits.

a. Would the project cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?

According to CEQA Guidelines §15064.5, a historical resource includes those listed in or determined eligible for listing in the CRHR or a local register of historical resources or any object, building, structure, site, area, place, record, or manuscript that a lead agency determines to be historically significant.

The records search and pedestrian field survey did not identify any built environment resources within the project site. Rincon's background research and aerial imagery review indicate the project's proposed access roads were observed in their current alignment as trails leading to open air water reservoirs as early as 1928. Further, approximately 100 feet of the project's central access road, as well as the central and southwestern staging areas are located within the historic-aged Rancho San Carlos property. Although the project's proposed access roads and Rancho San Carlos both meet the 45-year age threshold which generally triggers the need for historical resources evaluation per the California Office of Historic Preservation, the project would not impact either regardless of their potential historical resource eligibility. Use of this portion of the Rancho San Carlos property would be temporary and generally consistent with the existing design and function of the existing trail and staging areas. The project would not introduce any permanent above-ground elements or features and the proposed activities would not be visible from the ranch. Further, the property would not result in permanent visual, vibrational or atmospheric changes, nor would it alter the overall function or integrity of the larger Rancho San Carlos property. Because the project does not have the potential to result in impacts, the property was not recorded or evaluated. Improvements to the project's proposed access roads would involve minor physical modifications to the existing trails via grading activities (approximately 6 to 8 inches below the ground surface) to accommodate construction access; however, the background research and pedestrian field survey cannot confirm the date of initial construction, original function or any clear associations with the project site or surrounding area. While the trails lead to open air reservoirs to the south, they also connect to a series of trails to the north. Many recreational hiking trails are also

observed in the surrounding area. The trails lack integrity and clear historical context, and their function within the project site is unclear. As such, the trails were not formally recorded or evaluated.

The project would not result in a substantial adverse change in the significance of any known or potential historical resource pursuant to §15064.5. No impact would occur.

NO IMPACT

b. Would the project cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?

The CHRIS records search, background research and pedestrian field survey did not identify any archaeological resources within the project site. The Eastern Pipeline Replacement area, Western Pipeline Replacement area, and removal of existing pipeline within the eastern ravine have been previously disturbed by erosional processes, as well as the installation and maintenance of the existing Highline Water Main Pipeline. Further, due to recent storm events the existing pipelines within the Eastern Pipeline Replacement area and Western Pipeline Replacement area and shallow and almost entirely exposed. Ground disturbance associated with the widening of the project's proposed access roads would be limited to approximately six to eight inches below the existing ground surface. Although this type of activity constitutes a minimal level of disturbance, grading activities would extend beyond the footprint of the existing trails and into undisturbed native soils that have the potential to contain archaeological resources. However, steep hillsides like ones observed within the project site (greater than 45 degrees) are typically unsuitable landforms for Native American habitation. Cultural materials, if any once existed, have likely been displaced by modern disturbances, natural depositional processes and erosion from past and recent storm events within the project site.

Given the absence of previously recorded archaeological resources within or near the project site, lack of buried A-horizon topsoil, geologic units that predate human occupation, negative field survey, existing level of disturbance from the installation and maintenance of the existing Highline Water Main Pipeline, and ongoing erosional processes, the potential to encounter intact subsurface archaeological deposits within the project site is low. However, there is always a possibility that ground disturbing activities associated with the proposed project could result in a substantial adverse change in the significance of an archaeological resource. Impacts would be potentially significant and Mitigation Measure CR-1 is required to reduce impacts to a less than significant level.

CR-1 Unanticipated Discovery of Cultural Resources

In the event that archaeological resources are unexpectedly encountered during ground-disturbing activities, work within 50 feet of the find shall halt and a qualified archaeologist meeting the Secretary of the Interior's Professional Qualifications Standards for archaeology (National Park Service 1983) shall be contacted immediately to evaluate the resource. If the resource is determined by the qualified archaeologist to be prehistoric, then a Native American representative shall also be contacted to participate in the evaluation of the resource. If the qualified archaeologist and/or Native American representative determines it to be appropriate, archaeological testing for CRHR eligibility shall be completed. If the resource proves to be eligible for the CRHR and significant impacts to the resource cannot be avoided via project redesign, a qualified archaeologist shall prepare a data recovery plan tailored to the physical nature and characteristics of the resource, per the requirements of the California Code of Regulations (CCR) Guidelines Section 15126.4(b)(3)(C). The data recovery plan shall identify data recovery excavation methods, measurable objectives, and

data thresholds to reduce any significant impacts to cultural resources related to the resource. Pursuant to the data recovery plan, the qualified archaeologist and Native American representative, as appropriate, shall recover and document the scientifically consequential information that justifies the resource's significance. The District shall review and approve the treatment plan and archaeological testing as appropriate, and the resulting documentation shall be submitted to the regional repository of the California Historical Resources Information System, per CCR Guidelines Section 15126.4(b)(3)(C).

Significance After Mitigation

Mitigation Measure CR-1 outlines the appropriate protocol for treatment of archaeological resources in the event of a find during project construction. Implementation of Mitigation Measure CR-1 would reduce potential impacts to archeological resources to a less-than-significant level.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

c. Would the project disturb any human remains, including those interred outside of formal cemeteries?

No human remains are known to be present within the project site; however, the discovery of human remains is always a possibility during ground disturbing activities, which would be required for the proposed project. In addition to being potential archaeological resources, human burials have specific provisions for treatment in Public Resources Code (PRC) Section 5097. Additionally, California Health and Safety Code Sections 7050.5, 7051, and 7054 contain specific provisions for the protection of human burial remains. Existing regulations address the illegality of interfering with human burial remains and protects them from disturbance, vandalism, or destruction. PRC Section 5097.98 also addresses the disposition of Native American burials, protects such remains and establishes the Native American Heritage Commission as the entity to resolve any related disputes.

If human remains are found, California Health and Safety Code Section 7050.5 states no further disturbance shall occur until the County coroner has made a determination of origin and disposition pursuant to Public Resources Code Section 5097.98. In the event of an unanticipated discovery of human remains, the County coroner must be notified immediately. If the human remains are determined to be prehistoric, the coroner will notify the NAHC, which will determine and notify a most likely descendant (MLD). The MLD shall complete the inspection of the site within 48 hours of being granted access to the site and may recommend scientific removal and nondestructive analysis of human remains and items associated with Native American burials. Due to required compliance with PRC Section 5097.98 and California Health and Safety Code Section 7050.5, impacts to human remains would be less than significant.

LESS THAN SIGNIFICANT IMPACT

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6 Energy

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☐	■
b. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	☐	☐	☐	■

a. Would the project result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?

Construction

Energy use during project construction would be primarily in the form of fuel consumption to operate heavy equipment, light-duty vehicles, and machinery. Temporary grid power may also be provided to construction trailers or electric construction equipment. Energy use during construction would be temporary in nature. Heavy-duty equipment used would be typical of similar-sized construction projects in the region. Furthermore, heavy-duty off-road construction equipment is regulated under the USEPA Nonroad Compression-Ignition (Diesel) Engine Standards (Tier 1–4), which require the use of progressively cleaner and more efficient engine technologies. Although these regulations do not establish a construction-equipment-specific fuel-efficiency standard, compliance with Tier 4–certified engines results in improved fuel efficiency and reduced unnecessary fuel consumption (USEPA 2025). These practices would result in efficient use of energy necessary to perform construction of the project. In the interest of cost-efficiency, construction contractor(s) also would not utilize fuel in a wasteful or unnecessary manner. Therefore, construction would not involve the inefficient, wasteful, and unnecessary use of energy. No construction impact would occur.

Operation

The project would not be used to increase the retail water supply or serve additional customers. Operational trips associated with maintenance of the infrastructure would be the same as under existing conditions. Because the project involves a pipeline replacement, operation of the new pipeline would be the same as current baseline conditions. As such, project operation would not result in a potential impact due to wasteful, inefficient, or unnecessary consumption of energy resources, and no impact would occur.

NO IMPACT

b. Would the project conflict with or obstruct a state or local plan for renewable energy or energy efficiency?

Senate Bill 100 mandates 100 percent clean electricity for California by 2045. Because the proposed project would be powered by the existing electricity grid, the project would eventually be powered by renewable energy mandated by Senate Bill 100 and would not conflict with this statewide plan. The County of Santa Barbara 2030 Climate Action Plan does not contain any regulations, goals, or policies which would apply to the project. Thus, the project would not conflict with or obstruct any state or local plan for renewable energy. Therefore, no impact would occur.

NO IMPACT

7 Geology and Soils

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
1. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	☐	☐	■	☐
2. Strong seismic ground shaking?	☐	☐	■	☐
3. Seismic-related ground failure, including liquefaction?	☐	☐	■	☐
4. Landslides?	☐	☐	■	☐
b. Result in substantial soil erosion or the loss of topsoil?	☐	☐	■	☐
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?	☐	☐	☐	■
d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?	☐	☐	☐	■
e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☐	■
f. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	■	☐	☐

a.1. Would the project directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?

a.2. Would the project directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving strong seismic ground shaking?

Pursuant to state law, the California Geological Survey (CGS) has designated Alquist-Priolo Earthquake Fault Zones for the Carpinteria Quadrangle in which the project site is located. No portion of the project site is located in an Alquist-Priolo earthquake fault zone. The nearest Alquist-Priolo earthquake fault zone to the project site is the Red Mountain Fault Zone, approximately 9.3 miles southeast of the project site (CGS 2026). In addition, the Arroyo Parida section of the Mission Ridge Fault Zone, a late Quaternary fault zone not considered to be Alquist-Priolo active is located approximately 0.82 miles south of the project site (United States Geological Survey 2026).

Although the project site is located in a seismically active area, the proposed project would not expose people or habitable structures to seismically induced risk. The proposed project involves water infrastructure improvements; it does not involve construction of or modification to any habitable structures. While the project may be subject to strong ground shaking in the event of an earthquake, it would not be subject to unusual levels of ground shaking as compared to the rest of the region. Furthermore, the project would restore the existing pipeline to current engineering standards and reduce vulnerability to seismic events, as it would underground the existing exposed pipeline, thereby making the current infrastructure more resilient to seismic activity. The engineering design of the proposed water infrastructure improvements would consider the seismic environment and would comply with applicable seismic design standards. In the event an earthquake compromised any project component during operation, the Montecito Water District would temporarily cease operations and conduct emergency repairs as soon as possible. Therefore, while the project site is located within a seismically active area, the project would not directly or indirectly cause potential substantial adverse effects, including risk of loss, injury, or death, involving rupture of a known earthquake fault or seismic ground shaking. Potential impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

a.3. Would the project directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving seismic-related ground failure, including liquefaction?

Liquefaction occurs when strong, cyclic motions during an earthquake cause water-saturated soils to lose their cohesion and take on a liquid state. Liquefied soils are unstable and can subject overlying structures to substantial damage. In the event of a major earthquake, seismically induced liquefaction would be expected throughout the community of Montecito and Santa Barbara County (County of Santa Barbara 2023).

The project site is not within a liquefaction hazard zone as identified by CGS mapping. The nearest liquefaction zone as identified by CGS is located approximately 7.99 miles southeast from the project site, at Rincon Point (CGS 2026). However, the Santa Barbara County Multi-Jurisdictional Hazard Mitigation Plan indicates that the community of Montecito is at moderate risk of experiencing liquefaction-related hazards (County of Santa Barbara 2023). The proposed project would restore the existing infrastructure, which is currently susceptible to seismic-related ground failure and associated hazards, to current engineering standards and reduce vulnerability to seismic-

related ground failure. The project would improve the resiliency of this infrastructure by repairing and undergrounding the existing pipeline, thereby improving the resiliency of Montecito Water District's infrastructure. In the event seismically induced liquefaction compromises the proposed water infrastructure during operation, the District would temporarily cease operations and conduct emergency repairs as soon as possible. The project involves repairs to water infrastructure and would not involve placement of habitable structures within a liquefaction-prone area, thereby minimizing the potential to result in loss, injury, or death involving seismic-related ground failure due to liquefaction. As a result, the proposed project would not directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving seismic-related ground failure, including liquefaction. Impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

a.4. Would the project directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving landslides?

In general, a landslide event may be triggered by removing material down-slope of potentially unstable materials; placing fill or heavy structures upslope of potentially unstable materials; or applying substantial amounts of water to the surface or subsurface to the point where it decreases the strength of potentially unstable geologic areas. The project site is not located within a landslide hazard zone as identified by CGS mapping. The nearest landslide zone as identified by CGS is located approximately 8.76 miles southeast of the project site along U.S. 101, south of Rincon Point (CGS 2026). However, as described in Section 1.6, *Description of Project*, the project site is in two ravines of the Montecito foothills, where landslides displaced the existing pipeline in January 2023.

The proposed project is intended to restore the existing pipeline to current engineering standards and reduce vulnerability to future slope instability, as the existing pipeline is currently susceptible to further landslide-related risks. The proposed project would improve the resiliency of the existing infrastructure by undergrounding the pipeline to repair damages from the 2023 landslides and would not include habitable structures or expose people to loss, injury, or death involving landslides. Although the project site is located in hillside areas, the proposed project would not disturb or burden potentially unstable geologic areas. As discussed under Items 7(a.1) and 7(a.2), all project activities would be constructed in compliance with applicable standards for seismic integrity and safety, which includes the potential for landslides. The proposed project would not have the potential to cause substantial adverse effects involving landslides. Impacts involving landslides would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

b. Would the project result in substantial soil erosion or the loss of topsoil?

Soil erosion or the loss of topsoil may occur when soils are disturbed but not secured or restored, to the point where wind or rain events may mobilize disturbed soils, resulting in their transport off the project site. Construction activities involving soil disturbance, such as excavation, stockpiling, and grading could result in increased erosion and sediment transport by stormwater to surface waters.

The proposed project would minimize soil erosion via implementation of Best Management Practices (BMPs), in accordance with the General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities (Construction General Permit). Compliance with the Construction General Permit requires the development of a Stormwater Pollution Prevention Plan (SWPPP) to reduce erosion and topsoil loss from stormwater runoff. The SWPPP would include additional erosion control BMPs, such as covering of stockpiles, use of desilting basins, limitations

on work during high-wind events, and post-construction revegetation and drainage requirements. With adherence to the permit requirements, the project would not result in substantial soil erosion or loss of topsoil, and impacts would be less than significant.

NO IMPACT

c. Would the project be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?

d. Would the project be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?

Unstable soils are those soils which are physically unsuitable to support buildings, roads, utilities, or other development-related improvements, or which have the potential for slope failure, erosion, or subsidence. As discussed under Items 7(a.3) and 7(a.4), the proposed project would not exacerbate soil instability in areas of the project site at risk of liquefaction, lateral spreading or landslide. The project site is not located in an area subject to subsidence (County of Santa Barbara 2023). Expansive soils are those soils which can undergo substantial changes in volume (i.e., shrink-or-swell potential), due to variations in moisture content. Expansive soils have been documented throughout Santa Barbara County, including the community of Montecito (County of Santa Barbara 2023), and may be present in localized areas of the project site.

As described in Section 1.6Description of Project,, during the pipeline repair process, the contractor would install replacement ductile iron pipe in two short segments and restore the trench using engineered bedding and compacted native or imported backfill as specified, implementing erosion control measures as needed. All work would occur within areas already disturbed by previous infrastructure installation and maintenance activities. The project consists solely of replacing damaged segments of an existing water transmission and does not involve the construction or installation of new facilities, with the exception of the temporary aboveground pipeline to maintain water service throughout construction. As discussed previously, although the project site is located in a seismically active area, the project is not anticipated to adversely affect soil stability or increase the potential for local or regional landslides, subsidence, liquefaction, or collapse. The project would not include habitable structures and would therefore not create substantial direct or indirect risks to life or property beyond existing conditions.

The project would not compromise soil stability and there would be no impact involving unstable or expansive soils.

NO IMPACT

e. Would the project have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

The proposed project would not include the use of septic tanks or alternative wastewater disposal systems. No impact would occur**.**

NO IMPACT

f. Would the project directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

Paleontological resources, or fossils, are the evidence of once-living organisms preserved in the rock record. They include both the fossilized remains of ancient plants and animals and the traces thereof (e.g., trackways, imprints, burrows, etc.). Paleontological resources are not found in "soil" but are contained within the geologic deposits or bedrock that underlies the soil layer. Typically, fossils are greater than 10,000 years old (i.e., Pleistocene or older) and are typically preserved in sedimentary rocks. Although rare, fossils can also be preserved in volcanic rocks and low-grade metamorphic rocks under certain conditions (Society of Vertebrate Paleontology [SVP] 2025). Fossils occur in a non-continuous and often unpredictable distribution within some sedimentary units, and the potential for fossils to occur within sedimentary units depends on several factors. It is possible to evaluate the potential for geologic units to contain scientifically important paleontological resources, and therefore evaluate the potential for impacts to those resources and provide mitigation for paleontological resources if they are discovered during construction of a development project.

Rincon evaluated the paleontological sensitivity of the geologic units that underlie the project site to assess the project's potential for significant impacts to scientifically important paleontological resources. The analysis was based on the results of a paleontological locality search and a review of existing information in the scientific literature regarding known fossils within geologic units mapped at the project site. In the absence of other sensitivity criteria required by certain federal, state, or local regulatory agencies, the Society of Vertebrate Paleontology's Fossil Prediction Map System (FPMS) is used to assign paleontological sensitivity to geologic units (SVP 2025). FPMS assignments are based on rock units within which vertebrate or significant invertebrate fossils have been determined by previous studies to be present or likely to be present. Fossil occurrences are correlated with the geologic units that contain them, so the history of a geologic unit in producing fossils can be used to predict its potential for producing fossils in the future. The FPMS is a 5-tier scale ranging from FPMS 1 (Very Low Potential) to FPMS 5 (Very High Potential) geologic units along with other rankings for geologic units with unknown potential or areas covered by water or ice. Following the literature review, a paleontological sensitivity classification was assigned to each geologic unit mapped within the project site. This criterion is based on rock units within which vertebrate or significant invertebrate fossils have been determined by previous studies to be present or likely to be present. The potential for impacts to significant paleontological resources is based on the potential for ground disturbance to directly impact paleontologically sensitive geologic units.

Rincon requested a records search from the Santa Barbara Museum of Natural History (SBMNH). This locality search recovered no known fossil localities within the project site (SBMNH 2026). However, the SBMNH does contain six paleontological localities from Pleistocene-aged alluvial sediments within 10 miles of the project site, which produced mastodon (*Mammut*), birds, invertebrates, and plants. SBMNH contains one paleontological locality from the Sespe Formation approximately 18.5 miles from the project site, which produced a brontothere mammal fossil.

The project site is situated in the Transverse Ranges geomorphic province, one of the eleven geomorphic provinces in California (California Geological Survey 2002). The Transverse Ranges extend approximately 275 miles west-east from Point Arguello in Santa Barbara County, east to the San Bernardino Mountains, and south to the Anacapa-Santa Monica-Hollywood-Raymond-Cucamonga fault zone (Yerkes and Campbell 2005). The Transverse Ranges are composed of Proterozoic to Mesozoic intrusive crystalline igneous and metamorphic rocks overlain by Cenozoic

marine and terrestrial sedimentary deposits and volcanic rock (Norris and Webb 1976). Locally, the project site is located in the southern foothills of the Santa Ynez Mountains.

The project is located in the *Carpinteria, California* United States Geological Survey 7.5-minute topographic quadrangle(s). The geology of the region surrounding the project site was mapped by Minor et al. (2009) who identified two geologic units, Quaternary intermediate alluvium and Sespe Formation, underlying the project site (Figure 4).

Quaternary intermediate alluvium underlies a small portion of the access area from Romero Creek (Figure 4). This geologic unit consists of weakly consolidated silt, sand, and gravel that are late Pleistocene in age (Minor et al. 2009). Pleistocene-aged alluvial sediments are known to produce significant paleontological resources in Santa Barbara County, including mastodon (*Mammut*), mammoth (*Mammuthus*), ground sloth (*Paramylodon*), horse (*Equus*), birds, and invertebrates (Jefferson 2010; Paleobiology Database 2026; SBMNH 2026; University of California Museum of Paleontology [UCMP] 2026). Given the fossil-producing history of similar sediments in the region, Quaternary intermediate alluvium is assigned FPMS 4 (High) paleontological sensitivity.

The Sespe Formation underlies the majority of the project site (Figure 4). In particular, Minor et al. (2009) referred to this portion of the Sespe Formation as the middle conglomerate and sandstone unit, which consists of maroon, tan, or greenish-gray mudstone, sandstone, and conglomerate and is Oligocene in age. The Sespe Formation has produced many significant paleontological localities in Santa Barbara County and elsewhere in southern California, producing rhinoceros, camel, dog, oreodont, rodent, primate, and reptile fossils (Paleobiology Database 2026; SBMNH 2026; UCMP 2026). Given the fossil-producing history of this geologic unit, Sespe Formation is assigned FPMS 4 (High) paleontological sensitivity.

Ground-disturbing activities within previously undisturbed sediments with FPMS 4 (High) paleontological sensitivity could result in significant impacts to paleontological resources. Impacts would be significant if construction activities result in the destruction, damage, or loss of scientifically important paleontological resources and associated stratigraphic and paleontological data. The project will require trenching for the two replacement pipeline segments, which will require approximately 220 cubic yards of excavation. Therefore, the project is anticipated to impact previously undisturbed sediments with FPMS 4 (High) paleontological sensitivity and may have significant impacts on paleontological resources. These impacts would be made less than significant with mitigation.

Implementation of Mitigation Measure GEO-1 would reduce potential impacts to paleontological resources to less than significant level and would effectively mitigate the project's impacts to these resources through the recovery, identification, and curation of previously unrecovered fossils.

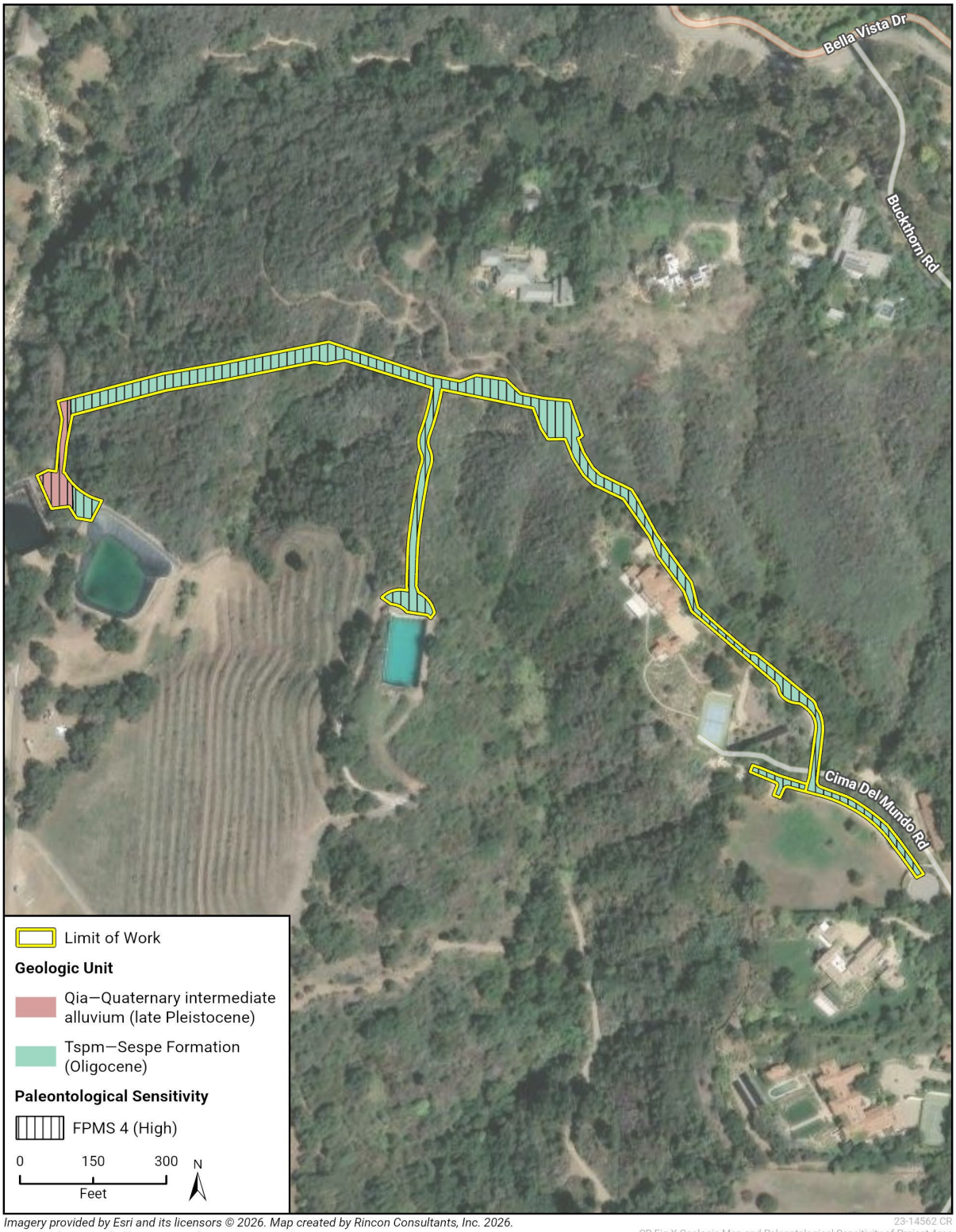
GEO-1 Paleontological Sensitivity Training and Unanticipated Fossil Discovery

Paleontological Worker Environmental Awareness Program. Prior to the start of construction, a Paleontological Principal Investigator, as defined by the Society of Vertebrate Paleontology (SVP), or their designee shall prepare and conduct a paleontological Worker Environmental Awareness Program (WEAP) training for construction personnel regarding the appearance of fossils and the procedures for notifying paleontological staff should fossils be discovered by construction personnel. The WEAP shall discuss the potential to discover paleontological resources in the project site, legal obligations to protect paleontological resources, examples of paleontological resources that may be found in the project site, procedures in case a paleontological resource is discovered, and contact information for the Paleontological Principal Investigator.

Unanticipated Discovery of Paleontological Resources. The District shall include a standard inadvertent discovery clause in every construction contract to inform contractors of this requirement. If a potential fossil is discovered during project construction, construction activity within 50 feet of the find shall cease until the discovery is examined by a Paleontological Principal Investigator. If the find is determined to be significant, the Paleontological Principal Investigator shall direct all mitigation efforts related to paleontological resources consistent with the SVP standards, which may include, but are not limited to: paleontological monitoring; fossil salvage, preparation, and curation; and reporting to summarize the paleontological mitigation efforts.

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Figure 4 Geologic Map and Paleontological Sensitivity of Project Site



Imagery provided by Esri and its licensors © 2026. Map created by Rincon Consultants, Inc. 2026.
Geologic data provided by Minor et al. 2009--Santa Barbara Coast.

23-14562 CR
CR Fig X Geologic Map and Paleontological Sensitivity of Project Area

8 Greenhouse Gas Emissions

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	■	☐
b. Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	■	☐

a. Would the project generate GHG emissions, either directly or indirectly, that may have a significant impact on the environment?

b. Would the project conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

Climate change is the observed increase in the average temperature of the Earth's atmosphere and oceans along with other substantial changes in climate (such as wind patterns, precipitation, and storms) over an extended period. Climate change is the result of numerous, cumulative sources of greenhouse gas (GHG) emissions contributing to the warming of Earth's surface. GHG emissions occur both naturally and as a result of human activities, such as fossil fuel burning, decomposition of landfill wastes, raising livestock, deforestation, and some agricultural practices. GHGs produced by human activities include carbon dioxide (CO_2), methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

To date, Santa Barbara County has not adopted GHG thresholds of significance. In the absence of any adopted numeric threshold, the significance of the proposed project's GHG emissions is evaluated consistent with *CEQA Guidelines* Section 15064.4(b) by considering whether the proposed project complies with applicable plans, policies, regulations, and requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of GHG emissions. Therefore, the significance of the proposed project's potential impacts regarding GHG emissions and climate change is evaluated based on consistency with plans and policies adopted for the purposes of reducing GHG emissions and mitigating the effects of climate change. GHG emissions from the construction of the proposed project are provided for informational purposes. The applicable adopted regulatory plan to reduce GHG emissions is the Montecito Water District's 2025 Climate Action and Adaptation Plan (CAAP). In addition, CARB's 2022 Scoping Plan contains guidance on GHG-reduction; however, this guidance is related to transportation electrification, vehicle miles traveled (VMT) reduction, and building decarbonization for operational residential and mixed-use projects and therefore is not applicable to the proposed project (CARB 2022). Accordingly, the proposed project's potential to conflict with a GHG reduction plan is based solely on its potential to conflict with the Montecito Water District's 2025 Climate Action and Adaptation Plan.

GHG emissions associated with project construction were estimated using CalEEMod, as described in Item 3(b) in Section 3, *Air Quality.* As described therein, emissions associated with long-term project operation and maintenance would remain unchanged from existing conditions. Therefore, the proposed project's operational emissions are not quantified and are rather discussed qualitatively. Construction emissions were amortized over the proposed project's estimated 30-year lifetime because construction emissions are confined to a relatively short period of time in relation to the overall life of the proposed project. Table 3 shows the proposed project's estimated construction emissions amortized over a 30-year project lifetime.

Table 3 Estimated Construction GHG Emissions

Project Component	Project Emissions (metric tons CO_2e)
2026	53
Total	**53**
Total Amortized over 30 Years	**1.8 per year**

CO_2e = carbon dioxide equivalent

Carbon dioxide equivalent is a metric used to compare the emissions of various greenhouse gases based on their global warming potential relative to carbon dioxide.

See Appendix A for CalEEMod worksheets.

As shown in Table 3, construction would generate a total of approximately 53 metric tons, or 1.8 metric tons per year of CO_2 equivalent amortized over a 30-year period. GHG emissions from construction would be short-term in nature, lasting only for the duration of the construction period of three months, and would not represent a long-term source of GHG emissions. Operational GHG emissions would remain the same as existing conditions.

The Montecito Water District's 2025 Climate Action and Adaptation Plan (CAAP) identifies a goal of promoting water efficiency, resiliency, and conservation for the purposes of GHG emissions reduction. The proposed project is intended to restore the existing water pipeline to current engineering standards, improving long-term reliability, and reducing vulnerability to future slope instability. The work would occur in two ravines above 2500 East Valley Road, where landslides during the January 2023 storm event exposed and displaced the pipeline. Accordingly, the proposed project would be consistent with the County of Santa Barbara's CAAP goals for resiliency. Therefore, the proposed project's impact related to conflicts with an applicable GHG reduction plan would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

9 Hazards and Hazardous Materials

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	■	☐
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	■	☐
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within 0.25 mile of an existing or proposed school?	☐	☐	☐	■
d. Be located on a site that is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	■
e. For a project located in an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	☐	☐	☐	■
f. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	■
g. Expose people or structures, either directly or indirectly, to a significant risk of loss, injury, or death involving wildland fires?	☐	■	☐	☐

a. Would the project create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

Construction of the proposed project would temporarily increase the transport and use of hazardous materials at the project site through the operation of vehicles and equipment, consistent with other construction projects in the region. Such substances include diesel fuel, oil, solvents, and other similar materials brought onto the construction site for use and storage during the construction period. These materials would be contained within vessels specifically engineered for safe storage and would not be transported, stored, or used in quantities which would pose a significant hazard to the public or construction workers. Furthermore, project construction would require the excavation and transport of paving materials and soils which could possibly be contaminated by vehicle-related pollution (e.g., oil, gasoline, diesel, and other automotive chemicals). All such paving and soils removed during construction would be transported and disposed of in accordance with applicable codes and regulations to minimize potential hazards to construction workers and the surrounding community.

Operation of the proposed project would involve the maintenance of water infrastructure and would not require the use, storage, or disposal of hazardous materials. Therefore, the proposed project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials. Impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

b. Would the project create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

The use, transport, and storage of hazardous materials during construction of the proposed project (e.g., diesel fuel, oil, solvents, and other similar materials) could introduce the potential for an accidental spill or release to occur. The presence of hazardous materials during project construction activities could result in an accidental upset or release of hazardous materials if they are not properly stored and secured. However, use would be temporary, and hazardous materials would be used, managed, and stored securely in accordance with all applicable laws and regulations. Additionally, the proposed project would adhere to BMPs required by the SWPPP, which include hazardous material management measures such as spill prevention and response procedures and methods for secure storage, for example, proper labeling, ensuring containers are sealed when not in use, and separating incompatible chemicals. Required adherence to the SWPPP would involve implementing such practices which would reduce the likelihood of upset and accident conditions involving the release of hazardous materials into the environment during construction. Therefore, construction impacts would be less than significant.

As discussed under Item 9(a), operation and maintenance of the project would not involve the routine transport, use, or disposal of hazardous materials. Therefore, potential impacts are limited to the construction period.

LESS-THAN-SIGNIFICANT IMPACT

c. Would the project emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within 0.25 mile of an existing or proposed school?

The nearest school to the project site is the Pacifica Graduate Institute, Ladera Campus, located approximately 0.52 mile southeast of the eastern repair site and approximately 0.55 mile southeast of the western repair site. Therefore, the proposed project would not handle hazardous materials, substances, or waste within 0.25 mile of an existing or proposed school. No impact would occur.

NO IMPACT

d. Would the project be located on a site that is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

Government Code Section 65962.5 requires the California Environmental Protection Agency to develop an updated Hazardous Waste and Substances Sites List, also known as the Cortese List. The California Department of Toxic Substances Control (DTSC) is responsible for a portion of the information contained in the Cortese List; other state and local government agencies are also required to provide additional hazardous material release information for the Cortese List. The analysis for this section included a review of the following resources on January 9, 2026, to provide hazardous material release information:

- State Water Resources Control Board (SWRCB) GeoTracker database (SWRCB 2026)
- DTSC EnviroStor database (DTSC 2026)

Based upon review of these databases, there are no hazardous materials sites mapped at, adjacent to, or within 1,000 feet of the project site. Therefore, the project would not be located on a site included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5. No impact would occur.

NO IMPACT

e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?

The project site is not located within an airport land use plan or within two miles of a public or private airport (Santa Barbara County Association of Governments 2023). The nearest airport is the Santa Barbara Airport, approximately 14.3 miles southwest of the western repair site. As a result, the proposed project would have no impact related to safety hazards for people residing or working in the project area due to proximity to an airport.

NO IMPACT

f. Would the project impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

As described in Section 3, *Description of Project*, the project site would be accessed during construction via Cima Del Mundo Road and private access routes with staging on private clearings. No lane closures on public evacuation corridors would be required, and emergency access would be maintained throughout construction. Construction traffic would be temporary and limited to the duration of the construction schedule (approximately three months). Furthermore, the project site

is located in a remote area with no major egress routes nearby. Project operation and maintenance would not impede or interfere with emergency plans. There would be no impact related to emergency response plans and emergency evacuation plans during project construction.

NO IMPACT

g. Would the project expose people or structures, either directly or indirectly, to a significant risk of loss, injury, or death involving wildland fires?

As discussed in detail in Section 20, *Wildfire*, the project site is located in a State Responsibility Area and a Very High Fire Hazard Severity Zone (CAL FIRE 2026). Project construction would involve the use of heavy equipment and machinery at the project site, including within or adjacent to areas designated as Very High Fire Hazard Severity Zones. In addition, the project site is located in an area with combustible vegetation and hills, which could exacerbate the spread of fire. However, the project would comply with regulations related to fire hazards and wildfire safety, including mandatory use of spark arrestors (PRC Section 4442), maintenance of fire suppression equipment during the highest fire danger period (PRC Section 4428), and adherence to standards for conducting construction activities on days when a burning permit is required (PRC Sections 4427 and 4431).

Nevertheless, because construction would occur within a Very High Fire Hazard Severity Zone and near combustible vegetation, construction activities would have the potential to result in wildland fires, and impacts would be potentially significant. Implementation of Mitigation Measure HAZ-1 would be required to reduce construction impacts to a less-than-significant level.

Following the completion of project construction, operational activities would be similar to existing conditions. Project operational activities would be associated with the ongoing maintenance of water supply infrastructure, and would not include additional operational or maintenance activities beyond existing conditions which could pose a substantial risk of wildfire ignition. No operational impact would occur.

