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, OCTOBER 27, 2026
9:30 A.M.

Attend in Person or Join by Teleconference:
https://www.zoomgov.com/j/1657029629?pwd=L2s8o3PnQXh25WTiuCywEFCr7fBLmL.1
Webinar ID: 165 702 9629; Passcode: 664628
Tel: (669) 254-5252

Remote Meeting Location:
4066 Noho Kai Street, Koloa, Hawaii

AGENDA

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

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC FORUM**

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

4. **CONSENT CALENDAR**

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

   *A. Meeting Minutes of September 29, 2026

   *B. Ratification of Disbursements for September 2026

   *C. Investment of District Funds and Cash Position as of September 30, 2026

   *D. Unaudited Financial Report as of August 31, 2026

   *E. Unaudited Financial Report as of September 30, 2026

* Indicates attachment included for this item

*F. Waterworks Reports for September 2026

*G. Modified Job Description and Salary Range for the Water Conservation & Utility Data Specialist Position

*H. Resolution No. 2332 Adopting an Updated Maximum Contribution Cap for District Coverage of Dependent Health Insurance Premiums for 2027

*I. Resolution No. 2333 Authorizing Signatories for the District Checking and Money Market Accounts at American Riviera Bank

*J. Resolution No. 2334 Designating the District's Authorized Agent for Obtaining Federal Financial Assistance

*K. Amendment No. 5 to the Professional Services Contract with Wood Rodgers for Construction Phase Services Related to the Highline Repair at Bella Vista

*L. Amendment No. 6 to the Professional Services Contract with Wood Rodgers for Construction Phase Services Related to the Highline Repair at Bella Vista

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

*A. ACTION ITEM: Award of a Professional Services Contract to Carollo Engineers for Design of a pH Adjustment System at Bella Vista Water Treatment Plant

*B. INFORMATIONAL: Semiannual Water Supply Update

*C. ACTION ITEM: Resolution No. 2335 Supporting the Association Of California Water Agencies' (ACWA) Vision For Our Water Future Initiative

D. INFORMATIONAL: Status of the *2022 Strategic Plan* and Discussion of the 2027 Update

*E. INFORMATIONAL: Customer Relations and Public Information Update

*F. INFORMATIONAL: General Manager Report

6. DISTRICT BUSINESS REPORT

A. No Items

7. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) Conference with Legal Counsel – Initiation of Litigation; 3 cases

C. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) Conference with Legal Counsel – Existing Litigation, Olson v. Montecito Water District, Santa Barbara Superior Court case Number 26CV06073

D. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(2) Anticipated Litigation – 3 cases.

* Indicates attachment included for this item

E. CLOSED SESSION: Pursuant to Government Code §54956.8 (corrected) Conference with Real Property Negotiators

Property: 2770 Bella Vista Drive
Agency Negotiator: Nicholas Turner, General Manager
Negotiating Parties: District and Potential Buyers
Under Negotiation: Price and Terms of Payment

G. CLOSED SESSION: Pursuant to Government Code §54957(a)(1): Public Services or Facilities - Conference with Cybersecurity Consultant

H. CLOSED SESSION: Pursuant to Government Code §54957(b)(1): Public Employee Employment – Assistant General Manager / Engineering Manager

8. DIRECTOR AND COMMITTEE REPORTS

A. President's Report: Director Goebel

B. Operations & Customer Relations Committee: Director Wicks

C. Finance Committee: Director Hayman

D. Strategic Planning Committee: Director Coates

E. Central Coast Water Authority: Director Coates

F. Cachuma Operation and Maintenance Board: Director Hayman

G. Cachuma Conservation Release Board: Director Plough

H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks

I. ACWA JPIA: Director Wicks

J. CalDesal: Director Wicks

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

L. Directors' List of Compensable and Reimbursable Meetings (Government Code §53232.1 and §53232.3)

9. DIRECTOR REQUESTS

Requests from Directors for items other than regular agenda items for the next regular Board meeting tentatively scheduled for Tuesday, November 17, 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 October 23, 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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Board of Directors
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General Manager and Board Secretary
Nick Turner

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

TUESDAY, SEPTEMBER 29, 2026
9:30 A.M.

AGENDA

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

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

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

Staff present (In Person and via Zoom):
Nick Turner, General Manager
Adam Kanold, Asst. GM/Engineering Mgr.
Laura Camp, Public Information Officer
Christina Perry, Administrative/HR Assistant
Ray Willefert, Financial Analyst/IT Specialist
Aidan Dodge, Office Technician II
Roy Coronado, Office Technician II
Dennis Hanson, Assistant Engineer

Counsel present (In Person):
Walt Wendelstein, Wendelstein Law Group PC, District Counsel

Consultants present (In Person and via Zoom):
Karl Meier, Wood Rodgers, Inc. (via Zoom)
Brett Bovee, WestWater Research (via Zoom)

Others present in person):
Peter Kiesecker, Solomon Hills
Ben Humphrey, Solomon Hills
Peter L. Candy, Hollister & Brace
Evelyn Spence, Noozhawk
Aaron Hanke, County of Santa Barbara
Tom Schultz, Santa Barbara News-Press
Paymon Aliabadi
Rick Porter
Davin Mantell
Steve Lyons
Donna Senauer
Nicholas Solakian
Randy Solakian

Others present via Zoom:

Becca Summers	Joe Childs	Dylan Conway
James McClintock	Marjorie Larkin	Laurie
Terrain Consulting	Marshall Miller	Gwen
Roger Thompson	Lisa Palmer	Ben
John Demourkas	Shannon Reese	gcook

2. PLEDGE OF ALLEGIANCE

All in attendance recited the Pledge of Allegiance.

3. PUBLIC FORUM

No public comments were made.

4. CONSENT CALENDAR

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

A. Meeting Minutes of August 25, 2026

B. Ratification of Disbursements for August 2026

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

D. Waterworks Reports for August 2026

E. Authorization for Remote Teleconference Meetings by Eligible Subsidiary Bodies of Montecito Water District

F. Amendment No. 1 to the Agreement with Wanger Jones Helsley PC for special legal services for the Alder Creek Flume Reconstruction Project

G. Approval of Permanent Easement at 2965 East Valley Road for Water Main Extension and Fire Hydrant Installation

H. Approval of Access Agreement on 1240 Toro Canyon Road for Operation and Maintenance of the Highline Transmission Main

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, Goebel, Hayman, Plough, and Wicks in favor.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

A. ACTION ITEM: Consideration of the approval of a Letter of Intent between the District and Solstra Communities California, LLC concerning the permanent sale of a portion of the District's State Water Project Interests for the planned Solomon Hills Development

Mr. Turner presented the item.

The Board received and considered public feedback on the proposed partial sale of the District's State Water contract interests.

Following discussion by the Board, Director Coates moved to approve the recommendations as detailed in the agenda item memorandum. The motion was seconded by Director Plough and carried after a roll call vote with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

The Board paused for a break at 11:09 a.m. and returned at 11:23 a.m.

Additional public comment was heard prior to Item 5-B

3. PUBLIC FORUM (continued)

Comment was received from Nicholas and Randy Solakian concerning a property damage claim.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS (continued)

B. ACTION ITEM: Approval of Construction Contract Change Order No. 1 with Pacific Hydrotech for the Park Lane Reservoir Seismic Retrofit and Replacement Project

Mr. Kanold presented the item.

Director Coates moved to authorize the General Manager to execute construction contract Change Order No. 1 with Pacific Hydrotech for construction services for the Park Lane Reservoir Seismic Retrofit and Replacement Project for a not-to-exceed amount of $515,211.06. The motion was seconded by Director Plough and carried after a roll call vote with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

C. ACTION ITEM: Approval of Amendment No. 4 to the Professional Services Contract with Tetra Tech for Design Services for the ASADRA Reservoir Seismic Retrofit and Replacement Projects

Mr. Turner presented the item.

Director Coates moved to authorize the General Manager to execute Amendment No. 4 to the professional services contract with Tetra Tech for design services for the Additional Supplemental Appropriation for Disaster Relief Act (ASADRA) Reservoir Seismic Retrofit and Replacement Project for a not-to-exceed amount of $309,920. The motion was seconded by Director Plough and carried after a roll call vote with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

D. INFORMATIONAL: Continued discussion of the Cachuma Operations and Maintenance Board's Sheffield Tunnel Pipeline Rehabilitation Project

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

President Goebel requested a future review of distribution system resiliency by the Operations and Customer Relations Committee.

E. ACTION ITEM: Adoption of Modified Job Description for the Engineering Manager Position

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

Director Coates moved to adopt the Modified Job Description for the Engineering Manager Position with amendments as directed by the Board. The motion was seconded by Director Wicks and carried after a roll call vote with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

F. ACTION ITEM: Adoption of Modified Job Description for the Business Manager Position

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

Director Plough moved to adopt the Modified Job Description for the Chief Financial Officer, formerly the Business Manager Position with amendments as directed by the Board. The motion was seconded by Director Coates and carried after a roll call vote with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

Items 5-H and 5-I were moved for consideration before Item 5-G

H. INFORMATIONAL: Customer Relations and Public Information Update

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

I. INFORMATIONAL: General Manager Report

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

G. INFORMATIONAL: Recognizing Adam Kanold, Assistant General Manager / Engineering Manager, for 10 years of dedicated service to the District

President Goebel read a statement expressing appreciation and gratitude for Adam Kanold's dedication and service.

The Board paused for a break at 12:34 p.m. and returned at 1:11 p.m.

6. DISTRICT BUSINESS REPORT

A. INFORMATIONAL: Cash Flow Forecast through August 31, 2026

Mr. Turner presented the item.

7. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

No report.

The Board recessed to Closed Session at 1:15 p.m.

The Board returned to Open Session at 3:22 p.m.

B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) Conference with Legal Counsel – Initiation of Litigation; 2 cases

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

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

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

D. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(2), Anticipated Litigation – 4 cases.

As to Item 7-D, the Board received an update on two cases and no action was taken. The Board gave direction to staff on two cases, and no action was taken.

E. CLOSED SESSION: Pursuant to Government Code §54956.8 (corrected) Conference with Real Property Negotiators

Property: 2770 Bella Vista Drive
Agency Negotiator: Nicholas Turner, General Manager
Negotiating Parties: District and Potential Buyers
Under Negotiation: Price and Terms of Payment

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

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

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

As to 7-F, the Board received an update and direction was given to the labor negotiator, and no action was taken.

8. DIRECTOR AND COMMITTEE REPORTS

A. President's Report: Director Goebel reported no new items.

B. Operations & Customer Relations Committee: Director Wicks reported that no meeting was held.

C. Finance Committee: Director Hayman reported that no meeting was held.

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

E. Central Coast Water Authority: Director Coates reported that DWR's reconciliation of past charges remains ongoing.

F. Cachuma Operation and Maintenance Board: Director Hayman did not attend the most recent COMB meeting.

G. Cachuma Conservation Release Board: Director Plough reported no new items.

H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks did not attend the annual meeting.

I. ACWA JPIA: Director Wicks reported that he will attend the ACWA JPIA Membership Summit starting November 30th, followed by the ACWA 2026 Fall Conference.

J. CalDesal: Director Wicks reported he attended a meeting on August 24, 2026, and there are no new items to report.

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

L. Directors' List of Compensable and Reimbursable Meetings (Government Code §53232.1 and §53232.3): President Goebel and Director Coates reported meetings attended in August.

9. DIRECTOR REQUESTS

Director Coates requested the California Local Agency Investment Fund (LAIF) rate and current 2 Year U.S. Treasury yield be added to future Investment Reports.

10. ADJOURNMENT

The meeting was adjourned at 3:27 p.m.

APPROVED:

_____
Brian Goebel, Board President

ATTEST:

_____
Nicholas Turner, Secretary

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 4-B

DATE: OCTOBER 27, 2026

TO: BOARD OF DIRECTORS

FROM: CHIEF FINANCIAL OFFICER

SUBJECT: RATIFICATION OF DISBURSEMENTS FOR SEPTEMBER 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. Total Disbursements Summary & Registers – September 2026

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

SECTION: 4-B

AP CHECK REGISTER			**1,771,231**
NET PAYROLL DIRECT DEPOSITS [1]			
CHECK DATE	9/4/2026	96,664	
CHECK DATE	9/21/2026	112,477	
		Payroll Direct Deposits	**209,141**
EXTERNAL WIRE TRANSFERS OUT FOR PAYMENT OF BILLS [2]			
CALPERS; EE BENEFITS; PAYROLL TAXES		175,615	
CCRB - FYE2026 SURPLUS REFUND		(67,923)	
ARB - RLOC LINE INTEREST (LOAN # ..6912)		10,362	
		Subtotal External Wire Transfers	**118,054**
		TOTAL DISBURSEMENTS	**2,098,426**
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
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
15479	09/25/2026	ACWA-JPIA	CYBER LIABILITY (7.01.26 - 7.01.27)	5,453.29	
15480	09/25/2026	ACWA-JPIA	000082 EMPLOYEE BENEFITS MWD	59,270.04	64,723.33
15398	09/03/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P TRASH CANS	237.02	
15398	09/03/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P ELECTROLYTE DRINKS STAFF	70.15	
15398	09/03/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P MICOWAVES, CANDY, CLIPS, HOOKS	435.36	
15398	09/03/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P CLEANER, CANDY, SOAP DISP, HEADSET	315.25	
15481	09/25/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P MANHOLE HOOKS	134.98	
15481	09/25/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P CANDY RESTOCK, BATTERIES, HEADPHONE	143.83	
15481	09/25/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P CANDY & BATTERIES RESTOCK	47.67	
15481	09/25/2026	AMAZON CAPITAL SERVICES, INC	A11U8EQYL6IP2P DIST PHONE CASES	40.92	1,425.18
15399	09/03/2026	AMERICAN BUSINESS BANK	2527-008 PAC HYDRO TERM 5% ESCROW RETEN PCC 22300	7,954.30	7,954.30
15482	09/25/2026	ANTHEM BLUE CROSS	649A63301 POST EE BENEFITS	483.65	483.65
15400	09/03/2026	A-OK POWER EQUIPMENT	100878 TRIMMER REPAIR	34.28	34.28
15453	09/16/2026	AT&T MOBILITY	MWD CELL PHONES	1,285.94	1,285.94
15401	09/03/2026	BADGER METER, INC.	PRESSURE MONITORING SENSORS	12,525.94	
15483	09/25/2026	BADGER METER, INC.	PRESSURE MONITORING EQUIPMENT	835.07	13,361.01
15484	09/25/2026	BANK UP CORPORATION	08.26 LOCKBOX FEES	1,884.67	1,884.67
15485	09/25/2026	BEDROCK BUILDING SUPPLIES INC	505 BUENA VISTA SVC UPGRADE SLURRY	278.59	
15485	09/25/2026	BEDROCK BUILDING SUPPLIES INC	505 BUTTERFLY METER UPGRADE SLURRY	278.59	557.18
15402	09/03/2026	BEST BEST & KRIEGER LLP	PARK LANE RES SPECIAL LEGAL	3,842.56	
15486	09/25/2026	BEST BEST & KRIEGER LLP	PARK LANE RES SPECIAL LEGAL	2,138.00	5,980.56
15487	09/25/2026	BLACKBURN MANUFACTING CO	MARKING FLAGS	138.30	138.30
15488	09/25/2026	BRIAN BANKS	BV SURPLUS PROPERTY SALE	125.00	125.00
15403	09/03/2026	CACHUMA OPERATIONS & MAINTENANCE BOARD	CACHUMA PROJ ENTTLMNT (10.01.26 - 4.01.27) PAY #1	43,312.57	
15489	09/25/2026	CACHUMA OPERATIONS & MAINTENANCE BOARD	BRADBURY DAM SOD FY27	26,975.88	
15489	09/25/2026	CACHUMA OPERATIONS & MAINTENANCE BOARD	LAURO DAM SOD FY27	5,451.54	
15489	09/25/2026	CACHUMA OPERATIONS & MAINTENANCE BOARD	RENEWAL FUND FY26/27	24,809.00	100,548.99
15404	09/03/2026	CALIFORNIA ELECTRIC SUPPLY	HU-68080 CONNECTORS, FITTINGS, NIPPLES	85.95	
15490	09/25/2026	CALIFORNIA ELECTRIC SUPPLY	HU-68080 COMMS & ELECT SUPPLIES	274.21	
15490	09/25/2026	CALIFORNIA ELECTRIC SUPPLY	HU-68080 CODING & ELECT TAPE	68.46	428.62
15541	09/30/2026	CALIFORNIA GOVERNOR'S OFFICE EMERGENCY SERV	DR-4353 PW246 REMIT AWARDED SETTLEMENT CREDITS	136,624.41	136,624.41
15491	09/25/2026	CALIFORNIA HOSE	H-007 HYDRAULIC HOSE	74.97	74.97
15405	09/03/2026	CANON FINANCIAL SERVICES, INC.	611341 OFFICE COPIER LEASE	1,553.00	1,553.00
15492	09/25/2026	CENTRAL COAST WATER AUTHORITY	8.01.26 - 12.31.26 VAR COST DEP REQ	78,362.16	78,362.16
15493	09/25/2026	CITY OF SANTA BARBARA	14651 WSA DESAL	648,649.00	648,649.00
15406	09/03/2026	CONVERGED	09.26 DATTO CLOUD BACKUP	1,145.00	
15406	09/03/2026	CONVERGED	09.26 NET ALERT	1,575.00	
15406	09/03/2026	CONVERGED	09.26 CYBERSECURITY SUITE	2,004.50	
15406	09/03/2026	CONVERGED	09.26 OFFICE 365	1,887.00	
15406	09/03/2026	CONVERGED	09.26 VPN LICENSES	170.00	
15406	09/03/2026	CONVERGED	FORTINET FIREWALL + WIRELESS UPDATE	575.34	
15406	09/03/2026	CONVERGED	NITRO PDF LICENSES (3) ANNUAL	827.50	
15406	09/03/2026	CONVERGED	Q20481 BVTP FIREWALL & WIFI SVCS	6,370.00	
15494	09/25/2026	CONVERGED	VISIO PLAN 2 ANNUAL SUB	267.50	
15494	09/25/2026	CONVERGED	08.26 IT SUPPORT	10,391.25	25,213.09
15495	09/25/2026	COSB PUBLIC WORKS - TRANSPORTATION DIVISION	COSB - 9.01.26 STMT - LONG FORM PERMITS	5,517.00	
15496	09/25/2026	COSB PUBLIC WORKS - TRANSPORTATION DIVISION	9.01.26 STMT - SHORT FORM PERMITS	421.00	5,938.00
15407	09/03/2026	COUNTY OF SB PLANNING & DEVELOPMENT	PERMIT ACCT # 25ACT-00243 - LIVE OAKS REZONE	1,187.04	
15497	09/25/2026	COUNTY OF SB PLANNING & DEVELOPMENT	9.01.26 STMT - PERMIT # 25ACT-00243	203.40	1,390.44
15454	09/16/2026	COX COMMUNICATIONS	13011027671401 BVTP INTERNET	409.09	

MONTECITO WATER DISTRICT
CHECK REGISTER
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
15455	09/16/2026	COX COMMUNICATIONS	13011028261302 DTP INTERNET	72.54	
15456	09/16/2026	COX COMMUNICATIONS	13011026150301 ADMIN INTERNET	337.84	819.47
15408	09/03/2026	DOCUPRODUCTS	MW04 COPIER OVERAGE	146.01	146.01
15498	09/25/2026	DUDEK	12495 BV BLOWER PERMIT	520.00	520.00
15409	09/03/2026	ECHO COMMUNICATIONS	2267 AFTER HOURS SERVICE	347.28	347.28
15410	09/03/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	74.03	
15410	09/03/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	3.56	
15499	09/25/2026	FEDEX	2095-9320-9 BANKUP EXCEPTIONS	3.56	81.15
15411	09/03/2026	FERGUSON WATERWORKS #1083	639 3/8 BALL VALVES + SS NIPPLES	4,033.84	
15500	09/25/2026	FERGUSON WATERWORKS #1083	639 BFP VALVES - E VALLEY PS + HOT SPRINGS RES	1,388.85	5,422.69
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	83.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 FE & MN MONITORING	50.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 STAGE 2 DBP MONITORING	793.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 ORTEGA RESERVOIR DBP	232.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 FE & MN MONITORING	92.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 DOULTON TUNNEL TP - RAW	39.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	68.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 ALUMINUM MONITORING	29.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	113.00	
15412	09/03/2026	FGL ENVIRONMENTAL	2016013 JAMESON LAKE TOC	292.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 ENNISBROOK 5 - PFAS	303.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 GROUNDWATER RECHARGE	362.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 FE & MN MONITORING	134.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 JAMESON LAKE MONITORING - CHLOROPHYLL	648.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	473.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	68.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 DOULTON TUNNEL TP - RAW	39.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	38.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	473.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 QUARTERLY RAW WATER BACTI	116.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 ROUTINE DRINKING WATER MONITORING	428.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 QUARTERLY RAW WATER BACTI	50.00	
15501	09/25/2026	FGL ENVIRONMENTAL	2016013 PROCESS CONTROL	113.00	6,320.00
15413	09/03/2026	FIELDMAN, ROLAPP & ASSOCIATES	25109 2025 REVOLVING LINE OF CREDIT	12,253.00	
15413	09/03/2026	FIELDMAN, ROLAPP & ASSOCIATES	25189 2025 ADVISORY SERVICES	915.80	
15502	09/25/2026	FIELDMAN, ROLAPP & ASSOCIATES	AB20338B PUBLIC NOTICING FEE	500.00	13,668.80
15414	09/03/2026	FOSTER & FOSTER, INC.	FY26 GASB 75 VALUATION (INSTALL #2)	1,845.00	1,845.00
15457	09/16/2026	FRONTIER	20918852180227065 TELEMETRY LINE	173.96	
15458	09/16/2026	FRONTIER	80556504870405195 ADMIN INTERNET	257.84	431.80
15415	09/03/2026	FUEL SMART SB	110101030 MWD FUEL	2,436.51	2,436.51
15503	09/25/2026	GIBBS INTERNATIONAL TRUCKS, INC.	H-008 OIL & FUEL FILTERS	374.80	374.80
15416	09/03/2026	GRAPHIC CONTROLS LLC	CHART RECORDERS	456.56	456.56
15504	09/25/2026	HALOGEN SYSTEMS, INC.	ANALYZER FOR ENNISBROOK #5 WELL	6,609.90	6,609.90
15417	09/03/2026	HAMNER, JEWELL & ASSOCIATES	SURPLUS PROPERTY SALE ESMT CONSULT	325.00	325.00
15418	09/03/2026	HARRINGTON INDUSTRIAL	036731 120 VAC ACTUATOR	1,083.21	
15505	09/25/2026	HARRINGTON INDUSTRIAL	036731 M2SD SHEET WHT PP 1/2" X 48" X 96"	618.73	1,701.94
15419	09/03/2026	HAZEN AND SAWYER	20312-000 BV CALCIFICATION STUDY	877.00	
15506	09/25/2026	HAZEN AND SAWYER	20312-000 CALCIFICATION COST ANALYSIS	1,264.00	2,141.00
15507	09/25/2026	HOME DEPOT CREDIT SERVICES	..8158 HOSE BIBS + PTFE TAPE	16.70	16.70
15508	09/25/2026	INFOSEND	MWT-000 BILLING	2,161.73	
15508	09/25/2026	INFOSEND	MWT-000 FEES BILLING	709.16	2,870.89