Mitigation Measures

HAZ-1 Fire Hazards Measures

During project construction, staging areas and other areas designated for construction shall be cleared of dried vegetation and other materials that could ignite. Construction equipment with spark arrestors shall be maintained in good working order. In addition, construction crews shall have a spotter during electrical installation activities who shall stop work should accidental sparks or other fire-inducing hazards occur. The spotter and construction crews shall take immediate action to remediate the hazard to safe conditions. Electrical work shall continue when approval by a site manager is granted that the hazard has been remediated. Other construction equipment, including those with hot vehicle catalytic converters, shall be kept in good working order and used only within cleared construction areas. During project construction, contractors shall require vehicles and crews to have access to functional fire extinguishers.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

10 Hydrology and Water Quality

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	■	☐
b. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	■	☐
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
(i) Result in substantial erosion or siltation on- or off-site;	☐	☐	■	☐
(ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;	☐	☐	■	☐
(iii) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	■	☐
(iv) Impede or redirect flood flows?	☐	☐	■	☐
d. In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	■	☐
e. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	■	☐

a. Would the project violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?

Construction activities associated with the project, including excavation and grading, would result in soil disturbance and the potential for stormwater runoff to transport sediment or pollutants to nearby receiving waters. The nearest receiving water body is Romero Creek, which flows north to south, approximately 670 feet west of the western pipeline replacement and 150 feet west of the western staging area and access path.

Because the total disturbance area would exceed one acre, the project would be subject to the Central Coast Regional Water Quality Control Board, General Waste Discharge Requirements for Discharges to Land with Low Threat to Water Quality (Order No. 2003-0003-DWQ). This permit is applicable for low-risk dewatering activities such as pipeline dewatering with dechlorinated water, and it covers discharges to land or percolation facilities that pose minimal threat to water quality. With implementation of this measure, construction-related impacts to water quality would be less than significant.

Following construction, the project site would be restored to pre-project conditions. Project operations would be limited to periodic inspections and maintenance, with no operational discharges anticipated. Vehicle-related pollutants generated during infrequent project site visits would be minimal and managed through existing stormwater infrastructure. Therefore, operational impacts to water quality would also be less than significant.

The project would not violate water quality standards or waste discharge requirements, nor would it substantially degrade surface or groundwater quality. Accordingly, impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

b. Would the project substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?

In September 2014, the California Legislature enacted comprehensive legislation aimed at strengthening local control and management of groundwater basins throughout the state. Known as the Sustainable Groundwater Management Act, the legislation provides a framework for sustainable management of groundwater supplies by local authorities, with a limited role for State intervention when necessary to protect the resource. The project site is located nearest to the Montecito Groundwater Basin, which is designated as a “medium” priority basin and is managed by the Santa Barbara County Water Agency (Santa Barbara County Water Agency 2020).

The project would involve the installation of a temporary bypass pipeline, the removal of the existing water pipeline and the installation of a replacement pipeline for the purpose of distributing potable water. The proposed project would not introduce a demand for groundwater supplies. If groundwater dewatering is required during construction based on site conditions, the project would adhere to applicable rules and regulations related to discharge. The volume of dewatered groundwater expected to be encountered during construction would be minimal and not sufficient to impede sustainable groundwater management. Potential impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

c.(i) Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would result in substantial erosion or siltation on- or off-site?

c.(ii) Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?

c.(iii) Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner that would create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

c.(iv) Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would impede or redirect flood flows?

The proposed project would not alter the course of a stream or river and would not introduce substantial new impervious surfaces resulting in substantial erosion, siltation, or flooding on or off the site. Construction of the new pipelines would not increase impervious surfaces because the pipelines would be installed underground. After construction, the drainage pattern at the project site would be similar to pre-construction conditions. In addition, as discussed for Item 10(a), the project would not result in water quality degradation as the project would not introduce a permanent source of polluted runoff. The proposed project would not exceed the capacity of existing or planned stormwater drainage systems and would not provide substantial additional sources of polluted runoff.

Furthermore, the project would not substantially alter the existing drainage pattern of the site or surrounding area in a manner that would impede or redirect flood flows. The pipelines would be installed underground and would not introduce new above-ground structures that could obstruct or divert surface water. Because the project does not involve channel modifications, stream diversions, or significant grading that would change topography, the existing drainage patterns would remain essentially unchanged. Post-construction conditions would be similar to pre-construction conditions, and no impediments to flood flows are anticipated. Therefore, impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

d. In flood hazard, tsunami, or seiche zones, would the project risk release of pollutants due to project inundation?

The project site is located in Federal Emergency Management Agency (FEMA) flood zone X, which indicates an area with minimal flood hazards (FEMA 2012). It is not located within a tsunami inundation zone (DOC 2026), and the nearest large surface water body, Gibraltar Reservoir, is approximately 5.5 miles northwest of the site. The project site is not within a seiche inundation zone, given the distance of the project site to Gibraltar Reservoir and intervening topography.

An extreme flood event could inundate the project site. In January 2023, a flooding event uncovered and displaced portions of the existing pipeline. While inundation from extreme flood events is

possible, the proposed project is small in scale and limited to replacing damaged sections and reburying the pipeline. These improvements would restore structural integrity and containment, thereby reducing the potential for release of pollutants in future flood conditions. Therefore, impacts related to the risk of pollutant release due to project inundation would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

e. Would the project conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?

The project site is located within the jurisdiction of the Central Coast Regional Water Quality Control Board and is subject to the Water Quality Control Plan for the Central Coastal Basin (Basin Plan). The Basin Plan identifies beneficial uses for surface and groundwater resources in the region and establishes water quality objectives and implementation programs to protect those uses (Central Coast RWQCB 2024).

Construction activities would be subject to the requirements of the NPDES Construction General Waste Discharge Permit (Order No. 2003-0003-DWQ). Compliance with this permit requires BMPs to carry out low-risk dewatering activities such as pipeline dewatering with dechlorinated water. Implementation of these BMPs would ensure that the project does not conflict with or obstruct implementation of the Basin Plan.

The project site is nearest to the Montecito Groundwater Basin, which is designated as a medium-priority basin under the Sustainable Groundwater Management Act (Santa Barbara County Water Agency 2020). Because the project does not involve groundwater extraction or activities that would alter groundwater recharge or quality, it would not interfere with the sustainable management objectives for this basin.

Accordingly, the project would not conflict with or obstruct implementation of a water quality control plan or a sustainable groundwater management plan. Impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

11 Land Use and Planning

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Physically divide an established community?	☐	☐	☐	■
b. Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	■

a. Would the project physically divide an established community?

The proposed project involves repairs to two damaged segments of the existing Highline Water Main Pipeline within the foothills of Montecito. Work would occur entirely within existing utility corridors and disturbed areas associated with the pipeline. The project would not introduce new linear infrastructure, barriers, or other features that could physically divide an established community. The surrounding land use consists of rural residential and open space, and the project would not alter access or connectivity between these areas. The project would not physically divide an established community, and no impact would occur.

NO IMPACT

b. Would the project cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?

Per California Government Code Section 53091, local building and zoning ordinances do not apply to the location or construction of facilities for the production, storage, or transmission of water by a local agency. Therefore, the project would not conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. The following information is provided for informational purposes.

The project site includes parcels with Santa Barbara County General Plan land use designations of Mountainous Area (MA-40) and Semi-Rural Residential (SRR-0.2 and SRR-0.1) and corresponding zoning designations of Resource Management (RMZ-40) and One-Family Residential (5-E-1 and 10-E-1), as shown in Table 1. Both the MA and SRR General Plan designations allow for the continuation, maintenance, and operation of public utility facilities, including water infrastructure, as compatible uses.

Under the Montecito Land Use and Development Code, the Resource Management zone (RMZ-40) is intended to limit development due to environmental constraints and to encourage preservation of these areas for low-intensity uses. The One-Family Residential zones (5-E-1 and 10-E-1) are intended to maintain residential neighborhood character (County of Santa Barbara 2025). Neither

the RMZ-40 nor the E-1 zones prohibit the operation, maintenance, repair, or replacement of existing public water facilities, and these activities are recognized as compatible with both the zoning and General Plan land use designations.

No impact would occur.

NO IMPACT

12 Mineral Resources

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	■
b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?	☐	☐	☐	■

a. Would the project result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

b. Would the project result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?

The California Geological Survey is responsible for classifying land into Mineral Resource Zones under the Surface Mining and Reclamation Act based on the known or inferred mineral resource potential of that land. The project site is not near any known mineral resource zones or areas of regional or statewide significance (DOC 2011). The project does not involve extraction of mineral resources or activities that would interfere with mineral resource availability. Therefore, the project would not result in the loss of availability of a known mineral resource or a locally important mineral resource recovery site. No impact related to mineral resources would occur.

NO IMPACT

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13 Noise

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project result in:				
a. Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	■	☐
b. Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	■	☐
c. For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	■

Overview of Noise and Vibration

Noise

Sound is a vibratory disturbance created by a moving or vibrating source, which is capable of being detected by the hearing organs. Noise is defined as sound that is loud, unpleasant, unexpected, or undesired and may therefore be classified as a more specific group of sounds. The effects of noise on people can include general annoyance, interference with speech communication, sleep disturbance, and, in the extreme, hearing impairment (California Department of Transportation [Caltrans] 2013).

Noise levels are commonly measured in decibels (dB) using the A-weighted sound pressure level (dBA). The A-weighting scale is an adjustment to the actual sound pressure levels so that they are consistent with the human hearing response, which is most sensitive to frequencies around 4,000 Hertz and less sensitive to frequencies around and below 100 Hertz. Decibels are measured on a logarithmic scale that quantifies sound intensity in a manner similar to the Richter scale used to measure earthquake magnitudes. A doubling of the energy of a noise source, such as doubling of traffic volume, would increase the noise level by 3 dB; dividing the energy in half would result in a 3 dB decrease (Caltrans 2013).

Human perception of noise has no simple correlation with sound energy. The perception of sound is not linear in terms of dBA or in terms of sound energy. Two sources do not "sound twice as loud" as one source. It is widely accepted that the average healthy ear can barely perceive changes of 3 dBA, increase or decrease (i.e., twice the sound energy); that a change of 5 dBA is readily perceptible (eight times the sound energy); and that an increase (or decrease) of 10 dBA sounds twice (half) as loud (10.5 times the sound energy) (Caltrans 2013).

Sound changes in both level and frequency spectrum as it travels from the source to the receptor. The most obvious change is the decrease in level as the distance from the source increases. The manner by which noise reduces with distance depends on factors such as the type of sources (e.g., point or line, the path the sound will travel, site conditions, and obstructions). Noise levels from a point source typically attenuate, or drop off, at a rate of 6 dBA per doubling of distance (e.g., construction, industrial machinery, ventilation units). Noise from a line source (e.g., roadway, pipeline, railroad) typically attenuates at about 3 dBA per doubling of distance (Caltrans 2013). The propagation of noise is also affected by the intervening ground, known as ground absorption. A hard site, such as a parking lot or smooth body of water, receives no additional ground attenuation and the changes in noise levels with distance (drop-off rate) result simply from the geometric spreading of the source. An additional ground attenuation value of 1.5 dBA per doubling of distance applies to a soft site (e.g., soft dirt, grass, or scattered bushes and trees) (Caltrans 2013). Noise levels may also be reduced by intervening structures; the amount of attenuation provided by this "shielding" depends on the size of the object and the frequencies of the noise levels. Natural terrain features such as hills and dense woods, and man-made features such as buildings and walls, can significantly alter noise levels. Generally, any large structure blocking the line of sight will provide at least a 5-dBA reduction in source noise levels at the receptor (Federal Highway Administration [FHWA] 2011). Structures can substantially reduce exposure to noise as well. The FHWA's guidelines indicate that modern building construction generally provides an exterior-to-interior noise level reduction of 35 dBA for masonry buildings with closed windows.

The impact of noise is not a function of loudness alone. The time of day when noise occurs and the duration of the noise are also important factors of project noise impact. Most noise that lasts for more than a few seconds is variable in its intensity. Consequently, a variety of noise descriptors have been developed. L_{eq} is one of the most frequently-used noise metrics; it considers both duration and sound power level. The L_{eq} is defined as the single steady-state A-weighted sound level equal to the average sound energy over a time period. When no time period is specified, a 1-hour period is assumed. The L_{max} is the highest noise level within the sampling period, and the L_{min} is the lowest noise level within the measuring period. Normal conversational levels are in the 60 to 65-dBA L_{eq} range; ambient noise levels greater than 65 dBA L_{eq} can interrupt conversations (Federal Transit Administration [FTA] 2018).

Noise that occurs at night tends to be more disturbing than that occurring during the day. Community noise is usually measured using Day-Night Average Level (DNL), which is the 24-hour average noise level with a +10 dBA penalty for noise occurring during nighttime hours (10:00 p.m. to 7:00 a.m.); it is also measured using Community Noise Equivalent Level (CNEL), which is the 24-hour average noise level with a +5 dBA penalty for noise occurring from 7:00 p.m. to 10:00 p.m. and a +10 dBA penalty for noise occurring from 10:00 p.m. to 7:00 a.m. (Caltrans 2013).

Vibration

Groundborne vibration of concern in environmental analysis consists of the oscillatory waves that move from a source through the ground to adjacent buildings or structures, and vibration energy may propagate through the buildings or structures. Vibration may be felt, may manifest as an audible low-frequency rumbling noise (referred to as groundborne noise), and may cause windows, items on shelves, and pictures on walls to rattle. Although groundborne vibration is sometimes noticeable in outdoor environments, it is almost never annoying to people who are outdoors. The primary concern from vibration is that it can be intrusive and annoying to building occupants at vibration-sensitive land uses and may cause structural damage. Typically, ground-borne vibration generated by manmade activities attenuates rapidly as distance from the source of the vibration increases. Vibration amplitudes are usually expressed in peak particle velocity (PPV) or root mean squared (RMS) vibration velocity. The PPV and RMS velocity are normally described in inches per second (in/sec). PPV is defined as the maximum instantaneous positive or negative peak of a vibration signal. PPV is often used as it corresponds to the stresses that are experienced by buildings (Caltrans 2020). High levels of groundborne vibration may cause damage to nearby buildings or structures; at lower levels, groundborne vibration may cause minor cosmetic (i.e., non-structural damage) such as cracks. These vibration levels are nearly exclusively associated with high-impact activities such as blasting, pile-driving, vibratory compaction, demolition, drilling, or excavation.

Sensitive Receptors

Noise exposure goals for various types of land uses reflect the varying noise sensitivities associated with those uses. The Santa Barbara County Comprehensive Plan Noise Element considers noise-sensitive land uses to include residential uses (including single- and multi-family housing, mobile home parks, and dormitories), transient lodging (including hotels and motels), hospitals, nursing homes, convalescent hospitals, other long-term medical care facilities), public or private educational facilities, libraries, churches, and places of public assembly (County of Santa Barbara 2009). The nearest noise-sensitive receptors to the northern project boundary of the project site consist of adjacent residences that are located off Bella Vista Drive. The nearest noise-sensitive receptors to the southern project boundary of the project site is an adjacent residence located off Cima del Mundo Road.

Vibration-sensitive receptors are similar to noise-sensitive receptors and include residences and institutional uses, such as schools, churches, and hospitals. However, vibration-sensitive receptors also include buildings where vibrations may interfere with vibration-sensitive equipment, which can affected by levels that may be well below those associated with human annoyance. The closest vibration-sensitive receptors are the same as the closest noise-sensitive receptors described above.

Regulatory Setting

California Government Code

California Government Code Section 53091 exempts the location and construction of facilities for the production, generation, storage, treatment, or transmission of water from compliance with local zoning and building ordinances but not from codified stand-alone noise ordinances. The District will determine if the noise standards contained in the Santa Barbara County Code are located outside the zoning and building ordinances and would be exempt from compliance.

County of Santa Barbara General Plan and County Code

There are no quantified limits or specific hours for construction activity in the County of Santa Barbara. No other noise-related policies from the County of Santa Barbara General Plan or noise standards from the Santa Barbara County Code are specifically applicable to the proposed project.

FTA Transit and Noise Vibration Impact Assessment Manual

The FTA provides reasonable criteria for assessing construction noise impacts based on the potential for adverse community reaction in its *Transit and Noise Vibration Impact Assessment Manual* (FTA 2018). For residential uses, the daytime noise threshold is 80 dBA for an 8-hour period.

Significance Thresholds

Construction Noise

As stated above, the FTA provides reasonable criteria for assessing construction noise impacts based on the potential for adverse community (FTA 2018). For residential uses, the daytime noise threshold is 80 dBA for an 8-hour period.

Vibration

Vibration limits used in this analysis to determine a potential impact to local land uses from construction activities, such as vibratory compaction or excavation, are based on information contained in the FTA *Transit Noise and Vibration Impact Assessment Manual* (FTA 2018). Groundborne vibration levels that could induce potential architectural damage to buildings are identified in Table 4. Based on FTA recommendations, limiting vibration levels to below 0.2 in/sec PPV at non-engineered timber and masonry buildings (which would apply to the nearby buildings) would prevent architectural damage.

Table 4 Groundborne Vibration Architectural Damage Criteria

Building Category	PPV (in/sec)
I. Reinforced concrete, steel, or timber (no plaster)	0.5
II. Engineered concrete and masonry (no plaster)	0.3
III. Nonengineered timber and masonry buildings	0.2
IV. Buildings extremely susceptible to vibration damage	0.12

PPV = peak particle velocity; in/sec = inches per second

Source: FTA 2018

a. Would the project result in generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

Construction Equipment

Construction noise was estimated using the FHWA Roadway Construction Noise Model (RCNM). RCNM predicts construction noise levels for a variety of construction operations based on empirical data and the application of acoustical propagation formulas. Using RCNM, construction noise levels were estimated at noise-sensitive receptors near the project site. RCNM provides reference noise

levels for standard construction equipment, with an attenuation rate of 6 dBA per doubling of distance for stationary equipment.

Variation in power imposes additional complexity in characterizing the noise source level from construction equipment. Power variation is accounted for by describing the noise at a reference distance from the equipment operating at full power and adjusting it based on the duty cycle of the activity to determine the L_{eq} of the operation (FHWA 2006). Each phase of construction has a specific equipment mix, depending on the work to be accomplished during that phase. Each phase also has its own noise characteristics; some will have higher continuous noise levels than others, and some have high-impact noise levels.

Construction activity would result in temporary noise in the project site vicinity, exposing nearby receptors to increased noise levels. Construction noise would typically be higher during the more intensive phases of construction (i.e., pipeline installation) and would be lower during the less intensive construction phases (i.e., site preparation, grading, and ground restoration). Typical heavy construction equipment during pipeline installation could include a concrete saw, excavator and front end loader. It is assumed diesel engines would power all construction equipment. Construction equipment would not all operate at the same time or location. In addition, construction equipment would not be in constant use during the 8-hour operating day.

Project construction would occur for approximately three months. The nearest sensitive receptors to construction on the pipeline would be single-family residences along Bella Vista Drive, adjacent to the northern project boundary and the single-family residence on Cima Del Mundo Road, adjacent to the southern project boundary. As shown in Table 5, over the course of a typical construction day, construction equipment would be located as close as 120 feet to the project boundary of the nearest residences, but would typically be located at an average distance farther away for the remainder of the construction period due to the nature of construction and the size of the project site. Site access routes for the project would be on existing routes and would require the clearing of vegetation with less noise intensive equipment; therefore, this analysis conservatively focuses on the location of the pipeline repairs to the nearest project boundary near sensitive receptors.

Table 5 Estimated Noise Levels by Construction Phase at Sensitive Receptors

	dBA $_{Leq\ (8\text{-}hour)}$			
Construction Activity Phase	**RCNM Reference Noise Level (50 feet)**	**Single-Family Residence to the North at at 2645 Bella Vista Drive (120 feet)[1]**	**Single-Family Residence to the North at 2665 Bella Vista Drive (210 feet)[1]**	**Single-Family Residence to the South at 915 Cima del Mundo Rd (420 feet)[1]**
Site Preparation	81	73	69	63
Grading	81	73	69	63
Pipeline Installation	84	76	72	66
Ground Restoration	81	73	69	66

L_{eq} = average noise level equivalent; dBA = A-weighted decibel

Notes: Calculations performed with the FHWA's RCNM software are included in Appendix B.

Noise levels rounded to the nearest whole number.

[1.] Distance from the nearest repair location to nearest residential project boundary.

Source of construction equipment reference noise levels: FTA 2018

Construction would occur between the hours of 7:00 a.m. to 4:30 p.m., Monday through Friday. All equipment was assumed to operate along the center of the project site to account for the average location of equipment for the pipeline and access road work area. As shown in Table 5, at a distance of 120 feet to the nearest sensitive residential receptor, pipeline installation would generate a noise level of 76 dBA L_{eq} for an 8-hour period. All other construction phases along the project alignment would be located further away from sensitive receptors with less noise intensive equipment, and noise levels would be lower. Therefore, construction noise levels would not exceed the FTA's residential construction noise threshold of 80 dBA L_{eq} (8 hour) and construction noise impacts would be less than significant.

Operation

As detailed under *Project Description*, the project would not result in changes to existing operation and maintenance activities conducted by the District. As such, no new operational noise levels would be generated by the project, and no impact would occur.

LESS THAN SIGNIFICANT IMPACT

b. Would the project result in generation of excessive groundborne vibration or groundborne noise levels?

Construction

Construction activities include equipment that has the greatest potential to generate ground-borne vibration affecting nearby receptors during the project, especially during the site preparation phase of the project site. The greatest vibratory source during construction in the project vicinity would be a large bulldozer, which may be used as close as 45 feet to the nearest off-site structure during the vegetation clearing of the access roads. Other construction phases near the pipeline would be located further away and vibration levels would be lower. Table 6 shows typical vibration levels for various pieces of construction equipment used in the assessment of construction vibration.

Table 6 Construction Vibration Levels

	PPV (in/sec)		
Equipment	**Reference Level (25 Feet)**	**Nearest Residential Building on Cima del Mundo Road (15 Feet)**	**Nearest Residential Building on Bella Vista Drive (75 Feet)**
Large Bulldozer	0.089	0.191	0.017
Loaded Trucks	0.076	0.164	0.015
Concrete/Industrial Saw	0.035	0.075	0.007
Small Bulldozer	0.003	0.006	0.001
FTA Threshold for Building Damage	–	0.2	0.2
Threshold Exceeded?	–	**No**	**No**

Source of construction equipment reference vibration levels and thresholds for building damage: FTA 2018

PPV = peak particle velocity; in/sec = inches per second

Note: Vibration analysis worksheets are included in Appendix B.

As shown in Table 6, a large bulldozer would create a vibration level of approximately 0.089 in/sec PPV at a distance of 25 feet (FTA 2018), which would result in a vibration level of 0.037 in/sec PPV at a distance of 45 feet to the nearest residential building. This level of vibration would not exceed the significance threshold of 0.2 in/sec PPV for nonengineered timber and masonry buildings (residential building). Therefore, project construction would not generate excessive groundborne vibration or groundborne noise levels, and impacts would be less than significant.

Operation

The project does not include any substantial vibration sources associated with operation. Therefore, project operation would not generate excessive groundborne vibration or groundborne noise levels, and no impact would occur.

LESS THAN SIGNIFICANT IMPACT

c. For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

The Santa Barbara Airport is located 14 miles to the west of the project site. According to the Comprehensive Land Use Plan for the airport, the project is not located within the airport's noise contours (Santa Barbara Airport Land Use Commission 2023). Because the project site is not in a 65 CNEL or higher noise contour of any nearby airport, the project would not expose people residing or working in the vicinity to excessive noise levels, and no impact would occur.

NO IMPACT

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14 Population and Housing

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Induce substantial unplanned population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure)?	☐	☐	☐	■
b. Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	■

a. Would the project induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

b. Would the project displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?

The proposed project would remove and replace damaged segments of the existing Highline Water Main Pipeline and install a temporary bypass to maintain water service during construction. Because the project is limited to restoring existing infrastructure and does not expand water service capacity or provide new connections, it would not induce substantial unplanned population growth, either directly or indirectly. Construction activities are small in scale and would likely draw workers from the existing regional labor pool, so the project would not indirectly result in relocation of people to the area or result in new housing demand. In addition, no new District employees would be required to operate or maintain the pipeline once construction is complete. The work would occur within two ravines in the foothills of Montecito and would not require acquisition or removal of housing or displace residents. Therefore, the project would neither contribute to population growth nor displace people or housing, and there would be no impact related to these issues.

NO IMPACT

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15 Public Services

		Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
a.	Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, or the need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
	1 Fire protection?	☐	☐	☐	■
	2 Police protection?	☐	☐	☐	■
	3 Schools?	☐	☐	☐	■
	4 Parks?	☐	☐	☐	■
	5 Other public facilities?	☐	☐	☐	■

a.1. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered fire protection facilities, or the need for new or physically altered fire protection facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives?

a.2. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered police protection facilities, or the need for new or physically altered police protection facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives?

a.3. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered schools, or the need for new or physically altered schools, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios or other performance objectives?

a.4. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered parks, or the need for new or physically altered parks, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios or other performance objectives?

a.5. Would the project result in substantial adverse physical impacts associated with the provision of other new or physically altered public facilities, or the need for other new or physically altered public facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives?

As described in Environmental Checklist Section 14, *Population and Housing*, the project does not include development of structures or infrastructure that would directly or indirectly increase the population of Montecito. In addition, as an underground pipeline restoration project, it does not include components that would place additional demands on fire or police protection services. Construction activities are small in scale and would likely draw workers from the existing regional labor pool, and no new District employees would be required for operation or maintenance. As such, the proposed project would not increase demand for fire protection, police protection, schools, parks, or other public facilities. Therefore, the project would not require new or modified governmental facilities to maintain acceptable service ratios, response times, or other performance objectives for fire protection, police protection, schools, parks, or other public services. No impacts related to public services would occur.

NO IMPACT

16 Recreation

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	■
b. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☐	■

a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

b. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

As described in Environmental Checklist Section 14, *Population and Housing*, the proposed project does not include changes to water supply capacity or other utility capabilities that would enable or induce new development, and thus would not directly or indirectly increase the population of Montecito beyond what is anticipated in local planning documents. Therefore, the project would not increase the population served by local parks and recreational facilities or otherwise result in increased demand for or degradation of those facilities. In addition, the project does not include recreational facilities or require the construction or expansion of recreational facilities. No impact related to recreation would occur.

NO IMPACT

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17 Transportation

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	■	☐
b. Conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	☐	☐	■	☐
c. Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible use (e.g., farm equipment)?	☐	☐	☐	■
d. Result in inadequate emergency access?	☐	☐	■	☐

a. Would the project conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?

Regional plans and policies addressing the circulation system include the Santa Barabra County General Plan Circulation Element; the Southern California Association of Governments 2024-2050 Regional Transportation Plan / Sustainable Communities Strategy; and the Santa Barabra County Association of Governments Congestion Management Program (County of Santa Barbara 2014; Southern California Association of Governments 2024; Santa Barbara County Association of Governments 2025).

Access to the project site during construction would be provided by up to three potential routes via Cima Del Mundo Road and the neighboring private property as permitted by private property owners. No transit stops are located along the segment of Cima Del Mundo Road adjacent to the project site. Construction traffic would be temporary and limited to the duration of the construction schedule (approximately three months). After construction is complete, no changes to existing transportation patterns would occur because the pipeline would be located underground and no new operation and maintenance activities would be required for the project. The project would generate a minimal level of traffic during project construction. Therefore, the project would have a less than significant impact involving conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities.

LESS-THAN-SIGNIFICANT IMPACT

b. Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?

CEQA Guidelines Section 15064.3(b) identifies criteria for evaluating transportation impacts. Specifically, the guidelines state vehicle miles traveled (VMT) exceeding an applicable threshold of significance may indicate a significant impact. According to CEQA Guidelines Section 15064.3(b)(3), a lead agency may include a qualitative analysis of operational and construction traffic if existing models or methods are not available to estimate the VMT for the particular project being considered. Such a qualitative analysis would evaluate factors such as the availability of transit, proximity to other destinations, etc.

A VMT calculation is typically conducted on a daily or annual basis, for long-range planning purposes. As discussed under threshold 17(a), traffic on local roadways would temporarily increase during project construction due to worker trips and the necessary transport of construction vehicles, equipment, and soil material to and from the project site. Increases in VMT from construction would be short-term, minimal, and temporary. In addition, the project would require minimal new operations and maintenance activities (i.e., one to two maintenance trips per year) by Montecito Water District staff upon completion of construction activities. Therefore, the project would not conflict or be inconsistent with CEQA Guidelines Section 15064.3(b) and the impacts related to VMT would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

c. Would the project substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible use (e.g., farm equipment)?

The project would not involve the construction of new roads or reconfiguration of roadways, driveways, or intersections that could result in a substantial increase in roadway hazards. During project construction, construction staging and worker parking would be located at existing clearings near Romero Creek, south of the central ridge, southeast of the site near Cima Del Mundo, and adjacent to the work area on private properties in the project site vicinity. Upon the completion of construction, the pipeline would be located underground and thus would not substantially increase roadway hazards. Therefore, the project would not substantially increase hazards due to a geometric design feature or incompatible use, and the project would have no impact.

NO IMPACT

d. Would the project result in inadequate emergency access?

Site access is challenging due to the remote hillside setting and dense vegetation. All site access routes would need to be cleared for vegetation prior to construction, but once cleared, emergency access to the project site would be maintained throughout construction. No temporary lane closures would be necessary due to its remote location and ample staging areas.

Project operation and maintenance would not introduce new activities or traffic with the potential to result in inadequate emergency access, and the proposed project would not increase demand for emergency services along the project alignment. The proposed project would have a less than significant impact regarding inadequate emergency access.

LESS-THAN-SIGNIFICANT IMPACT

18 Tribal Cultural Resources

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in a Public Resources Code Section 21074 as either a site, feature, place, or cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
a. Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k)?	☐	■	☐	☐
b. A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1? In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☐	■	☐	☐

Tribal Cultural Resources Background

On July 1, 2015, California Assembly Bill 52 of 2014 (AB 52) was enacted, expanding CEQA by defining a new resource category, "tribal cultural resources." AB 52 states: "A project with an effect that may cause a substantial adverse change in the significance of a tribal cultural resource is a project that may have a significant effect on the environment" (PRC Section 21084.2). It further states the lead agency shall establish measures to avoid impacts altering the significant characteristics of a tribal cultural resource, when feasible (PRC Section 21084.3).

PRC Section 21074 (a)(1)(A) and (B) defines tribal cultural resources as "sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe" and is:

1. Listed or eligible for listing in the CRHR or in a local register of historical resources as defined in PRC Section 5020.1(k), or

2. A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of PRC Section 5024.1. In applying these criteria, the lead agency shall consider the significance of the resource to a California Native American tribe.

AB 52 also establishes a formal consultation process for California tribes regarding those resources. The consultation process must be completed before a CEQA document can be certified or adopted. Under AB 52, lead agencies are required to "begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project." Native American tribes to be included in the process are those having requested notice of projects proposed in the jurisdiction of the lead agency.

The District distributed AB 52 consultation notification letters for the proposed project, which included project information, maps, and contact information, to 10 Native American contacts via certified mail on January 9, 2026. Contacts of the following Native American tribes were provided with an AB 52 consultation letter:

- Barbareño Band of Chumash Indians (two contacts)
- Barbareño /Ventureño Band of Mission Indians
- Coastal Band of the Chumash Nation (three contacts)
- Northern Chumash Tribal Council
- Santa Ynez Band of Chumash Indians (three contacts)

Under AB 52, Native American tribes have 30 days from receipt of the letter to respond and request further project information and formal consultation.

Summary of AB 52 Consultation

On January 23, 2026, Cultural Resources Archaeologist Amanda Dobrov with the Santa Ynez Band of Chumash Indians responded via email and stated that the Tribe would like to consult on the project and requested a copy of the Cultural Resources Assessment once it has been completed. The Tribe would like to review the report prior to scheduling a consultation meeting, as that will likely inform what mitigation measures the Tribe will be considering. Ms. Dobrov inquired when the report is expected to be completed. On January 26, 2026, Assistant General Manager Adam Kanold with the District responded via email to Ms. Dobrov and acknowledged the Tribe's request to consult. Mr. Kanold stated that construction is currently planned for this summer and Rincon Consultants can provide a timeline for the completion of the Cultural Resources Assessment. On January 26, 2026, Supervising Environmental Planner Amanda Antonelli with Rincon Consultants responded via email and stated that the Central Coast Information Center (CCIC) is currently transitioning host facilities. As a result, all records searches for Santa Barbara County were delayed with an anticipated completion in late February. On January 27, 2026, Ms. Dobrov responded via email and thanked Ms. Antonelli for the update and the Tribe would wait to hear when the report was completed. On January 27, 2026, Ms. Dobrov emailed Mr. Kanold and thanked him for putting her in touch with Ms. Antonelli. Ms. Dobrov inquired if the District would like to have a preliminary consultation meeting prior to Rincon finalizing the report to discuss the project. Ms. Dobrov stated that she could let the District know the areas of concern for the Tribe and discuss some potential mitigation measures since the closure of the CCIC will delay the report. On March 30, 2026, the District contacted Ms. Dobrov to schedule a preliminary consultation meeting for the project. On April 7, 2026, Mr. Kanold followed up with Ms. Dobrov via email to schedule an AB 52 consultation meeting and provided a

list of days and times that the District is available to meet. On April 7, 2026, Ms. Dobrov responded via email and requested a copy of the Cultural Resources Assessment. On April 7, 2026, Mr. Kanold responded to Ms. Dobrov and provided a copy of the draft Cultural Resources Assessment. On April 8, 2026, Ms. Dobrov responded via email and thanked Mr. Kanold for sending the assessment for the Tribe's review. Ms. Dobrov confirmed that the Santa Ynez Band of Chumash Indians was available for an AB 52 consultation meeting on April 13, 2026. On April 13, 2026, an AB 52 consultation meeting was held between the District, Ms. Dobrov and Cultural Resources Manager Edgar Alvarez with the Santa Ynez Band of Chumash Indians. The Tribe recommended full time Native American monitoring by a member of the Santa Ynez Band of Chumash Indians during project-related ground disturbing activities. The Tribe stated it is especially important to have a tribal monitor present during the deepening of the trench for the pipeline replacement, as the trenching will likely encroach on native soil, as well as previously unmonitored disturbed soil. The Tribe further requested to have a monitor present during the grubbing and light grading activities within the staging areas. Lastly, the Tribe requested a Worker's Environmental Awareness Program (WEAP) training be conducted at the start of the project and defers the WEAP training to the Barbareño Band of Chumash Indians. On April 13, 2026, Mr. Kanold responded via email and stated the District will incorporate the Tribe's recommendations into the project's mitigation and thanked them for their time. On April 13, 2026, AB 52 consultation between the District and the Santa Ynez Band of Chumash Indians was concluded.

On February 2, 2026, Chairperson Eleanor Fishburn of the Barbareño Band of Chumash Indians responded via email and recommended a Native American monitor to provide a WEAP training, as well as possible spot check monitoring. On February 3, 2026, Mr. Kanold responded via email and stated that the District would be in touch soon for further discussion on the project. On April 1, 2026, Mr. Kanold emailed Chairperson Fishburn and stated that the District agrees to include the Tribe's request for a WEAP training by a Native American representative and the presence of a Native American monitor during project-related ground disturbing activities. Mr. Kanold sent Chairperson Fishburn the draft Cultural Resources Assessment and inquired if she would like to schedule a meeting to go over the findings. On April 3, 2026, Chairperson Fishburn responded and stated that she does not need to review the Cultural Resources Assessment at this time. On April 6, 2026, Mr. Kanold responded via email and thanked Chairperson Fishburn for her time and inquired if she would like to participate in an AB 52 consultation call prior to the finalization of the Cultural Resources Assessment, or if her concerns had been addressed. On April 8, 2026, Mr. Kanold emailed Chairperson Fishburn to confirm the mitigation measures proposed by the Tribe were aligned with her expectations and Native American monitoring would be limited to spot checking. On April 8, 2026, Chairperson Fishburn responded via email and stated that she agrees with the project mitigation. On April 8, 2026, AB 52 consultation between the District and the Barbareño Band of Chumash Indians was concluded.

No additional requests were received during the consultation period.

a. Would the project cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code Section 21074 that is listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k)?

b. Would the project cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code 21074 that is a resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1?

Based on the positive results of the SLF and AB 52 consultation with Native American tribes affiliated with the project area, the project area may be sensitive for tribal cultural resources. Therefore, ground disturbing activities associated with the project could cause a substantial adverse change in the significance of a tribal cultural resource, if any are identified during project construction, and impacts would be potentially significant.

Mitigation Measures TCR-1, TCR-2 and TCR-3 detailed below were developed in consultation with the project's consulting tribes and would avoid and minimize potential impacts to tribal cultural resources to a less than significant level.

Mitigation Measures

TCR-1 Workers Environmental Awareness Program Training

A qualified archaeologist, defined as an archaeologist meeting the Secretary of the Interior's Professional Qualification Standards for archaeology (National Park Service 1983), and Native American representative from the Barbareño Band of Chumash Indians shall be retained by the District to conduct a Worker's Environmental Awareness Program (WEAP) training on archaeological and tribal cultural resource sensitivity. The WEAP training shall be given to all construction personnel prior to the commencement of any ground-disturbing activities. Additional personnel who subsequently become involved in the project will also receive the training prior to their involvement in ground disturbing activities. This can be accomplished through the distribution of hardcopy training materials prepared by the qualified archaeologist. Archaeological and tribal cultural resource sensitivity training shall include a description of the types of cultural material that may be encountered, cultural sensitivity issues, the regulatory environment, and the proper protocol for treatment of the materials in the event of a find. The WEAP training shall emphasize the requirement for confidentiality and culturally appropriate treatment of any discovery of significance to consulting tribes and will discuss appropriate behaviors and responsive actions, consistent with tribal values.

TCR-2 Native American Monitoring

The District shall retain a Native American representative from the Santa Ynez Band of Chumash Indians to monitor all project-related ground-disturbing activities. In addition, a Native American representative from the Barbareño Band of Chumash Indians shall be retained by the District to conduct spot check monitoring as determined necessary by the Barbareño Band of Chumash Indians. Ground disturbing activities include, but are not limited to, clearing/grubbing, excavation, grading and trenching. If archaeological or tribal cultural resources are encountered, the monitor(s) shall have the authority to halt and redirect work within a 50-foot radius of the find. If archaeological or tribal cultural resources are encountered during ground-disturbing activities, work in the immediate area shall halt and Mitigation Measures CR-1 and TCR-3, as appropriate, shall be

implemented. Native American monitoring may be reduced or eliminated at the discretion of the monitor(s), in consultation with the District and the qualified archaeologist, as necessary. Conditions for reduction or elimination include encountering bedrock, excavations within disturbed or non-native soils, or negative findings during the first 50 percent of ground disturbance. If Native American monitoring by the Santa Ynez Band of Chumash Indians is reduced to spot-checking, spot-checking shall occur when ground disturbance moves to a new location within the project site or when ground disturbance will extend to depths not previously reached (unless those depths are within bedrock). The monitor(s) shall prepare daily monitoring logs for the project to document the results of the monitoring effort. The monitor from the Santa Ynez Band of Chumash Indians shall prepare a brief monitoring report, with the daily monitoring logs attached as an appendix, to document compliance. The brief monitoring report shall be submitted by Santa Ynez Band of Chumash Indians to the District and the appropriate California Historical Resource Information Center within 30 days of completion of all ground-disturbing activities.

TCR-3 Unanticipated Discovery of Tribal Cultural Resources

In the event cultural resources of Native American origin are identified during construction, all ground disturbing activities within a 50-foot radius of the find shall be halted and redirected until a qualified archaeologist has evaluated the nature and significance of the find. The District shall consult with the qualified archaeologist and initiate Native American consultation procedures with the project's consulting tribes. If the District, in consultation with the project's consulting tribes, determines that the resource is a tribal cultural resource and thus significant under CEQA, a mitigation plan shall be prepared and implemented in accordance with state guidelines and in consultation with the project's consulting tribes. The mitigation plan may include avoidance of the resource, if avoidance of the resource is infeasible, the plan would outline the appropriate treatment of the resource in coordination with the archaeologist, if applicable, and Native American consulting tribes. The mitigation plan shall be reviewed and approved by the District within 30 days of discovery of the find(s). Work at the discovery location shall not resume until all necessary investigation and evaluation of the discovery under the requirements of CEQA have been satisfied.

Significance After Mitigation

Implementation of Mitigation Measures TCR-1, TCR-2 and TCR-3 would avoid and minimize potential impacts to tribal cultural resources to the extent feasible. Mitigation Measure TCR-1 would require construction personnel to identify archaeological and tribal cultural resources and implement the appropriate protocol for treatment of any resources. Mitigation Measures TCR-2 would require Native American monitoring and associated compliance reporting and Mitigation Measure TCR-3 outlines the appropriate protocol for treatment of resources in the event that tribal cultural resources are encountered. Implementation of Mitigation Measure TCR-1, TCR-2 and TCR-3 would reduce the potential impact to tribal cultural resources to a less than significant level.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

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19 Utilities and Service Systems

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Would the project:				
a. Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☐	■
b. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☐	■
c. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	■
d. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	■	☐
e. Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	■	☐

a. Would the project require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?

Water

The project restores existing water infrastructure without expanding service capacity, the environmental effects of which are analyzed in this IS-MND. The project would not increase the District's capacity to serve additional customers. As concluded by this IS-MND, the water facilities included in the proposed project would not cause unmitigable significant environmental effects. Consequently, no additional impact related to water facilities would occur.

Wastewater

The project would not require permanent on-site personnel and does not include the installation of restroom facilities. Therefore, no wastewater would be generated, and the project would not result in the construction or relocation of additional new or expanded wastewater facilities. Thus, no impact related to wastewater treatment would occur.

Stormwater Drainage

As discussed in Environmental Checklist Section 10, *Hydrology and Water Quality*, the proposed improvements would not increase the rate or amount of surface runoff so as to exceed the capacity of existing or planned drainage systems or provide additional sources of polluted runoff. The proposed project would not result in substantial new impervious surfaces. Therefore, no impact related to stormwater drainage would occur.

Electric Power

As discussed in Environmental Checklist Section 6, *Energy*, the proposed project would not increase energy demands associated with the existing water infrastructure as the improvements would not involve an expansion of design capacity. Therefore, no new or relocated energy facilities would be required as a result of the proposed project. No impact related to electric power would occur.

Natural Gas

The project would not involve any components requiring natural gas service and is not anticipated to involve the relocation of existing natural gas facilities. Therefore, no impact related to natural gas facilities would occur.

Telecommunications

The project would not involve any components requiring telecommunications infrastructure and is not anticipated to involve the relocation of existing telecommunications facilities. Therefore, no impact related to telecommunications facilities would occur.

NO IMPACT

b. Would the project have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?

The proposed project consists of the construction and operation of potable water facilities. Project construction water requirements would be met via the District's existing supplies and facilities. The project would not increase overall water supply availability or result in increased water consumption. Therefore, no impact related to sufficiency of water supplies would occur.

NO IMPACT

c. Would the project result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

As discussed under Item 19(a), the project would not generate sanitary wastewater or otherwise contribute to an increase in wastewater treatment requirements. No impact would occur.

NO IMPACT

d. Would the project generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?

e. Would the project comply with federal, state, and local management and reduction statutes and regulations related to solid waste?

Marborg Industries provides waste and recycling services in the city of Santa Barbara and the surrounding unincorporated areas of Santa Barbara County, including Montecito. Solid waste is directed by Marborg to the Tajiguas Sanitary Landfill and Resource Recovery Center, a publicly-operated landfill and recycling station run by the county of Santa Barbara. The Tajiguas Sanitary Landfill and Resource Recovery Center is located west of Goleta along U.S. Route 101, approximately 30 miles west of the project site. Tajiguas Sanitary Landfill and Resource Recovery Center accepts a variety of materials, including construction and demolition materials, agricultural waste, industrial waste, sludge (biosolids), and mixed municipal waste. According to the California Department of Resources Recycling and Recovery, the Tajiguas Sanitary Landfill and Resource Recovery Center has a permitted capacity of 29.4 million cubic yards and a maximum disposal capacity of 9,000 tons per week. As of July 2023, the remaining capacity at the landfill was approximately 7.35 million cubic yards. The landfill solid waste permit lists an estimated closure date of 2038 (CalRecycle 2025).

Construction activities may temporarily generate solid waste, such as from demolition of the existing pipeline, which would be disposed of in accordance with all applicable federal, State, and local statutes and regulations. Local solid waste infrastructure has the capacity to accept solid waste generated by project construction activities. Once constructed, project operation would not generate solid waste. Therefore, the project would comply with federal, state, and local management and reduction statutes and regulations related to solid waste. The project would not impair the attainment of solid waste reduction goals. Potential impacts would therefore be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

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20 Wildfire

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a. Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	■	☐
b. Due to slope, prevailing winds, and other factors, exacerbate wildfire risks and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☐	■	☐	☐
c. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	■
d. Expose people or structures to significant risks, including downslopes or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☐	■

a. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project substantially impair an adopted emergency response plan or emergency evacuation plan?

The project site is located in a State Responsibility Area and a Very High Fire Hazard Severity Zone (CAL FIRE 2025). Regional plans addressing the emergency response and evacuations include the Santa Barabra County Comprehensive Circulation Element, the Santa Barbara County Seismic Safety and Safety Element, and the Santa Barbara County Association of Governments Regional Transportation Plan / Sustainable Communities Strategy (County of Santa Barbara 2014 and 2023, County of Santa Barbara Association of Governments 2021).

The project site is accessed via Bella Vista Drive, Romero Canyon Road, and a private driveway. Both Bella Vista Drive and Romero Canyon Road are identified as evacuation routes (Conservation Biology Institute 2021). Although these roadways serve an evacuation function, the proposed construction activities would be temporary, limited in scope, and would not require full roadway closures. Traffic control measures (e.g., flaggers, signage) would be implemented as needed to maintain emergency

access at all times. Construction access and staging would occur within or adjacent to the project footprint and would not alter roadway geometry or reduce evacuation capacity. During operation, the project would not introduce new structures or uses which could interfere with emergency response or evacuation.

As discussed in Environmental Checklist Section 9, *Hazards and Hazardous Materials*, and Environmental Checklist Section 17, *Transportation*, the proposed project would not impair or conflict with an adopted emergency response or evacuation plan, nor would it permanently result in inadequate access for emergency vehicles during operation. While construction activities would involve lane closures that could temporarily impede emergency response or evacuation, these effects would be short-term and managed through standard traffic control measures. Therefore, impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

b. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project, due to slope, prevailing winds, and other factors, exacerbate wildfire risks and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?

As discussed under Item 20(a), portions of the project site are located within a State Responsibility Area and a Very High Fire Hazard Severity Zone (CAL FIRE 2025).

The proposed project would consist of water infrastructure improvements located in the foothills of Montecito, where a storm in January 2023 exposed and displaced the existing pipeline along a portion of 2500 East Valley Road. The project area consists of steep topography and vegetative cover and is adjacent to several single-family residences and unpaved roads. Construction of the proposed project would include the use of heavy-duty equipment. In accordance with PRC Section 4442, equipment including earth-moving and portable construction equipment with internal combustion engines would be equipped with spark arrestors to prevent the emission of flammable debris from exhaust, when operating on any forest-covered, brush-covered, or grass-covered land. In addition, PRC Sections 4427 and 4431 specify standards for conducting construction activities on days when a burning permit is required, and PRC Section 4428 requires construction contractors to maintain fire suppression equipment during the highest fire danger period (April 1 to December 1) when operating on or near any forest-covered, brush-covered, or grass-covered land. Additionally, implementation of Mitigation Measure HAZ-1, *Fire Hazard Measures*, which includes clearing vegetation in construction areas, maintaining equipment in good working order, providing spotters during electrical work, and ensuring access to fire suppression equipment, would further reduce the potential for construction-related fire hazards.

The project would not introduce habitable structures, permanent ignition sources, or land use changes which could increase long-term wildfire risk. Operation and maintenance activities would be infrequent and similar to existing conditions. Additionally, the project would not expose workers or the public to elevated pollutant concentrations from wildfire smoke, as no sensitive receptors would be located on site.

Therefore, with adherence to applicable fire safety regulations, the project would not exacerbate wildfire risk due to slope, wind, or fuel conditions. Impacts would be less than significant.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

c. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?

The project is located within a State Responsibility Area and a Very High Fire Hazard Severity Zone (CAL FIRE 2025). The project would not require the construction of new roads, fuel breaks, emergency water sources, power lines, or other utilities which could exacerbate fire risk. Upon completion of construction, the ground surface would generally be restored to pre-project conditions. Routine operation and maintenance activities would be limited in scope and would not introduce new ignition sources or exacerbate fire risk. No impact would occur.

NO IMPACT

d. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project expose people or structures to significant risks, including downslopes or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?

The project is located within a State Responsibility Area and a Very High Fire Hazard Severity Zone (CAL FIRE 2025). The project site is located in an area historically susceptible to flooding and landslides, as evidenced by damage to the existing pipeline during the January 2023 storm event. The project is specifically designed to address these vulnerabilities by replacing and reburying the pipeline. This design will reduce potential hazards associated with surface runoff, post-fire slope instability, and altered drainage patterns. By improving infrastructure resilience and minimizing future exposure to hydrologic risks, the project would not create or exacerbate hazards. Therefore, there would be no impact.

NO IMPACT

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21 Mandatory Findings of Significance

	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less-than-Significant Impact	No Impact
Does the project:				
a. Have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	■	☐	☐
b. Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	■	☐	☐
c. Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	■	☐

a. Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

As discussed in Environmental Checklist Section 4, *Biological Resources,* the project would not substantially degrade the quality of the environment or result in the loss, reduction, or restriction of special-status plant or wildlife species. While the project has the potential to affect special-status plants, wildlife, nesting birds, sensitive natural communities, jurisdictional waters, and native trees, implementation of Mitigation Measures BIO-1 through BIO-10 would reduce all biological impacts to less-than-significant levels.

As discussed in Environmental Checklist Section 5, *Cultural Resources*, and Section 18, *Tribal Cultural Resources*, the project has the potential to affect archaeological resources and tribal cultural resources. While no cultural or tribal cultural resources were identified within the project site during records searches or field surveys, the Sacred Lands File search was positive, and AB 52 consultation indicates that the project area may be sensitive for tribal cultural resources. Accordingly, ground-disturbing activities associated with project construction could result in unanticipated discoveries. Implementation of Mitigation Measures CR-1 and TCR-1 would ensure that any inadvertent discovery of archaeological or tribal cultural resources is appropriately evaluated, protected, and treated in consultation with a qualified archaeologist and the consulting tribes. With implementation of these measures, all impacts to cultural and tribal cultural resources would be reduced to less than significant levels.

Therefore, the project would not substantially degrade the environment, threaten biological communities, or eliminate important examples of California history or prehistory. Impacts would be less than significant with mitigation incorporated.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

b. Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

Cumulative impacts consider whether individually minor effects from multiple projects combine to create significant impacts within a given geographic area. The Bella Vista Highline project is limited to short-term construction activities within two ravines in Montecito and would not introduce new long-term operational impacts. As discussed throughout this IS-MND, the project would have no impact or a less-than-significant impact for the majority of environmental resource areas. The project would not contribute to cumulative impacts related to agriculture and forestry resources, energy, land use and planning, mineral resources, population and housing, public services, recreation, transportation, utilities and service systems, or tribal cultural resources.

The potential for cumulative impacts is limited to a small set of resource topics where the project has temporary, localized construction impacts, as described below:

Aesthetics

The project would occur in steep, privately owned ravines with limited public visibility. Construction equipment and materials would be temporary and removed after construction. No other cumulative projects are occurring in the vicinity. Therefore, the project would not meaningfully contribute to cumulative aesthetic impacts.

Air Quality

Santa Barbara County is in nonattainment for ozone and PM_{10}. However, as shown in Section 3, the project's construction emissions would not exceed SBCAPCD significance thresholds, and fugitive dust would be controlled through required BMPs. Because thresholds are designed to evaluate a project's contribution to cumulative conditions, the project's emissions would not be cumulatively considerable.

Biological Resources

Regional development has the potential to affect biological resources; however, cumulative projects are subject to CEQA review and resource-specific mitigation. While cumulative biological impacts in the region may be significant, the proposed project would implement Mitigation Measures BIO-1 through BIO-10, which would avoid or minimize impacts to special-status species, nesting birds, sensitive natural communities, riparian areas, and native trees. With these measures, the project's contribution would not be cumulatively considerable.

Cultural Resources

Cumulative development in the region may affect cultural resources; however, no cultural resources are anticipated at the project site. Because the project includes compliance with unanticipated discovery requirements under state law and mitigation measure CR-1, and because impacts to cultural resources were found to be less than significant, the project would not contribute to cumulative cultural resource impacts.

Geology and Soils

Geologic hazards are typically site-specific. The project would repair and underground a previously exposed pipeline, improving infrastructure resilience and reducing long-term susceptibility to landslides and seismic hazards. The project does not involve ground disturbance that would contribute to regional geologic instability or cumulative paleontological impacts. Therefore, the project would not contribute to cumulative impacts.

Greenhouse Gas Emissions

GHG emissions and climate change are inherently cumulative. As shown in Section 8, project construction would generate approximately 53 metric tons of CO_2e, amortized to 1.8 MT per year, and operational emissions would be unchanged from existing conditions. The project is consistent with the Montecito Water District's 2025 Climate Action and Adaptation Plan. Therefore, the project's contribution to cumulative GHG emissions would not be cumulatively considerable.

Hazards and Hazardous Materials

Construction-related hazardous materials use would follow standard regulations and BMPs, and accidental release risks would be site-specific and temporary. Cumulative hazardous materials impacts would not occur.

Hydrology and Water Quality

Although regional waterbodies experience existing cumulative water quality impairment, the project would comply with the General Waste Discharge Requirements for low-risk dewatering and BMPs under the Construction General Permit. Mitigation Measures BIO-9 and BIO-10 further reduce potential impacts. Therefore, the project would not have a cumulatively considerable contribution to cumulative hydrologic or water quality impacts.

Overall, the project's contribution to cumulative impacts would not be cumulatively considerable, and impacts would be less than significant with mitigation incorporated.

LESS THAN SIGNIFICANT WITH MITIGATION INCORPORATED

c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

As discussed throughout this IS-MND, the project would not result in substantial adverse effects on human beings. Construction impacts including temporary noise, fugitive dust, traffic, and hazards would be minimized through standard BMPs and applicable regulations. The project would improve safety and reliability of existing water infrastructure that was damaged during the January 2023 landslides. No new long-term operational impacts or public safety risks would occur.

Therefore, the project would not result in substantial direct or indirect adverse effects on human beings. Impacts would be less than significant.

LESS-THAN-SIGNIFICANT IMPACT

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Appendix A

CalEEMod Detailed Report

Appendix B

RCNM Results

Mitigation Monitoring and Reporting Program

CEQA requires that a reporting or monitoring program be adopted for the conditions of project approval that are necessary to mitigate or avoid significant effects on the environment (Public Resources Code 21081.6). This mitigation monitoring and reporting program is intended to track and ensure compliance with adopted mitigation measures during the project implementation phase for Montecito Water District's Bella Vista Highline Water Main Project (project). For each mitigation measure recommended in the Final Initial Study-Mitigated Negative Declaration (Final IS-MND), specifications are made herein that identify the action required and the monitoring that must occur. For all mitigation measures, Montecito Water District is the agency responsible for implementation and oversight.

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Mitigation Measure	Action Required	Monitoring Timing	Monitoring Frequency	Compliance Verification Initial	Compliance Verification Date	Compliance Verification Comments
Biological Resources						
BIO-1: Worker Environmental Awareness Program						
Prior to initiation of all construction activities (including staging and mobilization), all personnel associated with project construction shall attend a Worker Environmental Awareness Program (WEAP) training, conducted by a qualified biologist, to assist workers in recognizing special status biological resources which may occur in the study area. This training will include information about nesting birds and the special status species potentially occurring in the study area. The specifics of this program shall include identification of special status species and habitats, a description of the regulatory status and general ecological characteristics of special status resources, and review of the limits of construction and measures required to avoid and minimize impacts to biological resources within the work area. A fact sheet conveying this information shall also be prepared for distribution to all contractors, their employees, and other personnel involved with construction of the project. All employees shall sign a form provided by the trainer documenting they have attended the WEAP and understand the information presented to them. The crew foreman shall be responsible for ensuring crew members adhere to the guidelines and restrictions designed to avoid impacts to special status species. If new construction personnel are added to the project, the crew foreman shall confirm the new personnel receive the WEAP training before starting work. The subsequent training of personnel can include a video recording of the initial training and/or the use of written materials rather than in-person training by a biologist.	1. Retain a qualified biologist to prepare and conduct a WEAP training on special status biological resources for all construction personnel. 2. Review the WEAP training materials for consistency with the requirements of MM BIO-1. 3. Require attendance of all personnel associated with project construction at the WEAP training. 4. Maintain signed forms documenting attendance at WEAP training in project files.	1. Prior to the start of construction activities 2. Prior to the start of construction activities 3. Prior to the start of construction activities 4. During construction	1. Once 2. Once 3. Once prior to the start of construction activities and as needed if new personnel are required 4. Ongoing			
BIO-2: Sensitive Habitat Fencing						
Prior to project mobilization, where the project is adjacent to sensitive habitat (i.e., environmentally sensitive habitat, riparian habitat, sensitive natural communities); temporary construction fencing shall be erected by the contractor at the edge of the temporary construction area to avoid impacts to the habitat throughout the duration of construction. If complete avoidance is not feasible, impacts shall be minimized as described in Mitigation Measure BIO-3.	1. Include sensitive habitat fencing requirement in construction contractor specifications. 2. Field verify installation of sensitive habitat fencing.	1. Prior to issuance of construction bid package 2. During construction	1. Once 2. Periodically			
BIO-3: Minimization of Sensitive Habitat Impacts						
If encroachment into sensitive natural communities cannot be avoided, areas of temporary disturbance within these habitats shall be minimized to the extent practicable. Staging and parking areas shall be limited to sites which are unvegetated and/or previously disturbed areas comprising ruderal vegetation or non-native annual grasslands, ornamental landscaping, and paved/graded areas, to the extent practicable. If removal of sensitive vegetation is necessary during excavation and/or grading, the topsoil (top six inches) shall be salvaged and stored in temporary stockpiles and replaced in the same area following completion of excavation/grading activities. If removal of non-native invasive vegetation is necessary during excavation and/or grading, the plant material and topsoil shall be separated and exported off-site to a landfill or similar disposal facility. Temporary stockpiles with invasive species shall be stored away from salvaged sensitive natural communities and separate from sensitive vegetation topsoil. Natural revegetation is expected in cleared areas after the completion of the project. If revegetation of the site is necessary for soil stabilization and/or fugitive dust control, the revegetation plant palette shall be free of invasive plants listed in the California Invasive Plant Council Inventory.	1. Include requirements for minimizing impacts to sensitive habitats in construction contractor specifications. 2. Field verify designated staging, parking, and access areas are located within previously disturbed or approved areas prior to and during construction. 3. Verify implementation of topsoil salvage, stockpiling, and replacement procedures in areas where sensitive vegetation is removed. 4. Verify segregation, handling, and off-site disposal of invasive vegetation and associated soils consistent with requirements of MM BIO-3. 5. Verify any revegetation materials used are free of California Invasive Plant Council-listed species.	1. Prior to issuance of construction bid package 2. Prior to initiation of construction and during construction 3. During construction 4. During construction 5. During construction (as applicable)	1. Once 2. Once prior to construction and periodically during construction 3. Periodically during vegetation removal and grading activities 4. Periodically during vegetation removal and grading activities 5. As needed			
BIO-4: Pre-Construction Presence/Absence Survey for Special Status Wildlife Species						
Within seven days prior to the commencement of ground disturbing activities, a qualified biologist shall be retained to perform a survey for special status wildlife species in natural habitat areas within the project footprint and a 50-foot buffer to determine the presence/absence of these species. The pre-construction survey shall be conducted on foot within the project footprint and 50-foot buffer. Raking shall be conducted in areas of sandy, loose, and moist soils under sparse vegetation/leaf litter to determine the	1. Retain a qualified biologist to conduct pre-construction presence/absence surveys for special status wildlife species. 2. Review and approve pre-construction special status species survey technical memorandum.	1. Within seven days prior to start of construction activities 2. Prior to start of construction activities 3. Prior to and during construction .	1. Once 2. Once 3. Once prior to ground disturbance and periodically during construction			

Mitigation Measure	Action Required	Monitoring Timing	Monitoring Frequency	Compliance Verification Initial	Compliance Verification Date	Compliance Verification Comments
presence/absence of northern California legless lizard. The qualified biologist shall temporarily move any identified special status wildlife species outside of the construction area, and temporary barriers shall be placed around the construction area, as practicable, to prevent ingress. The results of these surveys shall be documented in a technical memorandum.	3. Field verify installation and maintenance of temporary wildlife exclusion barriers, where applicable.					
BIO-5: Biological Construction Monitoring						
A qualified biological monitor shall be present during initial ground disturbing activities and vegetation removal to confirm impacts to special status wildlife species are avoided. The monitor shall have the authority to halt construction activities to avoid potential impacts to special status species. The results of biological monitoring shall be documented in daily logs and a technical memorandum at project completion.	1. Retain a qualified biologist to conduct biological monitoring. 2. Review biological monitoring daily logs and retain in project files. 3. Review and approve biological monitoring technical memorandum.	1. Prior to initiation of ground-disturbing activities and vegetation removal 2. During initial ground disturbing activities and vegetation removal 3. Upon completion of construction activities	1. Once 2. Weekly 3. Once			
BIO-6: Crotch's Bumble Bee Surveys and Avoidance						
A formal habitat assessment shall be performed prior to initiating ground disturbing activities to determine if Crotch's bumble bee suitable nesting or foraging habitat is present in the Project area. The assessment will include: 1. Review of occurrence record data 2. Analysis of foraging, nesting, and overwintering resources 3. Documentation of plant species observed (including what is blooming at the time of the survey and percent cover) The locations of any nesting resources, including rodent burrows, cavities, thatched grasses, brush, rock piles, logs, and manmade structures like dumped furniture, will be mapped during the assessment. Areas adjacent to the Project will also be considered, as accessible, to determine if there is suitable nesting or foraging habitat. If suitable nesting and foraging resources are detected during the habitat assessment, they will be avoided by a 50-foot buffer, where possible. If avoidance is not possible, a protocol-survey following the California Department of Fish and Wildlife (CDFW) *Survey Considerations for California Endangered Species Act* (CESA) Candidate Bumble Bee Species (CDFW 2023) will be performed to determine if Crotch's bumble bee is present in the Project area. A minimum of three visits will be conducted during the colony active season (April – August) and will be spaced 2-4 weeks apart. If no Crotch's bumble bees are detected on the site, no further mitigation would be required. If Crotch's bumble bees are detected, consultation with CDFW will be initiated to determine the best way to avoid impacts to bumble bees on the site, and to determine whether an Incidental Take Permit is warranted.	1. Retain a qualified biologist to conduct a habitat assessment for Crotch's bumble bee. 2. Review and approve the habitat assessment report. 3. Notify contractor of any identified avoidance areas and associated requirements. 4. Field verify establishment and maintenance of avoidance buffers around suitable nesting and foraging resources , where applicable. 5. Retain a qualified biologist to conduct protocol surveys if suitable nesting and foraging resources cannot be avoided. 6. If Crotch's bumble bee is detected, consult with CDFW, obtain an Incidental Take Permit if warranted, and verify implementation of permit conditions.	1. Prior to initiating ground disturbing activities 2. Prior to initiating ground disturbing activities 3. Prior to initiating ground disturbing activities 4. Prior to and during construction 5. During the colony active season (April–August) prior to initiation of ground disturbing activities, if required 6. As needed, if species is detected	1. Once 2. Once 3. Once 4. Once prior to construction and periodically during construction 5. Once, if avoidance is not feasible 6. As needed, if species is detected			
BIO-7: Pre-Construction Nesting Bird Surveys						
To avoid disturbance of nesting and special status birds, including raptor species, protected by the Migratory Bird Treaty Act and California Fish and Game Code 3503, activities related to the project including, but not limited to, vegetation removal, ground disturbance, and construction and demolition shall occur outside of the bird breeding season for migratory birds (January 1 through September 1), if practicable. If construction must begin during the breeding season, then a pre-construction nesting bird survey shall be conducted no more than seven days prior to initiation of ground disturbance and vegetation removal activities. The nesting bird pre-construction survey shall be conducted on foot inside the project footprint, including a 100-foot buffer (300 feet for raptors), and in inaccessible areas (e.g., private lands) from afar using binoculars to the extent practicable. The survey shall be conducted by a biologist familiar with the identification of avian species known to occur in southern California coastal communities. If nests are found, an avoidance buffer (dependent upon the species, the proposed work activity, and existing disturbances associated with land uses outside of the site) shall be determined and demarcated by the biologist with bright orange construction fencing, flagging, construction lathe, or other means to mark the boundary. All construction	1. Include requirements for avoidance of bird breeding season, if practicable, and compliance with nest avoidance buffers in construction contractor specifications. 2. Retain a qualified biologist to conduct pre-construction nesting bird surveys if construction must begin during the breeding season. 3. Review and approve nesting bird survey results and any recommended avoidance buffers. Retain survey results in project file. 4. Field verify establishment and maintenance of nesting bird avoidance buffers during construction. Retain monitoring logs in the project file.	1. Prior to issuance of construction bid package 2. Within seven days prior to initiation of construction activities during bird breeding season 3. Prior to initiation of construction 4. Prior to and during construction	1. Once 2. Once 3. Once 4. Once prior to construction and periodically during construction			

Mitigation Measure	Action Required	Monitoring Timing	Monitoring Frequency	Compliance Verification Initial	Compliance Verification Date	Compliance Verification Comments
personnel shall be notified as to the existence of the buffer zone and to avoid entering the buffer zone during the nesting season. No ground-disturbing activities shall occur inside this buffer until the avian biologist has confirmed breeding/nesting is completed, and the young have fledged the nest. Encroachment into the buffer shall occur only at the discretion of the qualified biologist.						
BIO-8: Arborist Study and Tree Protection						
Prior to the start of construction, an Arborist Study should be conducted for protected trees with any portion of their dripline within the project area and a 20-foot buffer. Protected trees shall be defined as native trees that are six inches or greater in diameter, as is standard in the county (County of Santa Barbara 2021). The study shall plot the location of protected trees and identify the species. The Arborist Report shall be prepared by a Certified Arborist and include, at minimum, the following: ▪ An inventory of all protected trees containing a canopy drip line within 20 feet of the project area, as feasible without trespassing on private lands. Inventory data shall record, at minimum: diameter at breast height, height, canopy spread, and overall health rating ▪ Description of proposed site development activities including, but not limited to, excavation and grading, any tree trimming for access, and staging/parking within 20 feet of a protected tree canopy dripline. ▪ Mandatory tree protection recommendations, which shall at a minimum include a site plan depicting the project area, the tree protection zone (six feet from the dripline, as is typical in the county [County of Santa Barbara 2021]), and project encroachment boundaries; tree protection fencing, activities prohibited/permitted within the tree protective zone, approved tree trimming practices, and standard measures for protecting trees during construction. The mandatory recommendations shall ensure that any trimming of protected trees is performed in accordance with current arboricultural practices and overseen by a certified arborist. The Arborist Report shall be submitted to the District for approval prior to the start of any tree-disturbing construction activities.	1. Retain a Certified Arborist to prepare an Arborist Study. 2. Review and approve the Arborist Report. 3. Include tree protection recommendations as requirements in construction contract specifications. 4. Field verify installation and maintenance of tree protection recommendations. Retain monitoring logs in the project file. 5. Verify that any tree trimming or work within tree protection zones is conducted in accordance with the approved Arborist Report and under supervision of a Certified Arborist.	1. Prior to initiation of tree-disturbing construction activities 2. Prior to initiation of tree-disturbing construction activities 3. Prior to issuance of construction bid package 4. Prior to and during construction activities 5. During tree-disturbing construction activities, as applicable	1. Once 2. Once 3. Once 4. Once prior to construction and periodically during construction 5. As needed during construction			
BIO-9: Construction Material Storage to Prevent Leaks and Spills						
Materials and equipment (when not in use) shall be stored on impervious surfaces or plastic ground covers to prevent spills or leakage. Material storage and material/spoils from project activities shall be located and stored 100 feet from waterways. Adequate spill prevention and response equipment shall be maintained on site and readily available to implement to minimize impacts to the aquatic and marine environments. Construction materials and spoils shall be protected from stormwater runoff using temporary perimeter sediment barriers such as berms, silt fences, fiber rolls, covers, sand/gravel bags, and straw bale barriers, as appropriate.	1. Include requirements for construction materials and equipment storage procedures in construction contractor specifications. 2. Field verify implementation and maintenance of construction materials and equipment storage requirements pursuant to MM BIO-9. . Retain monitoring logs in the project file.	1. Prior to issuance of construction bid package 2. Prior to and during construction	1. Once 2. Once prior to construction and periodically during construction			
BIO-10: Construction Best Management Practices						
To avoid and/or minimize potential direct and indirect impacts to special status species and potentially jurisdictional waters and water quality outside of the project area, the following Best Management Practices (BMPs) shall be implemented: a. Prior to project mobilization, all limits of construction work adjacent to potentially jurisdictional waters shall be clearly delineated with orange construction fencing or similar highly visible material and maintained throughout the duration of construction. b. All temporary materials related to construction of the project would be removed upon completion of the project. The jurisdictional area would be restored to pre-project conditions with the exception of the bank and channel repair area. c. Off-site tracking of loose construction and landscape materials shall be prevented by implementing street sweeping, vacuuming, and rumble plates, as appropriate.	1. Include requirements for construction BMPs in construction contractor specifications. 2. Field verify installation and maintenance of construction BMPs pursuant to MM BIO-10. . Retain monitoring logs in the project file.	1. Prior to issuance of construction bid package 2. Prior to and during construction	1. Once 2. Once prior to construction and periodically during construction			

Mitigation Measure	Action Required	Monitoring Timing	Monitoring Frequency	Compliance Verification Initial	Compliance Verification Date	Compliance Verification Comments
d. Site washout areas shall be at least 100 feet from a storm drain, open ditch, or surface water and prevent runoff flows from such activities from entering receiving water bodies. e. All vehicles and equipment shall be in good working condition and free of leaks. The contractor shall prevent oil, petroleum products, or any other pollutants from contaminating the soil or entering a watercourse (dry or otherwise). When vehicles or equipment are stationary, mats or drip pans shall be placed below vehicles to contain fluid leaks. f. Fugitive dust from ground disturbance activities shall be minimized using water trucks and covering of soil stockpiles. g. A speed limit of 15 miles per hour for construction vehicles shall be implemented on unpaved non-public roads. h. All food related trash shall be disposed of in closed containers and removed from the project site each day during the construction period. Construction personnel shall not feed or otherwise attract wildlife to the construction area. At project completion, all project-generated debris, vehicles, building materials, and rubbish shall be removed from the project site.						
Cultural Resources						
CR-1: Unanticipated Discovery of Cultural Resources						
In the event that archaeological resources are unexpectedly encountered during ground-disturbing activities, work within 50 feet of the find shall halt and a qualified archaeologist meeting the Secretary of the Interior's Professional Qualifications Standards for archaeology (National Park Service 1983) shall be contacted immediately to evaluate the resource. If the resource is determined by the qualified archaeologist to be prehistoric, then a Native American representative shall also be contacted to participate in the evaluation of the resource. If the qualified archaeologist and/or Native American representative determines it to be appropriate, archaeological testing for California Register of Historical Resources eligibility shall be completed. If the resource proves to be eligible for the California Register of Historical Resources and significant impacts to the resource cannot be avoided via project redesign, a qualified archaeologist shall prepare a data recovery plan tailored to the physical nature and characteristics of the resource, per the requirements of the California Code of Regulations Guidelines Section 15126.4(b)(3)(C). The data recovery plan shall identify data recovery excavation methods, measurable objectives, and data thresholds to reduce any significant impacts to cultural resources related to the resource. Pursuant to the data recovery plan, the qualified archaeologist and Native American representative, as appropriate, shall recover and document the scientifically consequential information that justifies the resource's significance. The District shall review and approve the treatment plan and archaeological testing as appropriate, and the resulting documentation shall be submitted to the regional repository of the California Historical Resources Information System, per California Code of Regulations Guidelines Section 15126.4(b)(3)(C).	1. Include requirements for inadvertent discovery of cultural resources in construction contractor specifications. 2. Retain a qualified archaeologist to evaluate any discovered archaeological resources and provide recommendations for treatment. 3. Coordinate with a Native American representative, as appropriate, if prehistoric resources are identified. 4. Review and approve any cultural resource evaluation reports and required data recovery plans. 5. Field verify that construction activities halt within the required buffer and that avoidance or data recovery measures are implemented. 6. Verify that final documentation is submitted to the appropriate regional repository and retain documentation in project files.	1. Prior to issuance of construction bid package 2. During construction, upon discovery of cultural resources 3. During construction, upon identification of prehistoric resources 4. During construction, prior to implementation of any data recovery efforts 5. During construction, upon discovery of cultural resources 6. Upon completion of data recovery and reporting	1. Once 2. As needed, if archaeological resources are discovered 3. As needed, if prehistoric resources are identified 4. As needed 5. As needed 6. Once			
Geology and Soils						
GEO-1: Paleontological Sensitivity Training and Unanticipated Fossil Discovery						
Paleontological Worker Environmental Awareness Program. Prior to the start of construction, a Paleontological Principal Investigator, as defined by the Society of Vertebrate Paleontology (SVP), or their designee shall prepare and conduct a paleontological WEAP training for construction personnel regarding the appearance of fossils and the procedures for notifying paleontological staff should fossils be discovered by construction personnel. The WEAP shall discuss the potential to discover paleontological resources in the project site, legal obligations to protect paleontological resources, examples of paleontological resources that may be found in the project site, procedures in case a paleontological resource is discovered, and contact information for the Paleontological Principal Investigator. **Unanticipated Discovery of Paleontological Resources.** The District shall include a standard inadvertent discovery clause in every construction contract to inform contractors	1. Retain a Paleontological Principal Investigator to prepare and conduct a Paleontological WEAP training for all construction personnel. 2. Review the WEAP training materials for consistency with the requirements of MM GEO-1. 3. Require attendance of all construction personnel at the Paleontological WEAP training and retain training and attendance documentation in project files. 4. Include requirements for inadvertent discovery procedures, work stoppage, and treatment	1. Prior to construction 2. Prior to construction 3. Prior to construction 4. Prior to issuance of construction bid package 5. During construction, upon discovery of a potential fossil 6. During and upon completion of paleontological mitigation efforts				