MONTECITO WATER DISTRICT
CHECK REGISTER
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
15420	09/03/2026	INSTRUMART	KELLER LEVIGAGE TRANSMITTER	922.71	
15509	09/25/2026	INSTRUMART	SUBMERSIBLE LEVEL TRANSMITTER	1,331.80	2,254.51
15510	09/25/2026	IRON MOUNTAIN	229MB SHRED SERVICE	484.68	484.68
15421	09/03/2026	LARRY'S AUTO PARTS	SPOOL CABLE, TERMINALS FOR NEW TRUCK	366.76	366.76
15348	09/24/2026	LAURA MENAHEN	VOID ORIGINAL CHECK # 15348 LOST IN MAIL	(1,905.60)	
15511	09/25/2026	LAURA MENAHEN	493W01726 POST EE BENEFITS	952.80	
15511	09/25/2026	LAURA MENAHEN	493W01726 POST EE BENEFITS	952.80	-
15512	09/25/2026	MARBORG DISPOSAL CO.	1 -0002337 1 3 YD TRASH RECYCLE BINS	1,533.72	
15512	09/25/2026	MARBORG DISPOSAL CO.	1 -0008789 7 25 YD ROLLOFF	196.85	
15512	09/25/2026	MARBORG DISPOSAL CO.	30-16830 9 BV PORTABLE	21.55	
15512	09/25/2026	MARBORG DISPOSAL CO.	30-1059740 6 DIST PORTABLE	181.74	1,933.86
15422	09/03/2026	MCCORMIX CORP.	6082 MWD FUEL	192.81	
15422	09/03/2026	MCCORMIX CORP.	6082 DIESEL EXHAUST FLUID	66.14	
15513	09/25/2026	MCCORMIX CORP.	6082 STOCK MOTOR OIL	484.94	743.89
15423	09/03/2026	MCMASTER-CARR SUPPLY CO	STEEL SCREENING	55.40	55.40
15424	09/03/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	303.71	
15424	09/03/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	138.81	
15424	09/03/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	281.71	
15424	09/03/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	91.54	
15424	09/03/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	444.65	
15424	09/03/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	281.71	
15459	09/16/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	138.81	
15459	09/16/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	91.54	
15514	09/25/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	138.81	
15514	09/25/2026	MISSION LINEN SUPPLY	102265 TREAT UNIFORMS	91.54	
15514	09/25/2026	MISSION LINEN SUPPLY	102263 DIST UNIFORMS	397.67	2,400.50
15515	09/25/2026	MONTECITO JOURNAL	MONTHLY MJ AD - SMART METERS	450.05	
15515	09/25/2026	MONTECITO JOURNAL	MWD LEGAL NOTICING	643.50	
15515	09/25/2026	MONTECITO JOURNAL	MWD LEGAL NOTICING (VWMC)	1,287.00	2,380.55
15516	09/25/2026	MONTECITO SANITARY DIST	SEVER SERVICES FY25/26	17,835.11	17,835.11
15425	09/03/2026	MONTECITO VILLAGE HARDWARE	LAG BOLTS	5.09	
15425	09/03/2026	MONTECITO VILLAGE HARDWARE	BRASS NIPPLES, EZ BOND	43.04	
15425	09/03/2026	MONTECITO VILLAGE HARDWARE	MARKING PAINT, GAS CAN, SHOVEL	84.00	
15425	09/03/2026	MONTECITO VILLAGE HARDWARE	SPRAY PAINT	23.68	
15517	09/25/2026	MONTECITO VILLAGE HARDWARE	BATTERY FOR F-025 PROBE	8.61	164.42
15426	09/03/2026	MOUNTAIN VIEW LANDSCAPING	LANDSCAPE REPAIRS FOR METER INSTALL	1,410.00	1,410.00
15518	09/25/2026	NORTHERN SAFETY CO INC	772863 SAFETY VEH BRACKET, EYE RINSE, GLASSES	347.15	347.15
15427	09/03/2026	O'REILLY	1560132 TIE WIRES	16.38	
15427	09/03/2026	O'REILLY	1560132 CONDUIT RING TERMINAL	22.37	
15519	09/25/2026	O'REILLY	1560132 FILTER WRENCH	10.91	49.66
15428	09/03/2026	PACIFIC HYDROTECH CORPORATION	C2527 ASADRA TERMINAL RES CONSTRUCTION	151,131.70	151,131.70
15460	09/16/2026	PITNEY BOWES	8000-9090-1096-6484 POSTAGE METER REFILL	450.06	450.06
15429	09/03/2026	PULSAR CONNECTED, LLC	40069847 JAMESON SAT PHONE	119.70	
15520	09/25/2026	PULSAR CONNECTED, LLC	40069847 JAMESON LAKE SAT PHONE	74.73	194.43
15461	09/16/2026	QUINN COMPANY	438325 JAMESON GENERATOR REPAIRS	1,876.80	1,876.80
15462	09/16/2026	RAYNE OF SANTA BARBARA	224204 BVTP SOFTENER	440.00	440.00
15430	09/03/2026	RINCON CONSULTANTS, INC	25-17718 ASADRA PARK LANE ENVIRO	39,371.48	
15430	09/03/2026	RINCON CONSULTANTS, INC	25-18087 ASADRA TERMINAL RES ENVIRO	4,070.75	
15430	09/03/2026	RINCON CONSULTANTS, INC	26-19134 FEMA ALDER PERMITTING	22,216.68	
15430	09/03/2026	RINCON CONSULTANTS, INC	26-19474 LIVE OAKS REZONE ENVIRO	1,581.25	
15521	09/25/2026	RINCON CONSULTANTS, INC	26-19134 FEMA ALDER ENVIRO SVCS	71,213.13	138,453.29
15522	09/25/2026	S.B. CO AIR POLLUTION CNTRL DISTRICT	ATC # 16413 - PERMIT EVALUATION FEE	1,442.00	1,442.00

MONTECITO WATER DISTRICT
CHECK REGISTER
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
15431	09/03/2026	SAFETY-KLEEN SYSTEMS INC	MO25413 OIL WASTE	249.25	249.25
15523	09/25/2026	SAF-T-FLO WATER SERVICES	CHECK VALVE REPAIR KITS	143.44	143.44
15432	09/03/2026	SB HANDYMAN	HYDRANT PAINING & CLEARING	5,185.00	
15432	09/03/2026	SB HANDYMAN	WILDFIRE HARDENING OFFICE	6,150.00	
15524	09/25/2026	SB HANDYMAN	HYDRANT MAINTENANCE	5,100.00	16,435.00
15525	09/25/2026	SEARLE CREATIVE GROUP, LLC	MWD GRAPHIC DESIGN BUDGET/DEMO GARDEN/MEETINGS	5,670.00	5,670.00
15526	09/25/2026	SECUREPRO, INC.	BVTP SECURITY CAMERAS	973.50	973.50
15527	09/25/2026	SOAP MAN	DIST PAPER TOWELS, MARKING PAINT, GLOVES, WIRE TIE	354.82	354.82
15463	09/16/2026	SOUTHERN CALIF EDISON CO ..0049	700571670049 PICAY SVC FEE	152.43	
15433	09/03/2026	SOUTHERN CALIF EDISON CO ..0181	700869240181 PADEN WELL	997.82	
15464	09/16/2026	SOUTHERN CALIF EDISON CO ..0377	700869220377 BUELL PUMP STATION	424.15	
15434	09/03/2026	SOUTHERN CALIF EDISON CO ..0784	700869230784 OFFICE SHOP	398.53	
15435	09/03/2026	SOUTHERN CALIF EDISON CO ..1093	700869251093 MOSBY WELL	421.77	
15465	09/16/2026	SOUTHERN CALIF EDISON CO ..1687	700869211687 EDGEWOOD WELL # 3	1,203.32	
15436	09/03/2026	SOUTHERN CALIF EDISON CO ..2915	700869252915 VALLEY CLUB WELL	373.17	
15466	09/16/2026	SOUTHERN CALIF EDISON CO ..3919	700869233919 DOULTON SOUTH PORTAL	14.98	
15437	09/03/2026	SOUTHERN CALIF EDISON CO ..4181	700869434181 OFFICE PUMP STATION	2,814.42	
15438	09/03/2026	SOUTHERN CALIF EDISON CO ..5223	700869205223 AMAPOLA WELL	1,342.95	
15439	09/03/2026	SOUTHERN CALIF EDISON CO ..5728	700869205728 OFFICE BUILDING	958.75	
15467	09/16/2026	SOUTHERN CALIF EDISON CO ..6432	700869196432 DOULTON TREAT PLANT	876.72	
15468	09/16/2026	SOUTHERN CALIF EDISON CO ..6830	700869176830 ENNISBROOK #5 WELL	834.03	
15469	09/16/2026	SOUTHERN CALIF EDISON CO ..7543	700869197543 LAS FUENTES WELL	108.82	
15470	09/16/2026	SOUTHERN CALIF EDISON CO ..8039	700869168039 COLD SPRINGS RES	15.47	
15471	09/16/2026	SOUTHERN CALIF EDISON CO ..8642	700869158642 PARK LANE RES	22.03	
15472	09/16/2026	SOUTHERN CALIF EDISON CO ..9554	700869169554 EVR #4 / #6 WELLS	14.29	
15473	09/16/2026	SOUTHERN CALIF EDISON CO ..9649	700869149649 BUELL STORAGE	13.57	
15440	09/03/2026	SOUTHERN CALIF EDISON CO ..9863	700869189863 EVR #3 WELL	326.40	11,313.62
15474	09/16/2026	SOUTHERN CALIF GAS CO	10741464001 ADMIN GAS	21.62	21.62
15528	09/25/2026	SPECIALTY TOOL & BOLT	BOLS FOR REGULATORS	21.14	21.14
15441	09/03/2026	STANDARD INSURANCE COMPANY	09.26 MWD DISABILITY INSURANCE	3,269.75	3,269.75
15529	09/25/2026	STEWARTS DEROOTING & PLUMBING	HYDRO JET AND INSPECT ARCH DRAIN	2,960.00	2,960.00
15530	09/25/2026	SWRCB-DWOCP	T4 CERT RENEWAL - EE # 99	131.00	131.00
15442	09/03/2026	TETRA TECH, INC	200-106490-21001 ASADRA ROMERO DESIGN	19,448.50	
15442	09/03/2026	TETRA TECH, INC	200-106490-21001 ASADRA TERMINAL RES ENGINEERING	8,821.58	
15442	09/03/2026	TETRA TECH, INC	200-106490-21001 ASADRA BELLA VISTA RES DESIGN	7,524.00	
15442	09/03/2026	TETRA TECH, INC	200-106590-21001 PARK LANE RES ENGINEERING	12,214.50	
15531	09/25/2026	TETRA TECH, INC	200-106490-21001 ASADRA ROMERO RES BID DOCS	4,495.00	
15531	09/25/2026	TETRA TECH, INC	200-106490-21001 ASADRA TERMINAL RES ENGINEERING	1,604.00	
15531	09/25/2026	TETRA TECH, INC	200-106490-21001 ASADRA BV RES BID DOCS	6,085.00	
15531	09/25/2026	TETRA TECH, INC	200-106490-21001 ASADRA PARK LANE RES ENGINEERING	10,720.50	70,913.08
15532	09/25/2026	THE WHARF	2026 BOOTS - EE # 139 #1	400.00	400.00
15533	09/25/2026	THE WIDROE GROUP, INC	ENGINEERING MGR RECRUIT - #1 RETAINER	15,300.00	15,300.00
15443	09/03/2026	TRAFFIC TECHNOLOGIES LLC	DECALS + PAINT	391.66	391.66
15475	09/16/2026	U.S. BANK NATIONAL ASSOCIATION	9.07.26 STMT - ACCT # 4866 9163 7659 3705	7,540.63	
15475	09/16/2026	U.S. BANK NATIONAL ASSOCIATION	9.07.26 STMT - ACCT # 4866 9163 6390 7579	6,954.49	
15475	09/16/2026	U.S. BANK NATIONAL ASSOCIATION	9.07.26 STMT - ACCT # 4866 9163 2931 9042	447.54	14,942.66
15444	09/03/2026	UNDERGROUND SERVICE ALRT	MONO1WTR USA REGULATORY FEES	113.24	
15444	09/03/2026	UNDERGROUND SERVICE ALRT	MONO1WTR USA TICKETS	291.85	405.09
15445	09/03/2026	USA BLUEBOOK	238814 WATER QUALITY VIALS (300)	615.97	
15534	09/25/2026	USA BLUEBOOK	238814 COLITAG TEST KITS	1,551.44	2,167.41
15535	09/25/2026	USC COMPANIES, INC.	08.26 ADMIN JANITORIAL	675.00	675.00
15450	09/09/2026	USPS/PO BOX SECTION	CALLER SERVICE PO BOX # 29079 ANNUAL RENEWAL FY27	2,260.00	2,260.00

MONTECITO WATER DISTRICT
CHECK REGISTER
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
15536	09/25/2026	WANGER JONES HELSLEY PC	12183-002 FEMA ALDER SPECIAL LEGAL	4,143.28	4,143.28
15446	09/03/2026	WATER SYSTEMS CONSULTING, INC	1229-12519 ASADRA PARK LANE CONSTR MGMT SVCS	36,212.38	
15537	09/25/2026	WATER SYSTEMS CONSULTING, INC	1229-11918 ASADRA TERMINAL RES ENVIRO	45,554.68	
15537	09/25/2026	WATER SYSTEMS CONSULTING, INC	1229-11918 ASADRA TERMINAL RES CONSTR MGMT	15,265.10	97,032.16
15478	09/16/2026	WELLS FARGO BANK	9.03.26 STMT - MWD	12.63	12.63
15538	09/25/2026	WENDELSTEIN LAW GROUP PC	MWD GENERAL COUNSEL	29,449.50	
15538	09/25/2026	WENDELSTEIN LAW GROUP PC	ASADRA GENERAL COUNSEL	1,134.00	30,583.50
15539	09/25/2026	WESTWATER RESEARCH LLC	25-027 P130 WATER MARKETING STRATEGY (SOLSTRA)	1,125.00	1,125.00
15447	09/03/2026	WOOD RODGERS, INC.	8774021 HYDRAULIC MODELING	2,720.00	
15447	09/03/2026	WOOD RODGERS, INC.	8774022 P115 E VALLEY WATERMAIN BID SCVS	142.50	
15447	09/03/2026	WOOD RODGERS, INC.	8774023 ASADRA PARK LANE PROJ MGMT	6,080.00	
15447	09/03/2026	WOOD RODGERS, INC.	8774024 ASADRA TERMINAL RES PROJ MGMT	2,240.00	
15449	09/03/2026	WOOD RODGERS, INC.	8774020 FEMA HIGHLINE DESIGN	7,578.00	18,760.50
15448	09/03/2026	WORKSITE SOLUTIONS	CWMA29175 EE SUPP INSURANCE	339.22	339.22
15540	09/25/2026	ZWORLD GIS, LLC	GIS PROGRAM SUPPORT	2,550.00	2,550.00
			MWD REPORT TOTAL	**1,771,230.68**	**1,771,230.68**
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MONTECITO WATER DISTRICT
DIRECT DEPOSIT REGISTER
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
DFT0002504	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - GSA NET PAYROLL	11,121.04	11,121.04
DFT0002515	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - MWD NET PAYROLL	82,402.14	82,402.14
DFT0002518	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - HIGHLINE NET PAYROLL	3,140.34	3,140.34
DFT0002528	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - GSA NET PAYROLL	11,222.86	11,222.86
DFT0002535	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - MWD NET PAYROLL	99,295.57	99,295.57
DFT0002538	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - HIGHLINE NET PAYROLL	1,958.73	1,958.73
			MWD REPORT TOTAL	**209,140.68**	**209,140.68**
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MONTECITO WATER DISTRICT
ACH REGISTER
SEPTEMBER 30, 2026

REF / CHECK #	DATE	VENDOR	DESCRIPTION	AMOUNT	TOTAL
DFT0002523	09/15/2026	AMERICAN RIVIERA BANK	RLOC LINE INTEREST (LOAN # ..6912) 09.26	10,362.46	10,362.46
DFT0002507	09/08/2026	BENEFLEX INC	9/04 PR - FSA & DCP PLAN EMPLOYEE CONTRIBUTIONS	2,102.00	2,102.00
DFT0002524	09/21/2026	BENEFLEX INC	9/21 PR - FSA & DCP PLAN EMPLOYEE CONTRIBUTIONS	2,102.00	2,102.00
DFT0002521	09/09/2026	CACHUMA CONSERV RELEASE BOARD	REFUND CHECK # 5028 - FYE2026 SURPLUS	(67,923.18)	(67,923.18)
DFT0002506	09/08/2026	CALPERS	9/04 PR - PEPRA EMPLOYER CONTRIBUTIONS GSA	590.15	590.15
DFT0002508	09/08/2026	CALPERS	9/04 PR - 457/LOAN PLAN EMPLOYEE CONTRIBUTIONS	4,420.25	4,420.25
DFT0002509	09/08/2026	CALPERS	9/04 PR - PEPRA EMPLOYEE CONTRIBUTIONS	4,630.98	4,630.98
DFT0002510	09/08/2026	CALPERS	9/04 PR - PEPRA EMPLOYER CONTRIBUTIONS MWD	4,148.38	4,148.38
DFT0002511	09/08/2026	CALPERS	9/04 PR - CLASSIC EMPLOYEE CONTRIBUTIONS	3,985.83	3,985.83
DFT0002512	09/08/2026	CALPERS	9/04 PR - CLASSIC EMPLOYER CONTRIBUTIONS	7,235.99	7,235.99
DFT0002522	09/09/2026	CALPERS	SOC SEC ADMIN FEE (ANNUAL)	90.00	90.00
DFT0002525	09/21/2026	CALPERS	9/21 PR - 457/LOAN PLAN EMPLOYEE CONTRIBUTIONS	4,294.37	4,294.37
DFT0002526	09/21/2026	CALPERS	9/21 PR - PEPRA EMPLOYEE CONTRIBUTIONS	4,660.97	4,660.97
DFT0002527	09/21/2026	CALPERS	9/21 PR - PEPRA EMPLOYER CONTRIBUTIONS MWD	4,179.07	4,179.07
DFT0002530	09/21/2026	CALPERS	9/21 PR - PEPRA EMPLOYER CONTRIBUTONS GSA	590.15	590.15
DFT0002531	09/21/2026	CALPERS	9/21 PR - CLASSIC EMPLOYEE CONTRIBUTIONS	3,985.84	3,985.84
DFT0002532	09/21/2026	CALPERS	9/21 PR - CLASSIC EMPLOYER CONTRIBUTIONS	7,235.99	7,235.99
DFT0002541	09/30/2026	EPX	09.26 EPX FEES	19,609.76	19,609.76
DFT0002513	09/08/2026	LINCOLN FINANCIAL GROUP	9/04 PR - 457 PLAN EMPLOYEE CONTRIBUTIONS	1,742.31	1,742.31
DFT0002533	09/21/2026	LINCOLN FINANCIAL GROUP	9/21 PR - 457 PLAN EMPLOYEE CONTRIBUTIONS	1,742.31	1,742.31
DFT0002505	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - GSA EMPLOYER TAXES	668.49	668.49
DFT0002516	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - MWD EMPLOYEE TAXES	33,709.64	33,709.64
DFT0002517	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - MWD EMPLOYER TAXES	9,422.77	9,422.77
DFT0002529	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - GSA EMPLOYER TAXES	675.40	675.40
DFT0002536	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - MWD EMPLOYEE TAXES	40,443.28	40,443.28
DFT0002537	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - MWD EMPLOYER TAXES	11,103.48	11,103.48
DFT0002563	09/25/2026	PAYLOCITY CORPORATION	33560 08.26 & 09.26 PR PROCESSING FEES	976.02	976.02
DFT0002519	09/04/2026	PAYLOCITY CORPORATION	9/04 PR - HIGHLINE EMPLOYER TAXES	234.28	234.28
DFT0002539	09/21/2026	PAYLOCITY CORPORATION	9/21 PR - HIGHLINE EMPLOYER TAXES	127.49	127.49
DFT0002514	09/08/2026	SANTA BARBARA COUNTY EMPLOYEE ASS.	9/04 PR - UNION DUES	453.96	453.96
DFT0002534	09/21/2026	SANTA BARBARA COUNTY EMPLOYEE ASS.	9/21 PR - UNION DUES	453.96	453.96
			MWD REPORT TOTAL	**118,054.40**	**118,054.40**
					-

PROOF	
CHECK REGISTERS	1,771,230.68
DRAFTS	118,054.40
DIRECT DEPOSIT	209,140.68
	2,098,425.76
INCODE CHECK REGISTER ALL	2,098,425.76
	-

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-C**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **CHIEF FINANCIAL OFFICER**

SUBJECT: **INVESTMENT OF DISTRICT FUNDS AND CASH POSITION AS OF SEPTEMBER 30, 2026**

RECOMMENDATION:

For information and discussion only.

SUMMARY:

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

The report includes:

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

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

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

CASH POSITION SUMMARY (September 1 - 30, 2026)

Category	Beginning Balance	Ending Balance	Change	Notes
Operating Cash (ARB)	$7,637,081	$8,887,368	$1,250,286	
Pinnacle Checking (ARB)	($5)	($25)	($20)	Service charges, later refunded
Money Market (ARB)	$3,562,007	$3,570,981	$8,973	
Investments (Schwab One)	$4,903,049	$4,917,719	$14,670	
Total Cash & Equivalents	**$16,102,132**	**$17,376,043**	**$1,273,910**	

INVESTMENT PORTFOLIO – SCHWAB ONE

- Schwab One Ending Account Value: **$4,917,719**
- Total Estimated Value (incl. dividends and income): **$4,946,304**

Portfolio Composition:

- Cash and cash equivalents (Money Market): **$ 612,294 (12%)**
- Fixed income (Treasuries): **$ 4,305,425 (88%)**

Performance

- Portfolio's Average Yield: **3.851%** (weighted and based on *Yield to Maturity* at time of purchase)
- Comparatives
    - LAIF: 3.908% | 2-Year Treasury: 4.787%
- Monthly Income (Dividends and Interest): **$10,753**
- Fiscal Year-to-Date Income: **$44,723**
- Market Appreciation/(Depreciation): **$3,917**
- Activity: Asset Allocation Shift to Fixed Income

MONEY MARKET ACCOUNT – AMERICAN RIVIERA BANK

- Ending Balance : **$3,570,981**
- Interest Earned (September) **$8,973**
- Annual Percentage Yield Earned (APYE): **3.11%**
- Average Balance: **$3,562,007**

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 Chief Financial Officer 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.

Raymond Willefert — 10/16/2026

Chief Financial Officer — Date

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 4-D

DATE: OCTOBER 27, 2026

TO: BOARD OF DIRECTORS

FROM: CHIEF FINANCIAL OFFICER

SUBJECT: UNAUDITED FINANCIAL REPORT AS OF AUGUST 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 August 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 typically first reviewed by the Finance Committee and subsequently presented to the Board of Directors for discussion and any appropriate direction or action.