Mitigation Measure	Action Required	Monitoring Timing	Monitoring Frequency	Compliance Verification Initial	Compliance Verification Date	Compliance Verification Comments
of this requirement. If a potential fossil is discovered during project construction, construction activity within 50 feet of the find shall cease until the discovery is examined by a Paleontological Principal Investigator. If the find is determined to be significant, the Paleontological Principal Investigator shall direct all mitigation efforts related to paleontological resources consistent with the SVP standards, which may include, but are not limited to: paleontological monitoring; fossil salvage, preparation, and curation; and reporting to summarize the paleontological mitigation efforts.	measures in construction contractor specifications. 5. Field verify construction activities halt within the specified buffer in the event of a potential fossil discovery and notify the Paleontological Principal Investigator for evaluation. 6. Review and approve any paleontological evaluation reports and final documentation summarizing mitigation efforts and retain records in project files.					
Hazards and Hazardous Resources						
HAZ-1: Fire Hazards Measures						
During project construction, staging areas and other areas designated for construction shall be cleared of dried vegetation and other materials that could ignite. Construction equipment with spark arrestors shall be maintained in good working order. In addition, construction crews shall have a spotter during electrical installation activities who shall stop work should accidental sparks or other fire-inducing hazards occur. The spotter and construction crews shall take immediate action to remediate the hazard to safe conditions. Electrical work shall continue when approval by a site manager is granted that the hazard has been remediated. Other construction equipment, including those with hot vehicle catalytic converters, shall be kept in good working order and used only within cleared construction areas. During project construction, contractors shall require vehicles and crews to have access to functional fire extinguishers.	1. Include requirements for fire prevention measures in construction contractor specifications. 2. Field verify implementation of fire prevention measures pursuant to Mitigation Measure HAZ-1.	1. Prior to issuance of construction bid package 2. Prior to and during construction	1. Once 2. Once prior to construction and periodically during construction			
Tribal Cultural Resources						
TCR-1: Workers Environmental Awareness Program Training						
A qualified archaeologist, defined as an archaeologist meeting the Secretary of the Interior's Professional Qualification Standards for archaeology (National Park Service 1983), and Native American representative from the Barbareño Band of Chumash Indians shall be retained by the District to conduct a WEAP training on archaeological and tribal cultural resource sensitivity. The WEAP training shall be given to all construction personnel prior to the commencement of any ground-disturbing activities. Additional personnel who subsequently become involved in the project will also receive the training prior to their involvement in ground disturbing activities. This can be accomplished through the distribution of hardcopy training materials prepared by the qualified archaeologist. Archaeological and tribal cultural resource sensitivity training shall include a description of the types of cultural material that may be encountered, cultural sensitivity issues, the regulatory environment, and the proper protocol for treatment of the materials in the event of a find. The WEAP training shall emphasize the requirement for confidentiality and culturally appropriate treatment of any discovery of significance to consulting tribes and will discuss appropriate behaviors and responsive actions, consistent with tribal values.	1. Retain a qualified archaeologist and coordinate with a Native American representative from the Barbareño Band of Chumash Indians to prepare and conduct WEAP training for construction personnel. 2. Review and approve WEAP training materials to ensure consistency with mitigation requirements and tribal coordination. 3. Require attendance of all construction personnel at the WEAP training. 4. Maintain sign-in form(s) in project files.	1. Prior to commencement of ground-disturbing activities 2. Prior to commencement of ground-disturbing activities 3. Prior to commencement of ground-disturbing activities 4. During construction	1. Once 2. Once 3. Once prior to construction and as needed for new personnel 4. Ongoing			
TCR-2: Native American Monitoring						
The District shall retain a Native American representative from the Santa Ynez Band of Chumash Indians to monitor all project-related ground-disturbing activities. In addition, a Native American representative from the Barbareño Band of Chumash Indians shall be retained by the District to conduct spot check monitoring as determined necessary by the Barbareño Band of Chumash Indians. Ground disturbing activities include, but are not limited to, clearing/grubbing, excavation, grading and trenching. If archaeological or tribal cultural resources are encountered, the monitor(s) shall have the authority to halt and redirect work within a 50-foot radius of the find. If archaeological or tribal cultural resources are encountered during ground-disturbing activities, work in the immediate area shall halt and Mitigation Measures CR-1 and TCR-3, as appropriate, shall be implemented. Native American monitoring may be reduced or eliminated at the discretion of the monitor(s), in consultation with the District and the qualified archaeologist, as necessary. Conditions for reduction or elimination include encountering bedrock, excavations within disturbed or non-native soils, or negative findings during the first 50 percent of ground	1. Include requirements for inadvertent discovery of cultural and tribal cultural resources in construction contractor specifications. 2. Retain Native American monitor(s) from the Santa Ynez Band of Chumash Indians and coordinate with the Barbareño Band of Chumash Indians for spot-check monitoring, as applicable. 3. Review daily monitoring logs and retain in project files. 4. Review and approve the final Native American monitoring report and verify submittal to the appropriate California Historical Resource Information Center.	1. Prior to issuance of construction bid package 2. Prior to initiation of ground-disturbing activities 3. During ground-disturbing activities 4. Within 30 days of completion of all ground-disturbing activities	1. Once 2. Once 3. Daily **4.** Once			

Mitigation Measure	Action Required	Monitoring Timing	Monitoring Frequency	Compliance Verification Initial	Compliance Verification Date	Compliance Verification Comments
disturbance. If Native American monitoring by the Santa Ynez Band of Chumash Indians is reduced to spot-checking, spot-checking shall occur when ground disturbance moves to a new location within the project site or when ground disturbance will extend to depths not previously reached (unless those depths are within bedrock). The monitor(s) shall prepare daily monitoring logs for the project to document the results of the monitoring effort. The monitor from the Santa Ynez Band of Chumash Indians shall prepare a brief monitoring report, with the daily monitoring logs attached as an appendix, to document compliance. The brief monitoring report shall be submitted by Santa Ynez Band of Chumash Indians to the District and the appropriate California Historical Resource Information Center within 30 days of completion of all ground-disturbing activities.						
TCR-3: Unanticipated Discovery of Tribal Cultural Resources						
In the event cultural resources of Native American origin are identified during construction, all ground disturbing activities within a 50-foot radius of the find shall be halted and redirected until a qualified archaeologist has evaluated the nature and significance of the find. The District shall consult with the qualified archaeologist and initiate Native American consultation procedures with the project's consulting tribes. If the District, in consultation with the project's consulting tribes, determines that the resource is a tribal cultural resource and thus significant under CEQA, a mitigation plan shall be prepared and implemented in accordance with state guidelines and in consultation with the project's consulting tribes. The mitigation plan may include avoidance of the resource, if avoidance of the resource is infeasible, the plan would outline the appropriate treatment of the resource in coordination with the archaeologist, if applicable, and Native American consulting tribes. The mitigation plan shall be reviewed and approved by the District within 30 days of discovery of the find(s). Work at the discovery location shall not resume until all necessary investigation and evaluation of the discovery under the requirements of CEQA have been satisfied.	1. Include requirements for unanticipated discovery of tribal cultural resources in construction contractor specifications. 2. Retain a qualified archaeologist to evaluate any discovered cultural resources of Native American origin and provide recommendations for treatment. 3. Initiate and coordinate consultation with the project's consulting tribes. 4. Review and approve any required mitigation or treatment plan . 5. Field verify that construction activities halt within the required buffer until evaluation and approved mitigation or treatment plan are completed.	1. Prior to issuance of construction bid package 2. During construction, upon discovery of tribal cultural resources 3. During construction, upon identification of tribal cultural resources 4. During construction, prior to implementation of any mitigation or treatment plan 5. During construction, upon discovery of tribal cultural resources	1. Once 2. As needed, if cultural resources of Native American origin are identified 3. As needed 4. As needed, within 30 days of discovery if the find(s) 5. As needed			

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Notice of Determination

To:

□ Office of Land Use and Climate Innovation
U.S Mail: P.O. Box 3044, Sacramento, CA 95812-3044
Street Address: 1400 Tenth St., Rm 113, Sacramento, CA 95814

■ County Clerk
County of: Santa Barbara
Address: 1100 Anacapa Street
Santa Barbara, CA 93101

From:
Public Agency: Montecito Water District
Address: 583 San Ysidro Road
Montecito, CA 93108
Contact: Adam Kanold, AGM
Phone: 805-969-2271

Lead Agency (if different from above):
Address:
Contact:
Phone:

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse):

Project Title: Bella Vista Highline Water Main Repair Project

Project Applicant: Montecito Water District

Project Location (include county): Two locations along 2500 East Valley Road, Santa Barbara County (34.447927°, - 119.587045°) and (34.448116°, -119.587860°)

Project Description:

The project would remove and replace two damaged water pipeline segments within two ravines that were exposed and displaced by landslides during a January 2023 storm event. Construction access would utilize one or more temporary routes via Cima Del Mundo Road or neighboring private properties. Work activities would occur over an approximately three-month period during daytime weekday hours.

This is to advise that the Montecito Water District (■ Lead Agency or □ Responsible Agency) has approved the above

Described project on 6/23/26 (date) and has made the following determinations regarding the above described project.

1. The project [□ will ■ will not] have a significant effect on the environment.
2. □ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
   ■ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
   □ An Addendum to the EIR was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [■ were □ were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [■ was □ was not] adopted for this project.
5. A statement of Overriding Considerations [□ was ■ was not] adopted for this project.
6. Findings [□ were ■ were not] made pursuant to the provisions of CEQA.

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:

Signature (Public Agency): _____ Title: Assistant General Manager/ Engrg Mgr

Date: 5-28-2026 Date Received for filing at OPR: _____

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

June 9, 2026 *Via Email: akanold@montecitowater.com*

Mr. Adam Kanold, P.E.
Asst. General Manager / Engineering Manager
Montecito Water District
583 San Ysidro Road
Montecito, California 93108

Subject: Montecito Water District – Planning & Design Services for the Highline Water Main Repair at Bella Vista *(Amendment for Construction Phase Services)*

Dear Mr. Kanold,

Wood Rodgers, Inc. (Wood Rodgers) is providing the Montecito Water District (District) with this proposal to amend our current contract for the Highline Water Main Repair at Bella Vista as follows.

The District is advancing the subject project to the construction phase and requires environmental services to support the implementation of the project's Mitigation Monitoring and Reporting Program (MMRP). As such, Wood Rodgers and its subconsultant, Rincon Consultants have prepared the attached proposal to provide biological, paleontological, and tribal cultural resources support, as well as project coordination and management to help the District maintain compliance with applicable mitigation measures during project implementation.

The project fee for these additional services is as shown in the attached table. Rincon's supporting proposal and detailed scope of work as well as Wood Rodgers' current rates are attached.

Respectfully Submitted,

Karl F. Meier, PE
Principal – Water Resources
kmeier@woodrodgers.com
(619) 819.9222

Attachments

Fee

CLIENT: Montecito Water District **6/9/2026**

PROJECT: Planning and Design Services for the Highline Water Main Repair at Bella Vista - Construction Phase Services Amendment

DESCRIPTION	Project Role	WOOD RODGERS, INC.							
		Principal In Charge / Project Manager	Engineer	Subtotal Hours	Subtotal Cost	Rincon Consultants (Environmental)	Subconsultant Total	Direct Expenses	TOTAL FEE
	Billing Classification	Principal Engineer I	Engineer II						
	Billing Rate:	$ 320.00	$ 240.00						
Task 1 - Project Initiation & Kick Off		**4**	**2**	**6**	**$ 1,760.00**	**$ 3,188.00**	**$ 3,188.00**	**$ -**	**$ 4,948.00**
Task 1 - Project Initiation & Kick Off		4	2	6	$ 1,760.00	$ 3,188.00	$ 3,188.00	$ -	$ 4,948.00
TASK 2 - BIOLOGICAL RESOURCES SERVICES		**0**	**0**	**0**	**$ -**	**$ 48,389.00**	**$ 48,389.00**	**$ -**	**$ 48,389.00**
Task 2 - Bilogical Resources Services				0	$ -	$ 48,389.00	$ 48,389.00	$ -	$ 48,389.00
TASK 3 - PALEONTOLOGICAL RESOURCES SERVICES		**0**	**0**	**0**	**$ -**	**$ 2,355.00**	**$ 2,355.00**	**$ -**	**$ 2,355.00**
Task 3 - Paleontological Resources Services				0	$ -	$ 2,355.00	$ 2,355.00	$ -	$ 2,355.00
TASK 4 - TRIBAL CULTURAL RESOURCES		**0**	**0**	**0**	**$ -**	**$ 42,553.00**	**$ 42,553.00**	**$ -**	**$ 42,553.00**
Task 4 - Tribal Cultural Resources				0	$ -	$ 42,553.00	$ 42,553.00	$ -	$ 42,553.00
TASK 5 - PROJECT MANAGEMENT		**24**	**16**	**40**	**$ 11,520.00**	**$ 7,058.00**	**$ 7,058.00**	**$ -**	**$ 18,578.00**
Task 5 - Project Management		24	16	40	$ 11,520.00	$ 7,058.00	$ 7,058.00	$ -	$ 18,578.00
TOTAL HOURS		**28**	**18**	**46**	**$ 13,280.00**				
TOTAL FEE		**$ 8,960.00**	**$ 4,320.00**			**$ 103,543.00**	**$ 103,543.00**	**$ -**	**$ 116,823.00**

EXHIBIT "B"



SOUTHERN CALIFORNIA FEE SCHEDULE

CLASSIFICATION	STANDARD RATE
Principal Engineer/Geologist/Surveyor/Planner/GIS/LA* II	$365
Principal Engineer/Geologist/Surveyor/Planner/GIS/LA* I	$320
Senior Engineer/Geologist/Surveyor/Planner/GIS/LA* II	$295
Senior Engineer/Geologist/Surveyor/Planner/GIS/LA* I	$285
Project Engineer/Geologist/Surveyor/Planner/GIS/LA* II	$270
Project Engineer/Geologist/Surveyor/Planner/GIS/LA* I	$255
Engineer/Geologist/Surveyor/Planner/GIS/LA* II	$240
Engineer/Geologist/Surveyor/Planner/GIS/LA* I	$225
Assistant Engineer/Geologist/Surveyor/Planner/GIS/LA*	$180
Designer	$120
Senior CAD Technician/Graphics Designer II	$225
Senior CAD Technician/Graphics Designer I	$205
CAD Technician/Graphics Designer	$180
Project Coordinator	$195
Administrative Assistant	$170
Senior Field Technician I	$190
Field Technician II	$170
Field Technician I	$150
Consultants, Outside Services, Materials & Direct Charges	Cost Plus 10%
Overtime Work, Expert Witness Testimony and Preparation	Rate Plus 50%

*LA = Landscape Architect

Blueprints, reproductions, and outside graphic services will be charged at vendor invoice. Auto mileage will be charged at the IRS standard rate when incurred.

Fee Schedule subject to change January 1, 2027 and annually thereafter.

Rincon Consultants
319 East Carrillo Street, Suite 105
Santa Barbara, California 93101
805-319-4092

June 8, 2026
Rincon Project No. 26-19291

Karl F. Meier, PE
Principal Engineer
Wood Rodgers, Inc.
2251 San Diego Ave, Suite A-130
San Diego, California 92110
Via email: KMeier@WoodRodgers.com

Subject: Proposal for Environmental Services for Bella Vista Highline Water Main Repair Project Santa Barbara County, California

Dear Mr. Meier:

Rincon Consultants, Inc. (Rincon) is pleased to provide environmental services to Wood Rodgers, Inc. (WR), as prime consultant to the Montecito Water District (District), in support of implementation of the Mitigation Monitoring and Reporting Program (MMRP) for the Bella Vista Highline Water Main Repair Project (project). The District is the owner of the project, and Rincon is serving as a subconsultant to WR under the contract. Rincon recently supported the District in preparing the environmental documentation for the project, which involves removing and replacing damaged sections of an existing water pipeline that were exposed and displaced during a January 2023 storm event. The project is intended to restore reliable water service and improve system resilience through installation of new pipeline segments, a temporary bypass system, and erosion control measures. Construction is expected to be short term, approximately three months, and will include resource protection measures, with no expansion of system capacity or long-term environmental impacts.

Scope of Work

The following scope of work describes Rincon's environmental services to support implementation of the project's MMRP during construction. Rincon's services include biological, paleontological, and tribal cultural resources support, as well as project coordination and management, to help the District maintain compliance with applicable mitigation measures during project implementation. Rincon understands construction duration is anticipated to be three months, and for purposes of this proposal, we are assuming up to 15 days of ground disturbing activities outside of the reservoir. The proposed scope of work is assumed to be completed within three months.

Task 1 Project Initiation and Coordination

Rincon will initiate the project upon authorization and coordinate with WR and the District to confirm project schedule, construction phasing, reporting requirements, and communication protocols. We will coordinate with WR, District staff, and the construction contractor, as needed, to support implementation of biological, cultural, and paleontological compliance requirements. This task includes a 1-hour virtual meeting attended by the Project Manager, Lead Biologist, Lead Cultural Resources Specialist, and Principal-In-Charge. This task also includes preparation of a site-specific Health and Safety Plan for the project to support safe implementation of field surveys and monitoring activities.

Task 2 Biological Resources Services

Task 2.1 Biological Resources Worker Environmental Awareness Program (WEAP)

Prior to initiation of all construction activities (including staging and mobilization), a qualified Rincon biologist will develop and present a Worker Environmental Awareness Program (WEAP) training to all personnel associated with project construction as specified in Mitigation Measure BIO-1 (Worker Environmental Awareness Training) of the MMRP. This training will include information about nesting birds, protected tree avoidance, and the special status species potentially occurring within each work area.

The specifics of this program will include identification of special status species and habitats, a description of the regulatory status and general ecological characteristics of special status resources, and review of the limits of construction and measures required to avoid and minimize impacts to biological resources within the work area. Rincon will also prepare an accompanying fact sheet (up to 20 copies) conveying this information for distribution to all personnel involved with construction of the project. The WEAP training will be concurrent with archaeological and paleontological sensitivity training (Tasks 3.1 and 4.1) and will be given to all construction personnel prior to their involvement in any ground-disturbing activities. To address workers that may join the project after the initial training, Rincon will provide an electronic copy of the training to the District for presentation to any new personnel prior to starting work. A sign-in sheet will document personnel who receive the WEAP training and will be provided to the District upon training of all workers at each site.

Assumptions

- One on-site WEAP Training will be conducted by Rincon and will not exceed 2 hours including travel and standby time for crew arrival. The training will be conducted concurrently with biological monitoring as feasible to reduce costs.

Deliverables

- An electronic copy of the Biological Resources WEAP training materials will be created for use in training any new personnel who join the project after the initial session.
- Up to 20 WEAP fact sheets will be printed and distributed.

Task 2.2 Pre-Construction Biological Surveys

Given the site's remote location, two qualified Rincon biologists will conduct a pre-construction special status wildlife species survey of each project area within seven days prior to the commencement of ground disturbing activities as specified in Mitigation Measure BIO-4. The survey will encompass the project footprint plus a 50-foot buffer, and will address the coast range newt, patch-nosed snake, and northern California legless lizard.

If construction occurs during the migratory bird breeding season (January 1 through September 1), a pre-construction nesting bird survey will also be conducted no more than seven days prior to initiation of ground disturbance and vegetation removal activities as specified in Mitigation Measure BIO-7 (Pre-Construction Nesting Bird Surveys). The nesting bird pre-construction survey will be conducted on foot inside the project footprint, including a 100-foot buffer (300 feet for raptors), and in inaccessible areas (e.g., private lands) from afar using binoculars to the extent practicable. The survey will be conducted by a qualified Rincon biologist familiar with the identification of avian species known to occur in southern California coastal communities. If nests are found, an avoidance buffer (dependent upon the species, the proposed work activity, and existing disturbances associated with land uses outside of the site) will be determined and conspicuously demarcated by the biologist. The biologist will notify the District as to the

existence of the buffer zone and the need to avoid entering the buffer zone during the nesting season. If desired, and if feasible without impacting the success of the nesting attempt, Rincon's biologist may authorize encroachment into the buffer. This may require additional funding to cover the biologist's continued presence at the site.

Assumptions

- One pre-construction surveys (not to exceed 6 hours each, including travel time) will be conducted by two Rincon biologists.
- Site access for the pre-construction survey will be coordinated by the District.
- Rincon will provide and deploy colored flagging to demarcate avoidance buffers if nests are detected. Any additional protective fencing materials, should they be needed, will be provided by the District or the contractor and installed by the contractor under the direction of the biologist.
- The pre-construction survey for special status wildlife and nesting bird survey will be conducted on the same day and results will be provided in one brief report.
- Rincon is not responsible for delays due to weather, site conditions, or other conditions out of Rincon's control (e.g., prohibited access, flooding, fire, safety).
- If active nests are identified, Rincon will notify the District of the avoidance buffer requirements and provide documentation of the buffer location and associated restrictions. Any monitoring of nests is assumed to be conducted as part of the biological monitoring task (Task 2.5) or otherwise is excluded from this scope of work.

Deliverables

- A brief report documenting the results of the pre-construction special status wildlife species surveys and, if applicable, the pre-construction nesting bird survey, will be provided to the District.

Task 2.3 Crotch's Bumble Bee Surveys

Rincon will conduct focused surveys to further determine presence/absence of Crotch's bumble bee within the proposed project. Due to the listing of Crotch's bumble bee under California Endangered Species Act (CESA) as a candidate endangered species, potentially suitable habitat is under greater scrutiny by resource agencies. Rincon will conduct a focused habitat assessment and focused surveys for CBB to evaluate its presence or absence at the proposed project, in accordance with methodology outlined in the *Survey Considerations for California Endangered Species Act Candidate Bumble Bee Species*. Two qualified biologists, including one Lead Surveyor and one Field Assistant, will conduct three on-site surveys (foraging and nesting surveys), spaced two to four weeks apart, during the Colony Active Period (April to August) in accordance with the California Department of Fish and Wildlife (CDFW) Survey Considerations for CESA Candidate Bumble Bee Species document. If CBB is detected, any observations will be recorded using GPS points to report to CNDDB after client review. The survey protocol stipulates that one person-hour should be devoted to covering every three acres. Given the size of the site (approximately 2.5 acres), each of the three surveys can be accomplished by two Rincon biologists in no more than one survey day per survey mobilization.

A habitat assessment will be conducted concurrently to quantify which plant species are in bloom and what their percent cover is, as well as to evaluate potential nesting and overwintering habitat. Preliminary survey results will be communicated to the District via phone or email within 48 hours of each survey.

Rincon will prepare a report documenting the results of focused surveys for CBB. The survey report will be provided following the conclusion of surveys and will include the following:

- Qualifications/resumes of surveyor(s) and, if applicable, approved biologists for identification of bee photo vouchers;
- Location (latitude and longitude) and extent of surveyed area, including maps;
- Description of conditions during each survey including date, time, temperature, wind speed;
- Detailed habitat assessment including percent cover of floral resources and potential CBB nesting and overwintering habitat;
- Number of surveyors per acre, number of acres surveyed, and amount of time spent on focused surveys;
- List of bee species observed;
- Foraging habitat surveys: name (at least down to genus) of host plants observed and whether bees were captured on them;
- Nesting habitat surveys: type of nest/structure surveyed and if bees were found in them, number of nests found in proposed project, photo log of suitable habitat and plants;
- Photo vouchers of bumble bees for identification; and
- Confirmation that photo vouchers were submitted and candidate bumble bees were identified, if applicable.

Assumptions

- Rincon will submit a 15-day notification to CDFW prior to commencement of the first survey.
- A total of three (3) 5-protocol surveys will be completed by two biologists for up to 5 hours over one field day, inclusive of travel (total of 3 field days).
- Rincon assumes CDFW will provide one round of comments on the CBB report.
- Survey data, including negative findings, will be submitted to the CNDDB in accordance with the CDFW *Survey Considerations for CESA Candidate Bumble Bee Species document* (protocol). The information submitted includes the nest type (if present), type of vegetation cover, slope, aspect, GPS location, distance to foraging location (if known) and other relevant conditions noted about an identified nest site.
- Support for coordination with CDFW for potential project impacts to state candidate wildlife species is not included. Rincon can provide a scope and cost for such support should it be required (for example: preparation of an Incidental Take Permit Application under the CESA, which may be necessary if the state candidate species are documented at the site and cannot be avoided).

Deliverables

- The survey report will be prepared as a standard letter report.

Task 2.4 Arborist Study and Tree Protection

In accordance with Mitigation Measure BIO-8 (Arborist Study and Tree Protection), prior to the start of construction, an Arborist Study will be conducted for protected trees with any portion of their canopy dripline within the project area and a 20-foot buffer within the Park Lane Reservoir work area.

Where appropriate based on project type, site conditions, and agency coordination, the survey buffer may be refined to a reduced distance or limited to the area of potential impact, consistent with current County practices and with District approval.

The tree protection zone (TPZ) is defined as the dripline plus 6 feet in accordance with County standards and will be used for tree protection and encroachment analysis. Protected trees include native trees that are six inches or greater in diameter, as is standard in the County of Santa Barbara and Montecito

Community Plan area outside of the coastal zone. The study will plot the location of protected trees and identify the species. The Arborist Report will be prepared by a Certified Arborist and include, at minimum, the following:

- An inventory of all protected trees containing a canopy dripline within 20 feet of the project area, as feasible without trespassing on private lands. Inventory data shall record, at minimum: diameter at breast height (DBH), height, canopy spread, overall health rating, and may include additional information such as structural deficiencies and photographs.
- Description of proposed site development activities including, but not limited to, excavation and grading, any tree trimming for access, and staging/parking within 20 feet of a protected tree canopy dripline.
- Tree protection recommendations which shall at a minimum include a site plan depicting the project area, the TPZ, and project encroachment boundaries; tree protection fencing, activities prohibited/permitted within the tree protective zone, standard measures for protecting trees during construction, and requirements that any tree trimming be conducted in accordance with current arboricultural practices under the supervision of a Certified Arborist.
- The Arborist Study will be conducted by an International Society of Arboriculture (ISA) Certified Arborist. The Arborist Report will be submitted to the District for approval prior to the start of any tree-disturbing construction activities.

Tree protection measures identified in the Arborist Report will be provided for incorporated into construction contract specifications. Installation and maintenance of tree protection fencing and measures will be field verified prior to and during construction, and any work within TPZs shall occur under the supervision of a Certified Arborist in accordance with the approved Arborist Report.

Assumptions

- The project site will be surveyed by one arborist and one biologist over one 6-hour field day and findings will be documented in one report.
- A District representative will be present during the survey to provide information on which protected trees need to be removed and/or the amount of trimming required for access.
- For multi-trunk trees, the aggregate DSH will be calculated as the square root of the sum of the squares of each trunk diameter, as is standard in the County.
- No more than 50 protected trees will be present in a 20-foot buffer of the work area.
- This task includes one round of response (up to 4 hours) for District comments on the Arborist Report.
- This task includes up to 4 hours for coordination with the District on tree impact avoidance and minimization strategies.
- This task does not include preparation of a tree replacement plan or planting oversight. These tasks can be provided under a separate scope and cost.

Deliverables

- Arborist Report

Task 2.5 Biological Construction Monitoring

Rincon will assist with implementation of Mitigation Measure BIO-2 (Sensitive Habitat Fencing). Prior to project mobilization, where the project is adjacent to sensitive habitat (i.e., environmentally sensitive habitat, riparian habitat, or sensitive natural communities), a qualified Rincon biologist will direct installation of temporary construction fencing or flagging at the edge of the temporary construction area

to avoid impacts to the habitat throughout the duration of construction. Where protected trees occur adjacent to the work area, a certified arborist will identify trees requiring protection and direct installation of tree protection fencing, as needed, in accordance with the approved Arborist Study and tree protection recommendations.

In accordance with Mitigation Measure BIO-5 (Biological Construction Monitoring), a qualified Rincon biologist will be present during initial ground-disturbing activities and vegetation removal to confirm impacts to special status wildlife species are avoided. The biological monitor will have the authority to halt construction activities to avoid potential impacts to special status species. The results of biological monitoring will be documented in daily logs and a technical memorandum at project completion.

Assumptions

- All protective fencing materials, should they be needed, will be provided by the District or the contractor and installed by the contractor under the direction of the biologist.
- Rincon is not responsible for BMP installation or repair.
- A Rincon biologist and a certified arborist will assist the contractor with installation of sensitive habitat fencing and flagging in one 6-hour day prior to construction. Alternatively, Rincon can direct construction crews to install protective fencing immediately prior to commencement of construction on the first day of biological monitoring.
- Biological monitoring is needed because the work entails exterior ground disturbance.
- This scope of work covers up to seven biological monitoring days (including three days for a Certified Arborist and four additional days for a staff biologist), assumed to occur in 2026. We assume 8-hour working days, inclusive of travel time. The actual level of effort may be higher or lower, depending on the actual construction hours and duration. Additional biological monitoring can be provided under separate scope and cost as needed.

Deliverables

- Daily Monitoring Logs.
- Technical memorandum at project completion.

Task 3 Paleontological Resources Services

Task 3.1 Paleontological Sensitivity Training and Unanticipated Fossil Discovery

As required by Mitigation Measure GEO-1 (Paleontological Sensitivity Training and Unanticipated Fossil Discovery), Rincon will provide a Paleontological Principal Investigator, as defined by the Society of Vertebrate Paleontology (SVP), or their designee to develop and present a Paleontological WEAP training for construction personnel prior to the commencement of project-related ground-disturbing activities. The training will address the potential to encounter paleontological resources within the project site and will describe the appearance of fossils, legal obligations to protect paleontological resources, examples of fossil resources that may be encountered, procedures to follow in the event of an inadvertent discovery, and contact information for the Paleontological Principal Investigator. The initial paleontological sensitivity training will be given to all construction personnel prior to their involvement in any ground-disturbing activities. To address workers who may join the project after the initial training, Rincon will provide an electronic copy of the training materials to the District for presentation to any new personnel prior to starting work. A sign-in sheet will document construction personnel who receive the paleontological sensitivity training.

Assumptions

- Rincon will receive NTP to prepare the paleontological WEAP at least 4 weeks prior to the planned start of construction.
- No physical paleontological WEAP materials will be provided.
- The paleontological WEAP will be delivered by the archaeologist delivering the WEAP training required by MM TCR-1
- If potential fossils are encountered during construction, they will be addressed in accordance with Mitigation Measure GEO-1. Support for evaluation, monitoring, fossil salvage, preparation, curation, and reporting can be provided under separate authorization if needed.

Deliverables

- An electronic copy of the Paleontological WEAP training materials will be created for use in training any new personnel who join the project after the initial session.

Task 4 Tribal Cultural Resources Services

Task 4.1 Workers Environmental Awareness Program Training

As required by Mitigation Measure TCR-1 (Workers Environmental Awareness Program [WEAP] Training) of the Project's MMRP, Rincon will provide a qualified archaeologist who meets the Secretary of the Interior's Professional Qualification Standards (SOI's PQS) for archaeology to develop and present a training on cultural and tribal cultural resource sensitivity prior to the commencement of Project-related ground disturbing activities for the Bella Vista Highline Water Main Repair. A Native American representative from the Barbareño Band of Chumash Indians (BBCI) will participate in the WEAP training and have the opportunity to distribute information regarding cultural and tribal cultural resources and/or protection of cultural and tribal cultural resources, as required by Mitigation Measure TCR-1. The initial WEAP training will be given to all construction personnel prior to their involvement in any ground-disturbing activities. To address workers that may join the Project after the initial training, Rincon will provide an electronic copy of the WEAP Training to the District for presentation to any new personnel prior to starting work. A WEAP Training sign-in sheet will document construction personnel who receive the sensitivity training.

The WEAP Training will include a description of the types of cultural material that may be encountered, cultural and tribal cultural sensitivity issues, the regulatory environment, specific procedures to be followed in the event of an inadvertent discovery, proper protocol for culturally appropriate treatment of cultural materials in the event of a find, and penalties for the disregard of laws and regulations protecting cultural and tribal cultural resources. Rincon assumes one presentation of the WEAP Training will be provided as part of this scope and will be given at the start of work for the Bella Vista Highline Water Main Repair.

Assumptions

- The WEAP Training will be presented by the qualified archaeologist, or an archaeologist designated by the qualified archaeologist, with participation by a Native American representative from the Barbareño Band of Chumash Indians, on the first day of construction or prior to the start of ground-disturbing activities.

Deliverables

- An electronic copy of the WEAP Training materials will be created for use in training any new personnel who join the project after the initial session.

Task 4.2 Native American Monitoring

As required by Mitigation Measure TCR-2 (Native American Monitoring) of the Project's MMRP, Rincon will provide a Native American representative from the Santa Ynez Band of Chumash Indians (SYBCI) to monitor all Project-related ground-disturbing activities, including but not limited to clearing/grubbing, excavating, grading, and trenching. It is anticipated that ground-disturbing activities requiring Native American monitoring by a SYBCI representative will occur for up to 15, nine-hour days inclusive of travel time. A cost amendment and separate authorization will be required should more than 15 days of Native American monitoring by a SYBCI representative be necessary.

Rincon will also provide a Native American representative from the BBCI to conduct spot check monitoring as determined necessary by the BBCI. For the purposes of this proposal, Rincon assumes a total of 15, five-hour spot checks inclusive of travel time will be necessary. A cost amendment and separate authorization will be required should more than 15 days of spot checking monitoring by a BBCI representative be necessary.

Monitoring will be conducted in accordance with project safety requirements, and the monitors will have the authority to halt and redirect work within a 50-foot radius of a find if archaeological or tribal cultural resources are encountered, in accordance with the Project's MMRP. Rincon assumes that no cultural resources requiring recordation, evaluation, collection, analysis, and/or curation will be encountered during monitoring of ground-disturbing activities. In the event archaeological or tribal cultural resources are discovered, additional services to support evaluation, consultation, treatment, and documentation according to Mitigation Measure TCR-3 (Unanticipated Discovery of Tribal Cultural Resources) and Mitigation Measure CUL-1 (Unanticipated Discovery of Cultural Resources) can be provided under separate authorization, as needed.

Native American monitoring may be reduced or eliminated at the discretion of the monitors, in consultation with the qualified archaeologist and the District. Reasons for reducing or eliminating monitoring include encountering bedrock, ground disturbance activities occurring within previously disturbed or non-native soils, or negative monitoring results during the first 50 percent of ground disturbing activities.

The monitors will prepare daily monitoring logs that include a description of construction activities, and soil descriptions (color, grain size, sediments, etc.). The SYBCI will prepare a brief monitoring report describing the results of the monitoring, and attach the daily monitoring logs as an appendix, to document compliance with the Project's MMRP. The SYBCI will submit the brief monitoring report directly to the District, for review and approval, and the Southern San Joaquin Valley Information Center (the repository for Santa Barbara County cultural resources data) within 30 days of completion of ground disturbing activities. Rincon assumes up to 28 hours will be necessary for the SYBCI to prepare and submit the brief monitoring report, without assistance from Rincon.

Assumptions

- Ground disturbing activities that require monitoring by a SYBCI representative will occur for up to 15, nine-hour days inclusive of travel time.
- A cost amendment and separate authorization will be required should more than 15 days of monitoring by a SYBCI representative be necessary.
- Spot check monitoring by a BBCI representative will occur for up to 15, five-hour days inclusive of travel time.

- A cost amendment and separate authorization will be required should more than 15 days of spot check monitoring by a BBCI representative be necessary.
- No cultural resources that require recordation or evaluation, collection, analysis, and/or curation will be encountered.
- In the event cultural resources are discovered, a cost amendment and separate authorization will be required to evaluate the significance of the resource and to prepare the necessary documentation according to Mitigation Measure TCR-3 (Unanticipated Discovery of Tribal Cultural Resources) and Mitigation Measure CUL-1 (Unanticipated Discovery of Cultural Resources). Rincon is available to support this process under separate authorization if needed.
- Preparation and submittal of a brief monitoring report by the SYBCI will take up to 28 hours, without assistance from Rincon.

Task 5 Project Management and Coordination

During the tasks outlined above, Rincon will provide regular communication to WR and the District regarding project needs, changes, schedule, budget, and deliverables. Project management tasks include activities required to manage the various tasks above, such as internal project-related communication within the Rincon team, regular email and telephone communications, coordination with WR and the District, and other tasks associated with contract administration. Project management tasks also comprise our internal quality control procedures. Up to 28 Rincon staff hours are budgeted to support this task.

General Assumptions

- Rincon assumes the proposed project disturbance limits will not exceed 3 acres. Surveys of additional areas beyond this area such as access, staging areas, or other areas will require a budget amendment. Changes to the proposed project disturbance limits, acreage, and/or site designs may necessitate a budget amendment to update proposed project data.
- Rincon will have safe access and full right of entry to all portions of the proposed project prior to conducting field work. Rincon is not responsible for delays due to weather, site conditions (e.g., prohibited access, flooding, fire, safety) or other conditions out of Rincon's control.
- Rincon will address up to one round of consolidated comments to be provided in editable, electronic format (e.g., as tracked changes in Word) for all report deliverables.

Cost

As shown in Table 1 below, Rincon will provide biological, paleontological, and tribal cultural services to the District on a time-and-materials basis for an estimated budget of $103,543. This estimate is based on anticipated effort, and actual costs will reflect the hours worked and any expenses incurred; hours not used will not be billed. To streamline billing and reduce costs, we have included one standard field package per task rather than per field outing. A standard field package is an all-inclusive daily charge that covers the typical field equipment needed for biological and arborist work, such as GPS units, cameras, binoculars, sampling gear, and similar tools, rather than itemizing each piece individually. We will remain flexible and adjust as needed to keep the project moving smoothly.

Table 1 Cost Summary

		Rate	Hours	Labor Budget	Direct Expenses	Total Budget
Task 1	**Project Initiation and Kick-Off**		**12**	**$3,188**	**$0**	**$3,188**
Task 1.1	**Project Kick-off with Client**		**9**	**$2,488**	**$0**	**$2,488**
Principal		$329	1	$329		
Supervisor Biologist I		$292	3	$876		
Supervisor Archaeologist I		$292	1	$292		
Senior Biologist I		$255	1	$255		
Senior GIS Specialist		$255	2	$510		
Cultural Resources Specialist IV		$226	1	$226		
Task 1.2	**Safety Plan**		**3**	**$700**	**$0**	**$700**
Principal		$329	1	$164.50		
Supervisor Biologist I		$292	1	$292		
Biologist II		$186	1	$186		
Admin Assistant/Billing Specialist		$115	1	$57.50		
Task 2	**Biological Resources Services**		**220**	**$46,614**	**$1,775**	**$48,389**
Task 2.1	**Worker Environmental Awareness Program**		**9**	**$1,865**	**$15**	**$1,880**
Principal		$329	1	$329		
Supervisor Biologist I		$292	1	$292		
Biologist II		$186	6	$1,116		
Production Specialist I		$128	1	$128		
Printing & Production					$15	
Task 2.2	**Pre-Construction Biological Surveys**		**32**	**$6,521**	**$271**	**$6,792**
Principal		$329	1	$329		
Supervisor Biologist I		$292	1	$292		
Biologist IV		$226	8	$1,808		
Biologist II		$186	16	$2,976		
GIS/CADD Specialist II		$186	6	$1,116		
GPS					$67	
Standard Field Package					$114	
Vehicle Day Rate					$90	
Task 2.3	**Crotch's Bumble Bee Surveys**		**48**	**$9,627**	**$451**	**$10,078**
Principal		$329	1	$329		
Senior Supervisor Biologist II		$313	2	$626		
Biologist III		$210	15	$3,150		
Biologist II		$186	27	$5,022		
GIS/CADD Specialist II		$186	2	$372		
Production Specialist I		$128	1	$128		

	Rate	Hours	Labor Budget	Direct Expenses	Total Budget
GPS				$67	
Standard Field Package				$114	
Vehicle Day Rate				$270	
Task 2.4 Arborist Study and Tree Protection		**50**	**$12,076**	**$204**	**$12,280**
Principal	$329	1	$329		
Senior Biologist I	$255	33	$8,415		
Senior GIS Specialist	$255	6	$1,530		
Biologist II	$186	9	$1,674		
Production Specialist I	$128	1	$128		
Standard Field Package				$114	
Vehicle Day Rate				$90	
Task 2.5 Biological Monitoring		**81**	**$16,525**	**$834**	**$17,359**
Principal	$329	1	$329		
Supervisor Biologist I	$292	2	$584		
Biologist III	$210	46	$9,660		
Biologist II	$186	32	$5,952		
Standard Field Package				$114	
Vehicle Day Rate				$720	
Task 3 Paleontological Resources Services		**10**	**$2,265**	**$90**	**$2,355**
Task 3.1 Paleontological Worker Environmental Awareness Program		**10**	**$2,265**	**$90**	**$2,355**
Principal	$329	1	$329		
Cultural Resources Specialist IV	$226	8	$1,808		
Production Specialist I	$128	1	$128		
Vehicle Day Rate				$90	
Task 4 Tribal Cultural Resources		**27**	**$7,578**	**$34,975**	**$42,553**
Task 4.1 Tribal Cultural Worker Environmental Awareness Program		**12**	**$3,239**	**$471**	**$3,710**
Principal	$329	1	$329		
Sr. Supervising Cultural Resources Specialist II	$313	6	$1,878		
Cultural Resources Specialist IV	$226	4	$904		
Production Specialist I	$128	1	$128		
Vehicle Day Rate				$90	
Native American Monitoring				$381	

	Rate	Hours	Labor Budget	Direct Expenses	Total Budget
Task 4.2 Native American Monitoring		**14**	**$4,018**	**$29,567**	**$33,585**
Principal	$329	2	$658		
Sr. Supervising Cultural Resources Specialist II	$313	10	$3,130		
Admin Assistant/Billing Specialist	$115	2	$230		
Native American Monitoring				$29,567	
Task 4.3 Monitoring Report		**1**	**$321**	**$4,937**	**$5,258**
Principal	$329	1	$164.50		
Sr. Supervising Cultural Resources Specialist II	$313	1	$156.50		
Native American Monitoring				$4,937	
Task 5 Project Management		**28**	**$7,058**	**$0**	**$7,058**
Principal	$329	6	$1,974		
Supervisor Biologist I	$292	14	$4,088		
Project Accountant	$134	4	$536		
Admin Assistant/Billing Specialist	$115	4	$460		
Rate Escalation Allowance	$0	0	$0		
Project Total		**297**	**$66,703**	**$36,840**	**$103,543**

Direct Expenses Summary	Amount
GPS	$134
Printing & Production	$15
Standard Field Package	$456
Vehicle Day Rate	$1,350
Native American Monitoring	$34,885
Direct Expenses Subtotal	**$36,840**

Thank you for your consideration and for this opportunity to support WR, as prime consultant to the District, on this project. If you have any questions regarding this proposal, please contact Tyler Barns at 805-941-0430 or tbarns@rinconconsultants.com.

Sincerely,
Rincon Consultants

Tyler Barns
Supervising Biologist

May Lau
Principal

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-E

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: LICENSE AGREEMENT FOR MONTECITO FIRE PROTECTION DISTRICT TEMPORARY USE OF THE DISTRICT'S EAST VALLEY PUMP STATION PROPERTY TO SUPPORT EMERGENCY RESPONSE OPERATIONS

RECOMMENDATION:

That the Board of Directors authorize the General Manager's execution of a License Agreement with Montecito Fire Protection District (MFPD) for the temporary use of Montecito Water District's (District) East Valley Pump Station property, located at 2297 East Valley Road, as an up-staffing location for MFPD during periods of elevated fire danger, Red Flag Warnings, and other significant weather events.

DISCUSSION:

In May 2026, the MFPD expressed interest in the temporary use of a District owned property located at 2297 East Valley Road (Property) for upstaffing during periods of elevated fire danger, Red Flag Warnings, and other significant weather events to enhance emergency response capabilities in the easterly portion of its service area. The Property is located adjacent to and on the east side of Romero Creek, and immediately south of East Valley Road. The Property currently houses one of the District's nine turnouts and pump stations used by the District to take delivery of imported water from the South Coast Conduit. Additionally, the District often uses the Property as a construction staging area for its annual capital infrastructure projects.

The MFPD desires the right to temporarily stage and maintain a travel trailer on the Property for upstaffing operations to assist in fire suppression and emergency response activities. While the travel trailer would remain in place on the Property for the duration of the License Agreement, the upstaffing would occur only during high fire risk conditions such as Red Flag Warnings. The District would make available potable water and power hookups for the travel trailer. MFPD's use of the Property would not inhibit the District's use of the Property including accessing all infrastructure for operations, maintenance, repairs and/or replacement, and construction staging. MFPD has offered to fund improvements necessary to facilitate their use of the Property including utility hookup improvements, tree trimming, ground clearing, and access road surface treatment. Based on the initial assessment of the Property, necessary improvements are expected to be minimal.

The proposed term of the License Agreement is one year from its effective date, with automatic one-year renewals until terminated. Termination would occur within 90 days of written notice by either party.

In exchange for temporary use of the Property, MFPD has agreed to pay the District an annual payment for the storage of the travel trailer and temporary use of the Property including receiving water and electrical utility services. District staff are in the process of obtaining estimates for the appropriate rate for such use.

Upon review of MFPD's request to temporarily utilize the Property, District staff have analyzed both the proposed purpose and the District's anticipated short- and long-term facility needs. Based on this assessment, the temporary use will not create an undue hardship on District operations. In fact, MFPD's presence at this facility during high fire risk conditions would provide added fire protection for this pump station and other District facilities located in the easterly portions of its services area.

Attached to this memorandum is a proposed License Agreement. The proposed agreement has been reviewed by the District's General Counsel and MFPD representatives.

Supporting this agreement would be a benefit for the entire community. It builds on the already strong collaboration that exists between the District and MFPD and fosters a more unified, efficient system of protection from fire risks. District staff recommends the Board of Directors authorize the General Manager to work with General Counsel to finalize the License Agreement including determining the lease/rental rate and then execute the proposed License Agreement.

ATTACHMENT:

1. Proposed License Agreement between the Montecito Water District and Montecito Fire Protection District
2. MFPD's East Valley Road Project Summary

LICENSE AGREEMENT FOR TEMPORARY UPSTAFFING LOCATION FOR HIGH FIRE RISK CONDITIONS

This License Agreement for Temporary Upstaffing Location for High Fire Risk Conditions ("Agreement") is made this ___ day of ____, 2026 ("Effective Date"), by and between Montecito Water District ("Landowner") and Montecito Fire Protection District ("District"), individually referred to as a "Party" or collectively as "Parties", with reference to the following facts:

RECITALS

A. Landowner is the owner of certain real property situated in Santa Barbara County, California commonly known and located at 2297 East Valley Road, Santa Barbara, CA 93108 ("Property").

B. District desires to obtain the right to use a portion of the Property for the temporary location of District's apparatus, including but not limited to a travel trailer capable of housing up to four personnel ("Trailer") and emergency response vehicles, to assist District in providing emergency response within the jurisdiction of the District during Red Flag conditions, severe storms, and other emergency situations requiring increased staffing.

C. Landowner is willing to grant District such rights, under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

1. License. Landowner hereby grants to District, and its designated agents, and representatives, a non-exclusive license ("License") for use of the Property as set forth below.

A. **Purpose**: Temporarily staging and maintaining District's Trailer on the Property for upstaffing operations to assist in fire suppression and emergency response activities when (i) the National Weather Service issues a Red Flag Warning; (ii) District declares that Red Flag Conditions exist, or (iii) District in its sole discretion determines that elevated fire danger exists within District's jurisdiction. Options (i) – (iii) individually and/or collectively represent a "High Risk Condition" for the purpose of this Agreement.

B. **Authorized Use**: Use of District's Trailer under this Agreement includes (i) placement of the District's Trailer at a designated location for use during a High Risk Conditions; (ii) accessing and using the District Trailer for temporary sleeping facilities for no more than four (4) District personnel during High Risk Conditions; (iii) temporarily staging a District emergency response vehicle on the Property at a designated location during High Risk Conditions; and (iv) such other District activities, as authorized by the Landowner, to assist District in the provision of emergency response within District's jurisdiction during High Risk Conditions.

C. **Use Restrictions:** District agrees to the following restrictions during the exercise of the License granted under this Agreement: (i) to park no personal vehicles at the Property and to make all personnel exchanges off-Property; (ii) to notify Landowner in advance of any upstaffing operation; (iii) to staff the Trailer and stage emergency response vehicles only during continuing High-Risk Conditions;(iv) to park the emergency response vehicle only in

locations agreed to by the Parties and to maintain vehicular access to the Landowner's facilities on the Property at all times; (v) to secure the lockable gates on the Property when no personnel of the District or Landowner are on the Property; and (vi) to fund any Property improvements determined by the Landowner in its sole discretion to be needed to facilitate the District's temporary use of the Property pursuant to this License Agreement including but not limited to utility hookup improvements, tree trimming, ground clearing, and access road surface treatment.

2. Location. The area of the License shall be located within the area of the Property south of the pump house and as depicted in Exhibit A attached hereto and incorporated in full herein by this reference. Said area shall be known as the "License Area." Landowner retains the right to make any use of the Property that does not unreasonably interfere with District's free use and enjoyment of the License Area for the purposes of the License granted herein.

3. Term of License. This Agreement shall continue in force for a period of one (1) year from the Effective Date. Upon expiration thereof, this Agreement shall continue in force in successive one (1) year periods, automatically renewing thereafter, until either party notifies the other party in writing of its desire to terminate this Agreement in which case it shall terminate ninety (90) days from the date of the notice. Notice to Landowner shall be provided to Montecito Water District, 583 San Ysidro Road, Montecito, CA 93108 and notice to District shall be provided to MFPD, c/o Brian Fallon, 595 San Ysidro Road, Montecito, CA 93108.

4. Payment. District shall pay Landowner an annual payment of _____ Dollars ($_____) for the storage of the Trailer on, and temporary use of the Property including water and electrical utility service for the Trailer's operation. The Payment shall become due and payable upon execution of this License Agreement. Thereafter, the Payment shall be payable annually on or before the anniversary of the Effective Date of this License Agreement.

Landowner shall have no obligation to provide the utility services contemplated hereunder if District fails to establish and maintain connections of the utility connections to the Trailer. District shall bear, at its sole cost and expense, all costs associated with establishing any utility hookups to the Trailer, including connection and installation costs, to the extent utilities are available at the Property. Landowner shall have no obligation to extend or upgrade existing utility infrastructure to accommodate District's use.

5. Indemnity.

A. District shall defend, indemnify and hold harmless Landowner and Landowner's agents, assigns, Board members, directors, employees, managers, members, officers representatives, staff, successors and tenants against any and all loss, liability, damage, or expense, including any direct, indirect, or consequential loss, liability, damage, or expense, including attorneys' fees and costs for injury or death to persons, including employees of either party to this Agreement, and damage to property, including property of either party to this Agreement, arising out of or in connection with the License granted under this Agreement as well as any intentional, willful, wanton, reckless, or negligent conduct regarding use of the License Area. However, Landowner shall not be indemnified hereunder for any loss, liability, damage, or expense resulting from the sole active negligence or willful misconduct, of Landowner or its . agents, assigns, Board

members, directors, employees, managers, members, officers representatives, staff, successors and tenants

B. District's duty to defend hereunder is a separate and distinct obligation from District's duty to indemnify. District shall be obligated to defend Landowner, and its agents, assigns, Board members, directors, employees, managers, members, officers representatives, staff, successors and tenants in all legal, equitable, administrative, or special proceedings immediately upon tender to District of the claim in any form or at any stage of an action or proceeding, whether or not liability has been established. Landowner shall have the right to approve counsel providing such defense. An allegation or determination that persons other than District are responsible for the claim does not relieve District from its separate and distinct obligation to defend under this section. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes the obligation to provide independent defense counsel (approved by Landowner) if District asserts that liability is caused in whole or in part by the negligence or willful misconduct of the Landowner or its agents, assigns, Board members, directors, employees, managers, members, officers representatives, staff, successors and tenants. If it is finally adjudicated that liability was caused by the comparative active negligence or willful misconduct of the Landowner or its agents, assigns, Board members, directors, employees, managers, members, officers representatives, staff, successors and tenants, District may submit a claim to Landowner for reimbursement of reasonable attorneys' fees and defense costs in proportion to the established comparative liability of the Landowner.

C. District expressly acknowledges and agrees that the foregoing defense, indemnity, and hold harmless obligations of District are intended to be as broad and inclusive as is permitted by the laws of the State of California and will survive termination of this Agreement such that such obligations shall extend to all claims, lawsuits, liabilities, losses, injuries, damages, penalties, fines, judgments, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and costs of alternative dispute resolution) which may occur or arise after exercise of the License granted herein or termination of this Agreement for any reason, attributable directly or indirectly to District or District's designated agents or representatives.

D. Submission of insurance certificates or submission of other proof of compliance with the insurance requirements of this Agreement does not relieve District from its obligations under this indemnity section. The obligations of this indemnity section shall apply, whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. The obligations of this indemnity section shall not be limited to the proceeds of any insurance.

E. The indemnification, defense and hold harmless requirements set forth in this Agreement shall apply to the acts and/or omissions of any agent, assistor, contractor, employee, entity, individual, mutual aid participant, subcontractor or vendor authorized by District to exercise the License granted herein and/or exercising the License granted herein on behalf of District and/or performing any work or services to on behalf of District to assist in facilitating the License granted herein.

6. Insurance. District and District's agents will maintain in force and effect the insurance policies and coverages set forth in Exhibit "B" attached hereto. District may satisfy the insurance requirements with evidence of self insurance or other insurance coverage agreeable to Landowner.

7. Miscellaneous.

A. The titles or headings to the sections of this Agreement are for convenience only, and are not a part of this Agreement, and shall have no effect upon the construction or interpretation of any part thereof.

B. This Agreement constitutes the entire agreement and understanding between Landowner and District relating to the License granted herein. Any prior agreement, promise, negotiation, or representation not expressly set forth in this Agreement is superseded and of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by both Landowner and District.

C. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby.

D. In construing this Agreement, no consideration shall be given to the fact or presumption that any party had a greater or lesser hand in the drafting of this Agreement.

E. Neither party is the legal representatives or agent of the other party for any purpose whatsoever and neither party shall have the power or authority to assume or create, in writing or otherwise, any obligation or responsibility of any kind, express or implied, to transact business, to make any warranty or otherwise to act in any manner in the name of or on behalf of the other party. This Agreement shall not be construed as constituting or creating a partnership among the parties or as creating any other form of legal association among the parties which would impose liability upon one party for the act or the failure to act of the other party.

F. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

G. This Agreement shall not be assigned. Any purported assignment of this Agreement or of any interest in this Agreement shall be void and of no effect.

H. This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the parties.

I. This Agreement shall be governed by, and the rights, duties and obligations of the Parties shall be determined in accordance with, the laws of the State of California. The Parties further agree that any action or proceeding brought to enforce the terms and conditions of this Agreement shall be maintained in the County of Santa Barbara, State of California.

J. The Recitals and Exhibits attached hereto are incorporated herein by this reference.

DRAFT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

LANDOWNER:	**DISTRICT:**
Montecito Water District	Montecito Fire Protection District
_____	_____
By: Its:	Brian Fallon, Fire Chief

DRAFT

EXHIBIT A
LICENSE AREA



6/18/2026, 2:54:45 PM

1:614

0 20 40 80 ft
0 5 10 20 m

15 ft x 45 ft Trailer

Fire Engine

Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community, Sources: Esri, Vantor, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap, and the GIS user community

EXHIBIT B
INSURANCE REQUIREMENTS

In accordance with Section 6 of the Site Use Agreement, the following insurance requirements must be complied with by DISTRICT and DISTRICT's Agents. Any reference in this Exhibit B to "DISTRICT" shall refer to both DISTRICT and DISTRICT's Agents. Any reference in this Exhibit B to "Landowner" shall refer to Montecito Water District.

DISTRICT shall, at its sole cost and expense, obtain and maintain at all times during performance of Operations under the Agreement, including any warranty period(s), the liability insurance as outlined in this section. Throughout the period that such insurance is required, DISTRICT shall (i) file with the Landowner a certificate or certificates of insurance, with all required additional policy endorsements, signed by the insurer's representative evidencing that such insurance coverage is in effect, and (ii) provide the Landowner with such other documents and/or instruments requested by the Landowner evidencing DISTRICT's compliance with this section. DISTRICT shall obtain insurance of the types and in the amounts described below.

DISTRICT may satisfy the following insurance requirements through a combination of commercial insurance, formal risk pooling and/or a self-funded loss reserve that meets the limits set forth herein. DISTRICT shall furnish Landowner with a certificate or other written evidence of the DISTRICT's coverage meeting the following insurance requirements under a risk pooling, risk retention or self-insurance program or any combination thereof.

1. Workers' Compensation and Employer's Liability Insurance

    a. At all times during the entire period of performance of Operations under the Agreement, DISTRICT and all DISTRICT Agents shall maintain Workers' compensation and employer's liability insurance covering all persons employed directly by them or through DISTRICT in carrying out the Operations, all in accordance with the "Workers' Compensation and Insurance Act" set forth in the California Labor Code and any amendments thereto. Workers' compensation insurance shall not be required for contracts to furnish materials and equipment only. The commercial umbrella and/or employer's liability limits shall not be less than one million dollars ($1,000,000) each accident for bodily injury by accident or one million dollars ($1,000,000) each employee for bodily injury by disease.

    b. DISTRICT waives all rights against the Landowner, the public and private owners of all properties where the Operations will be performed, and their respective directors, officers, employees, agents, and/or volunteers for recovery of damages to the extent these damages are covered by the Workers' compensation and employer's liability or commercial umbrella liability insurance obtained by DISTRICT pursuant to the Agreement.

2. Liability Insurance Required of the DISTRICT

    a. DISTRICT shall at all times maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than Three Million Dollars ($3,000,000) each occurrence with not less than a Ten Million Dollar annual

aggregate ($10,000,000). CGL insurance shall be written on ISO occurrence form CG 00 01 12 07 (or a substitute form providing equivalent coverage) and shall cover liability – including for bodily injury and property damage - arising from premises liability, operations liability, pollution liability, and liability assumed under an insured contract, including the tort liability of another assumed in a business contract. There shall be no exclusions for liability assumed by contract, liability for pollution, or liability for use of aircraft.

b. The Additional Insured parties are defined as Montecito Water District and its agents, assigns, Board members, directors, employees, managers, members, officers representatives, staff, successors and tenants. The Additional Insured parties shall be included as insureds under the commercial umbrella, if any, and under the CGL, using ISO additional insured endorsements CG 20 10 and CG 20 37 or their equivalent. Additional insured coverage as required in this subparagraph shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the Additional Insured parties. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the Additional Insured parties. Any insurance, self-insurance, or other coverage, if any, maintained by the Additional Insured parties shall be non-contributory.

c. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract, or liability arising from explosion, collapse, or underground property damage.

3. Automobile Liability

a. DISTRICT shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit of not less than One Million Dollars ($1,000,000) each accident.

b. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos).

c. Business auto coverage shall be written on ISO form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.

d. DISTRICT waives all rights against the Landowner, the public and private owners of all properties where the Operations will be performed, and their respective directors, officers, employees, agents, and/or volunteers for recovery of damages to the extent these damages are covered by the business auto liability or commercial umbrella liability insurance obtained by DISTRICT pursuant to Section 3.a or under any applicable auto physical damage coverage.

4. Additional Requirements. With respect to all insurance required to be maintained by DISTRICT, DISTRICT shall comply, or ensure compliance, with all of the following:

a. Promptly upon the Landowner's request, DISTRICT shall provide the Landowner with a certificate or certificate(s) of insurance (ACORD Form 25 or its equivalent) and such

other evidence satisfactory to the Landowner establishing that such coverage applies separately and exclusively to Operations performed pursuant to the Agreement.

b. Failure of the Landowner to demand such certificate or other evidence of full compliance with these insurance requirements or failure of the Landowner to identify a deficiency from evidence that is provided shall not be construed as a waiver of DISTRICT's obligation to maintain such insurance.

c. Any failure to comply with reporting or other provisions of any insurance policy, including, without limitation, breaches of warranties, shall not affect the coverage provided to the Additional Insured parties.

d. DISTRICT's insurance shall apply separately to each of the Additional Insured parties against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

e. DISTRICT shall notify the Landowner at least thirty (30) Calendar Days prior to any changes made to any of the insurance policies required hereunder, including, without limitation, any change in the insurance carrier or the scope of coverage.

f. All of the insurance shall be provided on policy forms satisfactory to the Landowner.

g. DISTRICT shall provide certified copies of all insurance policies and/or certificates or other written evidence of coverage required above within ten (10) Calendar Days of written request by the Landowner.

h. In the event that DISTRICT employs other individuals and/or entities as part of the services covered by the Agreement, it shall be the DISTRICT's responsibility to require and confirm that each individual and/or entity meets the minimum insurance requirements specified herein or such other insurance requirements approved by the Landowner in writing. When requested by the Landowner, DISTRICT shall furnish copies of certificates of insurance evidencing coverage for each such individual and/or entity .

i. By requiring insurance herein, the Landowner does not represent that coverage, and limits will necessarily be adequate, and such coverage and limits shall not be deemed as a limitation on DISTRICT's liability under the indemnities granted to the Landowner under the Agreement.

j. DISTRICT shall notify the Landowner immediately if any aggregate insurance limit is exceeded at any point during the term of the Agreement, including during the warranty period. In such a case, DISTRICT shall promptly purchase additional insurance coverage to meet the requirements of the Agreement.

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Executive Summary

- The Montecito Fire Protection District is seeking to improve emergency response coverage on the east side of Montecito through temporary housing for fire personnel during high-risk events.
- Eastern Montecito, including Romero Canyon Road, Bella Vista Drive, and areas south of Highway 101, frequently exceeds the district's adopted seven-minute response standard. Current compliance is 83%, below the district goal of 90%.
- Past events including the 2018 debris flow, Thomas Fire (2017), and Tea Fire (2008) highlighted the area's wildfire vulnerability and the challenges caused by limited access routes and infrastructure disruptions.
- The district proposes placing a travel trailer capable of housing up to four personnel during Red Flag conditions, severe storms, and other emergency situations requiring increased staffing.
- Positioning crews on the east side would:
    - Improve response times and firefighter safety
    - Strengthen wildfire response capabilities
    - Provide quicker access to high-risk areas and critical roadways
- The proposal is operationally focused:
    - No personal vehicles will be stored on-site
    - Personnel exchanges conducted at Station 91
    - The district would cover utility any site improvements that would be required
- The district implemented up-staffing operations 17 times in both 2024 and 2025, demonstrating an ongoing need for enhanced east-side response capability

Brian Fallon
Fire Chief

Montecito Fire Protection District – "Eastside" Coverage Proposal

Overview

The Montecito Fire Protection District seeks to improve emergency response coverage on the east side of the district. The Montecito community spans approximately 21 square miles and is currently served by Stations 91, and 92. Station 91 (San Ysidro) primarily serves the east side of the community under normal conditions. This station is staffed daily with a three person engine company, a two-person medic squad, and a battalion chief. In addition, personnel cross-staff a Type III brush engine and a Type VI vehicle (a truck chassis equipped with a small fire pump and water tank).

The District has identified a service gap in eastern Montecito and is exploring fiscally responsible solutions to enhance emergency response while maintaining its all-risk service model.

Response Time Challenges

Calls for service on the east side of the district, particularly Romero Canyon Road, Bella Vista Drive, and south of Highway 101, frequently exceed the districts adopted seven-minute response standard. The district's goal is to meet this benchmark 90% of the time under NFPA 1710 standards; however, the most recent operations report shows an 83% compliance rate. Analysis indicates that deficiencies are primarily associated with responses to the east side of the community and areas south of Highway 101.

Past incidents, including the 2018 debris flow and loss of Romero Bridge, demonstrated how infrastructure failures can significantly limit emergency access. In a similar event, response coverage for the east side would likely depend on resources from Carpinteria-Summerland Fire Protection District, resulting in extended response times.

Strategic Advantage

The Montecito community has experienced significant wildfire events, including the Thomas Fire (2017), which spread from Ventura County into Santa Barbara County, and the Tea Fire (2008), which destroyed 210 homes in Montecito. These incidents highlight the region's vulnerability, particularly given the area's erratic wind conditions, which can quickly drive fires from the mountains into residential areas.

A potential solution to improve response times and safety is establishing temporary housing for fire personnel on the east side of the community.

Positioning personnel on the east side would enhance rapid response to wildland areas with high fire risk. Immediate access to State Route 192 and northern areas such as Ladera would provide a strategic advantage. Combined with response efforts from Station 91 moving north, this positioning would allow crews to contain rapidly advancing fires more efficiently than current deployment allows.

Operational Approach

The district routinely increases staffing during elevated-risk events such as Red Flag warning, severe storm, and major disruptions. These “up-staffing,” periods can last from several hours to multiple days and are intended to improve deployment speed, firefighter safety, and operational effectiveness in difficult terrain.

During these times the district seeks to up-staff one of the following:

- A Type VI vehicle with two personnel.
- A Type III brush Engine with four personnel

Proposed Property Use

The proposed use of the property would be limited to the conditions described above. Any expanded use would only occur with prior coordination and approval from the property owner. The district is committed to minimizing any impact while maximizing safety benefits for the community. No personal vehicles will be parked at the property. All personnel exchanges will be made at station 91.

Over the last two years the Fire District has “up staffed,” 17 times in 2024, and 17 times in 2025. The predominant months have been November through February.

Request

The Montecito Fire Protection District truly appreciates the consideration of this proposal and the opportunity to enhance community safety. The district respectfully requests consideration of the following option. Allow the placement of a travel trailer capable of housing up to four personnel at 2297 E.Valley Road. The Fire District would utilize utility hookups, (if available) at its own expense and would be responsible for any required improvements and permitting.

Conclusion

The Montecito Fire Protection District truly appreciates the opportunity to communicate this need. We believe that this opportunity would change the landscape of our response model, ultimately providing a better service to the Community, through safety and forward thinking as we continue to assess the wildfire dangers in the area.

Attachment A: Property Overview

Attachment B: Proposed placement location

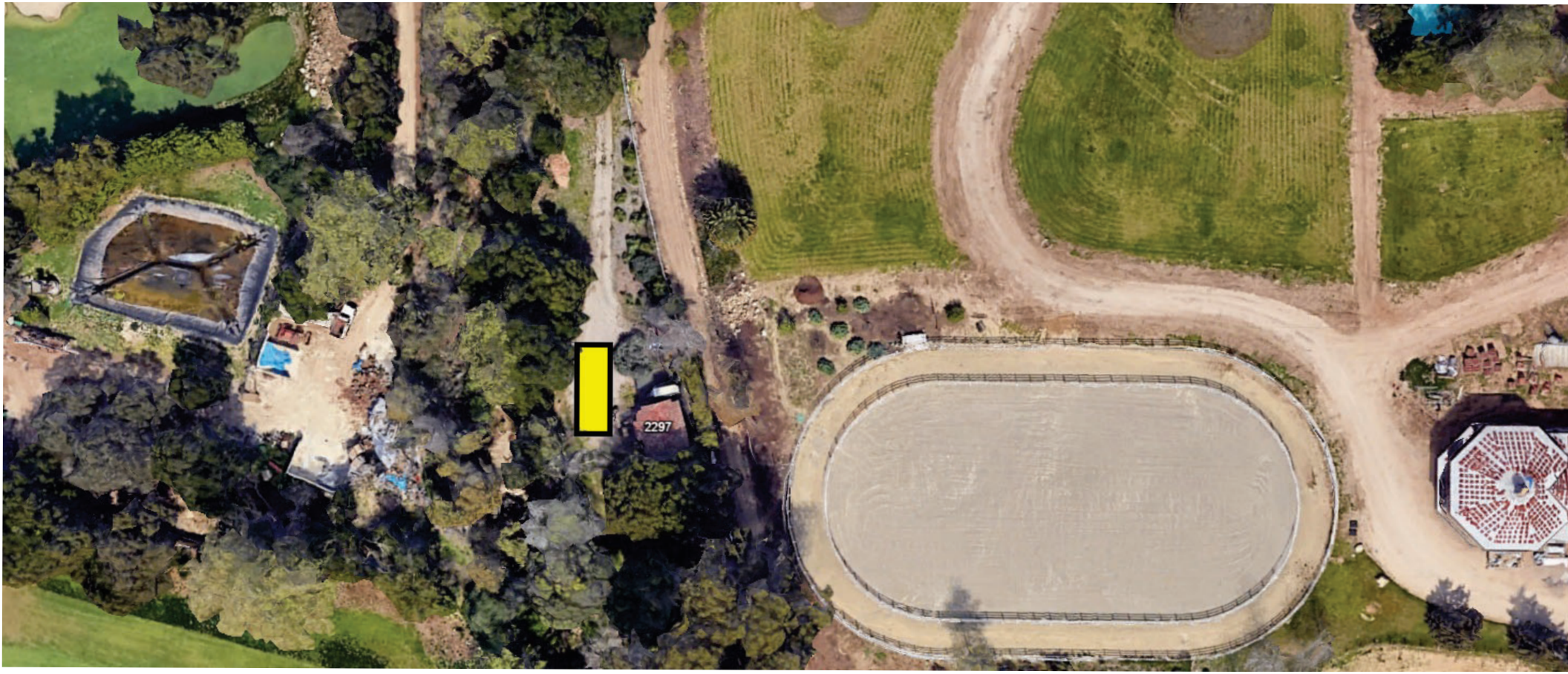
Attachment C: Vehicles used on the property

Attachment D: Sample Housing options

Attachment A:
Property Overview


EAST VALLEY ROAD
ROMERO BRIDGE
TRAILER LOCATION
Picay Creek

Attachment B:
Proposed placement location


2297

Attachment C:

Vehicles used on the property

(There will not be an instance in which both vehicles are on sight. It will either be the brush engine or type VI pick-up)

Montecito Fire Protection District Brush Engine, (Type III). This unit staffs up to four firefighters at a time. Used for clearance in the wild land setting. Contains a pump and tank with 500 gallons of water.



Montecito Fire Protection District Type VI. This unit is a truck chassis with a service body. This unit contains a pump and tank. This unit is very versatile, and mobile in the wild land setting. This unit typically is staffed with two-three firefighters.



Attachment D:
Sample Housing Options

Dimensions:

Length: 35'-43' (depending on available space from property owner)

Width with "pop-outs" extended: 12'

Dry Weight: 12,680 lbs.
GVWR: 13,400 lbs.

Exterior Height: 13'6"


CAMPSITE
RESERVE


CAMPSITE
RESERVE


CAMPSITE


CAMPSITE

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **5-F**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **PUBLIC INFORMATION OFFICER**

SUBJECT: **CUSTOMER RELATIONS AND PUBLIC INFORMATION UPDATE**

RECOMMENDATION:

Information only.

DISCUSSION:

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". District outreach methods include e-News, bill inserts, bill messages, press releases, website updates, articles, social media posts, advertisements, presentations to community organizations, and participation in events. Daily customer contact is an essential District role conducted by an informed and responsive customer service team and staff. Current public facing initiatives include:

Water Availability Charge (WAC) Postcard regarding capital improvement projects and public hearing sent to parcels in the District. Corresponding public noticing in Montecito Journal. (See also agenda / packet item 5-A)

Budget Resolutions and corresponding public noticing in Montecito Journal. (See also agenda / packet item 6-A)

Rate Increase Mailer sent to District customer accounts as a reminder of the annual approved rate increase (Attachment 1).

UPCOMING EVENTS:

July 4, 2026, Parade. Montecito Water District to table / provide water at Manning Park.

ATTACHMENTS:

1. Mailer - Rate Increase

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RELIABLE SINCE 1921

583 San Ysidro Road
Santa Barbara, CA 93108-2124

Phone: 805.969.2271
Fax: 805.969.7261
Email: info@montecitowater.com
Web: montecitowater.com

Board of Directors
Brian Goebel, President
Cori Hayman, Vice President
Kenneth Coates, Director
Tobe Plough, Director
Floyd Wicks, Director

General Manager & Board Secretary
Nick Turner, P.E.

REGISTER FOR LEAK ALERTS

Smart Meters require your input to best serve your needs!





NEW in 2025-2026

The District remains ready and prepared to provide water for fighting fires across Montecito and Summerland, and ongoing projects are improving resiliency.

Hydrant replacements and additions, defensible space improvements, system upgrades, modeling updates, enhanced partnerships, and more.