AUGUST 2026 FINANCIAL REPORTING

- **Unaudited Financial Report (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 Report as of August 31, 2026
2. Water Sales Analysis, including supporting tables and graphical dashboards, for August 2026

UNAUDITED FINANCIAL REPORT
as of
August 31, 2026

REGULAR MEETING
of the
BOARD OF DIRECTORS
October 27, 2026

Budget Variance Report

For Fiscal: 2027 Period Ending: 08/31/2026

	CURRENT MONTH			YEAR TO DATE			ANNUAL BUDGET		
	BUDGETED AUGUST	ACTUAL AUGUST	$ VARIANCE	BUDGETED	ACTUAL	$ VARIANCE	BUDGET LESS ACTIVITY	TOTAL BUDGET	% BUDGET REMAINING
REVENUE SUMMARY									
Water Sales Revenue	3,099,590	3,403,279	303,689	6,611,723	7,168,349	556,626	(20,723,069)	27,891,418	74%
Other Operating Revenue	56,037	35,837	(20,200)	114,257	75,313	(38,944)	(597,387)	672,701	89%
Non-Operating Revenue	45,580	30,861	(14,719)	103,660	60,964	(42,696)	(789,036)	850,000	93%
TOTAL REVENUE	**3,201,207**	**3,469,977**	**268,771**	**6,829,640**	**7,304,627**	**474,987**	**(22,109,492)**	**29,414,119**	**75%**
Transfer In: GSA Cost Share								427,758	100%
GRAND TOTAL REVENUE								**29,841,877**	
EXPENSE SUMMARY									
Water Purchases	661,746	583,821	77,925	6,292,008	6,063,980	228,028	(9,175,316)	15,239,296	60%
Jameson Lake	18,802	11,763	7,039	128,563	102,063	26,500	(323,177)	425,241	76%
Treatment Operations	151,108	112,827	38,282	587,073	526,565	60,508	(2,057,987)	2,584,552	80%
Transmission/Distribution	180,980	113,443	67,537	689,019	567,683	121,336	(1,900,117)	2,467,800	77%
Customer Service	44,802	46,269	(1,467)	92,718	101,477	(8,759)	(579,096)	680,573	85%
Fleet	22,117	18,471	3,646	88,334	81,573	6,761	(247,394)	328,967	75%
Engineering	113,600	135,631	(22,031)	210,672	207,553	3,120	(1,346,534)	1,554,087	87%
Administration	197,629	212,449	(14,820)	410,345	337,853	72,493	(2,882,018)	3,219,870	90%
Board Administration	4,460	50	4,411	6,127	1,233	4,894	(54,562)	55,795	98%
Conservation	15,652	10,288	5,364	37,445	34,804	2,641	(230,031)	264,835	87%
Public Information	19,916	12,654	7,262	49,504	29,651	19,853	(238,534)	268,185	89%
TOTAL EXPENSE	**1,430,812**	**1,257,666**	**173,146**	**8,591,807**	**8,054,434**	**537,373**	**(19,034,766)**	**27,089,200**	**70%**
REVENUE OVER/(UNDER) EXPENDITURE	**1,770,394**	**2,212,311**	**441,917**	**(1,762,167)**	**(749,807)**	**1,012,359**	**(3,074,727)**	**2,752,677**	

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 08/31/2026

Revenue	CURRENT MONTH BUDGETED AUGUST	CURRENT MONTH ACTUAL AUGUST	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
41 - WATER SALES REVENUE								
Water Sales - Single Family	2,023,692	2,199,698	176,006	3,912,894	4,245,944	333,050	74%	16,291,272
Water Sales - Multi Family	33,269	34,260	991	65,366	65,181	(185)	78%	301,507
Water Sales - Commercial	131,786	141,143	9,357	250,236	276,370	26,133	78%	1,246,243
Water Sales - Institu / Public	218,461	325,881	107,420	436,133	614,322	178,189	63%	1,651,154
Water Sales - Agricultural	92,541	110,872	18,331	177,101	211,448	34,347	71%	726,514
Water Sales - Non Potable	15,941	6,647	(9,295)	32,895	13,781	(19,114)	89%	122,474
Water Sales - Const/Other Consumpt	6,172	4,882	(1,290)	10,215	10,041	(174)	78%	45,322
Water Sales - Surplus SWP Sales	-	-	-	571,428	571,428	-	0%	571,428
Water Sales - Monthly Meter Charges	577,727	579,897	2,169	1,155,455	1,159,834	4,379	83%	6,935,504
Total 41 - WATER SALES REVENUE	**3,099,590**	**3,403,279**	**303,689**	**6,611,723**	**7,168,349**	**556,626**	**74%**	**27,891,418**
42 - OTHER OPERATING REVENUE								
Late Charges	2,183	2,219	35	6,550	6,597	47	75%	26,200
DrTag/Cutoff/On/Rtn Chk/AftHr	1,234	1,034	(200)	2,468	2,342	(126)	84%	14,817
Private Fire Line Srv Charge	29,295	28,148	(1,148)	58,591	56,295	(2,295)	84%	351,684
CWSA/Hydrant Flow Test Fees	4,998	4,062	(936)	9,996	9,590	(406)	84%	60,000
Service Connection Fees	4,998	115	(4,883)	9,996	230	(9,766)	100%	60,000
Capital Cost Recovery Fees	13,328	-	(13,328)	26,656	-	(26,656)	100%	160,000
Total 42 - OTHER OPERATING REVENUE	**56,037**	**35,837**	**(20,200)**	**114,257**	**75,313**	**(38,944)**	**89%**	**672,701**
43 - NON-OPERATING REVENUE								
Rent Revenue	8,090	7,454	(637)	16,180	9,657	(6,523)	90%	100,000
Interest Revenue	24,990	23,415	(1,575)	49,980	52,652	2,672	82%	300,000
Investment Gains / (Loss)	-	(305)	(305)	-	(1,687)	(1,687)	0%	-
Reimbursements	12,500	202	(12,298)	37,500	202	(37,298)	100%	150,000
Water Avail Chg - Revenue	-	-	-	-	-	-	100%	300,000
Other Income	-	95	95	-	141	141	0%	-
Total 43 - NON-OPERATING REVENUE	**45,580**	**30,861**	**(14,719)**	**103,660**	**60,964**	**(42,696)**	**93%**	**850,000**
Total Revenue	**3,201,207**	**3,469,977**	**268,771**	**6,829,640**	**7,304,627**	**474,987**	**75%**	**29,414,119**
Transfer In: Fund 02 GSA Cost Share								*427,758*
Grand Total Revenue								**29,841,877**

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 08/31/2026

Expense	CURRENT MONTH BUDGETED AUGUST	CURRENT MONTH ACTUAL AUGUST	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
Department: 500 - Water Purchases								
USBR - Cachuma	-	-	-	-	-	-	100%	247,440
SWP CCWA Fixed	-	-	-	1,020,737	1,020,737	-	0%	1,020,737
SWP DWR Fixed	-	-	-	3,630,278	3,630,279	(1)	0%	3,630,278
SWP DWR Variable Costs	-	-	-	-	-	-	100%	380,086
CCRB Cachuma	-	-	-	40,546	40,546	-	75%	162,185
COMB Cachuma	-	-	-	276,954	204,776	72,178	78%	948,025
CATER Treatment Operations	-	-	-	-	-	-	100%	879,590
CATER Capital Costs	10,669	-	10,669	21,338	-	21,338	100%	128,030
DESAL Plant Capital Charge	193,632.87	193,633.00	-	387,266	387,266	-	83%	2,323,594
DESAL Fixed O&M Charge (IDE)	204,013	204,013	-	408,027	408,026	1	83%	2,448,160
DESAL Fixed O&M Charge (City)	24,138	24,138	-	48,277	48,276	1	83%	289,661
DESAL Variable O&M Charge	103,723	103,723	-	207,445	207,446	(1)	83%	1,244,672
DESAL Administrative Charge	35,370	35,370	-	70,740	70,740	-	83%	424,441
DESAL Water Supply Develop Fee	22,944	22,944	-	45,888	45,888	-	83%	275,328
DESAL Plant Capital Maint(Paygo)	67,256	-	67,256	134,512	-	134,512	100%	807,069
Semitropic Banking/Recovery	-	-	-	-	-	-	100%	30,000
Total Department: 500 - Water Purchases	**661,746**	**583,821**	**77,925**	**6,292,008**	**6,063,980**	**228,028**	**60%**	**15,239,296**
Department: 511 - Jameson Lake								
PAYROLL/PERSONNEL	9,977	9,330	647	21,113	20,098	1,015	85%	134,360
TRAINING & TRAVEL	100	-	100	100	-	100	100%	2,000
MATERIAL & SUPPLIES	2,250	207	2,043	4,500	1,740	2,760	94%	27,000
CONTRACTUAL SERVICES	6,475	2,227	4,248	22,850	3,104	19,746	98%	181,881
OTHER OPERATING EXPENSES	-	-	-	80,000	77,121	2,879	4%	80,000
Total Department: 511 - Jameson Lake	**18,802**	**11,763**	**7,039**	**128,563**	**102,063**	**26,500**	**76%**	**425,241**
Department: 531 - Treatment Operations								
PAYROLL/PERSONNEL	93,014	87,011	6,003	482,786	474,843	7,943	69%	1,532,894
TRAINING & TRAVEL	1,253	616	637	1,358	739	619	94%	11,451
MATERIAL & SUPPLIES	24,003	9,238	14,765	32,382	16,374	16,008	95%	363,299
CONTRACTUAL SERVICES	32,839	15,962	16,877	70,547	34,608	35,939	95%	676,908
Total Department: 531 - Treatment Operations	**151,108**	**112,827**	**38,281**	**587,073**	**526,565**	**60,508**	**80%**	**2,584,552**
Department: 541 - Transmission/Distribution								
PAYROLL/PERSONNEL	102,526	96,796	5,730	534,510	517,185	17,325	70%	1,707,994
TRAINING & TRAVEL	1,800	195	1,605	2,000	195	1,805	98%	12,650
MATERIAL & SUPPLIES	25,000	7,707	17,293	50,000	10,992	39,008	96%	300,000
CONTRACTUAL SERVICES	51,405	8,745	42,660	102,509	39,016	63,493	91%	444,156
Total Department: 541 Transmission/Distribution	**180,980**	**113,443**	**67,537**	**689,019**	**567,683**	**121,336**	**77%**	**2,467,800**
Department: 550 - Customer Service								
PAYROLL/PERSONNEL	31,052	31,528	(476)	65,218	67,107	(1,889)	84%	407,073
TRAINING & TRAVEL	-	-	-	-	-	-	100%	4,000
MATERIAL & SUPPLIES	500	150	350	1,000	258	742	97%	8,000
CONTRACTUAL SERVICES	13,250	14,591	(1,341)	26,500	34,112	(7,612)	87%	261,500
Total Department: 550 - Customer Service	**44,802**	**46,269**	**(1,467)**	**92,718**	**101,477**	**(8,759)**	**85%**	**680,573**
Department: 561 - Fleet								
PAYROLL/PERSONNEL	13,042	12,411	631	70,284	68,229	2,055	69%	220,008
TRAINING & TRAVEL	100	-	100	100	-	100	100%	1,100
MATERIAL & SUPPLIES	8,250	5,790	2,460	16,500	13,075	3,425	87%	99,000
CONTRACTUAL SERVICES	725	270	455	1,450	270	1,180	97%	8,859
Total Department: 561 - Fleet	**22,117**	**18,471**	**3,646**	**88,334**	**81,573**	**6,761**	**75%**	**328,967**
Department: 563 - Engineering								
PAYROLL/PERSONNEL	55,950	51,500	4,450	116,772	98,810	17,962	87%	737,158
TRAINING & TRAVEL	-	1,529	(1,529)	1,000	1,529	(529)	68%	4,800
MATERIAL & SUPPLIES	3,800	2,576	1,224	6,300	5,367	933	92%	67,900
CONTRACTUAL SERVICES	53,850	80,026	(26,176)	86,600	101,511	(14,911)	86%	744,229
Total Department: 563 - Engineering	**113,600**	**135,631**	**(22,031)**	**210,672**	**207,553**	**3,119**	**87%**	**1,554,087**

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 08/31/2026

Expense	CURRENT MONTH BUDGETED AUGUST	CURRENT MONTH ACTUAL AUGUST	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
Department: 565 - Administration								
PAYROLL/PERSONNEL	92,902	88,429	4,473	195,890	169,740	26,150	86%	1,232,425
TRAINING & TRAVEL	1,083	744	339	2,167	744	1,423	94%	13,000
MATERIAL & SUPPLIES	22,150	6,484	15,666	44,300	12,325	31,975	95%	265,800
CONTRACTUAL SERVICES	76,744	102,372	(25,628)	153,488	135,183	18,305	92%	1,592,845
OTHER OPERATING EXPENSES	4,750	14,421	(9,671)	14,500	19,861	(5,361)	83%	115,800
Total Department: 565 - Administration	**197,629**	**212,449**	**(14,820)**	**410,345**	**337,853**	**72,492**	**90%**	**3,219,870**
Department: 566 - Board Administration								
PAYROLL/PERSONNEL	2,794	840	1,954	2,794	840	1,954	98%	35,795
TRAINING & TRAVEL	1,250	(790)	2,040	2,500	(790)	3,290	105%	15,000
OTHER OPERATING EXPENSES	417	-	417	833	1,183	(350)	76%	5,000
Total Department: 566 - Board Administration	**4,460**	**50**	**4,410**	**6,127**	**1,233**	**4,894**	**98%**	**55,795**
Department: 568 - Conservation								
PAYROLL/PERSONNEL	12,281	9,776	2,505	26,304	23,021	3,283	86%	166,592
TRAINING & TRAVEL	100	179	(79)	100	179	(79)	94%	3,000
MATERIAL & SUPPLIES	50	-	50	100	-	100	100%	600
CONTRACTUAL SERVICES	3,220	209	3,011	6,441	209	6,232	100%	78,643
OTHER OPERATING EXPENSES	-	124	(124)	4,500	11,395	(6,895)	29%	16,000
Total Department: 568 - Conservation	**15,652**	**10,288**	**5,364**	**37,445**	**34,804**	**2,641**	**87%**	**264,835**
Department: 568 - Public Information								
PAYROLL/PERSONNEL	14,051	12,494	1,557	29,774	27,916	1,858	85%	185,828
TRAINING & TRAVEL	1,000	-	1,000	1,000	-	1,000	100%	3,000
MATERIAL & SUPPLIES	-	-	-	-	-	-	100%	13,400
CONTRACTUAL SERVICES	4,865	160	4,705	18,730	1,735	16,995	97%	65,957
Total Department: 568 - Public Information	**19,916**	**12,654**	**7,262**	**49,504**	**29,651**	**19,853**	**89%**	**268,185**
Total Expense	**1,430,812**	**1,257,666**	**173,146**	**8,591,807**	**8,054,434**	**537,373**	**70%**	**27,089,200**

MONTECITO WATER DISTRICT

Capital Program — Year-to-Date Activity

Fiscal Year 2027 | July 1, 2026 through August 31, 2026

Capital Funding Sources	Budget	YTD Expenditures	% By Source
ASADRA Financing Proceeds	11,559,797	340,667	52%
FEMA Reimbursements	4,380,000	83,307	20%
RATE Revenue & Water Availability Charge	6,385,000	112,454	29%
Capital Funding Sources - Total	**22,324,797**	**536,427**	**100%**

Capital Projects & Purchases by Program Area

Proj / Asset #	Project / Description	Budget	YTD Expenditures	% of Budget
Vehicles & Equipment				
F031	Distribution Service Truck	75,000	44,813	
F032	Distribution Service Truck	50,000	66,387	
F033	Treatment Standby Truck	50,000	-	
F034	Conservation Utility Truck	50,000	-	
F035	Engineering Utility Truck	50,000	-	
Vehicles & Equipment — Subtotal		**275,000**	**111,200**	**40%**
Pipelines				
P160	Highline Water Main Replacement (Design)	150,000	-	
P115	E. Valley, Ladera, Lambert Water Main Replacement	3,780,000	1,253	
P141	Fairway, Butterfly, Miramonte Main Replacements	150,000	-	
P152	Fire Hydrant Replacement Project	460,000	-	
Pipelines — Subtotal		**4,540,000**	**1,253**	**0%**
Reservoirs				
P132	ASADRA Park Lane Reservoir	4,754,750	111,826	
P133	ASADRA Terminal Reservoir	3,585,047	191,288	
P134	ASADRA Bella Vista Reservoir	3,220,000	13,609	
P136	ASADRA Romero Reservoir	-	23,944	
Reservoirs — Subtotal		**11,559,797**	**340,667**	**3%**
Pumping / Wells / Valves / Treatment Plant				
P153	Ortega PS Backup Generator Replacement	180,000	-	
P154	Bella Vista & Doulton Treatment Plant Acid Addition	900,000	-	
P155	Bella Vista Reservoir Blower Upgrades	60,000	-	
P156	Doulton Treatment Plant Softening System	90,000	-	
P157	Coyote Road Pressure Regulator Installation	90,000	-	
P158	Toro Canyon Pressure Regulator Vault Upgrades	200,000	-	
P159	Doulton Treatment Plant Roof Addition	50,000	-	
Pumping / Wells / Valves / Treatment Plant - Subtotal		**1,570,000**	**-**	**0%**
FEMA Extraordinary Projects				
A1	Alder Creek Flume Reconstruction	3,100,000	41,982	
F025	Highline Pipeline Repair — Jan 2023 Storm	1,280,000	41,325	
FEMA Extraordinary Projects - Subtotal		**4,380,000**	**83,307**	**2%**
Total Year-to-Date CIP Expenditures		**22,324,797**	**536,427**	**2%**

MONTECITO WATER DISTRICT

Finance Committee — Budget Variance Notes

FY 2027 Month 2 – Period Ending August 31, 2026

Reporting Threshold	Variances exceeding $25,000 or greater, excluding timing-related variances
Basis	Budgetary basis, unaudited
Sources	Budget Variance and Monthly Budget Reports, Project Activity Report

SUMMARY OF RESULTS

Current Month — August 2026

	Budget	Actual	Variance
Total Revenue	$3,201,207	$3,469,977	$268,771
Total Expense	$1,430,812	$1,257,666	$173,146
Revenue Over/(Under) Expenditure	**$1,770,394**	**$2,212,311**	**$441,917**

Year-to-Date (YTD) – Period Ending August 31, 2026

	Budget	Actual	Variance
Total Revenue	$6,829,640	$7,304,627	$474,987
Total Expense	$8,591,807	$8,054,434	$537,373
Revenue Over/(Under) Expenditure	**($1,762,167)**	**($749,807)**	**$1,012,359**

REVENUES

Water Sales Revenue

Water Sales Revenues remain elevated due to continued warm weather and are favorable $556K and 8% higher than the YTD Budget.

- **Single Family Residential** and **Institutional/Public** customer classes primary drivers of favorable variance, at 9% and 40% higher than the YTD Budget, respectively.

Variances in other revenue categories are timing-related and do not currently indicate structural issues.

EXPENDITURES

Department 500 — Water Purchases

Water Purchases are favorable $228K and 4% lower than the YTD Budget.

- **DESAL Plant Capital Maintenance** favorable $135K.
    - No PAYGO capital expenses incurred YTD.

Expenditure variances in other departments are timing-related and do not currently indicate structural issues.

CAPITAL PROGRAM

Capital Projects & Purchases are below budget due to timing and are expected to catch up as the year progresses.

Funding Sources	FY 2027 Budget	% by Source
Rate Revenue & Water Availability Charge	$6,385,000	52%
ASADRA Financing Proceeds	$11,559,797	20%
FEMA Reimbursements	$4,380,000	29%
Total Capital Funding Sources	**$22,324,797**	**100%**

Program Area	FY 2027 Budget	YTD Expenditures	% of Budget
Vehicles & Equipment	$275,000	$111,200	40%
Pipelines	$4,540,000	$1,253	0%
ASADRA Reservoir Projects	$11,559,797	$340,667	3%
Pumping / Wells / Valves / Treatment Plant	$1,570,000	$0	0%
FEMA Extraordinary Projects	$4,380,000	$83,307	2%
Total YTD Capital Projects & Purchases	**$22,324,797**	**$536,427**	**2%**

Funding source assignment: ASADRA reservoir projects are assigned to ASADRA financing proceeds; Alder Creek Flume and Highline Pipeline (January 2023 storm) Repairs are assigned to FEMA Reimbursements; all remaining program areas are rate revenue funded.

STATEMENT OF NET POSITION — AUGUST 31, 2026

Total net position $61,821,920 | Unaudited interim

As of August 31, 2026 the District held $93,302,267 in assets and deferred outflows and owed $31,480,346 in liabilities and deferred inflows, leaving a net position of $61,821,920. These figures are interim and unaudited; audited statements for FY 2027 will be issued following fiscal year end.

Condensed Statement of Net Position

	August 31, 2026
Total current assets	$21,651,983
Total noncurrent assets	$69,345,648
Total assets	**$90,997,631**
Total deferred outflows of resources	$2,304,635
Total assets and deferred outflows	**$93,302,267**
Total current liabilities	$5,038,221
Total noncurrent liabilities	$25,079,595
Total liabilities	**$30,117,816**
Total deferred inflows of resources	$1,362,530
Total liabilities and deferred inflows	**$31,480,346**
Total Net Position	**$61,821,920**

Composition of Net Position

BOARD-DESIGNATED RESERVES

Unrestricted	**August 31, 2026**
Rate Stabilization Fund	$2,300,000
Operating Reserve	$3,800,000
Capital and Emergency Reserve	$500,000
SWP Prefunding Reserve	$775,169
Total Unrestricted	**$7,375,169**
Restricted (held by District)	
F025 Highline Repair FEMA advance	$2,798,686
CalOES holdback disbursements	$157,977
Total Restricted (held by District)	**$2,956,663**
Total Board-Designated Reserves	**$10,331,833**

Unrestricted balances are the four reserve targets designated by the Board under District reserve policy (Resolution 2327).

MONTECITO WATER DISTRICT
STATEMENT OF NET POSITION
August 31, 2026 (Unaudited - Interim)

ASSETS	
Current assets:	
Cash and cash equivalents	7,238,942
Investments	2,790,410
Restricted cash and investments	4,287,120
Accounts receivable, net	3,625,685
Due from SWRCB - ASADRA	2,707,539
Inventory	1,002,288
Prepaid items	0
Total current assets	**21,651,983**
Noncurrent assets:	
Restricted and designated investments	5,195,742
Lease receivable	170,931
Capital assets not being depreciated	8,654,228
Capital assets being depreciated, at cost	91,380,130
Less: accumulated depreciation and amortization	(36,055,382)
Total noncurrent assets	**69,345,648**
TOTAL ASSETS	**90,997,631**
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows - OPEB	617,102
Deferred outflows - pension	1,687,533
Total deferred outflows of resources	**2,304,635**
TOTAL ASSETS AND DEFERRED OUTFLOWS	**93,302,267**

LIABILITIES	
Current liabilities:	
Accounts payable	1,557,330
Accrued liabilities	(5,042)
Customer credits and unapplied funds	258,927
Deposits payable	75,385
Due to other funds	-
Advances for construction	3,151,622
Current portion of long-term debt	-
Current portion of compensated absences	-
Total current liabilities	**5,038,221**
Noncurrent liabilities:	
Compensated absences, net of current portion	852,455
Lease liability	3,087
Long-term debt, net of current portion	15,437,289
Net OPEB liability	2,774,397
Net pension liability	6,012,368
Total noncurrent liabilities	**25,079,595**
TOTAL LIABILITIES	**30,117,816**
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - OPEB	172,135
Deferred inflows - pension	915,945
Deferred inflows - deferred amount on 2020 refunding	112,332
Deferred inflows - leases	162,118
Total deferred inflows of resources	**1,362,530**
TOTAL LIABILITIES AND DEFERRED INFLOWS	**31,480,346**
NET POSITION	**61,821,920**
Total LIABILITIES, DEFERRED INFLOWS & NET POSITION	**93,302,267**

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MONTH ENDING
8/31/2026

MONTH TO DATE WATER SALES

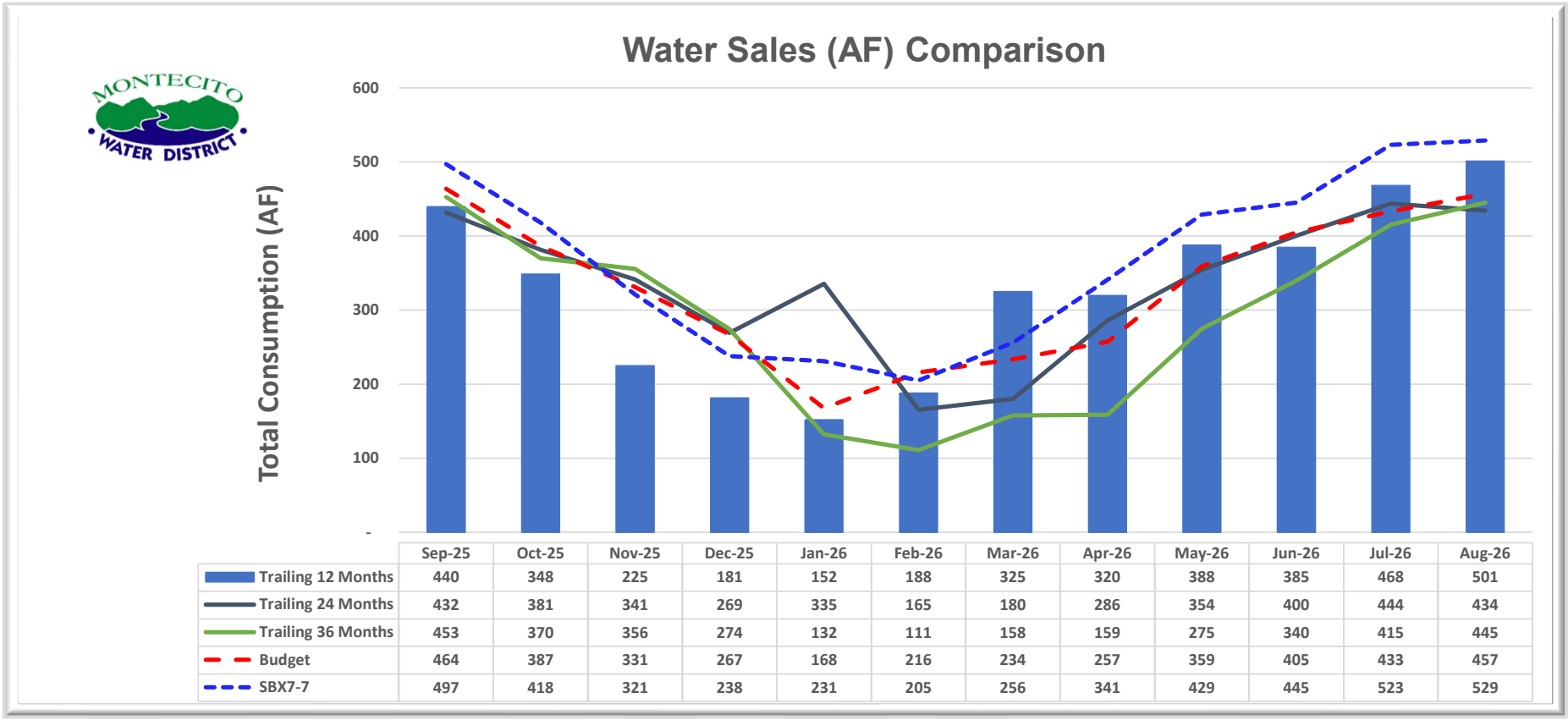
CLASSIFICATION	($) MTD ACTUALS	($) MTD BUDGET	VARIANCE $	VARIANCE %	(AF) MTD ACTUALS	(AF) MTD BUDGET	VARIANCE AF	VARIANCE %
Single Family	$ 2,199,698	$ 2,023,692	$ 176,006	9%	359	334	25	7%
Multi Family	$ 34,260	$ 33,269	$ 991	3%	10	10	0	2%
Agricultural	$ 110,872	$ 92,541	$ 18,331	20%	41	35	7	19%
Institutional	$ 325,881	$ 218,461	$ 107,420	49%	57	38	19	49%
Commercial	$ 141,143	$ 131,786	$ 9,357	7%	27	24	3	12%
Non-Potable	$ 6,647	$ 15,941	$ (9,294)	(58%)	7	16	(9)	(58%)
Monthly Total	**$ 2,818,501**	**$ 2,515,690**	**$ 302,811**	**12%**	**501**	**457**	**44**	**10%**