REMINDER OF ANNUAL RATE INCREASE

DETAILS INSIDE

YOUR RATES HELP PROVIDE FOR KEY 5-YEAR PLANNED INFRASTRUCTURE IMPROVEMENTS, INCLUDING:

Planned Upgrades for More Than 5.5 Miles of Distribution Pipeline
Pipeline failures are costly, can cause property damage, and lessen the water system's reliability.

Highline Water Main Replacement
We're replacing 7.5 miles of 1920s-era pipeline to reduce the risk of a break interrupting water service for nearly all our customers.

8 Reservoir Replacements/Retrofits
MWD is utilizing a one-time zero-interest state loan providing vital funding for construction projects to improve resilience in drinking water storage facilities.

Learn more about reservoir projects

WATER SUPPLY UPDATE

The District's successful efforts to procure drought resilient options such as desalinated water have increased our local, reliable supplies. Local reservoirs remain nearly full following recent above-average rainfall. This combination: Good planning, some precipitation, and customer usage that aligns with Water Budgets, will keep the long-term water supply outlook secure.



MONTECITO WATER DISTRICT

COMMITMENT

We're proud to build on a tradition of reliability, service and proven accomplishments. Our goal is to ensure the ongoing delivery of high-quality water 24/7, 365 days a year.

ONLINE BILL CALCULATOR

montecitowater.com/calculator

In accordance with Resolution 2286 adopted on June 25, 2024 an annual rate increase will be effective July 1, 2026 for billing statements generated after that date.

The rates are designed to recover the operating expenses and costs of the District so that the District may fulfill its mission to:

Provide an adequate and reliable supply of high quality water to the residents of Montecito and Summerland at the most reasonable cost.

REMINDER: ANNUAL RATE INCREASE WILL BE REFLECTED ON YOUR AUGUST BILL

	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Monthly Meter Charge					
3/4-inch	$63.89	$67.57	$71.46	$75.57	$79.92
1-inch	$104.80	$110.83	$117.21	$123.95	$131.08
1 1/2-inch	$184.84	$195.47	$206.71	$218.60	$231.17
2-inch	$291.56	$308.33	$326.06	$344.81	$364.64
3-inch	$1,003.03	$1,060.71	$1,121.71	$1,186.21	$1,254.42
4-inch	$1,963.51	$2,076.42	$2,195.82	$2,322.08	$2,455.60
6-inch	$4,453.64	$4,709.73	$4,980.54	$5,266.93	$5,569.78
Monthly Private Fire Line Charge					
2-inch	$22.23	$23.51	$24.87	$26.31	$27.83
4-inch	$101.41	$107.25	$113.42	$119.95	$126.85
6-inch	$281.28	$297.46	$314.57	$332.66	$351.79
8-inch	$591.52	$625.54	$661.51	$699.55	$739.78
Water Usage Rates ($/hundred cubic feet or hcf)			*Note: 1 hundred cubic feet (hcf) = 748 gallons*		
Residential					
Tier 1: 9 hcf	$6.09	$6.45	$6.83	$7.23	$7.65
Tier 2: 10 - 35 hcf	$13.01	$13.76	$14.56	$15.40	$16.29
Tier 3: 35+ hcf	$15.38	$16.27	$17.21	$18.20	$19.25
Commercial	$11.15	$11.80	$12.48	$13.20	$13.96
Institutional	$11.76	$12.44	$13.16	$13.92	$14.73
Agriculture	$5.46	$5.78	$6.12	$6.48	$6.86
Non-Potable	$2.00	$2.12	$2.25	$2.38	$2.52

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-G

DATE: JUNE 23, 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:

Request for 100% Cachuma Project allocation for WY2027 submitted to USBR.

Pursuant to the April 14, 1996 Contract Between the United States and Santa Barbara County Water Agency (SBCWA) Providing for Water Service from the Project (Cachuma Project), Contract No. 175r-1802R (as amended by Amendatory Contract No. I75r-1802RA, September 28, 2020), the Cachuma Member Units (CMU), which includes the District, provided notice to the Santa Barbara County Water Agency on June 9, 2026, requesting allocation of all Available Supply from the United States Bureau of Reclamation (USBR) during Water Year 2027, commencing October 1, 2026. As of June 8, 2026, there was 183,781 acre-feet (AF) of water in Lake Cachuma, comprised of the 12,000 AF minimum pool, water reserved to meet fish release requirements, ANA/BNA stored water for downstream releases, and the Cachuma Member Units' WY2026 allocation. Given the current amount of water in storage at the Cachuma Project, the CMU requested USBR make 25,714 AF (100%) of unallocated water available (also being a 100% allocation) in Water Year 2027, consistent with the terms of the Master Contract. A 100% allocation for the District will amount to 2,651 acre feet of Cachuma Project water.

Update on the East Valley Ladera Lambert Watermain Replacement Project

The Fiscal Year 2026 adopted budget includes $180,000 for the design and permitting of the East Valley Ladera Lambert Watermain project. The engineering plans are complete and permit applications have been submitted to Caltrans and the County of Santa Barbara. Construction is likely to begin in fall 2026 following a competitive bidding process and permit approvals from both permitting entities. The FY2027 draft budget includes $3.7M for the construction of this project.

Update on the Possible Sale of District Surplus Property

The Board of Directors declared four District parcels to be surplus property in November 2025 and authorized staff to proceed with the mandatory public offering period. These surplus properties include three parcels at Hidden Valley Lane (Buell Property) and one parcel at Bella Vista Drive above the District's Bella Vista Treatment Plant. On June 2, 2026, the District was notified by the State Department of Housing and Community Development (HCD) that he Surplus Land Act process had been completed. The District is now able to market the Bella Vista. Buell (Hidden Valley Lane), and Live Oaks properties to third parties. Live Oaks is not ready for sale since it is in the process of being rezoned to residential zoning which is expected to be completed by fall 2026. District counsel is currently reviewing the listing agreements from Kogevinas Realty for the Buell and Bella Vista properties. Once finalized, these two properties will be marketed and any potential sale terms will be presented to the Board of Directors.

Update on ASADRA Reservoir Seismic Retrofit and Replacement Project Reimbursements

The ASADRA Reservoir Seismic Retrofit and Replacement Project will seismically retrofit, repair, and/or replace eight of the District's existing water storage reservoirs, with funding provided by the Environmental Protection Agency (EPA) through its Additional Supplemental Appropriations for Disaster Relief Act (ASADRA). Terminal and Park Lane Reservoirs are the first two reservoirs to be retrofitted. Construction began on the Terminal Reservoir in December 2025 and will begin on Park Lane Reservoir in July 2026. Monthly reimbursement requests are expeditiously compiled, reviewed by the finance department, and submitted to the state along with quarterly progress reports. As of the date of this report, the District has spent approximately $4.5M on the ASADRA project and has been reimbursed for approximately $2.6M. The State Controller's office has a blackout period from May 1 to July 1 each year when no reimbursements are paid. Reimbursements are anticipated to resume in August 2026.

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 is anticipating approximately $801k in FEMA reimbursements in the next 90 days.

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	$ 911,444	$ 764,367	84%	$ 147,078	Sep-26
Bella Vista Highline Repairs	$ 1,200,000	$ 292,921	$ 3,169,929	100%	$ -	
COMPLETED PENDING FEMA CLOSE OUT						
Juncal Pipeline	$ 5,461,844	$ 5,461,844	$ 4,807,575	88%	$ 654,269	Sep-26
Ashley Rd. Bridge Repairs	$ 160,548	$ 160,548	$ 160,548	100%	$ -	
ADMINISTRATIVE PROJECTS						
2018 Aministrative Costs	$ 287,978		$ 95,993	0%	$ -	2028
2023 Administrative Costs	$ 276,044		$ -	0%	$ -	2028
Total Open Projects	**$ 10,626,413**	**$ 6,826,757**	**$ 8,998,412**		**$ 801,346**	

Update on Conservation Rebate Program

The District's Rebate Program was launched in mid-December 2022 and remains available to all customers. 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 05/15/26)		$ Pending Estimate (05/16/26 - present)		$ Awarded + $ Pending	
	SFR	COM-INST-MFR	SFR	COM-INST-MFR	SFR	COM-INST-MFR
Mulch Program	$ 5,988	$ -	$ -	$ -	$ 5,988	$ -
Indoor Appliances Rebate	$ 4,499	$ -	$ -	$ -	$ 4,499	$ -
High Efficiency Toilet (HET) and Urinal Rebates	$ 400	$ -	$ -	$ -	$ 400	$ -
Drip Irrigation Rebate	$ 518	$ -	$ -	$ -	$ 518	$ -
Smart Irrigation Controller Rebates	$ 1,288	$ -	$ -	$ -	$ 1,288	$ -
Landscape Conversions	$ 5,695	$ -	$ 7,300	$ -	$ 12,995	$ -
Sub Total	**$ 18,388**	**$ -**	**$ 7,300**	**$ -**	**$ 25,688**	**$ -**
Grand Total					**$25,688**	

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-i**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER / BUSINESS MANAGER**

SUBJECT: **RESOLUTION NO. 2321 DETERMINING THAT CHARGES, RATES, AND FEES ARE NOT "PROCEEDS OF TAXES"**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2321 determining that the District's charges, rates, and fees are not "Proceeds of Taxes" under Article XIII B of the Constitution of the State of California.

DISCUSSION:

For compliance with Article XIII B of the Constitution of the State of California, and Government Code §7910, the District is required to adopt an annual resolution making a determination that its charges, rates and fees are not proceeds of taxes because they do not exceed the costs reasonably borne by the District in providing services related to those charges, rates and fees.

ATTACHMENT:

1. Proposed Resolution No. 2321 Determining that Charges, Rates, and Fees are not Proceeds of Taxes Under Article XIII B of the Constitution of the State of California.

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RESOLUTION NO. 2321

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT DETERMINING THAT ITS CHARGES, RATES AND FEES ARE NOT "PROCEEDS OF TAXES" UNDER ARTICLE XIII B OF THE CONSTITUTION OF THE STATE OF CALIFORNIA

WHEREAS, Article XIII B of the Constitution of the State of California defines "proceeds of taxes" to include user charges and user fees for services to the extent that those user charges and user fees exceed the costs reasonably borne by an entity of government in providing those services;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board of Directors of the Montecito Water District hereby finds and determines that the the District's various user charges, rates, and fees for the Fiscal Year 2027 do not exceed the costs reasonably borne by the District in providing the services for which the charges, rates and fees are made and collected; and
2. The Board of Directors of the Montecito Water District further finds and determines that the District's various user charges, rates and fees for the Fiscal Year 2027 are therefore not "proceeds of taxes", and are not subject to the limits of appropriation under Article XIII B of the Constitution of the State of California; and
3. The effective date of this resolution shall be the date of adoption set forth below.

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, President

ATTEST:

_____
Nicholas Turner, Secretary

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 6-A-ii

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER / BUSINESS MANAGER

SUBJECT: RESOLUTION NO. 2322 INVESTMENT POLICY FOR FISCAL YEAR 2027

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2322, the District's Investment Policy for the Fiscal Year 2027.

DISCUSSION:

To comply with Government Code §53646, the District's Investment Policy must be reviewed and updated on an annual basis.

The District's funds are currently held in Charles Schwab, which facilitates safety, liquidity, and a return on investment, thereby meeting the requirements of Government Code §53600.5, as reflected in both the current Investment Policy, Resolution No. 2300 adopted for Fiscal Year 2026, and this proposed Resolution No. 2322. General Counsel has reviewed the updated proposed Investment Policy for compliance with the Government Code.

ATTACHMENT:

1. Proposed Resolution No. 2322 Adopting An Investment Policy for Fiscal Year 2027

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RESOLUTION NO. 2322

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ADOPTING THE INVESTMENT POLICY FOR THE FISCAL YEAR 2027**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (California Government Code "CGC" §53600.6 and §53630.1); and

WHEREAS, the legislative body of a local agency may invest surplus moneys not required for the immediate necessities of the local agency in accordance with the provisions of CGC §§53600 – 53610 et seq. and §§5920 – 5925 et seq.

NOW, THEREFORE, BE IT RESOLVED:

1. It shall be the goals of the Montecito Water District (District) to invest funds in a manner that will safeguard the principal, meet the daily cash flow and/or liquidity needs of the District, and provide the highest investment return with the maximum security, all while conforming to all applicable statutes and requirements governing the investment of District funds; and
2. The Business Manager (Chief Fiscal Officer of the District) shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the District Board of Directors at a public meeting (CGC §53646(a)(2)); and
3. The specifics of the District investment policy for the Fiscal Year 2027 are set forth on "Attachment A" to this Resolution, which attachment is incorporated into this Resolution by reference as though fully set forth herein.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 23rd day of June 2027 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Brian Goebel, Board President

ATTEST:

_____
Nicholas Turner, Secretary

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ATTACHMENT "A"
TO
RESOLUTION NO. 2322
INVESTMENT POLICY FOR FISCAL YEAR 2027

1. SCOPE

This investment policy applies to all financial assets of the Montecito Water District ("District"). These funds are accounted for in the *Annual Financial Report* and include reserves, and operational and savings accounts. Funds not included in the policy include deferred compensation funds.

2. PRUDENCE

The standard of prudence to be used by investment officials shall be the "prudent investor" standard (CGC §53600.3) and shall be applied in the context of managing an overall portfolio. The Board of Directors, Business Manager (Chief Fiscal Officer of the District), and any other persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the "prudent investor" standard (CGC §53600.3). When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency (CGC §53600.3). Within the limitations of CGC §53600.3 and considering individual investments as part of an overall strategy, a trustee is authorized to acquire investments as authorized by law.

3. OBJECTIVES

As specified in CGC §53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, the primary objectives, in priority order, of the investment activities of the District shall be: (1) **Safety:** Safety of principal is the foremost objective of the investment portfolio. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio; (2) **Liquidity:** The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated; and (3) **Return on Investments:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

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4. DELEGATION OF AUTHORITY

Authority to manage District investments is derived from CGC §§53600 -53610, et seq. Management responsibility for District investments is hereby delegated to the Business Manager (Chief Fiscal Officer of the District) pursuant to CGC §53607, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, wire transfer agreements, collateral/depository agreements and banking services contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Business Manager (Chief Fiscal Officer of the District). The Business Manager (Chief Fiscal Officer of the District) shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of California Government Code Section 53600.3, the Business Manager (Chief Fiscal Officer of the District) is a trustee and a fiduciary subject to the prudent investor standard.

5. ETHICS AND CONFLICTS OF INTEREST

All persons authorized to make investment decisions on behalf of the District shall refrain from personal business activity that could cause a conflict of interest which could impact and/or influence their ability to make impartial investment decisions, and which would impair, impede, or interfere with the proper execution of this Investment Policy.

6. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Business Manager (Chief Fiscal Officer of the District) will maintain a list of financial institutions, selected on the basis of creditworthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security brokers/dealers selected by creditworthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, the Business Manager (Chief Fiscal Officer of the District) shall select only brokers/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers, or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the Business Manager (Chief Fiscal Officer of the District) shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for the District's account with that firm has reviewed the District's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to the District that are appropriate under the terms and conditions of the Investment Policy.

7. AUTHORIZED AND SUITABLE INVESTMENTS

The District is empowered by CGC §53601 et seq. to invest in the following:

A. Bonds issued by the District.

B. United States Treasury notes, bonds, bills, or certificates of indebtedness.

C. Registered state warrants or treasury notes or bonds issued by the State of California.

D. Bonds, notes, warrants or other evidence of indebtedness of a local agency within the State of California.

E. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments.

F. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association, or a federal association. Not more than 30% of surplus funds can be invested in certificates of deposit.

G. Any other investment security not specifically set forth above, but which is authorized under the provisions of CGC §53601 and §5922.

Prohibited Investments. Under the provisions of CGC §53601.6, the District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero-interest accrual if held to maturity.

8. COLLATERALIZATION

All certificates of deposit must be collateralized by U.S. Treasury obligations. Collateral must be held by a third-party trustee and valued on a monthly basis.

9. SAFEKEEPING AND CUSTODY

All security transactions entered into by the District shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the District by book entry, physical delivery or by third party custodial agreement as required by CGC §53601.

10. DIVERSIFICATION

The District will diversify its investments by security type and institution. It is the policy of the District to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Diversification strategies shall be determined and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

A. Portfolio maturities are matched versus liabilities to avoid undue concentration in a specific maturity sector.

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B. Maturities selected shall provide for stability of income and liquidity.

C. Disbursement and payroll dates shall be covered through maturing investments, marketable U.S. Treasury bills or other cash equivalent instruments such as money market mutual funds.

11. REPORTING

In accordance with CGC §53646(b) (1), the Business Manager (Chief Fiscal Officer of the District) shall submit to each member of the Board of Directors a quarterly investment report. The report shall include a complete description of the portfolio, and the issuers, maturity dates, par values and the current market values of each component of the portfolio, including funds managed for District by third party contracted managers. The report will also include the source of the portfolio valuation. As specified in CGC §53646 (e), if all funds are placed in LAIF, FDIC-insured accounts and/or in a county investment pool, the foregoing report elements may be replaced by copies of the latest statements from such institutions. The report must also include a statement that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy, and (2) the District will meet its expenditure obligations for the next six months as required by CGC §53646 (b) (2) and (3), respectively. The Business Manager (Chief Fiscal Officer of the District) shall maintain a complete and timely record of all investment transactions.

12. ANNUAL INVESTMENT POLICY REVIEW

This Investment Policy shall be reviewed on an annual basis, and modifications will be approved by the District Board of Directors.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-iii**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER / BUSINESS MANAGER**

SUBJECT: **RESOLUTION NO. 2323 ESTABLISHING AN UPDATED EMPLOYEE CLASSIFICATION AND SALARY RANGE SCHEDULE EFFECTIVE WITH THE PAY PERIOD BEGINNING JULY 11, 2026**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2323 establishing updated employee classification and salary range schedules effective with the start of pay period beginning July 11, 2026.

DISCUSSION:

To comply with Government Code §20636 and the California Code of Regulations 2 CCR §570.5, the District adopts a resolution any time a change is made to the District's Wages and Salaries.

Cost of Living Adjustments (COLAs) to wages and salaries are at the discretion of the Board of Directors and are generally considered with each new budget year. The recommended COLA for Fiscal Year (FY) 2027 is 3.40%. Pursuant to the District's adopted Employee Handbook, the COLA is determined using the U.S. Bureau of Labor Statistics *Consumer Price Index for All Urban Consumers (CPI-U), Los Angeles-Long Beach-Anaheim, CA* report for the 12-month period ending on March 31. If approved, the COLA becomes effective with the first full pay period on or after July 1st of each year, which is July 11, 2026, for FY 2027. This change will affect all classifications, except for the General Manager, and will increase all steps on the Salary Schedule.

This proposed increase in salaries and wages is consistent with the June 28, 2022, Memorandum of Understanding between the District and Service Employees International Union Local 620.

ATTACHMENT:

1. Proposed Resolution No. 2323 Establishing an Updated Employee Classification and Salary Range Schedule Effective with the Pay Period Beginning July 11, 2026

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RESOLUTION NO. 2323

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ESTABLISHING AN UPDATED EMPLOYEE CLASSIFICATION AND SALARY RANGE SCHEDULE EFFECTIVE WITH THE PAY PERIOD BEGINNING JULY 11, 2026

WHEREAS, the Board of Directors of the Montecito Water District ("District") adopts an annual budget every June for the upcoming fiscal year which includes projected revenues and expenditures; and

WHEREAS, as part of its annual budgeting process, the Board of Directors evaluates District staffing and associated wages and salaries, including the necessity of updates to the (a) Biweekly Salary Range and Position Control Schedule and (b) Bi-Weekly Salary Rate Table.

WHEREAS, pursuant to Government Code §20636 and the California Code of Regulations 2 CCR §570.5, the District shall adopt a resolution any time a change is made to the District's wages and salaries;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Resolution No. 2301, adopted June 24, 2025, is rescinded in its entirety effective with the pay period ending July 10, 2026.
2. The Board of Directors hereby approves a Cost of Living Adjustment (COLA) to wages and salaries for Fiscal Year (FY) 2027 of 3.40%, which was determined using the U.S. Bureau of Labor Statistics *Consumer Price Index for All Urban Consumers (CPI-U), Los Angeles-Long Beach-Anaheim, CA* report for the 12-month period ending on March 31.
3. The updated Biweekly Salary Range and Position Control Schedule and Bi-Weekly Salary Rate Table for FY 2027, as shown on Schedule A and the attachment thereto, are effective with the pay period beginning July 11, 2026.
4. The COLA affects all position classifications shown in the Biweekly Salary Range and Position Control Schedule, with the exception of the General Manager, and increases all steps on the Bi-Weekly Salary Rate Table for FY 2027.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

_____
Brian Goebel, Board President

_____
Nicholas Turner, Secretary

AUTHORIZED POSITIONS - BI-WEEKLY SALARY RANGE

Effective with Pay Period beginning July 11, 2026

Board Approval on June ___, 2026

Schedule A to Resolution 2323

Represented and Unrepresented Positions FY 2027 Proposed COLA: **3.40%**

UNREPRESENTED	FTE	RANGE	STEP A	STEP E
General Manager (includes District Engineer, & Secretary)	1	GM	N/A	13,230.77
Assistant General Manager/Engineering Manager	1	AGM	7,909.44	9,613.97
Engineering Manager	0	EMR	6,900.60	8,387.72
Business Manager (includes Assistant Secretary)	1	BMR	6,779.39	8,240.39
Treatment and Production Superintendent	1	308	5,675.26	6,898.31
Distribution Superintendent	1	308	5,675.26	6,898.31
Groundwater Specialist	1	295	5,233.69	6,361.59
Public Information Officer	1	280	4,766.72	5,793.97
Administrative/HR Assistant	1	212	3,120.48	3,792.97
UNREPRESENTED TOTAL	**8**			

REPRESENTED	FTE	RANGE	STEP A	STEP E
Treatment Chief Operator	1	274	4,591.83	5,581.40
Distribution Chief Operator IV	1	274	4,591.83	5,581.40
Financial Analyst/IT Specialist	1	268	4,423.34	5,376.60
Assistant Engineer	2	252	4,003.67	4,866.48
Control System Technician/Treatment Operator	1	252	4,003.67	4,866.48
Water Conservation Specialist	1	242	3,761.83	4,572.53
Treatment Plant Operator	2	232	3,534.61	4,296.34
Distribution Operator III	2	232	3,534.61	4,296.34
Senior Office Technician/Staff Accountant	1	223	3,341.85	4,062.04
Mechanic/Distribution Operator I	1	214	3,159.62	3,840.54
Distribution Operator II	4	206	3,005.99	3,653.80
Dam Caretaker	1	194	2,789.45	3,390.59
Office Technician II	2	193	2,772.12	3,369.53
Distribution Operator I	0	183	2,604.68	3,166.00
REPRESENTED TOTAL	**20**			

UNREPRESENTED/REPRESENTED TOTAL **28**

*LONGEVITY PAY: Additional 2.5% upon completion of each: 8, 14, 20 & 26 years of service.

AUTHORIZED POSITIONS - BI-WEEKLY SALARY RANGE

Effective with Pay Period beginning July 11, 2026

Board Approval on June ___, 2026

Schedule A to Resolution 2323 Proposed COLA **3.40%**

Salary	5.0%	5.0%	5.0%	5.0%	5.0%
RANGE	STEP A	STEP B	STEP C	STEP D	STEP E
100	1,553.01	1,630.66	1,712.19	1,797.80	1,887.69
101	1,562.72	1,640.86	1,722.90	1,809.04	1,899.50
102	1,572.48	1,651.10	1,733.66	1,820.34	1,911.36
103	1,582.31	1,661.43	1,744.50	1,831.72	1,923.31
104	1,592.20	1,671.81	1,755.40	1,843.17	1,935.32
105	1,602.15	1,682.26	1,766.37	1,854.69	1,947.43
106	1,612.16	1,692.77	1,777.41	1,866.28	1,959.59
107	1,622.24	1,703.36	1,788.52	1,877.95	1,971.85
108	1,632.38	1,714.00	1,799.70	1,889.69	1,984.17
109	1,642.59	1,724.72	1,810.95	1,901.50	1,996.58
110	1,652.85	1,735.49	1,822.27	1,913.38	2,009.05
111	1,663.18	1,746.34	1,833.66	1,925.34	2,021.61
112	1,673.57	1,757.25	1,845.11	1,937.37	2,034.24
113	1,684.03	1,768.23	1,856.64	1,949.48	2,046.95
114	1,694.56	1,779.29	1,868.25	1,961.66	2,059.75
115	1,705.16	1,790.41	1,879.93	1,973.93	2,072.63
116	1,715.81	1,801.60	1,891.68	1,986.26	2,085.58
117	1,726.53	1,812.86	1,903.50	1,998.68	2,098.61
118	1,737.33	1,824.19	1,915.40	2,011.17	2,111.73
119	1,748.19	1,835.60	1,927.38	2,023.75	2,124.94
120	1,759.12	1,847.08	1,939.43	2,036.40	2,138.23
121	1,770.11	1,858.62	1,951.55	2,049.13	2,151.58
122	1,781.17	1,870.23	1,963.74	2,061.93	2,165.02
123	1,792.30	1,881.91	1,976.01	2,074.81	2,178.55
124	1,803.50	1,893.67	1,988.36	2,087.77	2,192.16
125	1,814.77	1,905.50	2,000.78	2,100.82	2,205.86
126	1,826.10	1,917.41	2,013.28	2,113.94	2,219.64
127	1,837.51	1,929.39	2,025.86	2,127.15	2,233.51
128	1,848.99	1,941.44	2,038.51	2,140.44	2,247.46
129	1,860.55	1,953.58	2,051.26	2,153.82	2,261.51
130	1,872.18	1,965.79	2,064.08	2,167.28	2,275.65
131	1,883.88	1,978.08	2,076.98	2,180.83	2,289.87
132	1,895.65	1,990.44	2,089.96	2,194.46	2,304.18
133	1,907.51	2,002.88	2,103.03	2,208.18	2,318.59
134	1,919.43	2,015.40	2,116.17	2,221.98	2,333.08
135	1,931.43	2,028.00	2,129.40	2,235.87	2,347.66
136	1,943.50	2,040.68	2,142.71	2,249.85	2,362.34
137	1,955.65	2,053.43	2,156.11	2,263.91	2,377.11
138	1,967.87	2,066.26	2,169.58	2,278.05	2,391.96
139	1,980.17	2,079.18	2,183.14	2,292.30	2,406.91
140	1,992.54	2,092.17	2,196.78	2,306.62	2,421.95
141	2,005.00	2,105.25	2,210.51	2,321.03	2,437.09
142	2,017.52	2,118.40	2,224.32	2,335.53	2,452.31

AUTHORIZED POSITIONS - BI-WEEKLY SALARY RANGE

Effective with Pay Period beginning July 11, 2026

Board Approval on June ___, 2026

Schedule A to Resolution 2323 Proposed COLA **3.40%**

143	2,030.13	2,131.64	2,238.22	2,350.13	2,467.64
144	2,042.82	2,144.96	2,252.21	2,364.82	2,483.06
145	2,055.58	2,158.36	2,266.28	2,379.60	2,498.58
146	2,068.43	2,171.85	2,280.44	2,394.47	2,514.19
147	2,081.36	2,185.43	2,294.70	2,409.43	2,529.91
148	2,094.37	2,199.09	2,309.05	2,424.50	2,545.72
149	2,107.46	2,212.83	2,323.47	2,439.64	2,561.63
150	2,120.62	2,226.66	2,337.99	2,454.89	2,577.63
151	2,133.87	2,240.57	2,352.60	2,470.23	2,593.74
152	2,147.21	2,254.57	2,367.30	2,485.66	2,609.95
153	2,160.63	2,268.66	2,382.09	2,501.20	2,626.26
154	2,174.13	2,282.84	2,396.98	2,516.83	2,642.67
155	2,187.72	2,297.10	2,411.96	2,532.55	2,659.18
156	2,201.39	2,311.46	2,427.03	2,548.38	2,675.80
157	2,215.14	2,325.90	2,442.19	2,564.30	2,692.52
158	2,228.99	2,340.44	2,457.46	2,580.34	2,709.35
159	2,242.93	2,355.07	2,472.83	2,596.47	2,726.29
160	2,256.94	2,369.79	2,488.28	2,612.70	2,743.33
161	2,271.05	2,384.60	2,503.83	2,629.02	2,760.47
162	2,285.25	2,399.51	2,519.49	2,645.46	2,777.73
163	2,299.53	2,414.51	2,535.23	2,662.00	2,795.09
164	2,313.90	2,429.59	2,551.07	2,678.63	2,812.56
165	2,328.36	2,444.78	2,567.02	2,695.37	2,830.14
166	2,342.91	2,460.06	2,583.06	2,712.22	2,847.83
167	2,357.56	2,475.44	2,599.21	2,729.17	2,865.63
168	2,372.29	2,490.91	2,615.45	2,746.22	2,883.54
169	2,387.12	2,506.48	2,631.80	2,763.39	2,901.56
170	2,402.05	2,522.15	2,648.26	2,780.67	2,919.70
171	2,417.06	2,537.91	2,664.81	2,798.05	2,937.95
172	2,432.17	2,553.77	2,681.46	2,815.54	2,956.31
173	2,447.37	2,569.74	2,698.23	2,833.14	2,974.80
174	2,462.66	2,585.79	2,715.08	2,850.84	2,993.38
175	2,478.05	2,601.95	2,732.05	2,868.65	3,012.08
176	2,493.53	2,618.21	2,749.12	2,886.58	3,030.90
177	2,509.12	2,634.57	2,766.30	2,904.61	3,049.85
178	2,524.80	2,651.04	2,783.59	2,922.77	3,068.91
179	2,540.57	2,667.60	2,800.98	2,941.03	3,088.08
180	2,556.45	2,684.27	2,818.49	2,959.41	3,107.38
181	2,572.42	2,701.04	2,836.10	2,977.90	3,126.80
182	2,588.49	2,717.92	2,853.82	2,996.51	3,146.33
183	2,604.68	2,734.91	2,871.66	3,015.24	3,166.00
184	2,620.96	2,752.01	2,889.61	3,034.09	3,185.79
185	2,637.34	2,769.20	2,907.66	3,053.05	3,205.70
186	2,653.83	2,786.52	2,925.84	3,072.14	3,225.74
187	2,670.42	2,803.94	2,944.13	3,091.34	3,245.91
188	2,687.10	2,821.46	2,962.53	3,110.66	3,266.19

AUTHORIZED POSITIONS - BI-WEEKLY SALARY RANGE

Effective with Pay Period beginning July 11, 2026

Board Approval on June ___, 2026

Schedule A to Resolution 2323 Proposed COLA **3.40%**

189	2,703.90	2,839.09	2,981.05	3,130.10	3,286.61
190	2,720.79	2,856.83	2,999.68	3,149.66	3,307.14
191	2,737.80	2,874.69	3,018.43	3,169.35	3,327.81
192	2,754.91	2,892.65	3,037.28	3,189.15	3,348.60
193	2,772.12	2,910.73	3,056.26	3,209.08	3,369.53
194	2,789.45	2,928.92	3,075.37	3,229.14	3,390.59
195	2,806.89	2,947.23	3,094.60	3,249.33	3,411.79
196	2,824.43	2,965.65	3,113.93	3,269.63	3,433.11
197	2,842.08	2,984.18	3,133.39	3,290.06	3,454.56
198	2,859.84	3,002.83	3,152.97	3,310.62	3,476.15
199	2,877.71	3,021.60	3,172.67	3,331.31	3,497.87
200	2,895.69	3,040.48	3,192.50	3,352.13	3,519.73
201	2,913.79	3,059.48	3,212.45	3,373.08	3,541.73
202	2,932.00	3,078.60	3,232.53	3,394.15	3,563.86
203	2,950.32	3,097.83	3,252.72	3,415.36	3,586.13
204	2,968.76	3,117.20	3,273.06	3,436.71	3,608.55
205	2,987.32	3,136.68	3,293.52	3,458.19	3,631.10
206	3,005.99	3,156.29	3,314.10	3,479.81	3,653.80
207	3,024.78	3,176.02	3,334.82	3,501.56	3,676.64
208	3,043.69	3,195.87	3,355.67	3,523.45	3,699.62
209	3,062.70	3,215.84	3,376.63	3,545.46	3,722.74
210	3,081.85	3,235.94	3,397.74	3,567.62	3,746.01
211	3,101.10	3,256.16	3,418.97	3,589.91	3,769.41
212	3,120.48	3,276.51	3,440.33	3,612.35	3,792.97
213	3,139.99	3,296.99	3,461.84	3,634.93	3,816.68
214	3,159.62	3,317.60	3,483.48	3,657.66	3,840.54
215	3,179.37	3,338.33	3,505.25	3,680.51	3,864.54
216	3,199.23	3,359.20	3,527.16	3,703.51	3,888.69
217	3,219.23	3,380.19	3,549.20	3,726.66	3,912.99
218	3,239.35	3,401.32	3,571.38	3,749.95	3,937.45
219	3,259.60	3,422.58	3,593.71	3,773.39	3,962.06
220	3,279.97	3,443.97	3,616.17	3,796.97	3,986.82
221	3,300.47	3,465.49	3,638.76	3,820.70	4,011.74
222	3,321.09	3,487.14	3,661.50	3,844.58	4,036.80
223	3,341.85	3,508.94	3,684.39	3,868.61	4,062.04
224	3,362.74	3,530.88	3,707.42	3,892.79	4,087.43
225	3,383.76	3,552.94	3,730.59	3,917.12	4,112.98
226	3,404.91	3,575.15	3,753.91	3,941.61	4,138.69
227	3,426.19	3,597.50	3,777.37	3,966.24	4,164.55
228	3,447.61	3,619.99	3,800.99	3,991.04	4,190.59
229	3,469.15	3,642.61	3,824.74	4,015.98	4,216.78
230	3,490.84	3,665.38	3,848.65	4,041.08	4,243.13
231	3,512.66	3,688.29	3,872.71	4,066.34	4,269.66
232	3,534.61	3,711.34	3,896.91	4,091.75	4,296.34
233	3,556.70	3,734.54	3,921.26	4,117.33	4,323.19
234	3,578.93	3,757.88	3,945.77	4,143.06	4,350.21

AUTHORIZED POSITIONS - BI-WEEKLY SALARY RANGE

Effective with Pay Period beginning July 11, 2026

Board Approval on June ___, 2026

Schedule A to Resolution 2323 Proposed COLA **3.40%**

235	3,601.30	3,781.36	3,970.43	4,168.95	4,377.40
236	3,623.81	3,805.00	3,995.25	4,195.01	4,404.76
237	3,646.45	3,828.78	4,020.22	4,221.23	4,432.29
238	3,669.24	3,852.70	4,045.34	4,247.61	4,459.99
239	3,692.17	3,876.78	4,070.62	4,274.15	4,487.85
240	3,715.25	3,901.01	4,096.06	4,300.87	4,515.91
241	3,738.47	3,925.39	4,121.66	4,327.75	4,544.13
242	3,761.83	3,949.92	4,147.42	4,354.79	4,572.53
243	3,785.34	3,974.61	4,173.34	4,382.01	4,601.11
244	3,809.00	3,999.45	4,199.42	4,409.39	4,629.86
245	3,832.80	4,024.44	4,225.67	4,436.95	4,658.80
246	3,856.76	4,049.60	4,252.08	4,464.69	4,687.92
247	3,880.86	4,074.91	4,278.65	4,492.59	4,717.21
248	3,905.12	4,100.37	4,305.39	4,520.66	4,746.70
249	3,929.53	4,126.00	4,332.30	4,548.92	4,776.36
250	3,954.09	4,151.79	4,359.38	4,577.35	4,806.22
251	3,978.80	4,177.74	4,386.63	4,605.96	4,836.26
252	4,003.67	4,203.85	4,414.04	4,634.75	4,866.48
253	4,028.69	4,230.12	4,441.63	4,663.71	4,896.90
254	4,053.87	4,256.56	4,469.39	4,692.86	4,927.50
255	4,079.21	4,283.17	4,497.33	4,722.19	4,958.30
256	4,104.70	4,309.94	4,525.44	4,751.71	4,989.29
257	4,130.35	4,336.87	4,553.72	4,781.40	5,020.47
258	4,156.17	4,363.98	4,582.18	4,811.29	5,051.85
259	4,182.14	4,391.25	4,610.81	4,841.35	5,083.42
260	4,208.28	4,418.70	4,639.63	4,871.61	5,115.19
261	4,234.59	4,446.32	4,668.63	4,902.06	5,147.17
262	4,261.05	4,474.10	4,697.80	4,932.70	5,179.33
263	4,287.67	4,502.06	4,727.16	4,963.52	5,211.70
264	4,314.47	4,530.19	4,756.70	4,994.54	5,244.27
265	4,341.43	4,558.50	4,786.43	5,025.75	5,277.04
266	4,368.56	4,586.99	4,816.34	5,057.16	5,310.01
267	4,395.86	4,615.65	4,846.44	5,088.76	5,343.20
268	4,423.34	4,644.51	4,876.73	5,120.57	5,376.60
269	4,450.99	4,673.54	4,907.21	5,152.57	5,410.20
270	4,478.80	4,702.74	4,937.88	5,184.77	5,444.01
271	4,506.80	4,732.14	4,968.74	5,217.18	5,478.04
272	4,534.96	4,761.71	4,999.79	5,249.78	5,512.27
273	4,563.30	4,791.47	5,031.04	5,282.59	5,546.72
274	4,591.83	4,821.42	5,062.49	5,315.62	5,581.40
275	4,620.52	4,851.55	5,094.13	5,348.83	5,616.28
276	4,649.40	4,881.87	5,125.96	5,382.26	5,651.37
277	4,678.46	4,912.38	5,158.00	5,415.90	5,686.69
278	4,707.69	4,943.08	5,190.23	5,449.75	5,722.23
279	4,737.11	4,973.97	5,222.67	5,483.80	5,757.99
280	4,766.72	5,005.05	5,255.30	5,518.07	5,793.97

AUTHORIZED POSITIONS - BI-WEEKLY SALARY RANGE

Effective with Pay Period beginning July 11, 2026

Board Approval on June ___, 2026

Schedule A to Resolution 2323 Proposed COLA **3.40%**

281	4,796.51	5,036.34	5,288.16	5,552.56	5,830.19
282	4,826.49	5,067.82	5,321.21	5,587.27	5,866.63
283	4,856.65	5,099.48	5,354.46	5,622.18	5,903.29
284	4,887.01	5,131.36	5,387.93	5,657.32	5,940.19
285	4,917.54	5,163.42	5,421.59	5,692.67	5,977.31
286	4,948.28	5,195.69	5,455.47	5,728.25	6,014.66
287	4,979.20	5,228.16	5,489.57	5,764.05	6,052.25
288	5,010.33	5,260.84	5,523.89	5,800.08	6,090.08
289	5,041.65	5,293.73	5,558.42	5,836.34	6,128.15
290	5,073.16	5,326.82	5,593.16	5,872.82	6,166.46
291	5,104.87	5,360.11	5,628.12	5,909.53	6,205.00
292	5,136.78	5,393.62	5,663.30	5,946.46	6,243.78
293	5,168.88	5,427.32	5,698.69	5,983.62	6,282.80
294	5,201.19	5,461.25	5,734.31	6,021.02	6,322.08
295	5,233.69	5,495.38	5,770.15	6,058.65	6,361.59
296	5,266.41	5,529.73	5,806.22	6,096.53	6,401.35
297	5,299.32	5,564.29	5,842.50	6,134.62	6,441.36
298	5,332.44	5,599.06	5,879.01	6,172.96	6,481.61
299	5,365.77	5,634.06	5,915.76	6,211.55	6,522.13
300	5,399.31	5,669.27	5,952.74	6,250.37	6,562.89
301	5,433.06	5,704.71	5,989.94	6,289.44	6,603.91
302	5,467.01	5,740.36	6,027.38	6,328.75	6,645.19
303	5,501.18	5,776.24	6,065.05	6,368.31	6,686.72
304	5,535.56	5,812.34	6,102.95	6,408.10	6,728.51
305	5,570.16	5,848.67	6,141.10	6,448.15	6,770.56
306	5,604.97	5,885.22	6,179.48	6,488.45	6,812.87
307	5,640.00	5,922.00	6,218.10	6,529.01	6,855.46
308	5,675.26	5,959.02	6,256.97	6,569.82	6,898.31
309	5,710.72	5,996.26	6,296.07	6,610.88	6,941.42
310	5,746.41	6,033.73	6,335.42	6,652.19	6,984.80
311	5,782.33	6,071.44	6,375.01	6,693.76	7,028.45
312	5,818.46	6,109.38	6,414.85	6,735.60	7,072.38
313	5,854.82	6,147.56	6,454.94	6,777.69	7,116.57
314	5,891.42	6,185.99	6,495.29	6,820.05	7,161.06
315	5,928.24	6,224.65	6,535.88	6,862.68	7,205.81
316	5,965.30	6,263.56	6,576.74	6,905.58	7,250.85
317	6,002.58	6,302.71	6,617.84	6,948.73	7,296.17
BMR	6,779.39	7,118.36	7,474.28	7,847.99	8,240.39
EMR	6,900.60	7,245.63	7,607.91	7,988.30	8,387.72
AGM	7,909.44	8,304.91	8,720.16	9,156.17	9,613.97
GM	N/A	N/A	N/A	N/A	13,230.77

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-iv**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

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

RECOMMENDATION:

That the Board of Directors adopt Resolution 2324, adopting a Schedule of Miscellaneous Fees and Charges for Fiscal Year 2027 which applies to specific services provided by the District.

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 was provided in 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:

_____
Brian Goebel, Board President

ATTEST:

_____
Nick Turner, Secretary

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Exhibit A 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**

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-v**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

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

RECOMMENDATION:

That the Board of Directors adopt 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 Fees and Connection Fees would become effective as of July 1, 2026.

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.

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:

Meter Size	Connection Fee	Capital Cost Recovery Fee
3/4"	$11,645	$23,808
1"	$11,720	$40,920
1.5"	$13,804	$74,400
2"	$15,242	$119,040
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.

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

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

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-vi**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER / BUSINESS MANAGER**

SUBJECT: **RESOLUTION NO. 2326 ADOPTING A FIXED ASSET DISPOSAL POLICY FOR FISCAL YEAR 2027**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2326 adopting a Fixed Asset Disposal Policy for Fiscal Year 2027.

DISCUSSION:

It is the District's responsibility to accurately account for, safeguard, and properly dispose of assets purchased with public funds. As an asset reaches the end of its useful life and/or it is determined that an asset such as a vehicle or large equipment no longer meets the needs of daily, emergency and/or future operations, it is the policy of the District to make such a determination and to dispose of the property in a manner that returns the appropriate value of that property to the District and its customers.

District management recommends that the Board of Directors consider adopting an updated policy concerning the disposal of fixed assets that encourages obtaining appropriate value during the disposal of publicly purchased assets. Attached is draft Resolution No. 2326, a Fixed Asset Disposal Policy for Fiscal Year 2027.

ATTACHMENT:

1. Proposed Resolution No. 2326 Adopting a Fixed Asset Disposal Policy for Fiscal Year 2027

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RESOLUTION NO. 2326

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ADOPTING A FIXED ASSET DISPOSAL POLICY FOR FISCAL YEAR 2027

WHEREAS, the Montecito Water District ("District") is a County Water District organized and existing under and by virtue of Water Code §§30000 – 33901; and

WHEREAS, the District continually acquires, maintains, and replaces assets including infrastructure, equipment, and appurtenances necessary to carry out its mission to supply safe and reliable high-quality water to the communities of Montecito and Summerland; and

WHEREAS, it is the District's responsibility to accurately account for, safeguard, and properly dispose of assets purchased with public funds; and

WHEREAS, the District's Capitalization Policy provides guidance for the capitalization and depreciation of capital assets including the estimated useful life of each in accordance with the requirements of Governmental Accounting Standard Board (GASB) Statement 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments; and

WHEREAS, as an asset reaches the end of its useful life and/or it is determined that an asset, such as a vehicle or large equipment no longer meets the needs of daily, emergency and/or future operations, it is the policy of the District Board of Directors to make such a determination and to dispose of the asset in a manner that returns the appropriate value of that property to the District and its customers; and

WHEREAS, the District wishes to adopt a policy annually regarding determinations related to the disposal of publicly purchased assets and obtaining appropriate value for those publicly purchased assets at the time of disposal;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Montecito Water District that the Fixed Asset Disposal Policy as documented in "Attachment A", attached hereto and incorporated herein by this reference, is hereby approved as the Fixed Asset Disposal Policy for the District for Fiscal Year 2027.

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, Secretary

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ATTACHMENT "A"
TO
RESOLUTION NO. 2326
FIXED ASSET DISPOSAL POLICY

The primary purpose of this policy is to allow management staff to determine if Montecito Water District vehicles, large equipment and other personal property no longer meet the needs of daily, emergency and/or future operations. It is the policy of the Board of Directors of the District to dispose of Surplus Personal Property purchased with public funds in a manner that returns the value of that property for the benefit of rate payers in a way that is simple to administer. The disposal of surplus personal property shall be handled according to this policy.

1. **Determination of Surplus Personal Property**

   The term "Surplus Personal Property" shall mean any vehicles, large equipment and other personal property owned by the District that no longer has a business purpose but is still usable. The General Manager has the authority to deem property Surplus Personal Property.

2. **Prohibited Director, Officer, and Employee Transactions**

   In accordance with Government Code Section 1090, all members of the District Board of Directors and District employees are prohibited from purchasing Surplus Personal Property.

3. **Disposal of Vehicles, Large Equipment and other Surplus Personal Property**

   a. At least once each fiscal year, the District General Manager will prepare a list of District vehicles, equipment and other personal property that are deemed Surplus Personal Property based on age, mileage and cost effectiveness to keep the asset in service.

   b. At the discretion of the General Manager, District staff will provide assistance in establishing values and setting minimum bid prices for each vehicle or item of large equipment to be sold by public auction. If , during the process of establishing value for a vehicle or piece of large equipment, it is determined that the particular vehicle or equipment has nominal or no value, or the costs of preparation for sale and sale are greater than the value of the vehicle or equipment, then the General Manager is authorized to dispose of the property, in their discretion.

   c. The General Manager may authorize the sale of Surplus Personal Property with an estimated value of $10,000 or less. Surplus Personal Property with an estimated value greater than $10,000 will be sold as surplus following authorization by the Board of Directors at a public meeting.

   d. Vehicles or large equipment are to be sold at public auction.

4. **Guidelines Concerning the Sale of Surplus Vehicles, Large Equipment, and Other Personal Equipment**

   Prior to the sale of surplus vehicles or large equipment, the District General Manager will perform and/or designate staff to assist in performing the following:

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a. Remove all District equipment from the vehicle or large equipment (radio, decals, etc.).

b. Clean and if necessary, repair the vehicle or large equipment if it presents an immediate safety issue.

c. Establish vehicle or large equipment value using an appropriate, publicly available valuation tool such as trade in value. If such a valuation tool is unavailable, use the closest approximation possible. Staff will prepare a written report concerning the valuation of the item and retain appropriate documentation.

d. Arrange for the delivery and consignment of the item and in consultation with an auctioneer, determine an appropriate reserve or minimum price for the item.

e. When the vehicle or large equipment is sold, the General Manager or their designee will sign the "pink slip", bill of sale and any other documents required to complete the sale.

f. After the vehicle or large equipment is sold, the General Manager or their designee will complete paperwork as required by DMV to report the sale of the vehicle or large equipment and return all completed forms and vehicle license plates to DMV.

All Surplus Personal Property offered for sale shall be "as is" and "where is", with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability of the property offered for sale.

For Surplus Personal Property not sold, the General Manager has the authority to donate such items to another government agency or any non-discriminatory, tax-exempt non-profit organization qualified under Internal Revenue Code section 501(c)(3).

5. **Revenue from Disposal of Surplus Personal Property**

Revenue from the sale or trade-in of Surplus Personal Property shall be returned to the District's operating reserves unless otherwise specified by the Board of Directors. All sales shall be paid to the District by certified check, money order, or in any other manner agreeable to, and authorized by, the General Manager. The General Manager is authorized to sign bills of sale and any other documents evidencing the transfer of title to such Surplus Personal Property by and on behalf of the District.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-vii**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **RESOLUTION NO. 2327 ADOPTING A RESERVE POLICY FOR FISCAL YEAR 2027**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2327, a Reserve Policy for Fiscal Year (FY) 2027.

DISCUSSION:

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Fiscal responsibility also requires anticipating the likelihood of, and preparing for, unforeseen events.

In June 2017, the Board of Directors adopted Resolution 2155 establishing a Reserve Policy ("Policy"). The Policy was most recently updated by the Board in June 2025 via Resolution 2305. The Policy documents the District's existing restricted reserves and establishes certain unrestricted reserves, including Board Committed and Board Assigned Funds. The Policy also describes how and why specific reserves are established and maintained by the District and provides the District's customers with assurance that reserve balances will be maintained at prudent and fiscally responsible levels. The District records reserve funds in its financial statements in accordance with contractual obligations.

The Policy states that the reserves and the corresponding reserve levels will be reviewed and updated annually in accordance with the District's projected activities. Based on the projected FY 2027 activities and the recommendation in the District's 2024 Water Rate Study, the following are its proposed Reserves for FY 2027:

- **Restricted Reserves**:
    - CCWA Rate Coverage Reserve $1,115,000
    - WSA Debt Service Coverage Deposit $481,580
    - WSA Debt Service Reserve Deposit $1,629,962
    - Thomas Fire/Debris Flow CalOES/FEMA Holdback $136,625

- **Unrestricted Reserves**:

  Board Committed Funds

  - Rate Stabilization Fund — Minimum: $2,300,000
  - Operating Reserve — Minimum: $3,800,000
  - Capital and Emergency Reserve — Minimum: $500,000
  - SWP Prefunding Reserve (total budgeted fixed payment) — $4,651,015

Attached is proposed Resolution No. 2327, a resolution of the Board adopting a Reserve Policy for FY 2027 that incorporates the proposed reserves discussed above. The Business Manager will continue to monitor the activity in all reserve accounts monthly and report to the Board that activity in the unaudited monthly financial statements.

ATTACHMENT:

1. Proposed Resolution No. 2327 Adopting a Reserve Policy for Fiscal Year 2027

RESOLUTION NO. 2327

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ADOPTING A RESERVE POLICY FOR FISCAL YEAR 2027

WHEREAS, the mission of Montecito Water District ("District") is to provide an adequate and reliable supply of high-quality water to the residents of the Montecito and Summerland communities at the most reasonable cost; and

WHEREAS, California Water Code Section 31000 grants the District express and implied powers to carry out its mission; and

WHEREAS, California Water Code Section 31001 authorizes the District generally to perform all acts necessary to carry out its mission; and

WHEREAS, California Water Code Section 31007 requires that rates and charges be collected and fixed so as to yield an amount sufficient to: pay operating expenses; provide for repairs and depreciation of works owned or operated by the District; pay interest on bonded debt; and provide a fund for the payment of the principal of bonded debt as it becomes due; and

WHEREAS, the adoption of an updated reserve policy will assist the District in accomplishing its general mission, and fulfilling the requirements of the Water Code;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Montecito Water District hereby adopts the "Montecito Water District Reserve Policy" for Fiscal Year 2027 that is attached to this Resolution as Exhibit "A" and incorporated herein by this reference.

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

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Brian Goebel, Board President

ATTEST:

_____
Nicholas Turner, Secretary

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Exhibit "A"
To Resolution No. 2327

MONTECITO WATER DISTRICT
RESERVE POLICY

For
Fiscal Year 2027

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Adopted by the
Board of Directors
June ____, 2026

Montecito Water District

STATEMENT OF RESERVE POLICY

The mission of Montecito Water District is to provide an adequate and reliable supply of high-quality water to the residents of the Montecito and Summerland communities at the most reasonable cost. In addition to supplying high-quality water, the Board is also charged with responsibility for the construction, operation, maintenance, repair, and replacement of facilities to transport and deliver that water to District customers, and for the collection and accumulation of revenues necessary to accomplish these purposes. The reserve amounts stated in this Reserve Policy ("Reserve Policy") reflect the projected activity as of July 1, 2026, for FY 2027 and will be updated annually or as appropriate.

POLICY STATEMENT

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. Montecito Water District (District) desires to identify, and provide a calculation methodology to maintain, an appropriate level of reserve funds to meet the necessary existing and future needs of the District. The District's Board of Directors realize the importance of reserves in providing reliable service to its customers, financing unanticipated capital projects, and funding responses to emergencies, should they arise. To this extent, the District will at all times strive to have sufficient funding available to meet its operating, unanticipated capital, emergency, and debt service obligations, as well as to avoid significant rate fluctuations due to changes in cash flow requirements.

The Board will designate specific reserve funds and maintain minimum reserve balances consistent with statutory obligations that it has determined to be in the best interest of the District. The policy directives outlined in this Reserve Policy are intended to ensure that the District has sufficient funds to meet current and future needs. The Board reviews the types, as well as the amounts, of reserve funds annually. Determinations to continue existing reserve funds, discontinue existing reserve funds, or establish new reserve funds, are based on the following criteria:

- Purpose of the reserve.
- Availability and source of funds to continue, replenish or establish the reserve.
- Operating expenditure levels approved within the annual budget process.
- Future capital expenditure and debt service requirements of the District.
- Board approval of the Reserve Policy.

The District recognizes the importance of operating the District with a sound business plan in place that provides for unanticipated, or emergency costs should they arise within a budgeted fiscal year.

It is the Board's intent through this Reserve Policy to describe how and why specific reserves are established and maintained by the District, and to provide the District's customers with assurance that reserve balances will be maintained at prudent and fiscally responsible levels.

DEFINITIONS

This Reserve Policy describes the reserve funds to be maintained in connection with:

I. RESTRICTED FUNDS: Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use. These funds are specifically governed by a written contract with the District or outlined within the debt covenants of a debt financing.

II. UNRESTRICTED FUNDS: These funds have no externally imposed use restrictions. The use of Unrestricted Funds is at the discretion of the District's Board of Directors. Unrestricted Funds may be designated for a specific purpose, which would be determined by the Board. The Board also has the authority to redirect the use of these funds as the District's needs change.

The Unrestricted funds can further be subdivided into "Committed", "Assigned" and "Unassigned" funds. Committed funds refer to the fund balance amounts that have constraints imposed by formal action of the District's Board of Directors. Once adopted, the limitation imposed remains in effect until additional action is taken (a motion and/or the adoption of a new resolution) to remove or reverse the limitation. Assigned funds refer to fund balance amounts that are constrained by the Board's intent to be used for a specific purpose but are neither restricted nor committed. Unassigned funds refer to fund balances that are not Restricted, Committed, or Assigned.

To summarize:

- **Restricted Fund Balance Amounts** – Restrictions on the use of these funds are imposed by an outside source such as creditors, grantors, contributors, laws, or regulations governing use.
- **Board Committed Fund Balance Amounts** - Fund balance amounts that have constraints imposed by formal action of the District's Board of Directors.
- **Board Assigned Fund Balance Amounts** – Fund balance amounts that are constrained by the Board's intent to be used for a specific purpose.
- **Unassigned Fund Balance Amounts** – Fund balance that is not restricted, committed, nor assigned.

GENERAL PROVISIONS

The District will maintain its operating and capital funds in designated accounts in a manner that ensures its financial soundness and provides transparency to its customers. The fund balances are

considered the minimum necessary to maintain the District's fiscal strength and flexibility and adequately provide for:

- Compliance with applicable statutory requirements.
- Financing of unanticipated or unplanned capital projects.
- Cash flow requirements.
- Economic uncertainties and other financial hardships or downturns in the economy.
- Contingencies arising from hydrological, meteorological, or man-made changes or emergencies.

Through a variety of policy documents and plans, the Board of Directors has set forth a number of long-term goals for the District. The fundamental purpose of the District's policy documents and plans is to link what must be accomplished with the necessary resources to successfully do so. The Board will continually evaluate the implementation of these policy documents and plans to ascertain adequate reserve fund balances are meeting the goals outlined in this Reserve Policy.

The District has established and will maintain the reserve funds outlined in the following sections. A principal tenet of the District's Reserve Policy shall be the generation of interest income on accumulated cash balances. Unless otherwise stated in this Reserve Policy, interest derived from reserve balances will be considered unrestricted and unassigned in nature. Reserve balances will be reviewed by the General Manager and/or Business Manager on a monthly basis, as well as annually during the budget review process, in order to determine how reserve fund balances compare with the budgeted projections and how they measure against the goals outlined in this Reserve Policy. The minimum established for each reserve fund represents the baseline financial condition that is acceptable to the District from risk and long-range financial planning perspectives. Maintaining reserve funds at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various funding alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to rates, loans and grants, debt financing, investment of funds, and levels of capital expenditures.

The Board shall approve any reallocation of funds or any transfers among reserve funds.

SPECIFIC PROVISIONS

The District maintains the following reserve funds and respective target levels:

1. **Restricted Reserves**

   (a) CCWA Rate Coverage Reserve.

   These are reserve funds held by CCWA that approximate 25% of the annual charge by CCWA to the District for the fixed and variable charges from the State Water Project, in addition to the proportionate share of CCWA's administrative costs. The CCWA Rate Coverage Reserve is established in the amount of **$1,115,000**.

(b) WSA Debt Service Coverage Deposit.

These reserve funds held by the City of Santa Barbara represent an amount equal to the District's portion of the City's debt service coverage deposit required pursuant to the City's State Revolving Fund loan for the desalination plant. The WSA Debt Service Coverage Deposit is in the amount of **$481,580**.

(c) WSA Debt Service Reserve Deposit.

These reserve funds held by the City of Santa Barbara represent the District's portion of the debt service reserve deposit required pursuant to the City's State revolving fund loan for the desalination plant. The WSA Debt Service Reserve Deposit at the end of FY2025 is in the amount of **$1,629,962**.

(d) Thomas Fire/Debris Flow CalOES/FEMA Reserve.

Pursuant to the settlement between the District and Southern California Edison in connection with damages caused by the 2017 Thomas Fire, a portion of the settlement (referred to as "holdback funds") was held in escrow until reconciliation of project funding was complete. The reconciliation determined **$136,625** is due back to CalOES. These funds will remain in reserve until their return is requested by CalOES/FEMA.

2. Unrestricted Reserves

Board Committed Funds

The District's Board Committed Funds consist of a Rate Stabilization Fund, Operating Reserve, Capital and Emergency Reserve, and SWP Prefunding Reserve. The District's Board Committed Funds, excluding the SWP Prefunding Reserve, consist of a minimum balance equivalent to 90 days cash on hand and a targeted balance range of 160 - 200 days cash on hand. Funds appropriated to the Board Committed Funds may be invested in the same manner as other District funds, and the earnings thereon shall be credited to the Unrestricted Fund balance.

(a) Rate Stabilization Fund. **Minimum: $2,300,000**

The Rate Stabilization Fund is comprised of cash reserves that can mitigate the impacts of operational, debt service and capital expenditure fluctuations year over year. Reserves can be transferred out of the Rate Stabilization Fund and used to help meet debt service coverage requirements. Rate Stabilization Funds can help smooth revenue variability and ensure adequate fiscal resources during periods that might otherwise require rate increases. The minimum fund balance represents 30 days cash on hand, or approximately 8 percent of the District's annual operating costs plus debt service payments. The target fund balance is 55 days, or approximately 15 percent of the District's annual operating costs plus debt service payments.

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The District may withdraw all or a portion of these funds and transfer such amounts to be accounted for as revenues in the calculation of debt service coverage. Any transfers in or out of the Rate Stabilization Fund shall be in accordance with the District's legal requirements and accounted for appropriately. All retained earnings from water rates not allocated to any other funds may be placed in the Rate Stabilization Fund, subject to the transfer mechanics outlined herewith pursuant to the District's legal requirements.

(b) Operating Reserve. Minimum: $3,800,000

The Operating Reserve may be utilized to pay the cost of operating the District's system, including unanticipated costs associated with operations and to meet routine cash flow needs. This minimum fund balance represents 50-60 days cash on hand, or approximately 14 - 16 percent of the District's annual operating costs plus debt service payments and the target fund balance is 75 days, or approximately 20 percent of the District's annual operating costs plus debt service payments.

The District may withdraw all or a portion of these funds to pay operating expenses, but such amounts are not accounted for as revenues and not included in the calculation of debt service coverage.

(c) Capital and Emergency Reserve. Minimum: $500,000

The Capital and Emergency Reserve is comprised of reserves used for the funding of new capital assets or the replacement of capital assets when they reach the end of their useful life and in the event of an emergency in which the District's infrastructure is severely damaged. The District may use the funds herein for either capital or emergency purposes. This minimum fund balance represents $500,000 to cover emergency needs. The targeted balance represents the planned pay-go capital costs plus $500,000 emergency funds. The District plans to use funds in this reserve on planned capital projects throughout the year pursuant to the Budget.

(d) SWP Prefunding Reserve. $4,651,015

The State Water Project (SWP) Prefunding Reserve is used to fund the District's annual SWP fixed payment. The reserve is funded through current rates and funds the subsequent fiscal years SWP payment. The SWP payment is for the District's proportionate share of Central Coast Water Authority's SWP fixed payments, which includes California Department of Water Resources fixed payments. The District's SWP fixed payment for FY2026, as budgeted is $4,280,974 and the monthly SWP prefunding amount is $356,747.

Board Assigned Funds

No Board Assigned Funds are established for FY 2027.

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Board Unassigned Funds

The Board desires to allocate retained earnings not allocated to any other fund, i.e., unassigned funds, to the Operating Reserve and to maintain a Board Unassigned Funds balance of $0.

3. **Additional Reserves**

In addition to the reserves identified above, the Board may approve the creation of such additional reserve accounts and/or funds, whether temporary or permanent, as the Board deems necessary or appropriate, by amendment to this resolution or by simple motion. In such event, the Board will identify the purposes for which such additional reserve accounts and/or funds are created, provide guidance as to the amount which the District should endeavor to maintain in such reserve accounts and/or funds, and establish the limits and restrictions pertaining thereto.

ANNUAL REPORTS

Each year the District's General Manager or Business Manager shall provide the Board of Directors with a report indicating the beginning and ending balance for each of the Restricted and Unrestricted Reserves, or accounts created pursuant to this Reserve Policy, and the purposes for which expenditures have been made therefrom and shall make recommendations to replenish or augment fund or account balances as appropriate.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-viii**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER / BUSINESS MANAGER**

SUBJECT: **RESOLUTION NO. 2328 ADOPTING A DEBT MANAGEMENT POLICY FOR FISCAL YEAR 2027**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2328 adopting a Debt Management Policy for Fiscal Year 2027.

DISCUSSION:

Government Code §§8855 – 8859 establish the California Debt and Advisory Commission. The Commission was created to collect, maintain, and provide comprehensive information on all state and local debt authorization and issuance, and to serve as a statistical clearinghouse for all state and local authorized and issued debt.

Government Code §8855 includes a Debt Management Policy requirement, under which the District must have a Debt Management Policy in place before issuing debt and establishes the elements that must be included in a Debt Management Policy. The elements are as follows:

1. The purposes for which the debt proceeds may be used.
2. The types of debt that may be issued.
3. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
4. Policy goals related to the issuer's planning goals and objectives.
5. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

On February 26, 2019, the Board of Directors adopted a Debt Management Policy, setting forth parameters within which debt may be issued and administered by the District. Each of the elements listed above are included in the adopted Debt Management Policy. The policy also includes a provision for review, updates and/or revisions to the policy as may be required.

District staff recommends updating the District's Debt Management Policy by resolution on an annual basis, at the same time as other annual budget resolutions. Attached is proposed Resolution No. 2328, a proposed Debt Management Policy for Fiscal Year 2027.

This proposed Resolution and Debt Management Policy has been reviewed by Legal Counsel.

ATTACHMENT:

1. Proposed Resolution No. 2328 Adopting a Debt Management Policy for Fiscal Year 2027

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RESOLUTION NO. 2328

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ADOPTING A DEBT MANAGEMENT POLICY FOR FISCAL YEAR 2027

WHEREAS, the Montecito Water District ("District") is a County Water District organized and existing under and by virtue of Water Code §§30000 – 33901; and

WHEREAS, the Montecito Water District ("District") has outstanding debt and may issue additional debt in the future; and

WHEREAS, the District is committed to prudent financial management, systematic capital planning, and long-term financial planning; and

WHEREAS, Government Code §8855 requires the District to have a Debt Management Policy before issuing debt, and establishes the elements that must be included in a Debt Management Policy; and

WHEREAS, on February 26, 2019, the Board of Directors adopted a Debt Management Policy, setting forth parameters within which debt may be issued and administered by the District; and

WHEREAS, the Board of Directors last adopted an updated Debt Management Policy in June 2025; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Montecito Water District that the Debt Management Policy as documented in "Exhibit A", attached hereto and incorporated herein, is hereby approved as the Debt Management Policy for the District for Fiscal Year 2027.

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, President

ATTEST:

_____
Nicholas Turner, Board Secretary

DRAFT

ATTACHMENT "A"
TO
RESOLUTION NO. 2328
DEBT MANAGEMENT POLICY FOR THE FISCAL YEAR 2027

Purpose and Scope

This Debt Management Policy ("Debt Policy") establishes the parameters within which debt may be issued and administered by the Montecito Water District (the "District"). This Debt Policy shall also apply to the Montecito Water District Financing Corporation.

This Debt Policy is intended to comply with Government Code Section 8855(i) and shall govern debt undertaken by the District.

The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to: changes in future revenue levels; construction, maintenance, and operating expenses; and the fluctuating cost of water supplies necessary to ensure effective accomplishment of the District's mission.
- Protect the District's credit-worthiness.
- Ensure that debt is structured and implemented in order to protect both current and future District customers.
- Ensure that the District's debt is consistent with its planning goals and objectives and the District's mission, projects and/or budget, as applicable.

Purposes for Which Debt May Be Issued

1. Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and improvement of facilities, equipment, land, and property (including water supplies) to be owned and/or operated by the District.

   1.1 Long-term debt financings are appropriate when the following conditions exist:

   - When the action to be financed is necessary and useful to the District's purpose.
   - When the action to be financed will provide benefit to District customers over multiple years.
   - When total debt does not constitute an unreasonable burden to the District's customers.
   - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

   1.2 Long-term debt financing will not generally be considered appropriate for current operating expenses and annual routine maintenance expenses.

1.3 The District may use long-term debt financings subject to the following conditions:

- Any project for the construction, or improvement of facilities or equipment to be financed must be included in the Capital Improvement Plan program and approved by the District Board of Directors after reserves and cash flow have been discussed before incurring long-term debt.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with applicable state and federal laws.
- The District, following consultation with its Municipal Advisor, shall determine the appropriate sale method regarding the issuance of debt (competitive vs. negotiated sales).
- The District determines that the issuance of variable rate debt shall not exceed 30% of the total principal amount of all debt outstanding. Prior to the issuance of variable rate debt, the savings and other possible advantages and disadvantages compared to a fixed rate borrowing shall be evaluated and a comparative analysis presented to the Board of Directors following consultation with its Municipal Advisor.

2. Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance and other purposes as permitted by California law. Short term debt may also be used to finance short-lived capital, or water acquisition projects, or to provide interim financing for long-lived projects.

Types of Debt

The following types of debt are allowable under this Debt Policy:

- Bond or grant anticipation notes (BANs);
- Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions;
- Other revenue bonds such as JPA bonds and refunding revenue bonds;
- Installment purchase agreements as allowed by law;
- State Water Resources Control Board Loans and other government sponsored loans;
- Short-term notes authorized by the Water Code or other interim financing vehicles such as lines of credit or commercial paper;
- Private placements or direct loans.

The District Board may from time to time find that other forms of debt would be beneficial to

further its public purposes and may approve such debt through an action of the District's Board without an amendment of this Debt Policy.

Relationship of Debt to Capital Improvements and Budget

The District is committed to long-term planning. The District intends to issue debt for the purposes stated in this Debt Policy, and to implement policy decisions regarding capital improvements, and acquisitions of land and water, that are necessary and useful to the successful operation of the District.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues, including the collection of assessments from District customers. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment.

Policy Goals Related to Planning Goals and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the annual budget.

It is a policy goal of the District to utilize conservative financing methods and techniques so as to obtain the highest practical credit ratings and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related assessments, rates and charges.

The Business Manager and/or General Manager will periodically review existing District debt to identify refinancing opportunities. Refinancing will be considered by the Board if and when there is a net benefit of refinancing. The District shall target a 3% net present value savings for current refundings and a minimum of 5% net present value savings for advance refunding transactions. Non-economic refinancing may be considered to achieve the District's goals relating to changes in covenants, call provisions, operational flexibility, tax status, or the District's debt service profile. Tax-exempt advance refundings (i.e., refunding bonds issued prior to 90 days before the call date) are prohibited under current tax law and the District will not pursue tax-exempt advance refundings unless there is a change to current law. Nothing in this paragraph precludes the District from pursuing advance refundings through the issuance of taxable debt.

State Reporting Requirements

Pursuant to Government Code section 8855(k), the District will submit annual debt transparency reports for any debt issued on or after January 1, 2017, every year until the later date on which the debt is no longer outstanding and the proceeds have been fully spent by no later than January 31 each year.

The District should issue tax-exempt debt, which provides the lowest interest rates, unless it determines that taxable debt is legally necessary to meet the District's financial needs or objectives. Prior to approving the issuance of any debt, the District shall comply with Government Code Section 5852.1 by disclosing specified good faith estimates in a public meeting prior to the authorization of the issuance of bonds.

Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable laws and policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Without limiting the foregoing, the District will periodically review the requirements of, and will remain in compliance with, the following:

- Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12.
- Any federal tax compliance requirements, including, without limitation, arbitrage, and rebate compliance. Tax-exempt bonds will not be issued unless it can be demonstrated that 85% of the proceeds can reasonably be expected to be expended within the three-year temporary period.
- Investment policies as they relate to the use and investment of bond proceeds.
- Arbitrage rebate liability and yield restrictions. Investment earnings in excess of the allowable Arbitrage Yield Limit must be refunded to the federal government within certain time periods identified by the Internal Revenue Service.

The District can contract with a qualified third-party for preparation of any continuing disclosure compliance or arbitrage rebate requirements.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the Business Manager and/or General Manager, or the written designee of same; or (b) by the District, to be held and accounted for in a separate fund, general account or project account, the expenditure of which will be carefully documented by the District.

On an as needed basis, the Business Manager and/or General Manager will be responsible for reviewing and updating and/or revising this Policy which shall be reviewed at a Board meeting and adopted by the Board of Directors.

The District's Board may waive any requirements of this Debt Policy upon the recommendation of the General Manager or Business Manager after consultation with its Bond Counsel and its Municipal Advisor.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-ix**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER / BUSINESS MANAGER**

SUBJECT: **RESOLUTION NO. 2329 ADOPTING A CAPITALIZATION POLICY FOR FISCAL YEAR 2027**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2329 adopting a Capitalization Policy for Fiscal Year (FY) 2027.

DISCUSSION:

A capitalization policy provides guidance for the capitalization and depreciation of capital assets in accordance with the requirements of the Governmental Accounting Standard Board (GASB) *Statement 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. A capitalization policy includes capital asset descriptions, capitalization threshold levels, estimated useful lives, methods of depreciation, and the procedures to be used in effectively identifying, recording, and reporting capital assets.

The District's auditor recommends, and staff desire to implement, the attached resolution and uniform policy with respect to the acquisition, capitalization, management, and disposition of capital expenditures and other capital assets. The policy will be of assistance in the preparation of financial documents, and to ensure that those documents comply with applicable state and/or federal requirements.

Attached is Resolution No. 2329 which includes, as Attachment A, a proposed Capitalization Policy. This draft policy has been reviewed by the District's auditor and legal counsel, and all comments have been incorporated.

ATTACHMENT:

1. Proposed Resolution No. 2329 Adopting a Capitalization Policy for Fiscal Year 2027

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RESOLUTION NO. 2329

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ADOPTING A CAPITALIZATION POLICY FOR FISCAL YEAR 2027**

WHEREAS, the Montecito Water District ("District") is a County Water District organized and existing under and by virtue of Water Code §§30000 – 33901; and

WHEREAS, for over a century the District has acquired, maintained, and replaced assets including infrastructure, equipment, and appurtenances necessary to carry out its mission to supply safe and reliable high-quality water to the communities of Montecito and Summerland; and

WHEREAS, to effectively manage District finances, these assets are expensed, or capitalized and depreciated, based on useful life of the assets and recorded accordingly in District financial statements; and

WHEREAS, a capitalization policy provides guidance for the capitalization and depreciation of capital assets in accordance with the requirements of Governmental Accounting Standard Board (GASB) *Statement 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; and

WHEREAS, a capitalization policy includes capital asset descriptions, capitalization threshold levels, estimated useful lives, methods of depreciation, and the procedures to be used in effectively identifying, recording, and reporting capital assets; and

WHEREAS, the District desires to follow a uniform policy with respect to the acquisition, capitalization, management, and disposition of capital expenditures and other capital assets for financial statement purposes and for compliance with applicable state and/or federal requirements;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Montecito Water District that the Capitalization Policy as documented in Attachment A, attached hereto and incorporated herein by this reference, is hereby approved as the Capitalization Policy for the District for Fiscal Year 2027.