YEAR TO DATE WATER SALES

CLASSIFICATION	($) YTD ACTUALS	($) YTD BUDGET	VARIANCE $	VARIANCE %	(AF) YTD ACTUALS	(AF) YTD BUDGET	VARIANCE AF	VARIANCE %
Single Family	$ 4,245,944	$ 3,912,894	$ 333,050	9%	696	649	47	7%
Multi Family	$ 65,181	$ 65,366	$ (185)	(0%)	19	19	0	0%
Agricultural	$ 211,448	$ 177,101	$ 34,347	19%	79	66	13	19%
Institutional	$ 614,322	$ 436,133	$ 178,189	41%	107	76	31	41%
Commercial	$ 276,370	$ 250,236	$ 26,134	10%	53	46	7	16%
Non-Potable	$ 13,781	$ 32,895	$ (19,114)	(58%)	14	34	(20)	(58%)
Annual Total	**$ 5,427,046**	**$ 4,874,625**	**$ 552,421**	**11%**	**969**	**890**	**79**	**9%**

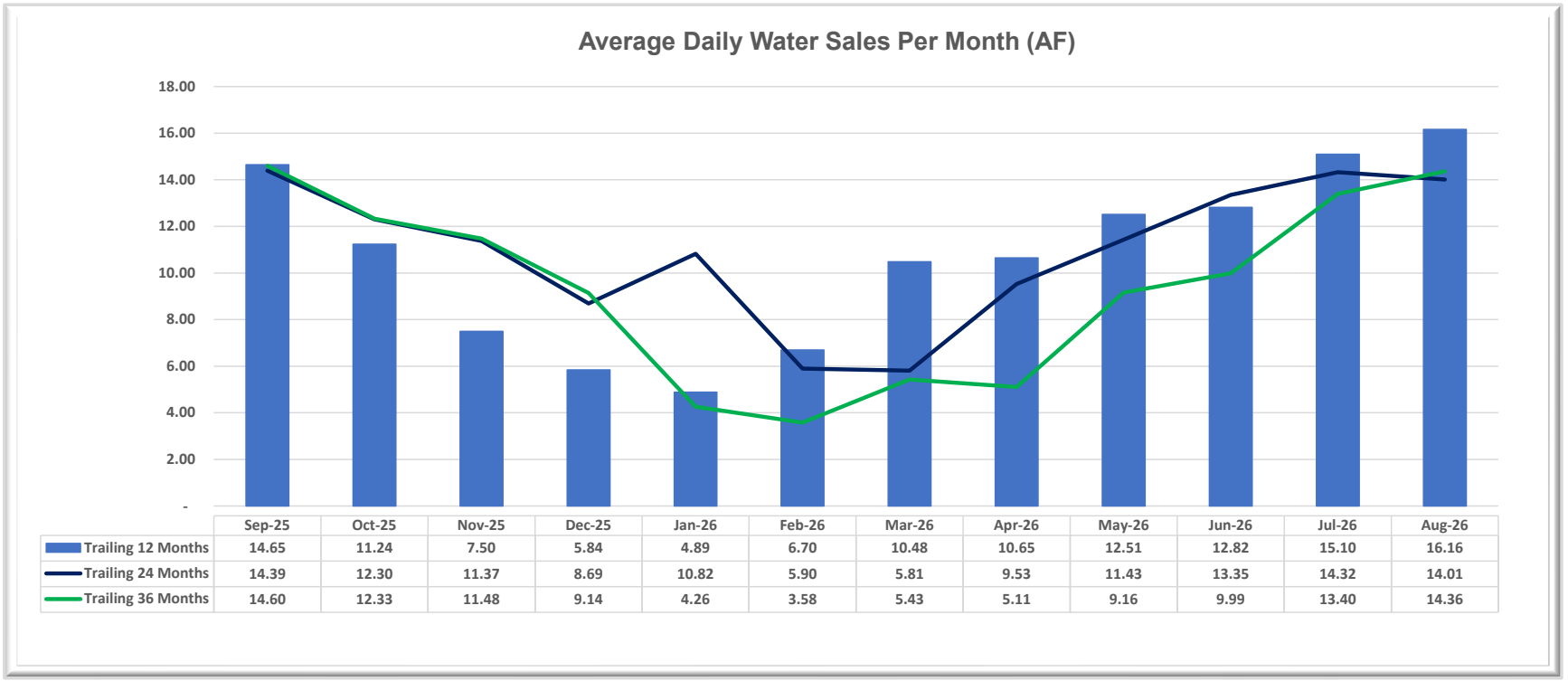
Fiscal Year = July thru June
1 AF = 435.6 HCF of Water
1 HCF = 748 Gallons of Water

MONTH ENDING 8/31/2026



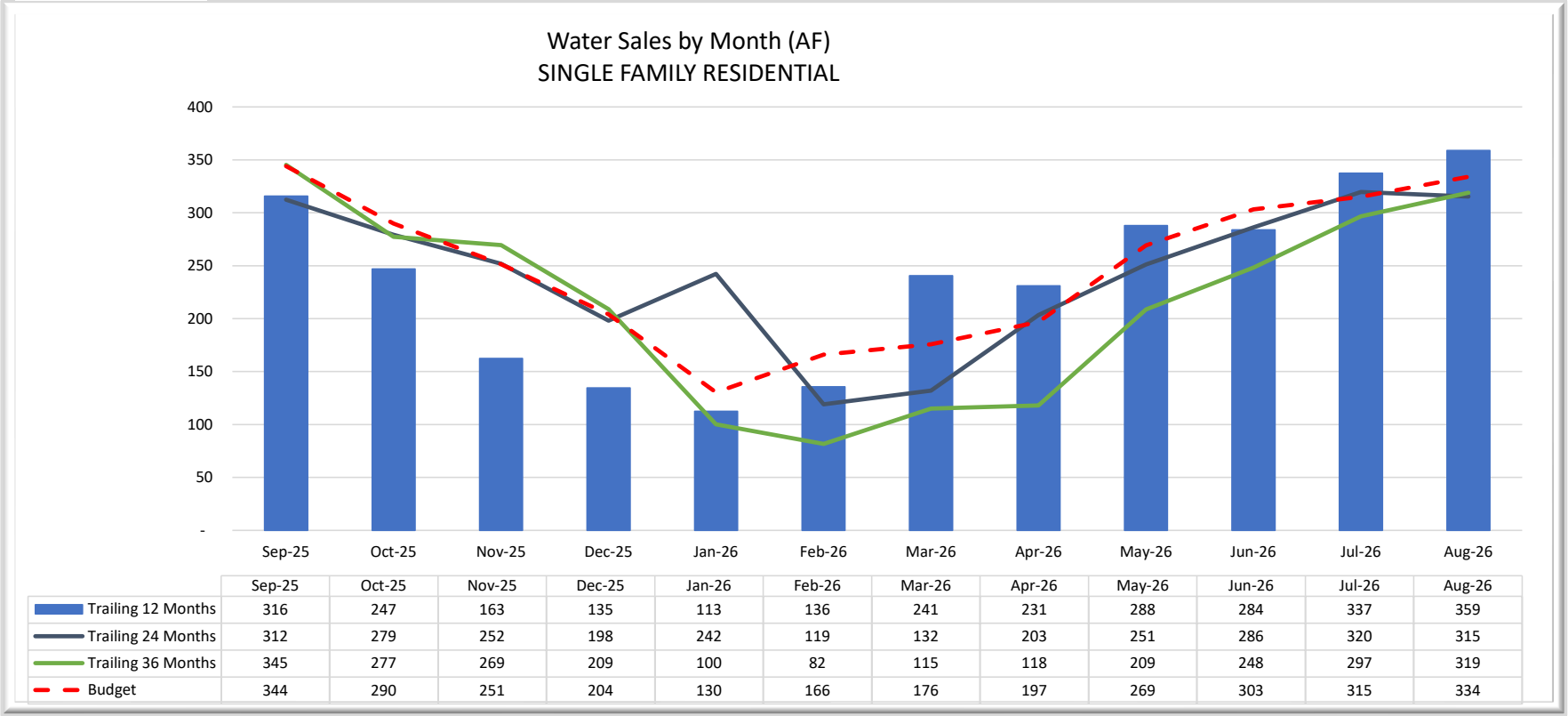
	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Trailing 12 Months	440	348	225	181	152	188	325	320	388	385	468	501
Trailing 24 Months	432	381	341	269	335	165	180	286	354	400	444	434
Trailing 36 Months	453	370	356	274	132	111	158	159	275	340	415	445
Budget	464	387	331	267	168	216	234	257	359	405	433	457
SBX7-7	497	418	321	238	231	205	256	341	429	445	523	529

MONTH ENDING 8/31/2026



	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Trailing 12 Months	14.65	11.24	7.50	5.84	4.89	6.70	10.48	10.65	12.51	12.82	15.10	16.16
Trailing 24 Months	14.39	12.30	11.37	8.69	10.82	5.90	5.81	9.53	11.43	13.35	14.32	14.01
Trailing 36 Months	14.60	12.33	11.48	9.14	4.26	3.58	5.43	5.11	9.16	9.99	13.40	14.36

MONTH ENDING 8/31/2026



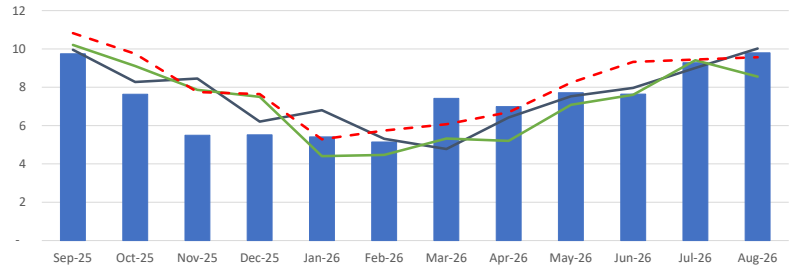
	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Trailing 12 Months	316	247	163	135	113	136	241	231	288	284	337	359
Trailing 24 Months	312	279	252	198	242	119	132	203	251	286	320	315
Trailing 36 Months	345	277	269	209	100	82	115	118	209	248	297	319
Budget	344	290	251	204	130	166	176	197	269	303	315	334

Trailing 12 Months			2,848 AF
Trailing 24 Months			2,911 AF
Trailing 36 Months			2,589 AF
Trailing 12 Month Budget			2,980 AF
Trailing 12 Months	versus	Trailing 24 Months	(2.2%)
Trailing 24 Months	versus	Trailing 36 Months	10.0%
Trailing 12 Months	versus	Budget	(4.4%)

MONTECITO WATER DISTRICT

MONTH ENDING 8/31/2026

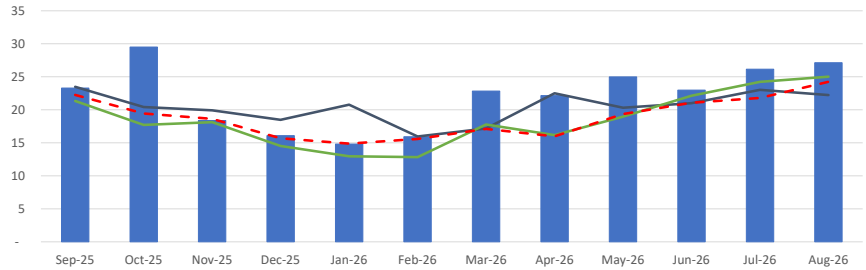
Water Sales by Month (AF)
MULTI FAMILY RESIDENTIAL



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

Trailing 12 Months			88 AF
Trailing 24 Months			91 AF
Trailing 36 Months			87 AF
Trailing 12 Month Budget			96 AF
Trailing 12 Months	versus	Trailing 24 Months	(3.2%)
Trailing 24 Months	versus	Trailing 36 Months	1.2%
Trailing 12 Months	versus	Budget	(8.8%)

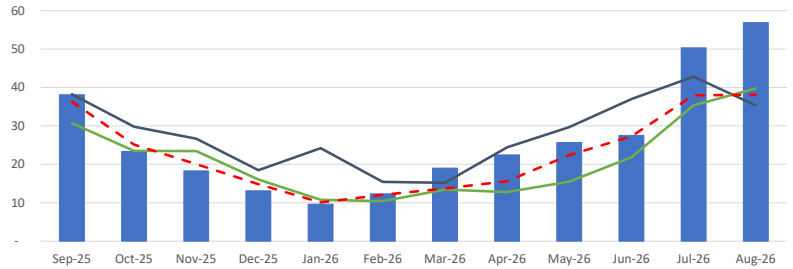
Water Sales by Month (AF)
COMMERCIAL



	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Trailing 12 Months	23	30	18	16	15	16	23	22	25	23	26	27
Trailing 24 Months	23	20	20	18	21	16	17	23	20	21	23	22
Trailing 36 Months	21	18	18	15	13	13	18	16	19	22	24	25
Budget	22	19	19	16	15	16	17	16	19	21	22	24

Trailing 12 Months			264 AF
Trailing 24 Months			245 AF
Trailing 36 Months			222 AF
Trailing 12 Month Budget			226 AF
Trailing 12 Month	versus	Trailing 24 Month	7.7%
Trailing 24 Month	versus	Trailing 36 Month	19.2%
Trailing 12 Month	versus	Budget	16.9%

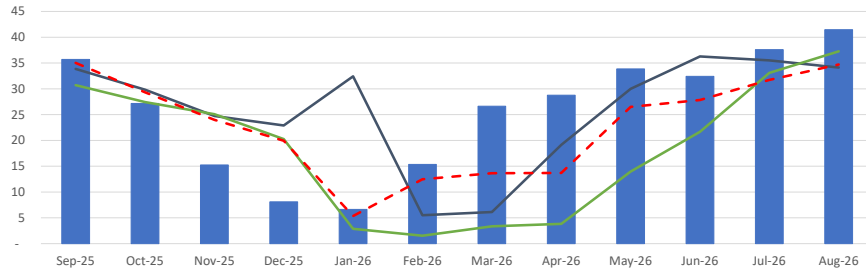
Water Sales by Month (AF)
INSTITUTIONAL



	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Trailing 12 Months	38	23	18	13	10	12	19	22	26	28	50	57
Trailing 24 Months	38	30	27	18	24	15	15	24	30	37	43	35
Trailing 36 Months	31	23	23	16	11	10	13	13	15	22	35	40
Budget	36	25	20	15	10	12	14	16	22	27	38	38

Trailing 12 Months			317 AF
Trailing 24 Months			337 AF
Trailing 36 Months			254 AF
Trailing 12 Month Budget			274 AF
Trailing 12 Months	versus	Trailing 24 Months	(6.1%)
Trailing 24 Months	versus	Trailing 36 Months	24.9%
Trailing 12 Months	versus	Budget	15.7%

Water Sales by Month (AF)
AGRICULTURE



	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Trailing 12 Months	36	27	15	8	7	15	27	29	34	32	38	41
Trailing 24 Months	34	30	25	23	32	6	6	19	30	36	36	34
Trailing 36 Months	31	27	25	20	3	2	3	4	14	22	33	37
Budget	35	29	24	20	5	12	14	14	27	28	32	35

Trailing 12 Months			309 AF
Trailing 24 Months			311 AF
Trailing 36 Months			221 AF
Trailing 12 Month Budget			274 AF
Trailing 12 Month	versus	Trailing 24 Month	(0.5%)
Trailing 24 Month	versus	Trailing 36 Month	39.7%
Trailing 12 Month	versus	Budget	12.6%

MONTECITO WATER DISTRICT
WATER SALES ANALYSIS
FOR FISCAL YEAR 2026-27

MONTH	% SALES BREAKDOWN	2025-26 ACTUAL SALES (*) AF	2025-26 ACTUAL SALES (*) $	2026-27 BUDGET SALES AF	2026-27 BUDGET SALES $	2026-27 ACTUAL SALES (*) AF	2026-27 ACTUAL SALES (*) SALES	YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	YTD VARIANCE BUDGET VS. ACTUAL AF	%	$	%
JUL	11.6%	443.8	2,287,327	433.2	$2,358,935	468.1	$2,608,546	24.3	5.5%	$321,219	14.0%	34.9	8.0%	249,611	10.6%
AUG	12.4%	434.4	2,223,282	457.0	$2,515,690	501.0	$2,818,500	66.6	15.3%	$595,218	26.8%	44.0	9.6%	$302,810	12.0%
SEP	12.1%	439.5	2,246,351	449.1	$2,470,000	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
OCT	9.8%	348.4	1,707,069	372.8	$1,986,680	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
NOV	7.8%	224.9	1,036,229	303.2	$1,577,848	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
DEC	5.3%	181.2	820,198	216.3	$1,073,942	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
JAN	4.9%	151.6	658,321	199.1	$987,171	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
FEB	4.6%	187.7	836,596	189.7	$926,823	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
MAR	5.6%	324.8	1,604,647	225.8	$1,131,073	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
APR	6.7%	319.6	1,562,654	267.6	$1,371,549	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
MAY	9.0%	387.8	1,982,937	347.5	$1,831,434	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
JUN	10.4%	384.7	1,956,877	391.9	$2,108,018	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
TOTAL	**100.0%**	**3,828.4**	**18,922,488**	**3,853.0**	**$20,339,164**	**969.1**	**$5,427,047**	90.9	10.3%	**$916,438**	20.3%	**78.9**	**8.9%**	**$552,421**	**11.3%**

YTD ACTUAL WATER SALES COMPARISON
FOR FISCAL YEAR 2026-27

	2025-26 ACTUAL SALES (YTD) AF	2025-26 ACTUAL SALES (YTD) $	2026-27 BUDGET SALES (YTD) AF	2026-27 BUDGET SALES (YTD) $	2026-27 ACTUAL SALES (YTD) AF	2026-27 ACTUAL SALES (YTD) $	YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	YTD VARIANCE BUDGET VS. ACTUAL AF	%	$	%
YTD	**878.2**	**4,510,608**	**890.2**	**$4,874,625**	**969.1**	**$5,427,046**	**90.9**	**10.3%**	**916,438**	**20.3%**	**78.9**	**8.9%**	**552,421**	**11.3%**

QUARTERLY COMPARISON - ACTUALS THROUGH AUGUST 2026 (*)

	2025-26 ACTUAL SALES AF	2025-26 ACTUAL SALES $	2026-27 BUDGET SALES AF	2026-27 BUDGET SALES $	2026-27 ACTUAL SALES (*) AF	2026-27 ACTUAL SALES (*) $	VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	VARIANCE BUDGET VS. ACTUAL AF	%	$	%
Jul-Sep (Actual)	1,317.8	6,756,959	1,339.3	$7,344,626	969.1	$5,427,046	(348.7)	(26.5%)	($1,329,913)	(19.7%)	(370.2)	(27.6%)	($1,917,579)	(26.1%)
Oct-Dec (Actual)	754.5	3,563,496	892.2	4,638,471	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Jan-Mar (Actual)	664.2	3,099,564	614.6	3,045,067	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Apr-Jun (Actual)	1,092.0	5,502,468	1,007.0	5,311,001	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Total (Actual)	**3,828.4**	**$18,922,488**	**3,853.0**	**$20,339,164**	**969.1**	**$5,427,047**	**(348.7)**	**10.3%**	**($1,329,913)**	**20.3%**	**(370.2)**	**8.9%**	**($1,917,579)**	**11.3%**

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-E**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **CHIEF FINANCIAL OFFICER**

SUBJECT: **UNAUDITED FINANCIAL REPORT AS OF SEPTEMBER 30, 2026**

RECOMMENDATION:

For information and discussion only.

BACKGROUND:

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

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

REGULATORY AND REPORTING REQUIREMENTS

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

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

OVERVIEW OF INFORMATION PROVIDED

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

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

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

SEPTEMBER 2026 FINANCIAL REPORTING

- **Unaudited Financial Report (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 Report as of September 30, 2026
2. Water Sales Analysis, including supporting tables and graphical dashboards, for September 2026

UNAUDITED FINANCIAL REPORT
as of
September 30, 2026

REGULAR MEETING
of the
BOARD OF DIRECTORS
October 27, 2026

Budget Variance Report

For Fiscal: 2027 Period Ending: 09/30/2026

	CURRENT MONTH			YEAR TO DATE			ANNUAL BUDGET		
	BUDGETED SEPTEMBER	ACTUAL SEPTEMBER	$ VARIANCE	BUDGETED	ACTUAL	$ VARIANCE	BUDGET LESS ACTIVITY	TOTAL BUDGET	% BUDGET REMAINING
REVENUE SUMMARY									
Water Sales Revenue	3,052,373	3,284,553	232,179	9,664,097	10,452,902	788,806	(17,438,516)	27,891,418	63%
Other Operating Revenue	56,037	68,761	12,724	168,110	144,074	(24,037)	(528,627)	672,701	79%
Non-Operating Revenue	45,580	31,259	(14,321)	136,740	92,223	(44,517)	(757,777)	850,000	89%
TOTAL REVENUE	**3,153,990**	**3,384,573**	**230,582**	**9,968,947**	**10,689,199**	**720,252**	**(18,724,920)**	**29,414,119**	**64%**
Transfer In: GSA Cost Share								427,758	100%
GRAND TOTAL REVENUE								**29,841,877**	
EXPENSE SUMMARY									
Water Purchases	661,746	637,573	24,174	6,953,754	6,701,553	252,201	(8,537,743)	15,239,296	56%
Jameson Lake	34,774	14,786	19,988	163,337	116,849	46,488	(308,391)	425,241	73%
Treatment Operations	227,071	140,834	86,237	814,144	667,399	146,745	(1,917,152)	2,584,552	74%
Transmission/Distribution	184,147	116,662	67,486	873,666	684,345	189,322	(1,783,456)	2,467,800	72%
Customer Service	49,176	57,021	(7,845)	141,894	158,498	(16,604)	(522,075)	680,573	77%
Fleet	23,029	23,223	(194)	111,363	104,796	6,567	(224,171)	328,967	68%
Engineering	149,706	81,178	68,528	360,379	288,731	71,648	(1,265,356)	1,554,087	81%
Administration	214,650	220,282	(5,632)	624,995	558,134	66,861	(2,661,736)	3,219,870	83%
Board Administration	4,706	4,224	482	10,833	5,457	5,376	(50,338)	55,795	90%
Conservation	39,769	12,184	27,585	77,214	46,988	30,226	(217,847)	264,835	82%
Public Information	20,756	28,337	(7,581)	70,259	57,987	12,272	(210,197)	268,185	78%
TOTAL EXPENSE	**1,609,532**	**1,336,304**	**273,228**	**10,201,839**	**9,390,738**	**811,101**	**(17,698,462)**	**27,089,200**	**65%**
REVENUE OVER/(UNDER) EXPENDITURE	**1,544,458**	**2,048,269**	**503,810**	**(232,892)**	**1,298,461**	**1,531,353**	**(1,026,458)**	**2,752,677**	

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 09/30/2026

Revenue	CURRENT MONTH BUDGETED SEPTEMBER	CURRENT MONTH ACTUAL SEPTEMBER	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
41 - WATER SALES REVENUE								
Water Sales - Single Family	1,986,716	2,089,514	102,798	5,899,610	6,335,458	435,848	61%	16,291,272
Water Sales - Multi Family	34,321	30,787	(3,534)	99,687	95,968	(3,719)	68%	301,507
Water Sales - Commercial	119,187	171,924	52,737	369,423	448,293	78,870	64%	1,246,243
Water Sales - Institu / Public	221,496	283,730	62,234	657,629	898,052	240,423	46%	1,651,154
Water Sales - Agricultural	93,583	119,565	25,981	270,684	331,012	60,329	54%	726,514
Water Sales - Non Potable	14,697	6,939	(7,758)	47,593	20,720	(26,873)	83%	122,474
Water Sales - Const/Other Consumpt	4,646	2,203	(2,442)	14,861	12,244	(2,616)	73%	45,322
Water Sales - Surplus SWP Sales	-	-	-	571,428	571,428	-	0%	571,428
Water Sales - Monthly Meter Charges	577,727	579,892	2,165	1,733,182	1,739,726	6,544	75%	6,935,504
Total 41 - WATER SALES REVENUE	**3,052,373**	**3,284,553**	**232,179**	**9,664,097**	**10,452,902**	**788,806**	**63%**	**27,891,418**
42 - OTHER OPERATING REVENUE								
Late Charges	2,183	3,577	1,394	6,550	10,174	3,624	61%	26,200
DrTag/Cutoff/On/Rtn Chk/AftHr	1,234	1,532	298	3,703	3,874	171	74%	14,817
Private Fire Line Srv Charge	29,295	28,148	(1,148)	87,886	84,443	(3,443)	76%	351,684
CWSA/Hydrant Flow Test Fees	4,998	6,442	1,444	14,994	16,032	1,038	73%	60,000
Service Connection Fees	4,998	11,950	6,952	14,994	12,180	(2,814)	80%	60,000
Capital Cost Recovery Fees	13,328	17,112	3,784	39,984	17,112	(22,872)	89%	160,000
Total 42 - OTHER OPERATING REVENUE	**56,037**	**68,761**	**12,724**	**168,110**	**144,074**	**(24,037)**	**79%**	**672,701**
43 - NON-OPERATING REVENUE								
Rent Revenue	8,090	7,454	(637)	24,270	17,111	(7,160)	83%	100,000
Interest Revenue	24,990	19,727	(5,263)	74,970	72,378	(2,592)	76%	300,000
Investment Gains / (Loss)	-	3,917	3,917	-	2,230	2,230	0%	-
Federal Reimbursements	-	-	-	-	-	-	0%	-
State Reimbursements	-	-	-	-	-	-	0%	-
Reimbursements	12,500	-	(12,500)	37,500	202	(37,298)	100%	150,000
FEMA Reimbursements	-	-	-	-	-	-	0%	-
Water Avail Chg - Revenue	-	-	-	-	-	-	100%	300,000
Capital Grants & Reimbursements	-	-	-	-	-	-	0%	-
Other Income	-	162	162	-	302	302	0%	-
Gain - Sale of Assets	-	-	-	-	-	-	0%	-
Total 43 - NON-OPERATING REVENUE	**45,580**	**31,259**	**(14,321)**	**136,740**	**92,223**	**(44,517)**	**89%**	**850,000**
Total Revenue	**3,153,990**	**3,384,573**	**230,582**	**9,968,947**	**10,689,199**	**720,252**	**64%**	**29,414,119**
Transfer In: Fund 02 GSA Cost Share								*427,758*
Grand Total Revenue								**29,841,877**

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 09/30/2026

Expense	CURRENT MONTH BUDGETED SEPTEMBER	CURRENT MONTH ACTUAL SEPTEMBER	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
Department: 500 - Water Purchases								
USBR - Cachuma	-	-	-	-	-	-	100%	247,440
SWP CCWA Fixed	-	-	-	1,020,737	1,020,737	-	0%	1,020,737
SWP DWR Fixed	-	-	-	3,630,278	3,630,279	(1)	0%	3,630,278
SWP DWR Variable Costs	-	78,362	(78,362)	-	78,362	(78,362)	79%	380,086
CCRB Cachuma	-	(67,923)	67,923	40,546	(27,377)	67,923	117%	162,185
COMB Cachuma	-	43,313	(43,313)	276,954	248,089	28,865	74%	948,025
CATER Treatment Operations	-	-	-	-	-	-	100%	879,590
CATER Capital Costs	10,669	-	10,669	32,008	-	32,008	100%	128,030
DESAL Plant Capital Charge	193,633	193,633	-	580,899	580,899	-	75%	2,323,594
DESAL Fixed O&M Charge (IDE)	204,013	204,013	-	612,040	612,039	1	75%	2,448,160
DESAL Fixed O&M Charge (City)	24,138	24,138	-	72,415	72,414	1	75%	289,661
DESAL Variable O&M Charge	103,723	103,723	-	311,168	311,169	(1)	75%	1,244,672
DESAL Administrative Charge	35,370	35,370	-	106,110	106,110	-	75%	424,441
DESAL Water Supply Develop Fee	22,944	22,944	-	68,832	68,832	-	75%	275,328
DESAL Plant Capital Maint(Paygo)	67,256	-	67,256	201,767	-	201,767	100%	807,069
Semitropic Banking/Recovery	-	-	-	-	-	-	100%	30,000
Total Department: 500 - Water Purchases	**661,746**	**637,573**	**24,173**	**6,953,754**	**6,701,553**	**252,201**	**56%**	**15,239,296**
Department: 511 - Jameson Lake								
PAYROLL/PERSONNEL	10,849	8,941	1,908	31,962	29,040	2,922	78%	134,360
TRAINING & TRAVEL	200	-	200	300	-	300	100%	2,000
MATERIAL & SUPPLIES	2,250	1,342	908	6,750	3,083	3,667	89%	27,000
CONTRACTUAL SERVICES	21,475	4,502	16,973	44,325	7,606	36,719	96%	181,881
OTHER OPERATING EXPENSES	-	-	-	80,000	77,121	2,879	4%	80,000
Total Department: 511 - Jameson Lake	**34,774**	**14,786**	**19,988**	**163,337**	**116,849**	**46,488**	**73%**	**425,241**
Department: 531 - Treatment Operations								
PAYROLL/PERSONNEL	99,428	92,402	7,026	582,214	567,245	14,969	63%	1,532,894
TRAINING & TRAVEL	105	246	(141)	1,463	985	478	91%	11,451
MATERIAL & SUPPLIES	52,904	27,802	25,102	85,286	44,177	41,109	88%	363,299
CONTRACTUAL SERVICES	74,634	20,384	54,250	145,181	54,992	90,189	92%	676,908
Total Department: 531 - Treatment Operations	**227,071**	**140,834**	**86,237**	**814,144**	**667,399**	**146,745**	**74%**	**2,584,552**
Department: 541 - Transmission/Distribution								
PAYROLL/PERSONNEL	110,943	101,750	9,193	645,452	618,934	26,518	64%	1,707,994
TRAINING & TRAVEL	650	930	(280)	2,650	1,125	1,525	91%	12,650
MATERIAL & SUPPLIES	25,000	5,601	19,399	75,000	16,593	58,407	94%	300,000
CONTRACTUAL SERVICES	47,305	8,381	38,924	149,814	47,397	102,417	89%	444,156
Total Department: 541 Transmission/Distribution	**184,147**	**116,662**	**67,485**	**873,666**	**684,345**	**189,321**	**72%**	**2,467,800**
Department: 550 - Customer Service								
PAYROLL/PERSONNEL	31,426	30,049	1,377	96,644	97,156	(512)	76%	407,073
TRAINING & TRAVEL	1,000	-	1,000	1,000	-	1,000	100%	4,000
MATERIAL & SUPPLIES	1,000	2,338	(1,338)	2,000	2,596	(596)	68%	8,000
CONTRACTUAL SERVICES	15,750	24,634	(8,884)	42,250	58,746	(16,496)	78%	261,500
Total Department: 550 - Customer Service	**49,176**	**57,021**	**(7,845)**	**141,894**	**158,498**	**(16,604)**	**77%**	**680,573**
Department: 561 - Fleet								
PAYROLL/PERSONNEL	14,054	13,076	978	84,338	81,305	3,033	63%	220,008
TRAINING & TRAVEL	-	-	-	100	-	100	100%	1,100
MATERIAL & SUPPLIES	8,250	10,125	(1,875)	24,750	23,200	1,550	77%	99,000
CONTRACTUAL SERVICES	725	22	703	2,175	291	1,884	97%	8,859
Total Department: 561 - Fleet	**23,029**	**23,223**	**(194)**	**111,363**	**104,796**	**6,567**	**68%**	**328,967**
Department: 563 - Engineering								
PAYROLL/PERSONNEL	60,356	45,496	14,860	177,129	144,305	32,824	80%	737,158
TRAINING & TRAVEL	-	(176)	176	1,000	1,353	(353)	72%	4,800
MATERIAL & SUPPLIES	23,500	3,085	20,415	29,800	8,452	21,348	88%	67,900
CONTRACTUAL SERVICES	65,850	32,774	33,076	152,450	134,285	18,165	82%	744,229
Total Department: 563 - Engineering	**149,706**	**81,178**	**68,528**	**360,379**	**288,731**	**71,648**	**81%**	**1,554,087**

Monthly Budget Report

Account Summary

For Fiscal: 2027 Period Ending: 09/30/2026

Expense	CURRENT MONTH BUDGETED SEPTEMBER	CURRENT MONTH ACTUAL SEPTEMBER	CURRENT MONTH $ VARIANCE	YEAR TO DATE BUDGETED	YEAR TO DATE ACTUAL	YEAR TO DATE $ VARIANCE	ANNUAL BUDGET % BUDGET REMAINING	ANNUAL BUDGET TOTAL BUDGET
Department: 565 - Administration								
PAYROLL/PERSONNEL	94,423	58,367	36,056	290,313	228,107	62,206	81%	1,232,425
TRAINING & TRAVEL	1,083	319	764	3,250	1,063	2,187	92%	13,000
MATERIAL & SUPPLIES	22,150	5,985	16,165	66,450	18,310	48,140	93%	265,800
CONTRACTUAL SERVICES	76,744	122,841	(46,097)	230,232	258,024	(27,792)	84%	1,592,845
OTHER OPERATING EXPENSES	20,250	32,769	(12,519)	34,750	52,631	(17,881)	55%	115,800
Total Department: 565 - Administration	**214,650**	**220,282**	**(5,632)**	**624,995**	**558,134**	**66,861**	**83%**	**3,219,870**
Department: 566 - Board Administration								
PAYROLL/PERSONNEL	3,039	2,729	310	5,833	3,569	2,264	90%	35,795
TRAINING & TRAVEL	1,250	999	251	3,750	209	3,541	99%	15,000
OTHER OPERATING EXPENSES	417	496	(79)	1,250	1,679	(429)	66%	5,000
Total Department: 566 - Board Administration	**4,706**	**4,224**	**482**	**10,833**	**5,457**	**5,376**	**90%**	**55,795**
Department: 568 - Conservation								
PAYROLL/PERSONNEL	13,799	10,917	2,882	40,103	33,938	6,165	80%	166,592
TRAINING & TRAVEL	1,200	(176)	1,376	1,300	3	1,297	100%	3,000
MATERIAL & SUPPLIES	50	-	50	150	-	150	100%	600
CONTRACTUAL SERVICES	13,220	1,443	11,777	19,661	1,652	18,009	98%	78,643
OTHER OPERATING EXPENSES	11,500	-	11,500	16,000	11,395	4,605	29%	16,000
Total Department: 568 - Conservation	**39,769**	**12,184**	**27,585**	**77,214**	**46,988**	**30,226**	**82%**	**264,835**
Department: 568 - Public Information								
PAYROLL/PERSONNEL	14,291	13,694	597	44,064	41,610	2,454	78%	185,828
TRAINING & TRAVEL	-	-	-	1,000	-	1,000	100%	3,000
MATERIAL & SUPPLIES	3,200	-	3,200	3,200	-	3,200	100%	13,400
CONTRACTUAL SERVICES	3,265	14,642	(11,377)	21,995	16,377	5,618	75%	65,957
Total Department: 568 - Public Information	**20,756**	**28,337**	**(7,581)**	**70,259**	**57,987**	**12,272**	**78%**	**268,185**
Total Expense	**1,609,532**	**1,336,304**	**273,228**	**10,201,839**	**9,390,738**	**811,101**	**65%**	**27,089,200**

MONTECITO WATER DISTRICT

Capital Program — Year-to-Date Activity

Fiscal Year 2027 | July 1, 2026 through September 30, 2026

Capital Funding Sources	Budget	YTD Expenditures	% By Source
ASADRA Financing Proceeds	11,559,797	405,493	52%
FEMA Reimbursements	4,380,000	226,242	20%
RATE Revenue & Water Availability Charge	6,385,000	127,923	29%
Capital Funding Sources - Total	**22,324,797**	**759,659**	**100%**

Capital Projects & Purchases by Program Area

Proj / Asset #	Project / Description	Budget	YTD Expenditures	% of Budget
Vehicles & Equipment				
F031	Distribution Service Truck	75,000	44,813	
F032	Distribution Service Truck	50,000	66,387	
F033	Treatment Standby Truck	50,000	-	
F034	Conservation Utility Truck	50,000	-	
F035	Engineering Utility Truck	50,000	-	
Vehicles & Equipment — Subtotal		**275,000**	**111,200**	**40%**
Pipelines				
P160	Highline Water Main Replacement (Design)	150,000	5,055	
P115	E. Valley, Ladera, Lambert Water Main Replacement	3,780,000	11,668	
P141	Fairway, Butterfly, Miramonte Main Replacements	150,000	-	
P152	Fire Hydrant Replacement Project	460,000	-	
Pipelines — Subtotal		**4,540,000**	**16,723**	**0%**
Reservoirs				
P132	ASADRA Park Lane Reservoir	4,754,750	117,418	
P133	ASADRA Terminal Reservoir	3,585,047	239,643	
P134	ASADRA Bella Vista Reservoir	3,220,000	24,169	
P136	ASADRA Romero Reservoir	-	24,264	
Reservoirs — Subtotal		**11,559,797**	**405,493**	**4%**
Pumping / Wells / Valves / Treatment Plant				
P153	Ortega PS Backup Generator Replacement	180,000	-	
P154	Bella Vista & Doulton Treatment Plant Acid Addition	900,000	-	
P155	Bella Vista Reservoir Blower Upgrades	60,000	-	
P156	Doulton Treatment Plant Softening System	90,000	-	
P157	Coyote Road Pressure Regulator Installation	90,000	-	
P158	Toro Canyon Pressure Regulator Vault Upgrades	200,000	-	
P159	Doulton Treatment Plant Roof Addition	50,000	-	
Pumping / Wells / Valves / Treatment Plant - Subtotal		**1,570,000**	**-**	**0%**
FEMA Extraordinary Projects				
A1	Alder Creek Flume Reconstruction	3,100,000	119,436	
F025	Highline Pipeline Repair — Jan 2023 Storm	1,280,000	106,806	
FEMA Extraordinary Projects - Subtotal		**4,380,000**	**226,242**	**5%**
Total Year-to-Date CIP Expenditures		**22,324,797**	**759,659**	**3%**

MONTECITO WATER DISTRICT

Finance Committee — Budget Variance Notes

FY 2027 Month 3 – Period Ending September 30, 2026

Reporting Threshold	Variances exceeding $25,000 or greater, excluding timing-related variances
Basis	Budgetary basis, unaudited
Sources	Budget Variance and Monthly Budget Reports, Project Activity Report

SUMMARY OF RESULTS

Current Month — September 2026

	Budget	Actual	Variance
Total Revenue	$3,153,990	$3,384,573	$230,582
Total Expense	$1,609,532	$1,336,304	$273,228
Revenue Over/(Under) Expenditure	**$1,544,458**	**$2,048,269**	**$503,810**

Year-to-Date (YTD) – Period Ending September 30, 2026

	Budget	Actual	Variance
Total Revenue	$9,968,947	$10,689,199	$720,252
Total Expense	$10,201,839	$9,390,738	$811,101
Revenue Over/(Under) Expenditure	**($232,892)**	**$1,298,461**	**$1,531,353**

REVENUES

Water Sales Revenue

Water Sales Revenues remain elevated due to continued warm weather and are favorable $789K and 8% higher than the YTD Budget.

- **Single Family Residential** and **Institutional/Public** customer classes are primary drivers of favorable variance, at 7% and 37% higher than the YTD Budget, respectively.

Variances in other revenue categories are timing-related and do not currently indicate structural issues.

EXPENDITURES

Department 500 — Water Purchases

Water Purchases are favorable $252K and 4% lower than the YTD Budget.

- **DESAL Plant Capital Maintenance** favorable $202K.
    - No PAYGO capital expenses incurred YTD.

Expenditure variances in other departments are timing-related and do not currently indicate structural issues.

CAPITAL PROGRAM

Capital Projects & Purchases are below budget due to timing and are expected to catch up as the year progresses.

Funding Sources	FY 2027 Budget	% by Source
Rate Revenue & Water Availability Charge	$6,385,000	52%
ASADRA Financing Proceeds	$11,559,797	20%
FEMA Reimbursements	$4,380,000	29%
Total Capital Funding Sources	**$22,324,797**	**100%**

Program Area	FY 2027 Budget	YTD Expenditures	% of Budget
Vehicles & Equipment	$275,000	$111,200	40%
Pipelines	$4,540,000	$16,723	0%
ASADRA Reservoir Projects	$11,559,797	$405,493	4%
Pumping / Wells / Valves / Treatment Plant	$1,570,000	$0	0%
FEMA Extraordinary Projects	$4,380,000	$226,242	5%
Total YTD Capital Projects & Purchases	**$22,324,797**	**$759,659**	**3%**

Funding source assignment: ASADRA reservoir projects are assigned to ASADRA financing proceeds; Alder Creek Flume and Highline Pipeline (January 2023 storm) Repairs are assigned to FEMA Reimbursements; all remaining program areas are rate revenue funded.

STATEMENT OF NET POSITION — SEPTEMBER 30, 2026

Total net position $63,870,189 | Unaudited interim

As of September 30, 2026 the District held $95,256,407 in assets and deferred outflows and owed $31,386,218 in liabilities and deferred inflows, leaving a net position of $63,870,189. These figures are interim and unaudited; audited statements for FY 2027 will be issued following fiscal year end.

Condensed Statement of Net Position

	September 30, 2026
Total current assets	$23,382,892
Total noncurrent assets	$69,568,880
Total assets	**$92,951,772**
Total deferred outflows of resources	$2,304,635
Total assets and deferred outflows	**$95,256,407**
Total current liabilities	$4,633,282
Total noncurrent liabilities	$25,390,406
Total liabilities	**$30,023,688**
Total deferred inflows of resources	$1,362,530
Total liabilities and deferred inflows	**$31,386,218**
Total Net Position	**$63,870,189**

BOARD-DESIGNATED RESERVES

Unrestricted	**September 30, 2026**
Rate Stabilization Fund	$2,300,000
Operating Reserve	$3,800,000
Capital and Emergency Reserve	$500,000
SWP Prefunding Reserve	$1,162,754
Total Unrestricted	**$7,762,754**
Restricted (held by District)	
F025 Highline Repair FEMA advance	$2,785,648
CalOES holdback disbursements	$157,977
Total Restricted (held by District)	**$2,943,625**
Total Board-Designated Reserves	**$10,706,378**

Unrestricted balances are the four reserve targets designated by the Board under District reserve policy (Resolution 2327).

MONTECITO WATER DISTRICT
STATEMENT OF NET POSITION
September 30, 2026 (Unaudited - Interim)

ASSETS	
Current assets:	
Cash and cash equivalents	8,638,506
Investments	2,805,080
Restricted cash and investments	4,337,509
Accounts receivable, net	3,558,484
Due from SWRCB - ASADRA	3,041,026
Inventory	1,002,288
Prepaid items	0
Total current assets	**23,382,892**
Noncurrent assets:	
Restricted and designated investments	5,195,742
Lease receivable	170,931
Capital assets not being depreciated	8,877,460
Capital assets being depreciated, at cost	91,380,130
Less: accumulated depreciation and amortization	(36,055,382)
Total noncurrent assets	**69,568,880**
TOTAL ASSETS	**92,951,772**
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows - OPEB	617,102
Deferred outflows - pension	1,687,533
Total deferred outflows of resources	**2,304,635**
TOTAL ASSETS AND DEFERRED OUTFLOWS	**95,256,407**

LIABILITIES	
Current liabilities:	
Accounts payable	1,116,947
Accrued liabilities	(4,912)
Customer credits and unapplied funds	291,115
Deposits payable	78,510
Due to other funds	-
Advances for construction	3,151,622
Current portion of long-term debt	-
Current portion of compensated absences	-
Total current liabilities	**4,633,282**
Noncurrent liabilities:	
Compensated absences, net of current portion	829,778
Lease liability	3,087
Long-term debt, net of current portion	15,770,776
Net OPEB liability	2,774,397
Net pension liability	6,012,368
Total noncurrent liabilities	**25,390,406**
TOTAL LIABILITIES	**30,023,688**
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - OPEB	172,135
Deferred inflows - pension	915,945
Deferred inflows - deferred amount on 2020 refunding	112,332
Deferred inflows - leases	162,118
Total deferred inflows of resources	**1,362,530**
TOTAL LIABILITIES AND DEFERRED INFLOWS	**31,386,218**
NET POSITION	**63,870,189**
Total LIABILITIES, DEFERRED INFLOWS & NET POSITION	**95,256,407**

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MONTH ENDING
9/30/2026

MONTH TO DATE WATER SALES

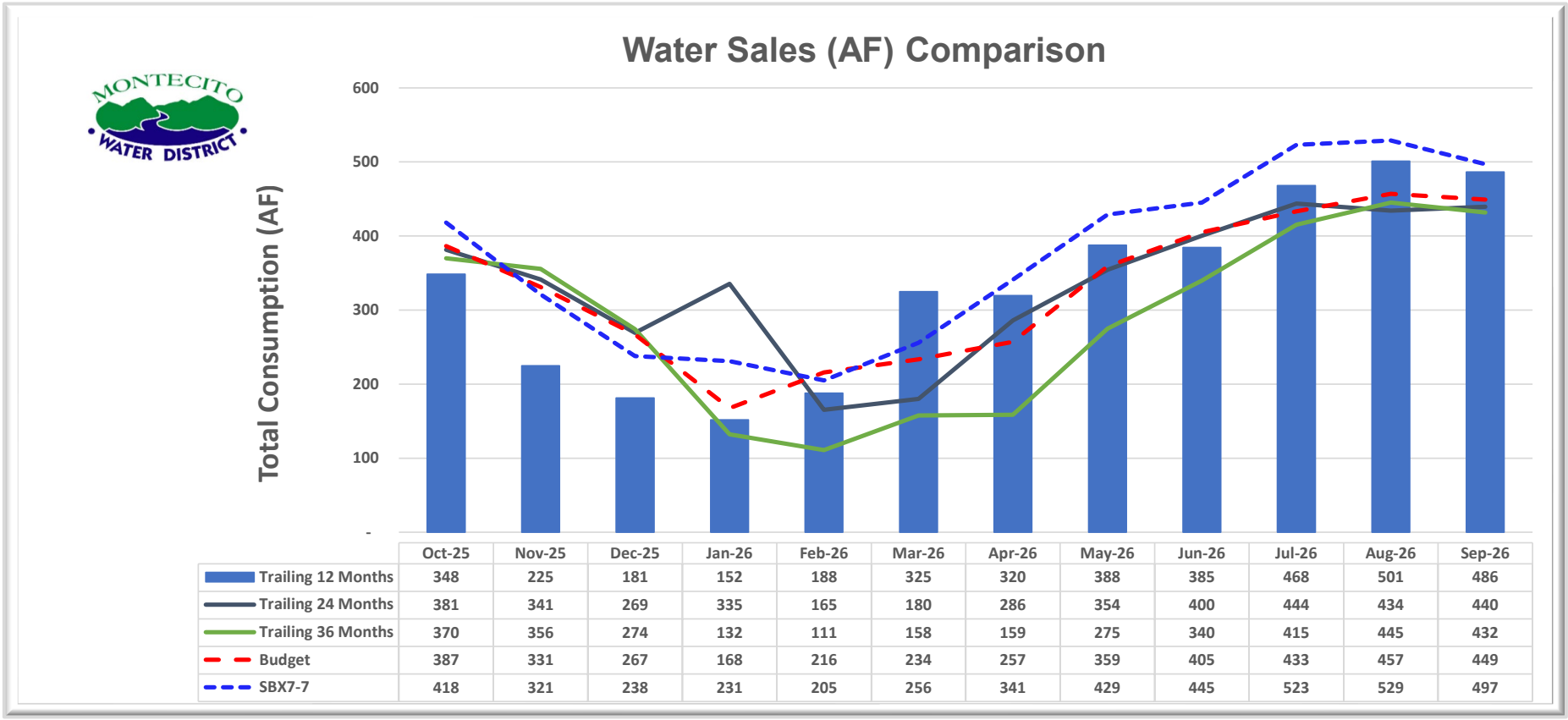
CLASSIFICATION	($) MTD ACTUALS	($) MTD BUDGET	VARIANCE $	VARIANCE %	(AF) MTD ACTUALS	(AF) MTD BUDGET	VARIANCE AF	VARIANCE %
Single Family	$ 2,089,514	$ 1,986,716	$ 102,798	5%	343	329	15	4%
Multi Family	$ 30,787	$ 34,321	$ (3,534)	(10%)	9	10	(1)	(6%)
Agricultural	$ 119,565	$ 93,583	$ 25,982	28%	45	35	10	27%
Institutional	$ 283,730	$ 221,496	$ 62,234	28%	49	39	11	28%
Commercial	$ 171,924	$ 119,186	$ 52,738	44%	33	22	11	49%
Non-Potable	$ 6,939	$ 14,697	$ (7,758)	(53%)	7	15	(8)	(53%)
Monthly Total	**$ 2,702,459**	**$ 2,469,999**	**$ 232,460**	**9%**	**486**	**449**	**37**	**8%**