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, Secretary

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ATTACHMENT "A"
TO
RESOLUTION NO. 2329
CAPITALIZATION POLICY FOR FISCAL YEAR 2027

A. Purpose of the Policy

The purpose of this Capitalization Policy ("Policy") is to establish guidelines in identifying, capitalizing, depreciating, and accounting for the District's Capital Assets.

B. General Definitions

A Capital Asset is defined under this Policy as an asset owned by the District that 1) is acquired for use in District operations, 2) possesses physical substance, and 3) is long-term in nature (i.e., useful life exceeds 2 years), and 4) is subject to depreciation.

Specific Capital Asset Definitions

Specific capital assets are defined as follows:

1. *Land* – The investment in real estate other than buildings and building improvements. This asset does not depreciate.
2. *Buildings* – Physical property of a permanent nature.
3. *Building Improvements* – Physical property of a permanent nature that is not a physical building, such as fences, retaining walls, asphalt paving, concrete paving, fences, sidewalks, tunnels and manholes.
4. *Equipment* – moveable property of a relatively permanent nature with a significant value. "Significant value" is defined as a cost of $10,000 or more. "Relatively permanent" is defined as a useful life that exceeds two years.
5. *Vehicles* – must be relatively permanent and have a significant value.
6. *Infrastructure*– Construction on street, road, site improvements, and water storage and/or delivery projects of a permanent nature.
7. *Maintenance and Alterations* – Expenditures which neither materially add to the value of the property nor appreciably prolong its life, but merely keep it in an ordinary, efficient operating condition. Maintenance and Alteration costs are not capitalized.
8. *Capitalized Expenditures (Betterments)* – Expenditures which materially add to the value of the property or appreciably extend its life. This amount should be added to the current book value of the asset where the original cost of a component being improved can be specifically identified. If a component is being replaced, the cost of the old component should be disposed of and the new cost capitalized. Capitalized expenditures are on occasion referred to as betterments.
9. *Controlled Equipment* – Items which by their value, nature, and variety of uses should be specifically accounted for and inventoried periodically. Examples of such items include

cameras, calculators, small office equipment, furniture, and small tools or construction equipment. As a general rule, these are items with an individual cost of less than $10,000.

C. Statement of the Policy

It is the policy of the District that the following types of assets will be considered Capital Assets of the District:

1. Land
2. Land improvements with a limited life, such as driveways, walks, fences, landscaping, and parking lots
3. Buildings
4. Building improvements, such as HVAC equipment, remodeling costs, and landscaping
5. Hydrants, PRV stations, valves, and similar facilities
6. Transmission & distribution pipelines
7. Treatment facilities
8. Storage facilities, such as reservoirs
9. Pumps and wells
10. Water meters
11. Machinery and equipment, such as generators, compressors, jackhammers, tools, trimmers, etc.
12. Fleet equipment, such as cars, trucks, trailers, and backhoes
13. Office equipment, such as furniture and fixtures
14. Computer systems, purchased software, and phones
15. Planning documents, system modeling reports, and other documents directly related to capital improvements

D. Capitalization Thresholds

Capital Assets eligible for capitalization must have an estimated life of at least two years. The following capitalization thresholds shall be followed, and such criteria shall be applied to individual assets and not to groups of individual assets.

1. Land – All acquisition costs
2. Office Equipment - $10,000
3. Field Equipment - $10,000
4. Infrastructure - $10,000
5. Buildings & Building Improvements - $10,000

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E. Valuation Of Capital Asset

The actual cost of acquiring capital assets is recorded on the financial statements. Therefore, assets are reported at historical cost in accordance with generally accepted accounting principles (GAAP). The value assigned to Capital Assets shall be determined as follows:

1. **Purchased Capital Assets**

   The capitalized value of purchased Capital Assets shall be determined using the historical cost of the asset. Specific costs eligible for capitalization are identified under Section F below. If the historical cost of an asset is not available or cannot be reasonably determined, an estimated cost may be utilized based upon the best available information.

2. **Self-Constructed Capital Assets**

   Only self-constructed water system infrastructure assets intended to be used in District operations are eligible for capitalization. The capitalized value of such self-constructed assets shall be determined using only direct costs associated with the construction up until the time the asset is complete and the infrastructure is ready for its intended use.

3. **Donated Capital Assets**

   The capitalized value of donated assets shall be determined using the acquisition value at the time of donation. If the acquisition value of the asset is not available or cannot be reasonably determined, an estimated cost may be determined using the best available information. The value of donated intangible assets shall be accounted for separately from donated tangible Capital Assets.

F. Capitalizable Costs

Costs eligible for capitalization under this policy are as follows:

1. **Land:**
   a. Purchase price or appraised value, whichever can be more readily determined;
   b. Closing costs, such as title fees, attorneys' fees, environmental assessments, appraisals, taxes and recording fees;
   c. Costs necessary to get the land ready for its intended use, such as grading, clearing, filling, draining, surveying, and demolition of existing structures;
   d. Assumptions of liens, encumbrances or mortgages;
2. **Purchased assets other than land:**
   a. Purchase price
   b. Sales tax
   c. Freight and handling charges

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d. Insurance costs while in transit

e. Assembling and installation charges

f. Professional fees of engineers, inspectors, attorneys, consultants, etc.

g. Discounts or rebates shall be accounted for as a reduction to the purchase price

h. Costs necessary to accommodate the equipment in its new location

3. **Self-constructed assets:**

a. Direct labor costs (to include wages and benefits)

b. Direct materials cost

c. Professional fees of engineers, inspectors, attorneys, consultants, etc.

d. Insurance premiums and related costs incurred during construction

e. Costs necessary to get the site ready for its intended use, such as grading, clearing, filling, draining, surveying, and demolition of existing structures

f. Fair market or appraised value at date of donation

g. Installation costs

h. Professional fees of engineers, inspectors, attorneys, consultants, etc.

i. Other normal or necessary costs required to place the asset in its intended location

j. Location and condition for use

4. **Donated Capital Assets:**

a. Fair market or appraised value at date of donation

b. Installation costs

c. Professional fees of engineers, inspectors, attorneys, consultants, etc.

d. Other normal or necessary costs required to place the asset in its intended location and condition for use

G. Capitalization of Costs Subsequent to Acquisition

Additional costs incurred after a Capital Asset is placed in use shall be accounted for as follows:

1. **Additions**

An "Addition" is defined as an expenditure that either significantly extends the useful life or productivity of the existing Capital Asset or creates a new Capital Asset. Additions to existing Capital Assets will be capitalized if the Additions meet the criteria for capitalization specified in this policy.

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2. **Improvements and Replacements**

"Improvements and Replacements" are defined as expenditures that involve substituting a similar Capital Asset, or portion thereof, for an existing one. All Improvements and Replacements to existing Capital Assets should be capitalized if the Improvements and Replacements meet the criteria for capitalization specified in this policy. If the existing asset's book value is determinable, then the existing asset should be removed from the books at the time the replacement is recorded. If the existing asset is not separately identifiable, then the replacement should still be capitalized as the existing asset's book value is assumed to be negligible.

3. **Rearrangement or Reinstallation**

"Rearrangement or Reinstallation" costs are defined as expenditures that involve moving an existing asset to a new location or reinstalling a similar asset in place of an existing asset. All Rearrangement or Reinstallation costs should be expensed in the period incurred.

4. **Repairs and Maintenance**

"Repairs and Maintenance" costs are defined as expenditures that involve maintaining the asset in good or ordinary repair. All Repairs and Maintenance costs should be expensed in the period incurred.

H. Depreciation of Capital Assets

Capital Assets shall be depreciated on a straight-line basis beginning the first day of the month following acquisition in accordance with the following schedule (Note, management may determine a useful life other than these listed below if a determination is made that the useful lives listed below are not appropriate for the asset):

LAND	
Capitalization Threshold	**All Acquisition Costs**
Non-Depreciable	
OFFICE EQUIPMENT	
Capitalization Threshold	**$10,000**
Computers	4 Years
Computer Software	3 Years
Phone & Telecommunications Equipment	4 Years
Office Furniture & Fixtures	7 Years
Network Servers	5 Years
Copy Machines	5 Years
Printers	5 Years

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FIELD EQUIPMENT	
Capitalization Threshold	**$10,000**
Vehicles	5 Years
Heavy equipment, Backhoes, Forklifts, etc.	10 Years
Machinery & Equipment	10 Years
Generators	10 Years

INFRASTRUCTURE	
Capitalization Threshold	**$10,000**
Transmission and Distribution	
Pipelines	60 Years
Reservoirs	60 Years
Pumps	25 Years
Pump Stations	25 Years
Wells	25 Years
Hydrants	30 Years
Valves	30 Years
Treatment Facilities	30 Years

BUILDINGS & BUILDING IMPROVEMENTS	
Capitalization Threshold	**$10,000**
Buildings	30 Years
Building Improvements	10 Years
Air Conditioners	15 Years
Plumbing Fixtures	15 Years
Shop Building	30 Years

I. PHYSICAL INVENTORY

A physical inventory of the following categories of Capital Assets shall be performed annually:

1. Inventory items
2. Machinery and equipment
3. Fleet equipment
4. Office furniture and fixtures
5. Computer equipment, purchased software and telephones

The results of the physical inventory shall be reconciled with the District's asset inventory system.

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J. DISPOSAL OF CAPITAL ASSETS

Capital Assets that have become obsolete or impaired or no longer of use to the District shall be disposed of in accordance with District's Resolution 2326 *Capital Asset Disposal Policy*.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **6-A-x**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **RESOLUTION NO. 2330 ADOPTING A WATER LOSS ADJUSTMENT POLICY FOR FISCAL YEAR 2027**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2330, a Water Loss Adjustment Policy for Fiscal Year 2027.

DISCUSSION:

Attached is proposed Resolution No. 2330, an update of the Water Loss Adjustment Policy. The proposed resolution operates to update the Water Loss Adjustment Policy to accurately reflect the calculated cost of water designated as "Excess Water" under the Policy.

The Board of Directors desire to update the Policy annually with the budget resolutions. Proposed Resolution No. 2330 has been reviewed by District general counsel.

BACKGROUND:

The District receives periodic requests from customers for an adjustment to their water bill as a result of a water leak or water loss taking place on their property that was beyond their reasonable control. In some cases, the water leak is discovered by the property owner and repaired, and in others the customer is made aware of the leak upon receipt of an unusually high-water bill. In accordance with Ordinance 82, a customer is responsible for payment for all water that is recorded through a meter, including water that is lost due to a plumbing leak, a service line break, theft or unaccounted for water use.

On August 23, 2017, the Board of Directors adopted Resolution 2156 establishing a Water Loss Adjustment Policy providing some financial relief to customers that experience water loss on their property due to circumstances beyond their reasonable control. The policy includes parameters and guidelines that staff follow when assessing water loss adjustment (WLA) requests, ensuring that all requests are handled consistently.

This policy was last updated on June 24, 2025, with adoption of Resolution 2308. Resolution 2308 provided an adjustment to the unit rate for Excess Water for Fiscal Year 2026, also referred to as "lost water", which is used to determine the amount of a water loss adjustment.

FISCAL IMPACT:

Since adoption of the original Water Loss Adjustment Policy in August 2017, the District has processed the adjustments summarized in the table below.

Fiscal Year	Quantity of WLAs (#)	Total Adjustments ($)
2018	20	$1,737.32
2019	375	$179,255.41
2020	196	$28,452.01
2021	205	$30,981.06
2022	333	$136,252.72
2023	268	$219,423.03
2024	181	$147,786.25
2025	109	$84,552.25
2026 (As of 6-15-26)	61	$53,673.55

ATTACHMENTS:

1. Proposed Resolution No. 2330 Adopting a Water Loss Adjustment Policy for Fiscal Year 2027

RESOLUTION NO. 2330

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ADOPTING A WATER LOSS ADJUSTMENT POLICY FOR FISCAL YEAR 2027

WHEREAS, Montecito Water District ("District") is responsible for the repair and maintenance of its water distribution system up to and including the water meters installed to serve District customers; and

WHEREAS, District customers are responsible for the repair and maintenance of the water system and plumbing facilities from the water meter to their property, including all plumbing fixtures on their property (i.e. the water system on the customer side of the water meter); and

WHEREAS, the District occasionally receives requests from customers to reduce their water bill due to a water leak or water loss which occurred on the customer's side of the water meter; and

WHEREAS, in accordance with Ordinance 82, the customer is responsible for payment for any water that is recorded through the meter including water that is lost due to a plumbing leak, a service line break, theft or unaccounted for water use; and

WHEREAS, in August 2017, the District adopted Resolution 2156 modifying Sections 6.2 and 9.1 of Ordinance 82 and establishing a Water Loss Adjustment Policy; and

WHEREAS, the Water Loss Adjustment Policy has been periodically updated to incorporate various revisions to the policy, including updating the unit rate for Excess Water and incorporating a requirement that customers must be enrolled in, and demonstrate utilization of, the District's smart metering technology to be eligible for a water loss adjustment; and

WHEREAS, the purpose of this Resolution is to: (a) rescind the current Water Loss Adjustment Policy established by Resolution No. 2308; and (b) establish a Water Loss Adjustment Policy for Fiscal Year 2027 effective upon adoption of this Resolution.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of Montecito Water District hereby adopts the following Water Loss Adjustment Policy for Fiscal Year 2027:

1. The Water Loss Adjustment Policy adopted by Resolution 2308 is hereby rescinded in its entirety and replaced with the Water Loss Adjustment Policy contained in this Resolution.

2. Notwithstanding the customer's responsibility for charges due to water that is lost on the customer's side of the water meter under Section 6.2 of Ordinance 82, the District may, upon written request of a customer, grant an adjustment of a customer's bill ("Water Loss Adjustment") in the event of loss of water due to circumstances beyond the reasonable control of the customer such as a mechanical malfunction, blind leak, theft of water, vandalism, unexplained water loss, or other unusual or emergency condition.

3. A determination as to whether a Water Loss Adjustment will be applied is at the discretion of the General Manager or their designee. In making the determination, the General Manager or their designee, in the exercise of their discretion, will consider, evaluate, and weigh the following factors:
    a. The cause of the water loss;
    b. The customer's ability and opportunity to detect the water loss;
    c. Any acts or omissions of the customer in connection with the water loss;
    d. Evidence of steps taken to correct the problem; and
    e. The promptness with which the water loss was discovered, stopped, and repaired.
4. Water Loss Adjustments will be handled on a case-by-case basis.
5. In order to qualify for a Water Loss Adjustment, the customer must:
    a. Be enrolled in and demonstrate utilization of the District's smart metering customer portal (WaterSmart) for the purpose of monitoring their real-time water use and receiving notifications of apparent water loss. A customer who is enrolled but was not actively utilizing WaterSmart prior to the loss event may still qualify for a Water Loss Adjustment at the General Manager's discretion.
    b. Take corrective action to remedy the specific condition immediately upon being notified of or discovering the water loss, whichever occurs earlier. The customer may temporarily turn off water service to their property at their valve located on the customer's side of the water meter and/or request the District temporarily shut off the water to the property until such time as remedial repairs of the specific condition are made.
    c. Fill out and submit a Water Loss Adjustment Request form and provide any and all documents in support of the adjustment request to the District within thirty (30) days from the billing date for the period in which the loss occurred. Any supporting documents that are not provided at the time of submittal of the Water Loss Adjustment Request form will not be considered in the initial determination of the request, or during any appeal of the determination. Supporting documents may include, but are not limited to:
        i. Invoice(s) for the repair;
        ii. Report(s) from a leak detection specialist;
        iii. Invoice(s) for parts;
        iv. Photographs or videos depicting the water loss and/or repairs;
        v. Declarations and/or affidavits of the customer or any agent or manager of the Customer substantiating the request.

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A site visit by District personnel may be required.

d. Have an account in good standing (meaning no past-due balance more than thirty (30) days overdue and not subject to a shut-off notice) at the time of the Water Loss Adjustment request.

e. If the District determines that a submitted Water Loss Adjustment Request form is incomplete or missing information the District shall provide written notice to the customer identifying the deficiency. The customer shall have ten (10) business days from the date of such notice to provide the missing documentation or information. Failure to cure the deficiency within the stated period shall result in denial of the adjustment request.

6. The Water Loss Adjustment will be determined as follows:

   a. The District will estimate a customer's normal water use ("Normal Use") in hundred cubic feet (HCF) for the month in which the loss occurred based on the following:

      i. For existing accounts, Normal Use shall be an average of the usage during the same month for the past three (3) consecutive years. If less than three (3) consecutive years of data is available, an average of the available data shall be used.

      ii. For new accounts with historical water use data available for the property, Normal Use shall be calculated in the same manner as existing accounts. For new accounts without historical water use data (i.e. new development), historical water use information for similar properties may be used.

      iii. Other information may be used in estimating Normal Use on a property, as determined appropriate by the General Manager and noted in any Water Loss Adjustment determination provided to the Customer.

   The General Manager or their designee will assess the available information and make a determination of estimated Normal Use for the month in question.

   b. The difference between the billed amount and the Normal Use will be considered the "Excess Water" resulting from the loss.

   c. All Excess Water will be billed as follows:

      i. At a unit rate equal to the additional cost incurred by the District to replace the lost water as specified in the attached Appendix A. This unit rate specified in Appendix A will be reviewed annually and updated accordingly.

      ii. Surcharges and/or Penalties, if in place at the time of the adjustment request, will not apply.

d. The amount of the customer's revised bill as determined above will be due and payable in the billing cycle immediately following the billing cycle during which the Water Loss Adjustment is granted.

7. Water Loss Adjustments will be limited to two consecutive billing periods depending on the time and circumstances of the loss and will be limited to one adjustment every twenty-four (24) months.

8. The customer may appeal the decision made by the General Manager or their designee under this Resolution to the Board of Directors by filing a written appeal with the District within 30 days of written notice of the General Manager's decision. Such an appeal will be governed by the procedures set forth in Section 9 of Ordinance 82, with the amount due under subdivision (d), Section 6 above substituted for "the total amount due to the District" for purposes of Section 9.1. In accordance with Ordinance 82, the Appeals Committee will meet with the customer and make a recommendation to the Board of Directors. The appeal will be scheduled for consideration at the next regularly scheduled Board of Directors meeting, or at such a later meeting that is agreed to between District and Customer in writing.

9. This Resolution shall be immediately effective upon passage, and applicable to all Water Loss Adjustment Requests submitted subsequent to the date of passage of this Resolution.

BE IT FURTHER RESOLVED that the General Manager may take appropriate actions as may be necessary to implement this resolution.

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:

_____

Nick Turner, Secretary

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Appendix A

All excess water will be billed at a unit rate equal to the additional cost incurred by the District to replace the lost water inclusive of the projected cost of replacement water acquired on the statewide supplemental water market, and the variable costs associated with the treatment and delivery of that water to the District.

This unit rate is determined to be $5.13/HCF for Fiscal Year 2027.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 6-B

DATE: JUNE 23, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER / BUSINESS MANAGER

SUBJECT: RESOLUTION NO. 2331 ADOPTING THE FISCAL YEAR 2027 OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM BUDGET

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2331 adopting the Fiscal Year (FY) 2027 Operating Budget and Capital Improvement Program (CIP) Budget.

DISCUSSION:

The proposed FY 2027 Budget serves as the District's financial and operational plan for the fiscal year beginning July 1, 2026, and ending June 30, 2027. The budget reflects the District's commitment to maintaining reliable water service, preserving critical infrastructure, investing in system resiliency, and ensuring long-term financial sustainability.

The FY 2027 Budget was developed through a collaborative process involving District departments, management staff, and the Board of Directors. Budget development considered current operating requirements, strategic priorities, regulatory compliance obligations, infrastructure needs, economic conditions, water supply reliability, and long-range financial planning objectives.

OPERATING BUDGET

The FY 2027 Operating Budget provides funding for operations necessary to deliver safe and reliable water service to District customers. The proposed operating budget is designed to maintain current service levels while supporting strategic initiatives identified by the Board and management.

CAPITAL IMPROVEMENT PROGRAM BUDGET

The FY 2027 Capital Improvement Program Budget represents the District's continuing investment in critical infrastructure necessary to maintain system reliability, improve operational efficiency, enhance emergency preparedness, and support long-term water supply resilience.

Major capital investments planned for FY 2027 include:

- Vehicles & Equipment
- Pipelines

- Reservoirs
- Pumping/ Wells/ Valves/ Treatment Plants
- Extraordinary Projects

The FY 2027 CIP Budget has been developed in accordance with the District's long-term capital planning objectives and asset management priorities.

FISCAL IMPACT

The proposed FY 2027 Operating Budget appropriates expenditures totaling $ 27,089,200 and anticipated revenues totaling $29,841,877.

The proposed FY 2027 CIP Budget appropriates project expenditures totaling $22,324,797.

Funding sources for the FY 2027 CIP Budget include:

- RESERVE Funded $ 6,385,000
- FEMA Reimbursements $ 4,380,000
- ASADRA Financing $11,559,797

ATTACHMENTS

1. Montecito Water District FY 2027 Financial Proforma — Summary
2. Proposed Resolution No. 2331 Adopting a Budget for Fiscal Year 2027
3. Proposed Fiscal Year 2027 Budget

Montecito Water District

FY 2027 Financial Proforma — Summary

Figures in $ thousands. FY 2027 Adopted per adopted budget; the % change column compares FY 2027 to FY 2026 YE Forecast.

($ thousands)	FY 2025 Actual	FY 2026 YE Forecast	FY 2027 Proposed	% Chg YE–FY 2027
REVENUES				
Water Sales (incl. Surplus SWP)	25,156	25,636	27,891	9%
Other Operating Revenue (fees, fire lines)	846	606	673	11%
Non-Operating Revenue (rent, interest, WAC)	5,875	1,058	850	-20%
Transfer In — GSA Shared Cost Reimb.			428	
Total Revenues	**31,878**	**27,301**	**29,842**	**9%**
OPERATING EXPENDITURES — BY DEPARTMENT				
Dept 500 — Water Purchases	**13,362**	**13,970**	**15,239**	**9%**
Desalination (WSA City of Santa Barbara)	7,051	7,389	7,813	6%
State Water Project (SWP / CCWA / DWR)	4,517	4,466	5,031	13%
Cachuma Project (COMB / USBR / CCRB)	1,089	1,227	1,358	11%
Cater Treatment (City of Santa Barbara)	704	860	1,008	17%
Semitropic Groundwater Banking	0	28	30	6%
Dept 511 — Jameson Lake	513	376	425	13%
Dept 531 — Treatment Operations	1,894	2,271	2,585	14%
Dept 541 — Transmission / Distribution	1,776	2,234	2,468	11%
Dept 550 — Meter Reading / Customer Svs	645	646	681	5%
Dept 561 — Fleet	248	293	329	12%
Dept 563 — Engineering	1,457	1,543	1,554	1%
Dept 565 — Administration	2,481	2,891	3,220	11%
Dept 566 — Governing Board	37	48	56	15%
Dept 568 — Public Information	401	249	268	8%
Dept 568 — Conservation	—	345	265	-23%
Total Operating Expenditures	**22,813**	**24,867**	**27,089**	**9%**
Net Operating Revenue (before debt)	**9,065**	**2,434**	**2,753**	**13%**
DEBT SERVICE				
2020A COP Refunding Bonds — Principal	—	1,375	1,445	5%
2020A COP Refunding Bonds — Interest	—	263	192	-27%
Cater Ozone Project Loan — Principal	—	297	222	-25%
Cater Ozone Project Loan — Interest	—	59	57	-5%
Total Debt Service	**—**	**1,994**	**1,916**	**-4%**
COVERAGE & NET INCOME				
Net Income / (Deficit) after Debt Service	—		836	
Debt Service Coverage Ratio			**1.44x**	≥1.25x cov.

Capital Budget by Project Category

CAPITAL BUDGET BY PROJECT CATEGORY	FY 2027	% of Total
Reservoirs (ASADRA)	11,560	52%
Pipelines	4,540	20%
Extraordinary Projects (FEMA)	4,380	20%
Pumping / Wells / Valves / Treatment Plant	1,570	7%
Vehicles & Equipment	275	1%
Total Capital Projects	**22,325**	**100%**

CIP Funding Sources

CIP FUNDING SOURCES	FY 2027	% of Total
ASADRA Financing Proceeds	11,560	52%
FEMA Reimbursements	4,380	20%
Rate Revenue (net District-funded)	6,385	29%
Total Funding Sources	**22,325**	**100%**

Cash Flow — Net Revenue After Debt & Reserve Draw

CASH FLOW — NET REVENUE AFTER DEBT & RESERVE DRAW	FY 2027
Net Operating Revenue (before debt)	2,753
Less: Total Debt Service	(1,916)
Net Income After Debt Service	**836**
Less: District-Funded Capital (Rate Revenue)	(6,385)
Net Cash Flow Before Reserve Draw	**(5,549)**
Less: Reserve Draw of Unrestricted Cash	(5,549)
Net Change in Unrestricted Cash (after draw)	**0**

The FY 2027 net District-funded capital ($6.385M rate revenue) exceeds net income after debt service, drawing down unrestricted cash by the difference, consistent with the planned use of accumulated reserves for the capital program.

Board-Required Reserves

BOARD-REQUIRED RESERVES (POLICY MINIMUMS)	FY 2027
Operating Reserve	3,800
Rate Stabilization	2,300
Capital Emergency Reserve	500
Total Required Reserves	**6,310**

RESERVE POLICY — FY 2027 (RESOLUTION NO. 2327)	FY 2027
Restricted Reserves	
CCWA Rate Coverage Reserve	1,115
WSA Debt Service Coverage Deposit	482
WSA Debt Service Reserve Deposit	1,630
Thomas Fire / Debris Flow CalOES-FEMA Holdback	137
Subtotal — Restricted Reserves	**3,363**
Unrestricted Reserves — Board Committed (Minimums)	
Operating Reserve Minimum	3,800
Rate Stabilization Fund Minimum	2,300
Capital & Emergency Reserve Minimum	500
SWP Prefunding Reserve (budgeted fixed payment)	4,651
Subtotal — Unrestricted Reserves	**11,251**
Total Reserves	**14,614**

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RESOLUTION NO. 2331

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT ADOPTING A BUDGET FOR FISCAL YEAR 2027

WHEREAS, the Montecito Water District ("District") is a County Water District organized and existing under and by virtue of Water Code §§30000 – 33901; and

WHEREAS, the District manages water resources to deliver a safe and reliable supply of high-quality water to over 4,670 residential, commercial, institutional, agricultural and non-potable customers in the Montecito and Summerland communities; and

WHEREAS, the District prepares and adopts an annual budget that provides a financial plan to assist with the implementation of the District's necessary programs, projects and work plan for the fiscal year; and

WHEREAS, District management prepared a budget for Fiscal Year 2027 (FY 2027) that estimates expenses required for funding operations, maintenance, capital improvements, debt service, prudent reserve requirements, and other expenses of the District; and the revenues from all sources to fund those expenses; and

WHEREAS, District management has determined that the activities proposed in the FY 2027 budget are consistent with the June 2024 *Water Rate Study.* District Management proposes a balanced budget for FY 2027, which if implemented will ensure that the District's revenue will be sufficient to fund all of the District's planned expenses for the budgeted period; and

WHEREAS, the proposed FY 2027 budget has been reviewed and considered by the Finance Committee, and by the Board of Directors at a Board workshop held on May 19, 2026, and feedback received at those public meetings has been incorporated into the budget; and

WHEREAS, it has been determined to be in the best interest of the District to adopt the Fiscal Year 2027 budget for the continued sound financial operation of the District;

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

1. The certain documents referred to as the "Montecito Water District Fiscal Year 2027 Budget" and all schedules, exhibits, and policies contained therein, which are incorporated herein by this reference and included as Attachment A, are hereby adopted as the annual budget of the District for the fiscal year beginning on July 1, 2026, and ending June 30, 2027.

2. That the amounts stated in the proposed budget shall become and thereafter be assigned to the departments, activities, and purposes stated therein and said monies are hereby authorized to be expended for the purposes and objects specific in said budget, subject to applicable California law, and the authority granted in Resolution 2272, a resolution covering the authority of officers to execute contracts and instruments.

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

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ATTACHMENT "A"
TO
RESOLUTION NO. 2331
FISCAL YEAR 2027 BUDGET

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **7-B**

DATE: **JUNE 23, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **AMENDMENT TO THE CONTRACT WITH WENDELSTEIN LAW GROUP PC FOR GENERAL COUNSEL SERVICES**

RECOMMENDATION:

That the Board of Directors discuss and consider authorizing the General Manager's execution of a Contract Amendment with Wendelstein Law Group PC for General Counsel Services.

DISCUSSION:

Wendelstein Law Group PC, formerly Cohen & Burge LLP, has served as the District's general legal counsel continuously since 2015. Over the last eleven years, General Counsel has retained its billing rates unchanged. Standard practice across the legal and professional services industries, is to periodically review and update billing rates to reflect market adjustments, inflation, and increased operating costs.

Attached is a proposed contract amendment with Wendelstein Law Group PC for General Counsel services. It outlines the proposed increase in hourly rates, and retains all other provisions of the January 10, 2023 retainer agreement between Wendelstein Law Group PC and the District. The following is a summary of current General Counsel hourly rates, based on data gathered from similar local and regional special districts.

Agency	Unit Rate ($/hr)
CCWA	495-575
GWD	355
Las Virgenes MWD	350
COMB	350
Ventura River WD	330
MSD	310
Calleguas MWD	305
CVWD	245
Average	**343**

ATTACHMENT:

1. Proposed Contract Amendment with Wendelstein Law Group PC for General Counsel Services
2. Retainer Agreement with Wendelstein Law Group PC for General Counsel Services dated January 10, 2023

WLG WENDELSTEIN LAW GROUP, PC

699 HAMPSHIRE RD.
SUITE 207
THOUSAND OAKS, CA 91361
TELEPHONE: (805) 449-4200
FAX: (805) 449-4210

WALTER E. WENDELSTEIN
DARREN G. BURGE

OF COUNSEL:
ROBERT M. COHEN
STEVEN R. JENSEN

June 16, 2026

Nick Turner, General Manager
MONTECITO WATER DISTRICT
583 San Ysidro Road,
Montecito, CA 93108

Re: Wendelstein Law Group PC hourly rate for legal services

Dear Mr. Turner:

Please allow this letter to provide a contract amendment to increase the hourly rate for legal services provided by Wendelstein Law Group PC to Montecito Water District.

Wendelstein Law Group PC was initially retained by Montecito Water District via a retainer agreement dated January 10, 2023. The hourly rate for legal services in that retainer agreement is $240 per hour. That hourly rate continued the rate established in 2015 for predecessor firm Cohen & Burge LLP. Since 2015 no increase to the $240 rate was requested or implemented.

During my time at both Cohen & Burge, LLP and Wendelstein Law Group PC I have thoroughly enjoyed working with the Montecito Water District Board of Directors and staff on a vast array of issues. Wendelstein Law Group PC pride ourselves on our responsiveness to the District's legal needs and look forward to continuing to provide effective legal services.

If this letter meets with the approval of Montecito Water District, please sign where indicated, and return it to me by email. If you have any questions, do not hesitate to contact me at the telephone number indicated above.

Best regards,

WALTER E. WENDELSTEIN

On behalf of Montecito Water District, I agree to the following change in the hourly rate of Wendelstein Law Group PC. Commencing with the billing period beginning July 16, 2026, the hourly rate for legal services will increase from $240.00 per hour to $315 per hour. With the exception of the change in hourly rate, all other provisions of the January 10, 2023 Wendelstein Law Group PC retainer agreement remain in full force and effect.

_____ _____, 2026

Nicholas Turner, General Manager Date
Montecito Water District

HOURLY FEE REPRESENTATION AGREEMENT

WENDELSTEIN LAW GROUP PC ("Attorney") and **MONTECITO WATER DISTRICT** ("Client") hereby agree that Attorney will provide legal services to Client on the terms set forth below.

1. SCOPE OF SERVICES.

Client hires Attorney to provide General Counsel legal services in connection with various Client matters. Attorney will provide those legal services reasonably required to represent Client. Attorney will take reasonable steps to keep Client informed of progress and to respond to Client's inquiries. This Agreement is intended to encompass General Counsel legal services only, and a separate written agreement may be required with regard to specific litigation wherein Attorney will serve as counsel of record. Attorney and Client will discuss and evaluate the need for separate written agreements for specific litigation on a case-by-case basis.

2. DUTIES OF ATTORNEY AND CLIENT.

Attorney shall be diligent and shall provide those legal services reasonably necessary to represent Client in the matters described in Section 1.

Client agrees to be truthful with Attorney, to cooperate, to keep Attorney informed of any information or developments which may come to Client's attention, to abide by this Agreement, and to pay Attorney's bills on time. Client will assist Attorney in providing information and documents necessary for the representation in the described matters.

3. LEGAL FEES AND BILLING PRACTICES.

Client agrees to pay by the hour at Attorney's prevailing rates for all time spent on Client matters by Attorney's legal personnel. Current hourly rates for legal personnel are: $240.00/hr.

The hourly rates set forth in this schedule are subject to change on 30 days' written notice to Client. The new rates will be charged to and paid by Client after such written notice. If Client declines to pay any increased rates, Attorney will have the right to withdraw as Attorney for Client.

The time charged will include the time Attorney spends on telephone calls relating to Client's matter, including calls with Client and other parties and attorneys. The legal personnel assigned to Client's matter may confer among themselves about the matter, as required and appropriate. When they do confer, each person will charge for the time expended, as long as the work done is reasonably necessary and not duplicative. Likewise, if more than one of the legal personnel attends a meeting or other proceeding, each will charge for the time spent. Attorney will charge for waiting time and for travel time, both local and out of town.

Time is charged in minimum units of one tenth (.1) of an hour.

4. COSTS AND OTHER CHARGES.

(a) In general, Attorney will, and are authorized to, incur various costs and expenses in performing legal services under this Agreement. Client agrees to pay for all costs, disbursements and expenses in addition to the hourly fees. The costs and expenses commonly include fees fixed by law or assessed by public agencies, long distance telephone charges, messenger and other delivery fees, postage, photocopying and other reproduction costs, travel costs including parking, mileage, transportation, meals and hotel costs, investigation expenses and consultants' fees and other similar items. Except for the items listed below, all costs and expenses will be charged at Attorney's cost.

In-office photocopying	.25page
Mileage:	.45/Mile

(b) Out of town travel. Client agrees to pay transportation, meals, lodging and all other costs of any necessary out-of-town travel by Attorneys personnel. Client will also be charged the hourly rates for the time legal personnel spend traveling.

(c) Consultants and Investigators. To aid in the representation in Client's matter, it may become necessary to hire consultants, experts, or investigators. All consultants, experts or investigators shall be selected by Attorney and hired within the discretion of Attorney after Attorney gives client notice of the need for such services. Client agrees to pay the fees and charges of such consultants, experts, or investigators.

5. BILLING STATEMENTS.

Attorney will send Client monthly statements for fees and costs incurred. Each statement will be payable within 30 days of its mailing date. Client may request a statement at intervals of no less than 30 days. The statements shall include the amount, rate, basis of calculation or other method of determination of the fees and costs, which costs will be clearly identified by item and amount.

6. DISCHARGE AND WITHDRAWAL.

Client may discharge Attorney at any time. Attorney may withdraw with Client's consent or for good cause. Good cause includes Client's breach of this Agreement, refusal to cooperate or to follow Attorney's advice on a material matter or any fact or circumstance that would render Attorney's continuing representation unlawful, or unethical. When Attorney's services conclude, all unpaid charges will immediately become due and payable. After services conclude, Attorney will, upon Client's request, deliver Client's file, and property in Attorney's possession, whether or not Client has paid for all services.

7. DISCLAIMER OF GUARANTEE AND ESTIMATES.

Nothing in this Agreement and nothing in Attorney's statements to Client will be construed as a promise or guarantee about the outcome of any matter. Attorney makes no such promises or guarantees. Attorney's comments about the outcome of any matter are expressions of opinion only. Any estimate of fees given by Attorney shall not be a guarantee. Actual fees may vary from estimates given.

8. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

9. SEVERABILITY IN EVENT OF PARTIAL INVALIDITY.

If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.

10. MODIFICATION BY SUBSEQUENT AGREEMENT.

This Agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them or an oral agreement only to the extent that the parties carry it out.

11. EFFECTIVE DATE.

This Agreement will govern all legal services performed by Attorney on behalf of Client. This Agreement will be effective on the date a fully executed copy of this Agreement is transmitted by Attorney to Client and Attorney will have no obligation to provide legal services until the effective date.

Dated: 1-9-23

By: Tobe Plough, Board President
MONTECITO WATER DISTRICT

Dated: 1-9-23

By: Nick Turner, General Manager/Board Secretary
MONTECITO WATER DISTRICT

Dated: 1/10/23

By:
WENDELSTEIN LAW GROUP PC

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