YEAR TO DATE WATER SALES

CLASSIFICATION	($) YTD ACTUALS	($) YTD BUDGET	VARIANCE $	VARIANCE %	(AF) YTD ACTUALS	(AF) YTD BUDGET	VARIANCE AF	VARIANCE %
Single Family	$ 6,335,458	$ 5,899,610	$ 435,848	7%	1040	978	62	6%
Multi Family	$ 95,968	$ 99,687	$ (3,719)	(4%)	28	29	(1)	(2%)
Agricultural	$ 331,012	$ 270,684	$ 60,328	22%	124	102	22	22%
Institutional	$ 898,052	$ 657,629	$ 240,423	37%	157	115	42	37%
Commercial	$ 448,293	$ 369,423	$ 78,870	21%	86	68	18	26%
Non-Potable	$ 20,720	$ 47,593	$ (26,873)	(56%)	21	49	(27)	(56%)
Annual Total	**$ 8,129,503**	**$ 7,344,626**	**$ 784,877**	**11%**	**1455**	**1339**	**116**	**9%**

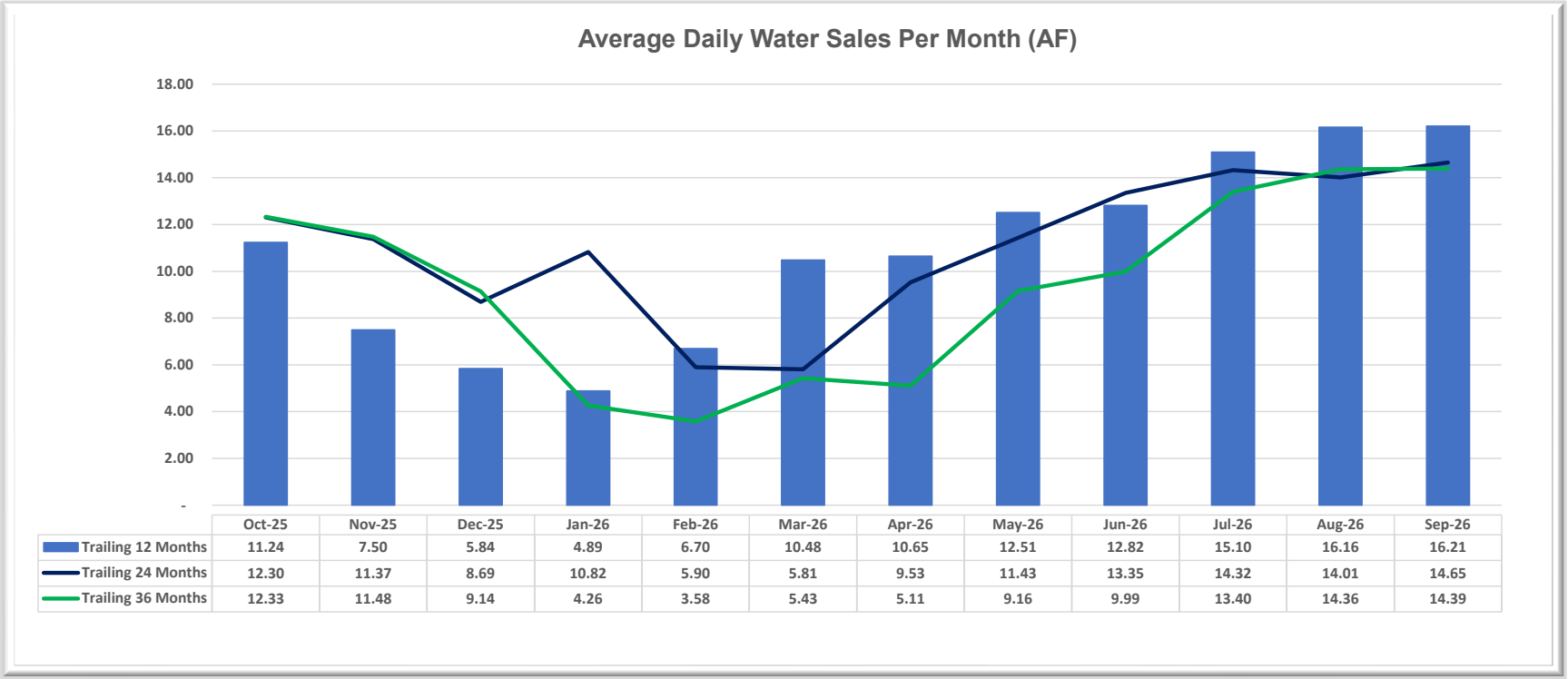
Fiscal Year = July thru June
1 AF = 435.6 HCF of Water
1 HCF = 748 Gallons of Water

MONTH ENDING 9/30/2026



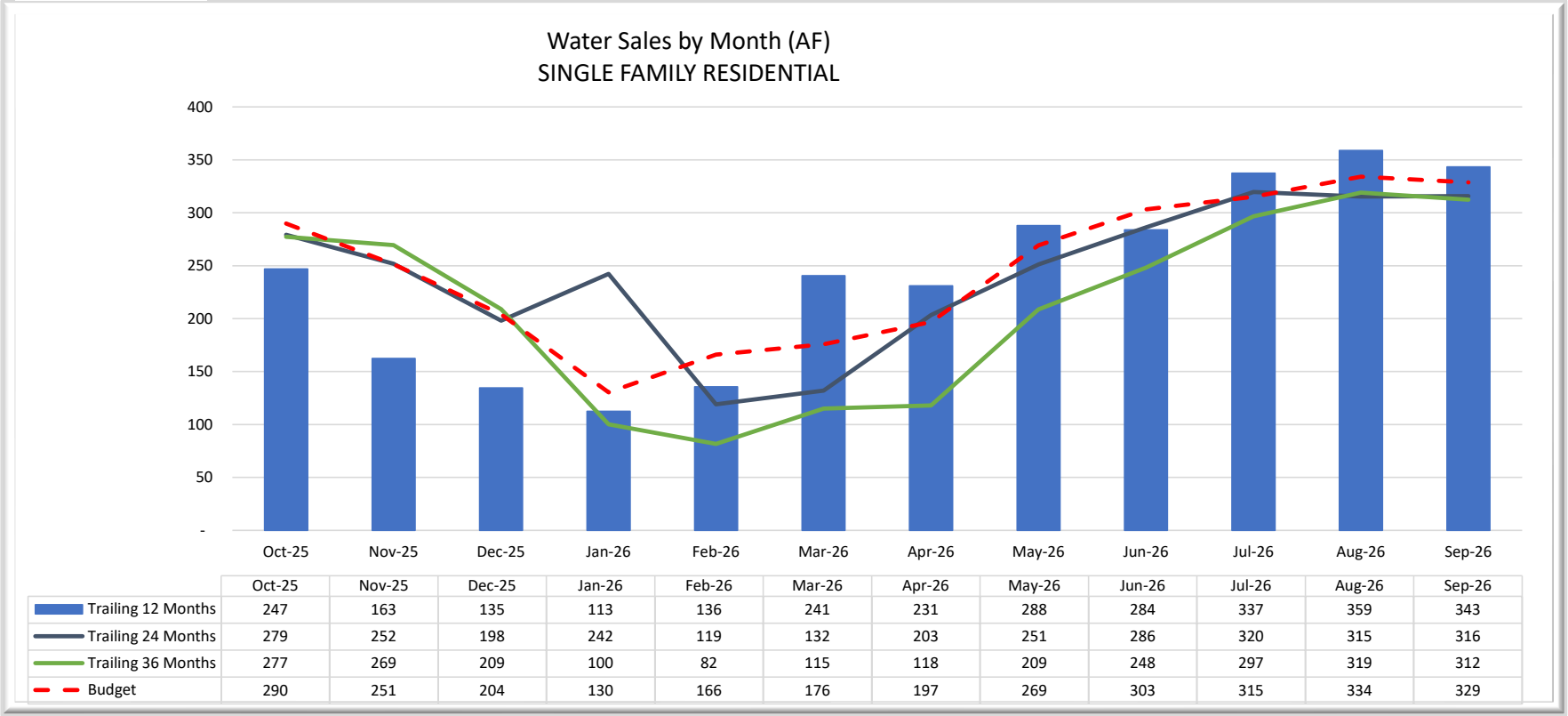
	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	348	225	181	152	188	325	320	388	385	468	501	486
Trailing 24 Months	381	341	269	335	165	180	286	354	400	444	434	440
Trailing 36 Months	370	356	274	132	111	158	159	275	340	415	445	432
Budget	387	331	267	168	216	234	257	359	405	433	457	449
SBX7-7	418	321	238	231	205	256	341	429	445	523	529	497

MONTH ENDING 9/30/2026



	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	11.24	7.50	5.84	4.89	6.70	10.48	10.65	12.51	12.82	15.10	16.16	16.21
Trailing 24 Months	12.30	11.37	8.69	10.82	5.90	5.81	9.53	11.43	13.35	14.32	14.01	14.65
Trailing 36 Months	12.33	11.48	9.14	4.26	3.58	5.43	5.11	9.16	9.99	13.40	14.36	14.39

MONTH ENDING 9/30/2026

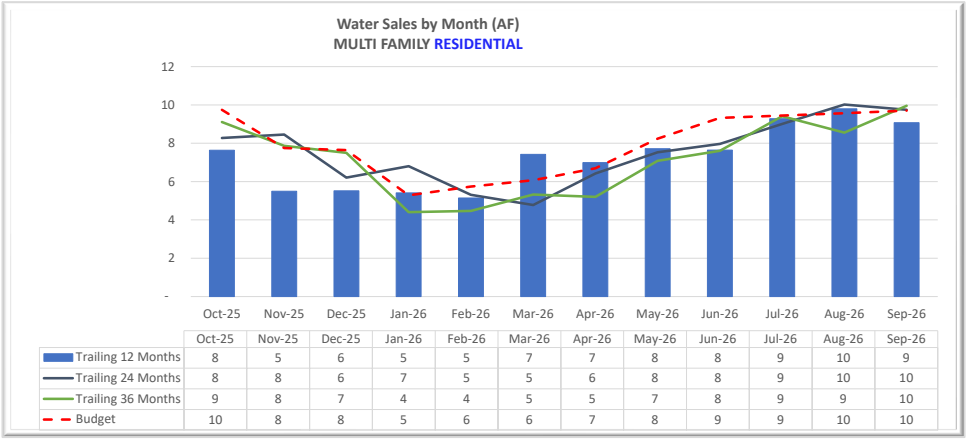


	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	247	163	135	113	136	241	231	288	284	337	359	343
Trailing 24 Months	279	252	198	242	119	132	203	251	286	320	315	316
Trailing 36 Months	277	269	209	100	82	115	118	209	248	297	319	312
Budget	290	251	204	130	166	176	197	269	303	315	334	329

Trailing 12 Months			2,876 AF
Trailing 24 Months			2,914 AF
Trailing 36 Months			2,556 AF
Trailing 12 Month Budget			2,965 AF
Trailing 12 Months	versus	Trailing 24 Months	(1.3%)
Trailing 24 Months	versus	Trailing 36 Months	12.5%
Trailing 12 Months	versus	Budget	(3.0%)

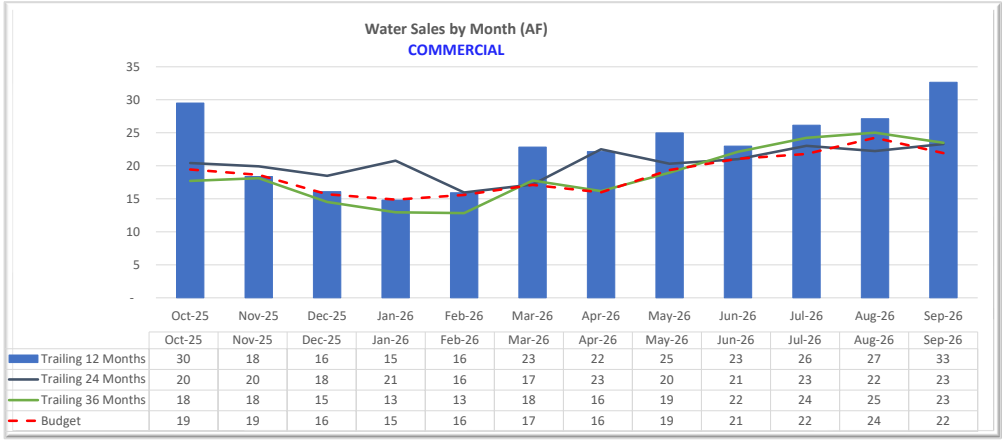
MONTECITO WATER DISTRICT

MONTH ENDING 9/30/2026



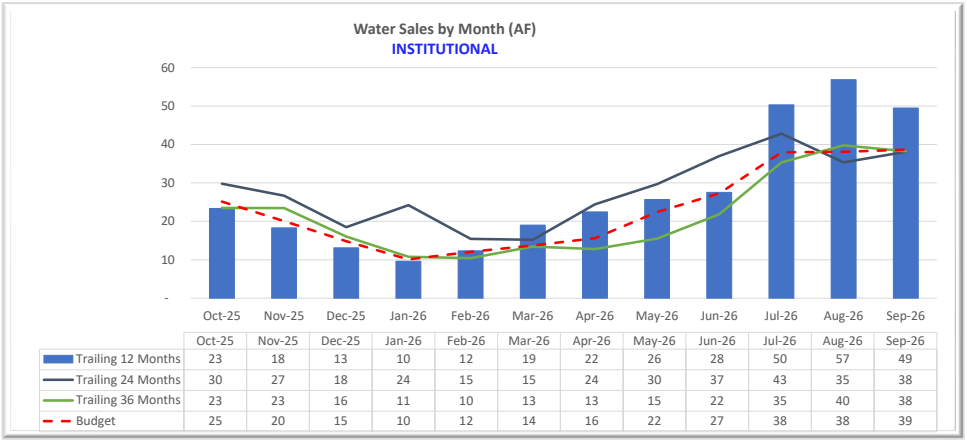
	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	8	5	6	5	5	7	7	8	8	9	10	9
Trailing 24 Months	8	8	6	7	5	5	6	8	8	9	10	10
Trailing 36 Months	9	8	7	4	4	5	5	7	8	9	9	10
Budget	10	8	8	5	6	6	7	8	9	9	10	10

Trailing 12 Months			87 AF
Trailing 24 Months			91 AF
Trailing 36 Months			86 AF
Trailing 12 Month Budget			95 AF
Trailing 12 Months	versus	Trailing 24 Months	(3.7%)
Trailing 24 Months	versus	Trailing 36 Months	0.8%
Trailing 12 Months	versus	Budget	(8.5%)



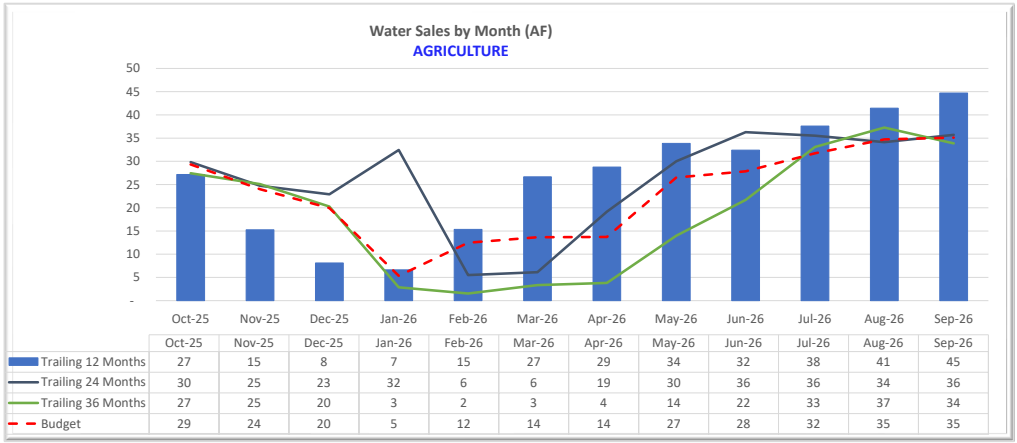
	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	30	18	16	15	16	23	22	25	23	26	27	33
Trailing 24 Months	20	20	18	21	16	17	23	20	21	23	22	23
Trailing 36 Months	18	18	15	13	13	18	16	19	22	24	25	23
Budget	19	19	16	15	16	17	16	19	21	22	24	22

Trailing 12 Months			274 AF
Trailing 24 Months			245 AF
Trailing 36 Months			224 AF
Trailing 12 Month Budget			226 AF
Trailing 12 Month	versus	Trailing 24 Month	11.6%
Trailing 24 Month	versus	Trailing 36 Month	22.2%
Trailing 12 Month	versus	Budget	21.2%



	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	23	18	13	10	12	19	22	26	28	50	57	49
Trailing 24 Months	30	27	18	24	15	15	24	30	37	43	35	38
Trailing 36 Months	23	23	16	11	10	13	13	15	22	35	40	38
Budget	25	20	15	10	12	14	16	22	27	38	38	39

Trailing 12 Months			328 AF
Trailing 24 Months			337 AF
Trailing 36 Months			261 AF
Trailing 12 Month Budget			276 AF
Trailing 12 Months	versus	Trailing 24 Months	(2.7%)
Trailing 24 Months	versus	Trailing 36 Months	25.6%
Trailing 12 Months	versus	Budget	18.9%



	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Trailing 12 Months	27	15	8	7	15	27	29	34	32	38	41	45
Trailing 24 Months	30	25	23	32	6	6	19	30	36	36	34	36
Trailing 36 Months	27	25	20	3	2	3	4	14	22	33	37	34
Budget	29	24	20	5	12	14	14	27	28	32	35	35

Trailing 12 Months			318 AF
Trailing 24 Months			312 AF
Trailing 36 Months			224 AF
Trailing 12 Month Budget			274 AF
Trailing 12 Month	versus	Trailing 24 Month	1.8%
Trailing 24 Month	versus	Trailing 36 Month	41.8%
Trailing 12 Month	versus	Budget	15.9%

MONTECITO WATER DISTRICT
WATER SALES ANALYSIS
FOR FISCAL YEAR 2026-27

MONTH	% SALES BREAKDOWN	2025-26 ACTUAL SALES (*) AF	2025-26 ACTUAL SALES (*) $	2026-27 BUDGET SALES AF	2026-27 BUDGET SALES $	2026-27 ACTUAL SALES (*) AF	2026-27 ACTUAL SALES (*) SALES	YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	YTD VARIANCE BUDGET VS. ACTUAL AF	%	$	%
JUL	*11.6%*	*443.8*	*2,287,327*	*433.2*	*$2,358,935*	*468.1*	*$2,608,546*	*24.3*	*5.5%*	*$321,219*	*14.0%*	*34.9*	*8.0%*	*249,611*	*10.6%*
AUG	*12.4%*	*434.4*	*2,223,282*	*457.0*	*$2,515,690*	*501.0*	*$2,818,500*	*66.6*	*15.3%*	*$595,218*	*26.8%*	*44.0*	*9.6%*	*$302,810*	*12.0%*
SEP	*12.1%*	*439.5*	*2,246,351*	*449.1*	*$2,470,000*	*486.4*	*$2,702,457*	*46.9*	*10.7%*	*$456,107*	*20.3%*	*37.3*	*8.3%*	*$232,457*	*9.4%*
OCT	*9.8%*	*348.4*	*1,707,069*	*372.8*	*$1,986,680*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
NOV	*7.8%*	*224.9*	*1,036,229*	*303.2*	*$1,577,848*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
DEC	*5.3%*	*181.2*	*820,198*	*216.3*	*$1,073,942*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
JAN	*4.9%*	*151.6*	*658,321*	*199.1*	*$987,171*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
FEB	*4.6%*	*187.7*	*836,596*	*189.7*	*$926,823*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
MAR	*5.6%*	*324.8*	*1,604,647*	*225.8*	*$1,131,073*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
APR	*6.7%*	*319.6*	*1,562,654*	*267.6*	*$1,371,549*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
MAY	*9.0%*	*387.8*	*1,982,937*	*347.5*	*$1,831,434*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
JUN	*10.4%*	*384.7*	*1,956,877*	*391.9*	*$2,108,018*	*0.0*	*$0*	*0.0*	*0.0%*	*$0*	*0.0%*	*0.0*	*0.0%*	*$0*	*0.0%*
TOTAL	**100.0%**	**3,828.4**	**18,922,488**	**3,853.0**	**$20,339,164**	**1,455.5**	**$8,129,504**	*137.7*	*10.5%*	**$1,372,544**	*30.4%*	**116.2**	**8.7%**	**$784,878**	**16.1%**

YTD ACTUAL WATER SALES COMPARISON
FOR FISCAL YEAR 2026-27

	2025-26 ACTUAL SALES (YTD) AF	2025-26 ACTUAL SALES (YTD) $	2026-27 BUDGET SALES (YTD) AF	2026-27 BUDGET SALES (YTD) $	2026-27 ACTUAL SALES (YTD) AF	2026-27 ACTUAL SALES (YTD) $	YTD VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	YTD VARIANCE BUDGET VS. ACTUAL AF	%	$	%
YTD	**1,317.8**	**4,510,608**	**1,339.3**	**$4,874,625**	**1,455.5**	**$8,129,504**	**137.7**	**10.5%**	**1,372,544**	**30.4%**	**116.2**	**8.7%**	**784,878**	**16.1%**

QUARTERLY COMPARISON - ACTUALS THROUGH SEPTEMBER 2026 (*)

	2025-26 ACTUAL SALES AF	2025-26 ACTUAL SALES $	2026-27 BUDGET SALES AF	2026-27 BUDGET SALES $	2026-27 ACTUAL SALES (*) AF	2026-27 ACTUAL SALES (*) $	VARIANCE PRIOR YEAR VS. CURRENT YEAR AF	%	$	%	VARIANCE BUDGET VS. ACTUAL AF	%	$	%
Jul-Sep (Actual)	1,317.8	6,756,959	1,339.3	$7,344,626	1,455.5	$8,129,504	*137.7*	10.5%	$1,372,544	20.3%	116.2	8.7%	$784,878	10.7%
Oct-Dec (Actual)	754.5	3,563,496	892.2	4,638,471	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Jan-Mar (Actual)	664.2	3,099,564	614.6	3,045,067	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Apr-Jun (Actual)	1,092.0	5,502,468	1,007.0	5,311,001	0.0	$0	0.0	0.0%	$0	0.0%	0.0	0.0%	$0	0.0%
Total (Actual)	**3,828.4**	**$18,922,488**	**3,853.0**	**$20,339,164**	**1,455.5**	**$8,129,504**	**137.7**	**10.5%**	**$1,372,544**	**30.4%**	**116.2**	**8.7%**	**$784,878**	**16.1%**

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-F**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **WATERWORKS REPORT FOR SEPTEMBER 2026**

RECOMMENDATION:

Information only.

DISCUSSION:

The District's Waterworks Report for September 2026 is provided in Attachment 1. The report provides the District's water use for the month, including total use in acre feet (AF) by source, an estimate of unaccounted-for water, customer meter count, total stored water, and water quality.

Highlights for the September 2026 Waterworks Report include:

- Unaccounted water or water loss for the trailing 12-month period is approximately 6%.
- 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) in August.
- Jameson Lake and Lake Cachuma are at 87% and 85% of capacity, respectively, as of the end of September.
- Groundwater production from District wells in August was 20.3 acre-feet.
- 5,802 AF of SWP supplies are stored Semitropic and available for later use.
- The remaining 234 AF of a total of 900 AF was transferred (sold) to Homer LLC in September pursuant to the 2024 Water Management Program Agreement.
- Water quality remains in full compliance with drinking water standards and includes updated data from the 2025 Consumer Confidence Report (CCR).

ATTACHMENT:

1. Waterworks Report for September 2026

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MONTECITO WATER DISTRICT
MONTHLY WATER WORKS OPERATION REPORT
September 2026

PRODUCTION

District Surface Water Sources (AF)

Jameson Lake[1]	Fox Creek	Doulton Tunnel	
151.6	0.0	35.1	
		Total Surface Water:	**186.6**

District Potable Wells (AF)

Amapola	Ennisbrook 2	Ennisbrook 5	Paden 2	L.E. II	T. Mosby Well
5.5	1.6	1.9	4.5	0.0	0.0
				Total Potable Wells:	**13.5**

District Non Potable Wells (AF)

Las Fuentes	Edgewood Well 3	EVR 3	EVR 4	EVR 6	Valley Club
0.0	4.0	2.7	0.0	0.0	0.0
				Total Non Potable Wells:	**6.8**

South Coast Conduit Deliveries[2] (AF)

Barker Pass	Office	E Valley	Sheffield	Lambert Rd	
42.7	34.6	171.2	6.2	4.3	
Toro Canyon	Ortega Control (Lat 1)	Ortega Pump	Asegra Road	County Yard	
10.6	27.0	12.5	0.4	0.0	
			City Desal Deliveries[3]:		**117.4**
			Cachuma Project Deliveries:		**192.1**
			State Water Deliveries:		**0.0**
				Total South Coast Conduit Deliveries:	**309.5**
				TOTAL DISTRICT PRODUCTION:	**516.4**

[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):	486.8
City of Santa Barbara Intertie or Transfers (AF):	0.0
Carpinteria Valley Water District Intertie (AF):	0.0
TOTAL METERED USE (AF):	**486.8**

UNACCOUNTED WATER[1]

Total District Production (AF):	516.4	Total Metered Use (AF):	486.8
No. of Days in Production Period:	30	Days in Meter Period:	30
Average Daily Production (AF):	17.2	Average Daily Demand (AF):	16.2
Month's Water Loss (AF):	29.59	Adjusted Meter Use for # of Read Days (AF):	486.8
Month's Percentage Loss[2]:	**6%**	**Water Loss[3] (GPM/mile)**	**2**
Trailing 12 Month Percentage Loss:	**5.43%**	**Water Loss[4] (GAL/connection/d)**	**69**

[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

Active Meters:	4679
New Installations:	2
Meters Removed Per Customer Request:	0
TOTAL ACTIVE METERS	**4681**

MONTECITO WATER DISTRICT
MONTHLY WATER WORKS OPERATION REPORT
September 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 (%)	87%	85%			
Current MWD Storage	**4,013**	**1,745**	**0**	**125**	**5,802**
			TOTAL STORED WATER (AF)		**11,685**

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	35.1 µg/L
HAA5 LRAA	60 µg/L	Quarterly	24.7 µg/L
Chlorine Residual	4 ppm (max)	Monthly	0.80 ppm of 56 samples
Coliform Bacteria	<5% Monthly samples	Monthly	0% of 54 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
September 2025	0.24	0.32	0.34
September 2026	0.00	0.00	0.00
Historical Monthly Average	0.19	0.32	0.26
July 1st to date	0.00	0.00	0.00
Historical Average July 1 to Date	0.27	0.44	0.32

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-G**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **MODIFIED JOB DESCRIPTION AND SALARY RANGE FOR THE WATER CONSERVATION & UTILITY DATA SPECIALIST POSITION**

RECOMMENDATION:

That the Board of Directors adopt the updated Water Conservation & Utility Data Specialist job description and salary range, replacing the December 13, 2022 Water Conservation Specialist job description, to reflect the position's current responsibilities.

DISCUSSION:

In keeping with the District's practice of periodically reviewing job descriptions, staff are presenting an updated Water Conservation & Utility Data Specialist job description for adoption.

The December 2022 Water Conservation Specialist job description has not been updated since its adoption. Since then, the position has taken on a substantial role in managing the District's utility data systems. The proposed title of Water Conservation & Utility Data Specialist better reflects the position's combined water conservation and utility data responsibilities.

The core water conservation duties are unchanged. The position continues to carry out the District's Water Conservation Program and Water Use Efficiency Plan, including customer water-use evaluations, landscape and irrigation guidance, and community outreach. The update consolidates the 2022 description's duty lists into clearer, grouped functions. It also documents responsibilities the position already performs but that the 2022 description did not expressly state. The primary additions cover Advanced Metering Infrastructure (AMI) operations, WaterSmart customer portal administration, quality assurance for the Incode billing system, and data analysis.

These added responsibilities require technical skills in data management, systems administration, and analysis beyond those of the original conservation role. Minimum qualifications have been updated accordingly to include education and experience in data analytics, information systems, and AMI administration, and the required certification has been updated to the Qualified Water Efficient Landscaper (QWEL) certification. Given the expanded scope and the technical qualifications now required, staff recommend adjusting the position's salary range as described below.

FISCAL IMPACT:

The duties in the updated job description are consistent with those currently performed in the position. The proposed biweekly pay range for the Water Conservation & Utility Data Specialist is $4,079.21 to $4,958.30, an 8.4% increase from the Water Conservation Specialist biweekly pay range of $3,761.83 to $4,572.53. The estimated annual fiscal impact is between $8,252 and $10,030 in base salary, depending on the incumbent's placement within the range. This cost is not included in the adopted FY 2026–27 budget.

ATTACHMENTS:

1. Proposed Water Conservation & Utility Data Specialist Job Description (October 2026)

FLSA STATUS: Non-Exempt
ADOPTED: October 2026

WATER CONSERVATION & UTILITY DATA SPECIALIST

POSITION SUMMARY

Under general supervision, plans, coordinates, and implements the District's water conservation and water-use efficiency programs and provides technical administration, quality assurance, and analysis for utility data systems.

The position administers Advanced Metering Infrastructure (AMI) data and network functions; supports the VertexOne WaterSmart customer portal (WaterSmart) and Incode ERP (Incode) data quality; develops analyses, reports, and documentation; recommends process improvements; performs customer and field support; and coordinates with vendors and partner agencies.

SUPERVISION RECEIVED AND EXERCISED

- **Supervision Received:** Under the general direction of the General Manager or designee, exercises independent judgment within District policies, procedures, and professional standards.
- **Supervision Exercised:** This position does not have formal supervisory responsibility. May provide technical direction or oversight to assigned staff and contractors on conservation or utility data projects.

ESSENTIAL FUNCTIONS

The duties listed represent the primary functions and requirements of the position and are not all-inclusive. The General Manager or designee may assign, modify, or rescind duties consistent with the classification responsibilities.

WATER CONSERVATION AND CUSTOMER PROGRAMS

- **Program delivery:** Help develop, coordinate, and carry out the District's Water Conservation Program and Water Use Efficiency Plan, including program goals, procedures, outreach, and compliance activities.
- **Water use evaluations:** Conduct indoor and outdoor water-use evaluations for residential, commercial, institutional, and agricultural properties, and recommend practical efficiency improvements.
- **Landscape and irrigation:** Review landscape and irrigation plans and inspect sites. Advise on irrigation schedules, controllers, system repairs, and drought-tolerant, native, and fire-resilient landscaping suited to Montecito's climate.
- **Customer use review:** Review customer water-use information to identify possible leaks, unusual use, and customers who may benefit from a conservation visit or other assistance.
- **Customer service:** Respond to customer and public questions about water use, landscape conversion, irrigation efficiency, conservation requirements, and the WaterSmart customer portal. Provide attentive, courteous, fair, and responsive customer service and help maintain a positive customer service environment.

DRAFT

- **Outreach materials:** Develop customer notices, educational materials, presentations, and other outreach promoting water conservation and available District programs.
- **Community partnerships:** Represent the District in Santa Barbara County conservation programs, workshops, community events, and meetings with public agencies, professional organizations, customers, landscapers, gardeners, and community groups.
- **Compliance and emerging practices:** Monitor federal, state, and local conservation requirements. Research new water-saving practices, devices, and technologies, and recommend updates to District programs, procedures, and customer information accordingly.
- **Program records and results:** Maintain accurate program records; track participation and results; prepare reports and summaries; and recommend ways to improve program effectiveness.

AMI OPERATIONS, DATABASE, AND NETWORK MANAGEMENT

- **AMI administration and monitoring:** Help administer the District's AMI system and maintain accurate, complete, secure, and reliable meter-use data. Monitor the network and equipment to identify missing reads, communication problems, equipment failures, and other system issues.
- **Data transfer issues:** Investigate data gaps, failed imports, reporting differences, and other problems that affect the timely and accurate transfer of meter information.
- **Performance reporting:** Use available reports and queries to evaluate system performance and identify issues that are not readily shown in standard vendor reports.
- **Vendor coordination:** Coordinate repairs, replacements, configuration changes, and system improvements with District staff and AMI vendors.

WATERSMART PLATFORM ADMINISTRATION

- **Portal administration:** Serve as the District's primary administrator and point of contact for the WaterSmart customer portal.
- **Vendor and software support:** Work with the vendor to address software issues, test updates, review new features, and improve system settings.
- **Staff and customer support:** Assist staff and customers with portal accounts, water-use information, alerts, billing information, and account settings, and help resolve differences between WaterSmart and District records.

INCODE QUALITY ASSURANCE AND QUALITY CONTROL

- **Data quality review:** Review customer, meter, service, billing, and account information in Incode for accuracy, completeness, and consistency with the District's AMI and customer systems.
- **Discrepancy resolution:** Investigate and help correct differences among Incode, AMI, and customer-facing systems, including issues caused by data conversions or inconsistent fields.
- **Account and billing analysis:** Use queries and analytical tools to identify billing, account, meter, or system-setting issues and support corrections by the appropriate staff.
- **System standards:** Work with Incode Support and District users to improve forms, field definitions, data standards, and system settings.

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OPERATIONAL AND FIELD SUPPORT

- **Operational reports:** Prepare and track recurring operational reports to identify trends and repeated meter or communication issues.
- **Meter and field support:** Assist with office and field troubleshooting of meters, endpoints, customer accounts, and system communications using available District tools and data.
- **Pilot projects:** Provide data and technical support for operational pilot projects and remote monitoring systems, including pressure and water-quality monitoring.
- **Cross-department coordination:** Work with other departments and vendors to resolve issues that involve more than one system and to improve day-to-day work processes.
- **Communication:** Provide responsive, courteous, and accurate customer service and explain information clearly to technical and nontechnical audiences.

TECHNICAL DOCUMENTATION, DATA ANALYSIS, AND SYSTEM IMPROVEMENTS

- **System documentation and procedures:** Document the District's AMI data pipeline, system architecture, interfaces, dependencies, feedback loops, failure points, and data ownership. Develop and maintain standard operating procedures for AMI administration, data management, recurring reports, quality-control routines, troubleshooting, and analytical workflows.
- **Utility data analysis:** Perform utility data analyses to evaluate system performance, customer use, billing accuracy, meter and endpoint behavior, conservation outcomes, and operational needs.
- **System improvements:** Identify, evaluate, test, and coordinate system and data-model improvements, including account classifications, meter-size formats, parcel-number fields, and data needed to support water budgets.
- **Professional knowledge:** Maintain current knowledge of conservation practices, AMI and utility technologies, data-management methods, cybersecurity and privacy practices applicable to assigned systems, and relevant regulatory requirements.

KNOWLEDGE, SKILLS, AND ABILITIES

The following represent the primary knowledge, skills, and abilities required for this role.

KNOWLEDGE

- **Water conservation and landscape efficiency:** Conservation and water-use efficiency principles and practices; indoor and outdoor water-use evaluation; irrigation systems, schedules, controllers, and common repairs; drought-tolerant, native, fire-resilient, and locally appropriate landscape practices.
- **Data tools and methods:** Database management and reporting tools; data validation, integration, quality control, trend analysis, statistical methods, and data visualization.
- **AMI systems:** AMI system architecture and operations, including endpoints, collectors, repeaters, fixed networks, interval data, data workflows, meter-reading equipment, and vendor platforms.
- **Utility systems:** Enterprise utility and customer-engagement systems, preferably Incode, Itron ChoiceConnect, and WaterSmart, and the relationships among customer, meter, billing, portal, and operational data.

- **Office and analytical tools:** Modern office, reporting, mapping, and analytical tools, including Microsoft Office; Experience using database reporting and data-analysis tools is desirable.
- **Laws and policies:** Applicable laws, regulations, policies, and industry practices related to water conservation, records, customer data, privacy, and assigned utility systems.

SKILLS AND ABILITIES

- **Data interpretation:** Research, analyze, reconcile, and interpret large or complex datasets; detect anomalies; determine likely causes; document findings; and recommend practical corrective actions.
- **Technical troubleshooting:** Troubleshoot software, data-transfer, network communication, endpoint, meter, and cross-system data issues in coordination with internal users and vendors.
- **Documentation and reports:** Develop clear technical documentation, system diagrams, standard operating procedures, reports, correspondence, presentations, and customer-facing materials.
- **Planning and judgment:** Plan and prioritize multiple projects and recurring operational responsibilities; work independently; exercise sound judgment; and meet deadlines.
- **Customer and team communication:** Explain technical information to varied audiences; provide effective customer service; and establish collaborative working relationships with staff, customers, contractors, vendors, agencies, and community groups.
- **Language skills:** Communicate effectively in English, orally and in writing. Spanish-language proficiency is desirable.

PHYSICAL AND ENVIRONMENTAL REQUIREMENTS

- **Work Environment:** This position requires work in both office and field settings.
  - Office assignments are performed in a climate-controlled standard office setting that requires movement between work areas and involves moderate noise levels, with no direct exposure to hazardous substances.
  - Field assignments involve traveling to District facilities, customer properties, active project sites, and inspecting construction and infrastructure in uneven or steep terrain; exposure to traffic and road hazards, loud noise, vibration, confined work areas, temperature extremes, dust, fumes, chemicals, and mechanical or electrical hazards. Appropriate safety procedures and personal protective equipment are required.
- **Physical Demands:**
  - Office assignments require mobility to operate standard office equipment; dexterity to access, enter, and retrieve data using a computer keyboard or calculator; vision to read screens, instruments, printed materials; hearing and speech to communicate in person, in meetings, and by telephone or radio.
  - Field assignments require the ability to operate a motor vehicle; dexterity to operate mobile radios, meter-reading devices, and hand tools; walking over uneven terrain; bending, stooping, kneeling, reaching, and climbing as needed for inspections and troubleshooting; and the ability to lift, carry, push, or pull objects typically weighing 10–20 pounds and up to 50 pounds.

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EDUCATION AND EXPERIENCE

The minimum experience for the Water Conservation & Utility Data Specialist position includes:

- **Bachelor's Degree or Equivalent:** A bachelor's degree or equivalent from an accredited four-year college or university with major coursework in water or natural resource management, environmental studies, conservation, data analytics, information systems, statistics, engineering, or a closely related field.
- **Total Experience:** Three (3) years of increasingly responsible experience in water conservation, utility operations, data analytics, AMI administration, or a closely related field.
- **Preferred Experience:** Experience with a public utility or municipality is desirable. Experience using database reporting and data-analysis tools is desirable.

LICENSES AND CERTIFICATIONS

The following licenses and certifications are required at hiring and must be maintained throughout employment, unless otherwise noted.

- **QWEL Certification:** Possession of, or ability to obtain within the first 12 months of employment, a Qualified Water Efficient Landscaper (QWEL) certification issued or recognized by the US Environmental Protection Agency.
- **Current Driver's license:** Possession of, or ability to obtain by the time of appointment, a valid California Driver's License.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-H**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **RESOLUTION NO. 2332 ADOPTING AN UPDATED MAXIMUM CONTRIBUTION CAP FOR DISTRICT COVERAGE OF DEPENDENT HEALTH INSURANCE PREMIUMS FOR 2027**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2332, updating the Maximum Contribution Cap for District coverage of dependent health insurance premiums to $883 for two-party coverage and $1,496 for family coverage for plan year 2027.

DISCUSSION:

In August 2011, the District adopted Resolution No. 2085, establishing a Group Medical Plan under which the District paid 100% of the premium for enrolled employees. Dependent enrollment was voluntary, with employees responsible for 15% of dependent premium costs.

In October 2014, the District adopted Resolution No. 2118, rescinding Resolution No. 2085 and implementing a new Group Health Insurance Plan through the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA). Resolution No. 2118 reaffirmed the District's payment of 100% of an eligible employee's premium in the lowest-cost ACWA JPIA Medical Insurance Plan and established a monthly Maximum Contribution Cap for dependent premiums. The District has periodically updated the cap since then, most recently through Resolution No. 2294.

To maintain the District's original commitment under Resolution No. 2085 to fund 85% of the lowest-cost medical, dental, and vision dependent premiums, staff recommend increasing the 2027 Maximum Contribution Cap to $883 for two-party coverage and $1,496 for family coverage. The calculation is based on the 2027 premiums for the lowest-cost Anthem Advantage PPO plan, which increased by 12%. Premiums for the other three Anthem medical plans also increased (Classic PPO by 12% and HMO plans by 12.5%), while Delta Dental PPO and Vision Service Plan premiums remain unchanged. The proposed cap is projected to increase the District's total contribution cost for dependent health coverage by approximately $2,126 per month ($25,512 per year). Employees who enroll dependents would continue to pay 15% of dependent premium costs.

Proposed Resolution No. 2332 is attached for the Board's consideration.

ATTACHMENTS:

1. Proposed Resolution No. 2332 Adopting an Updated Maximum Contribution Cap for District Coverage of Dependent Health Insurance Premiums for 2027
2. Determination of Maximum Contribution Cap for 2027

RESOLUTION NO. 2332

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
ADOPTING AN UPDATED MAXIMUM CONTRIBUTION CAP FOR DISTRICT
COVERAGE OF DEPENDENT HEALTH INSURANCE PREMIUMS FOR 2027**

WHEREAS, on August 30, 2011, the Montecito Water District ("District") adopted Resolution No. 2085 adopting a Group Medical Plan, providing medical insurance benefits to its employees; and

WHEREAS, Resolution No. 2085 provided that the District will pay 100% of the premium for District employees enrolled in its Medical Insurance Plan; in addition, employees who wish to enroll dependents are responsible for 15% of premium costs for each dependent; and

WHEREAS, on October 21, 2014, the District adopted Resolution No. 2118 rescinding Resolution No. 2085 and establishing a new Group Health Insurance Plan through the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA) to provide health benefits. Resolution No. 2118 reaffirmed the District's payment of 100% of the eligible employee's premium and established a monthly Maximum Contribution Cap for District payment of dependent premiums; and

WHEREAS, both the June 2022 Memorandum of Understanding between the District and the Service Employees International Union, Local 620 (SEIU) and the District's Employee Handbook acknowledge that the District will pay 100% of the eligible employee's premiums for ACWA JPIA Health Insurance Plans and reaffirm the monthly Maximum Contribution Cap for District payment of dependent health insurance premiums, including medical, dental and vision; and

WHEREAS, Resolution No. 2118 states that the level or type of benefit provided, and contribution caps may be changed by the District at any time; and

WHEREAS, since adoption of Resolution No. 2118, various components of the District's Group Health Plan benefit offered to employees have changed, including periodic updates to the Maximum Contribution Cap to align current District contributions with its commitment under Resolution No. 2085, with the latest change occurring in February 2025 via Resolution No. 2294; and

WHEREAS, the District desires to update the Maximum Contribution Cap adopted via Resolution No. 2294 to realign the District's contributions with its commitment to pay 85% of dependent premium costs.

DRAFT

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

1. The District pays 100% of the health insurance premiums for regular full- and part-time employees who work a minimum of 20 hours per week and are enrolled in an ACWA JPIA Group Health Plan.
2. The monthly Maximum Contribution Cap for District payment of the health insurance premiums for dependents, as originally established in Resolution No. 2118, is increased to $883 for 2-party coverage and $1,496 for family coverage.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 27th day of October 2026 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Brian Goebel, President

ATTEST:

_____
Nick Turner, Secretary

DRAFT

Determination of Maximum Contribution Cap for 2027

Lowest Cost Medical Plan Type: Anthem Advantage PPO

District's % Coverage of Dependents Premiums: 85%

Coverage	Total Premium Full Health Plan[A] ($/month)	Medical-Only Premium ($/month)	Dental-Only Premium ($/month)	Vision-Only Premium ($/month)	Maximum Contribution Cap ($/month) 2026 Current Cap[B]	2027 Proposed Cap[C]	Proposed Cap Increase 2026→2027
Employee Only	**1,040**	980.85	47.48	11.70	N/A	**N/A**	N/A
Employee Plus 1	**2,079**	1,961.70	99.13	18.40	794	**883**	89
Employee Plus Family	**2,800**	2,599.25	165.14	35.54	1,349	**1,496**	147
District's Total Cost of Maximum Contribution per Month					19,388	**21,514**	**2,126**

District's Proposed Total Cost Increase of Maximum Contribution per YEAR **25,512**

Notes:

[A] 'Full Health Plan' refers to Anthem Advantage PPO, Delta Dental PPO, and VSP Vision plans.

[B] The 2026 Maximum Contribution Cap was determined using all health premiums (Anthem Advantage PPO, Dental, Vision) and adopted in Reso 2316

[C] 2022 MOU and 2025 1st Amendment to MOU between MWD and SEIU state:

Section 4.1.A.iii of the MOU is amended by the Parties in that the existing language in that paragraph is considered deleted and replaced with the following:

"The District offers dependent coverage on a voluntary basis to all full- and part-time employees who wish to enroll dependents for health insurance benefits, including medical, dental and/or vision insurance. This District will pay 85% of the premium for dependents."

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-I**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **RESOLUTION NO. 2333 AUTHORIZING SIGNATORIES FOR THE DISTRICT CHECKING AND MONEY MARKET ACCOUNTS AT AMERICAN RIVIERA BANK**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2333, Authorizing Signatories for the District Checking and Money Market Accounts at American Riviera Bank.

DISCUSSION:

The list of authorized signatories at American Riviera Bank requires an update to include the current Chief Financial Officer and remove former employees. Attached is proposed Resolution No. 2333, which lists all current Board Members, the General Manager, and the Chief Financial Officer as signatories.

Adopting Resolution No. 2333 would repeal and replace Resolution No. 2312 Authorizing Signatories for the District Checking Account at American Riviera Bank, and Resolution No. 2313 Authorizing Signatories for the District Money Market Account at American Riviera Bank.

ATTACHMENTS:

1. Proposed Resolution No. 2333 Authorizing Signatories for the District Checking and Money Market Accounts at American Riviera Bank.

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RESOLUTION NO. 2333

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT AUTHORIZING SIGNATORIES FOR THE DISTRICT CHECKING AND MONEY MARKET ACCOUNTS AT AMERICAN RIVIERA BANK

WHEREAS, the Montecito Water District maintains accounts at American Riviera Bank for deposit of receipts and for payment of bills and claims ("Checking Account"), and for investment of funds ("Money Market Account"); and

WHEREAS, withdrawals on the Checking Account and Money Market Account require two (2) authorized signatures before withdrawals are honored by the bank; and

WHEREAS, the Board of Directors reviews and approves the payment of bills and claims for all withdrawals issued on the Checking Account and Money Market Account at the Board's monthly meetings.

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

1. Resolution No. 2312, adopted on September 16, 2025, and Resolution No. 2313, adopted on October 28, 2025, are hereby rescinded in their entirety and replaced with this Resolution.
2. The following persons are the sole authorized signatories on the Checking Account and Money Market Account at American Riviera Bank:

   Kenneth Coates, Director
   Brian Goebel, Director
   Cori Hayman, Director
   Charles T. Plough, Director
   Floyd Wicks, Director
   Nicholas Turner, General Manager
   Ray Willefert, Chief Financial Officer

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 27th day of October 2026 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Brian Goebel, Board President

ATTEST:

_____
Nicholas Turner, Secretary

DRAFT

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-J**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **RESOLUTION 2334 DESIGNATING THE DISTRICT'S AUTHORIZED AGENT FOR OBTAINING FEDERAL FINANCIAL ASSISTANCE**

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2334 authorizing the General Manager and Chief Financial Officer to execute, for and on behalf of the Montecito Water District, the Disaster Relief Funding application and filing of the application with the California Governor's Office of Emergency Services for the purpose of obtaining federal financial assistance for damages related to declared disasters if/when needed.

DISCUSSION:

Applications for public assistance through the Federal Emergency Management Agency (FEMA) Public Assistance Grant Program require authorized agents to be designated by the applicant through a resolution adopted by the agency's Board of Directors. Resolution No. 2334, provided as Attachment 1, designates the District's General Manager and Chief Financial Officer as the District's authorized agents for any application for federal funds. The resolution language is the same as the prior resolution passed by the Board of Directors in 2023 and is based on a template provided by FEMA. Approval of Resolution 2334 will authorize the designated agents to process reimbursement requests for prior disasters and file applications for future disaster relief for up to three years following the date of approval.

ATTACHMENTS

1. Proposed Resolution No. 2334 Designation of Applicant's Agent Resolution for Non-State Agencies.

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RESOLUTION NO. 2334

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MONTECITO WATER DISTRICT
DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

BE IT RESOLVED by the Board of Directors of the Montecito Water District:

THAT General Manager Nick Turner or Chief Financial Officer Ray Willefert is hereby authorized to execute for and on behalf of the Montecito Water District, a public entity established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the Montecito Water District, a public entity established under the laws of the State of California, hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services, for all matters pertaining to such state disaster assistance, the assurances and agreements required.

THAT this is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.

PASSED AND APPROVED by the Board of Directors of the Montecito Water District this 27th day of October 2026 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

_____
Brian Goebel, President

ATTEST:

_____
Nick Turner, Board Secretary

DRAFT

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **4-K**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES CONTRACT WITH WOOD RODGERS FOR CONSTRUCTION PHASE SERVICES RELATED TO THE HIGHLINE REPAIR AT BELLA VISTA**

The Operations and Customer Relations Committee reviewed this item at its October 19, 2026 meeting and agrees with the recommendation.

RECOMMENDATION:

That the Board of Directors retroactively authorize Amendment No. 5 to the Professional Services Contract with Wood Rodgers for construction-phase services related to the Highline Repair at Bella Vista for a not-to-exceed amount of $23,943, 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 and subsequent land movement also pushed the Highline slightly downhill, causing the pipeline to shift. While the Highline remains operational, this project aims to reestablish the pipeline by burying it along the slope and at the ravine bottoms to reduce or eliminate the risk of future failure under similar circumstances.

On June 23, 2026, following a competitive bidding process, the Board awarded a construction contract for the Highline Repair at Bella Vista Project (Project) to American Pipeline Services. The Project is currently under construction and expected to be completed in November 2026. In June 2026, the Board of Directors also awarded Amendment No. 4 to a Professional Services Contract with Wood Rodgers for construction phase services for the Project. The construction phase services included engineering support and environmental monitoring. Rincon Consultants is performing all environmental monitoring as a subcontractor to Wood Rodgers.

Amendment No. 5, attached as Attachment No. 1 to this memorandum, provides for erosion and sediment control planning and stormwater inspection services as part of the scope of work provided by Rincon Consultants. These services were not included as a component of the work

during the design phase and therefore are not included in the construction contract with American Pipeline Services or the professional services contract with Wood Rodgers. The additional services involve preparing an Erosion and Sediment Control Plan (ESCP) and conducting stormwater inspections to support implementation of mitigation measures. The total cost for the additional services is $23,943.

Wood Rodgers' original contract for design services, authorized on December 13, 2023, was in the amount of $324,428.50. Amendment Nos. 1-3 updated Wood Rodgers' schedule of rates but did not modify the contract amount. Amendment No. 4 added construction-phase services including biological, paleontological, and tribal cultural resources support, and was authorized by the Board on June 23, 2026, in the amount of $116,823. With Amendment No. 5, Wood Rodgers' total authorized budget for the Project is $465,194.50.

SCHEDULE:

Due to the threat of local rainfall around October 9, 2026, resulting from Hurricane Rachel, and the associated elevated risk of erosion and sediment movement in the project area, District management authorized Amendment No. 5 to provide sufficient time for development of the ESCP and the Contractor's implementation of mitigation measures in advance of storm arrival. Rincon prepared the ESCP, and American Pipeline Services has acquired and is prepared to deploy the mitigation measures as needed throughout construction.

FISCAL IMPACT:

This project, resulting from the 2023 declared disaster, is FEMA eligible and 94% reimbursable. The District received a cash advance from CalOES of approximately $3.1M for this project in September 2024. This amount was issued based on initial cost estimates. However, this advance far exceeds actual needs. This project is included in the Fiscal Year (FY) 2027 budget for a total of $1.28M, which includes costs for construction, temporary easements, and environmental monitoring. It is anticipated that the cash advance will cover all Project costs.

ATTACHMENTS:

1. Amendment No. 5 to the Professional Services Contract with Wood Rodgers for Construction Phase Services for the Highline Repair at Bella Vista Project

FIFTH AMENDMENT TO AGREEMENT

FOR PLANNING AND DESIGN SERVICES

This "FIFTH Amendment to Agreement for Planning and Design Services" ("FIFTH Amendment") is entered into by and between Montecito Water District ("MWD") and Wood Rodgers ("Consultant") with reference to the following facts:

RECITALS

A. MWD and Consultant are parties to a "Montecito Water District Agreement for Planning and Design Services" dated December 13, 2023 ("Consulting Agreement").

B. The Consulting Agreement requires modifications, amendments, and supplements to the Consulting Agreement to be in writing and signed by both MWD and Consultant.

C. MWD and Consultant wish to modify the scope of Services in the Consulting Agreement and Consultant wishes to perform those Services. The additional Services are set forth in Exhibit "1" to this FIFTH Amendment, which is attached hereto and incorporated herein by this reference.

IN CONSIDERATION of the foregoing recitals, and the promises, obligations, and covenants contained in this FIFTH Amendment, MWD and Consultant hereby agree as follows:

1. The scope of Services set forth in Exhibit 1 to this FIFTH Amendment are authorized pursuant to the Consulting Agreement.

2. The total not to exceed amount of $441,251.50 in Section 2 of the Fourth Amendment to Agreement for Planning and Design Services dated July 6, 2026 is increased by $23,943 by this FIFTH Amendment for a total contract amount of $465,194.50.

4. Except as hereby amended, all other terms and conditions of the Consulting Agreement remain unmodified and in full force and effect and applicable to the Consulting Agreement and this FIFTH Amendment.

5. This FIFTH Amendment may be executed in counterparts, which when taken together shall constitute a single instrument and is effective as of the latest date of the signatures set forth below.

IN WITNESS WHEREOF, the parties have executed this FIFTH Amendment as of the last date set forth below.

Montecito Water District

Sign: _____

Print: Nick Turner

Title: General Manager

Date: 10-15-26

Wood Rodgers

Sign: _____

Print: Karl Meier

Title: Principal

Date: 10/15/2026

October 12, 2026 *Via Email: nturner@montecitowater.com*

Mr. Nick Turner, P.E.
General 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 No. 5 Request – ESCP Services)*

Dear Mr. Turner,

Per your request, 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, which is currently in the construction phase. As such, the District has requested that Wood Rodgers and its subconsultant, Rincon Consultants, provide erosion and sediment control planning and stormwater inspection services. Rincon Consultants will prepare an Erosion and Sediment Control Plan (ESCP) and conduct stormwater inspections to support implementation of applicable mitigation measures. The ESCP will identify recommended best management practices appropriate to construction activities, steep terrain and nearby drainage channels. The inspections will document BMP condition and identify recommended corrective actions.

The project fee for these additional services is $23,943 as shown in the attached proposal from Rincon Consultants.

Respectfully Submitted,

Karl F. Meier, PE
Principal – Water Resources
kmeier@woodrodgers.com
(619) 819.9222

Attachments

Rincon Consultants, Inc.
319 E Carrillo Street, Suite 105
Santa Barbara, CA 93101
805-644-4455

October 1, 2026
Rincon Project No. 26-19291

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

Subject: Proposal for Environmental Services for the Bella Vista Highline Water Main Repair Project Santa Barbara County, California

Dear Mr. Kanold:

Rincon Consultants, Inc. (Rincon) is pleased to submit this proposal to provide erosion and sediment control planning and stormwater inspection services for the Montecito Water District's (District) Bella Vista Highline Water Main Repair Project (Project). Rincon recently supported the District in preparing environmental documentation for the Project, which involves replacing damaged sections of an existing water transmission pipeline exposed and displaced during the January 2023 storm event. The Project includes pipeline replacement, a temporary bypass pipeline, and channel stabilization improvements to restore reliable water service and improve system resilience.

Scope of Work

Rincon's proposed services include preparing an Erosion and Sediment Control Plan (ESCP) and conducting stormwater inspections to support implementation of applicable Project mitigation measures. The ESCP will identify recommended best management practices appropriate to the construction activities, steep terrain, and nearby drainage channels. Inspections will document BMP conditions and identify recommended corrective actions.

Task 1: Erosion and Sediment Control Program

For purposes of this proposal, Rincon assumes the Project qualifies for the routine-maintenance exclusion under Section II.D of the State Water Resources Control Board's Construction General Permit (Order No. 2022-0057-DWQ). This assumption is subject to confirmation based on the final construction scope, including associated access, staging, and channel stabilization activities.

Rincon will prepare an ESCP to support implementation of applicable Project mitigation measures and minimize erosion, sediment transport, and construction-related pollutant discharges. The ESCP will identify recommended best management practices (BMPs) appropriate to the pipeline repair activities, steep terrain, and nearby drainage channels, consistent with the CASQA Stormwater BMP Handbook: Construction. The ESCP will also describe inspection, maintenance, corrective action, and site stabilization practices.

The Contractor will be responsible for installing, maintaining, and adjusting BMPs to address field conditions and for verifying and obtaining additional permits or approvals applicable to its activities. Preparation of a CGP Stormwater Pollution Prevention Plan, permit enrollment, and permit-specific monitoring or reporting are excluded from this scope and may be provided under a separate authorization if needed.

Task 1.1 Erosion and Sediment Control Plan (ESCP)

Rincon will prepare a project-specific ESCP for the Bella Vista Highline Water Main Repair Project based on the available engineering plans, environmental documentation, and construction information provided by the District. The ESCP will address the pipeline repair areas and associated access routes, staging areas, and stockpiles, considering the steep terrain and nearby drainage channels.

The ESCP will incorporate applicable Project mitigation measures and construction site runoff control practices described in the County of Santa Barbara's Storm Water Management Program. BMP references and specifications will be consistent with the CASQA Stormwater BMP Handbook: Construction (2025).

The ESCP will include:

- Recommended sediment control practices and procedures for inspection and maintenance.
- Surface runoff and erosion control practices appropriate to anticipated construction activities and site conditions.
- Vegetation preservation, topsoil management, and post-construction stabilization practices.
- Track-out prevention measures and procedures for removing sediment from paved roads.
- Management practices for pipeline draining and flushing water, excavation water, construction materials, fuels, stockpiles, sanitary waste, and concrete or mortar washout, as applicable.
- A visual inspection program addressing inspection frequency, documentation, and corrective actions.
- Applicable CASQA BMP fact sheets and a sample visual inspection checklist.

BMP locations will be subject to the Contractor based on construction sequencing and field conditions. The ESCP will provide erosion and sediment control recommendations and will not include engineered drainage, geotechnical, or slope stabilization design.

Task 1.2 ESCP Inspections

During construction, Rincon will conduct visual inspections at the Bella Vista Highline Water Main Repair Project to assess BMP implementation and identify measures requiring maintenance, repair, replacement, or supplementation. Inspections will address accessible pipeline repair areas, construction access routes, staging areas, and stockpile locations.

Inspections will be conducted weekly and prior to a Qualifying Precipitation Event (QPE). A QPE is any weather pattern forecast to have a 50 percent or greater Probability of Precipitation (PoP) and a Quantitative Precipitation Forecast (QPF) of 0.5 inches or more within a 24-hour period. The event begins with the 24-hour period when 0.5 inches has been forecast and continues on subsequent 24- hour periods when 0.25 inches of precipitation or more is forecast. When feasible, weekly and pre-QPE inspections will be conducted concurrently.

Each inspection will include a visual inspection checklist and supporting photographs documenting observed conditions, BMP deficiencies, and recommended corrective actions. Findings will be provided to the District and Contractor for follow-up. During subsequent scheduled inspections, Rincon will document the status of previously identified deficiencies.

Assumptions

This proposal incorporates the following assumptions for the technical analyses:

- Rincon's inspection services will conclude by November 30, 2026. Services beyond this date will require additional authorization.

- The budget includes up to 9 weekly inspections during the authorized construction period and up to 3 additional pre-rain inspection visits. Weekly and pre-rain inspections will be combined where feasible. Additional during-rain, post-rain, or follow-up visits are excluded unless separately authorized.
- Each inspection includes up to four hours for travel, field observations, documentation, and coordination.
- Rincon assumes the Project qualifies for the routine-maintenance exclusion under Section II.D of the State Water Resources Control Board's Construction General Permit (Order No. 2022-0057-DWQ).
- Inspections will occur during scheduled construction hours and will be limited to safely accessible areas. Weekend, holiday, and after-hours services are excluded.
- The District and Contractor will provide current engineering plans, construction schedules, approved access and staging limits, applicable permit conditions, and available information regarding anticipated water discharges.
- The scope includes one draft ESCP, one consolidated round of District and Contractor comments, and one final electronic ESCP. Substantial revisions resulting from changes to the construction scope, work limits, or permit conditions will require additional authorization.
- BMP placement will be determined and adjusted by the Contractor based on field conditions and construction sequencing, consistent with the ESCP, approved work limits, and applicable Project commitments. Detailed BMP installation drawings, engineering calculations, surveying, and drainage or slope stabilization design are excluded.
- The Contractor is responsible for BMP installation, maintenance, repair, replacement, and removal. Rincon's inspections are periodic observations and do not constitute continuous construction oversight or a guarantee of BMP performance.
- Water quality sampling, laboratory analysis, discharge treatment design, permit applications, and agency negotiations are excluded.
- Corrective-action status will be evaluated during subsequent scheduled inspections. Dedicated verification visits and long-term revegetation or restoration monitoring are excluded.

Cost Estimate

Rincon will complete Task 1 on a T&M basis in accordance with our standard fee schedule for professional services (Attachment 1), not to exceed the projected costs without written request and authorization. Services required beyond this scope of work would be provided on a T&M basis, upon written request and authorization. Rincon recommends establishing the estimated budget described below.

Table 1 Cost Summary

Task		Estimated Cost
Task 1	Erosion and Sediment Control Program	
Task 1.1	Erosion and Sediment Control Plan (ESCP)	$9,196
Task 1.2	ESCP Inspections	$14,747
Total		**$23,943**

Thank you for considering Rincon for this assignment. This proposal is valid for a period of 30 days. If you have any questions regarding this proposal, please contact Stephanie Lopez at 805-729-6644 or slopez@rinconconsultants.com, or Andy Nelson at 805-258-8856 or anelson@rinconconsultants.com.

Sincerely,
Rincon Consultants, Inc.

Stephanie Lopez
Supervising Biologist

Andy Nelson, PG, QSD/P, QISP
Director

Attachments

Attachment 1 Rincon 2026 Fee Schedule

Standard Fee Schedule for Environmental Sciences and Planning Services

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

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

Reimbursable Expenses

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

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

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

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

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

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

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 4-L

DATE: OCTOBER 27, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: AMENDMENT NO. 6 TO THE PROFESSIONAL SERVICES CONTRACT WITH WOOD RODGERS FOR CONSTRUCTION PHASE SERVICES RELATED TO THE HIGHLINE REPAIR AT BELLA VISTA

RECOMMENDATION:

That the Board of Directors authorize Amendment No. 6 to the Professional Services Contract with Wood Rodgers for construction-phase services related to the Highline Repair at Bella Vista for a not-to-exceed amount of $19,187, 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 and subsequent land movement also pushed the Highline slightly downhill, causing the pipeline to shift. While the Highline remains operational, this project aims to reestablish the pipeline by burying it along the slope and at the ravine bottoms to reduce or eliminate the risk of future failure under similar circumstances.

On June 23, 2026, following a competitive bidding process, the Board awarded a construction contract for the Highline Repair at Bella Vista Project (Project) to American Pipeline Services. The Project is currently under construction and expected to be completed in November 2026. In June 2026, the Board of Directors also awarded Amendment No. 4 to a Professional Services Contract with Wood Rodgers for construction phase services for the Project. The construction phase services included engineering support and environmental monitoring. Rincon Consultants is performing all environmental monitoring as a subcontractor to Wood Rodgers.

Proposed Amendment No. 6, attached as Attachment No. 1 to this memorandum, provides for additional cultural resource monitoring services as part of the scope of work provided by Rincon Consultants. As required in the Project's Mitigation Monitoring and Reporting Program (MMRP), Rincon provides a Native American representative from the Santa Ynez Band of Chumash Indians to monitor all Project-related ground-disturbing activities, including but not limited to

clearing/grubbing, excavating, grading, and trenching. Rincon also provides a Native American representative from the Barbareño Band of Chumash Indians (BBCI) to conduct spot check monitoring as determined necessary by the BBCI. Due to the project's complexities, including the topography, the construction duration is longer than originally expected. Therefore, Rincon is requesting additional budget to cover ten additional days of cultural resource monitoring. The total cost for the additional services is $19,187.

Wood Rodgers' original contract for design services, authorized on December 13, 2023, was in the amount of $324,428.50. Amendment Nos. 1-3 updated Wood Rodgers' schedule of rates but did not modify the contract amount. Amendment No. 4 added construction-phase services including biological, paleontological, and tribal cultural resources support, and was authorized by the Board on June 23, 2026, in the amount of $116,823. Amendment No. 5 adds construction-phase services, including erosion and sediment control planning and stormwater inspection services, and is expected to be retroactively approved on September 27, 2026, in the amount of $23,943. With Amendment No. 6, Wood Rodgers' total authorized budget for the Project is $484,381.50.

SCHEDULE:

Construction of the Highline Repair Project remains ongoing and is expected to be completed in mid-December, weather permitting.

FISCAL IMPACT:

This project, resulting from the 2023 declared disaster, is FEMA-eligible and 94% reimbursable. The District received a cash advance from CalOES of approximately $3.1M for this project in September 2024. This amount was issued based on initial cost estimates. However, this advance far exceeds actual needs. This project is included in the Fiscal Year (FY) 2027 budget for a total of $1.28M, which includes costs for construction, temporary easements, and environmental monitoring. It is anticipated that the cash advance will cover all Project costs.

ATTACHMENTS:

1. Amendment No. 6 to the Professional Services Contract with Wood Rodgers for Construction Phase Services for the Highline Repair at Bella Vista Project

October 19, 2026 *Via Email: nturner@montecitowater.com*

Mr. Nick Turner, P.E.
General 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 No. 6 Request – Cultural Resources Services)*

Dear Mr. Turner,

Per your request, 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, which is currently in the construction phase. Based on the current construction schedule and related ground-disturbing activities, the original budget for cultural resources monitoring requires an extension to allow for compliance with the Project's MMRP. As such, the District has requested that Wood Rodgers and its subconsultant, Rincon Consultants, continue to provide these services during ground-disturbing activities.

The project fee for these additional services is $19,187 as shown in the attached proposal from Rincon Consultants.

Respectfully Submitted,

Karl F. Meier, PE
Principal – Water Resources
kmeier@woodrodgers.com
(619) 819.9222

Attachments

Rincon Consultants, Inc.
319 E Carrillo Street, Suite 105
Santa Barbara, CA 93101
805-644-4455

October 16, 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: Budget Amendment Request for Environmental Services for the Bella Vista Highline Water Main Repair Project Santa Barbara County, California

Dear Mr. Meier:

Rincon Consultants, Inc. (Rincon) respectfully submits this budget amendment request to continue to provide Cultural Resources Services for the Montecito Water District's (District) Bella Vista Highline Water Main Repair Project (Project). This amendment request is in reference to our Subconsultant Agreement dated 10/30/2024, Amendment No. 1 dated 7/7/2026, Task 4.2 for Native American Monitoring.

Scope of Work

Amendment to Task 4.2 Native American Monitoring

As required by Mitigation Measure TCR-2 (Native American Monitoring) of the Project's MMRP, Rincon provides 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. We also provide a Native American representative from the Barbareño Band of Chumash Indians (BBCI) to conduct spot check monitoring as determined necessary by the BBCI.

Table 1 provides a summary of the number of estimated days from our original scope of work for this task, and the number of days of monitoring remaining in the approved budget.

Table 1 Summary of Originally Scoped Days and Remaining Days

Tribe	Estimated Days in Scope	Remaining Days in Budget
Santa Ynez Band of Chumash Indians	15 days	3 days
Barbareño Band of Chumash Indians	15 days	1 day

It is our understanding that there are approximately 10 more days of ground-disturbing activity that will need to be monitored. Therefore, we recommend a budget amendment of seven days for the SYBCI and nine days for the BBCI for a total budget of $17,437.

Assumptions

- 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.

Cost Estimate

Table 1 Cost Summary

Task	Estimated Cost
Task 4.2 Native American Monitoring	$17,437
Project Management	$1,750
Total	**$19,187**

Rincon will complete this task on a T&M basis in accordance with our current contract (dated 07/07/2026), not to exceed the projected costs without written request and authorization. Services required beyond this scope of work would be provided on a T&M basis, upon written request and authorization.

Thank you for considering Rincon for this assignment. This proposal is valid for a period of 30 days. If you have any questions regarding this proposal, please contact Stephanie Lopez at 805-729-6644 or slopez@rinconconsultants.com, or Ken Victorino at 805-947-4862 or kvictorino@rinconconsultants.com.

Sincerely,
Rincon Consultants, Inc.

Stephanie Lopez
Supervising Biologist

Ken Victorino
Senior Cultural Resources Manager

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **5-A**

DATE: **OCTOBER 27, 2026**

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **AWARD OF A PROFESSIONAL SERVICES CONTRACT TO CAROLLO ENGINEERS FOR DESIGN OF A pH ADJUSTMENT SYSTEM AT BELLA VISTA WATER TREATMENT PLANT**

This item was reviewed by the Operations and Customer Relations Committee at its meeting held on October 19, 2026, and the committee agrees with the recommendation.

RECOMMENDATION:

That the Board of Directors authorize the General Manager to execute a Professional Services Contract with Carollo Engineers for the design of a pH Adjustment System at Bella Vista Water Treatment Plant for the not-to-exceed amount of $239,014.

BACKGROUND:

The Montecito Water District (District) operates two surface water treatment plants that serve approximately 13,000 customers in Montecito, Summerland, and portions of Toro Canyon. Calcium carbonate scaling has been a persistent challenge for the District, causing significant operational impacts at the Bella Vista Treatment Plant (BVTP), Doulton Treatment Plant (DTP), and within nearby sections of the distribution system. Elevated calcium concentrations and alkalinity in water delivered from Doulton Tunnel promote calcium carbonate precipitation during treatment, resulting in fouling of treatment media, increased maintenance requirements, reduced treatment efficiency, and shortened media life. Adjusting pH before the treatment process will help mitigate calcium carbonate scaling within the system.

The District retained Water Quality Treatment Solutions (WQTS), now part of Hazen and Sawyer, to evaluate treatment alternatives for automated pH adjustment. This evaluation was completed and presented to the Board on August 25, 2026. At that meeting, the Board considered the options, including the pros and cons of each, and chose to proceed with implementation of a carbon dioxide (CO_2) dosing system for pH adjustment at the BVTP.

The District obtained proposals from two qualified engineering firms to perform design services for the Project, including developing bid documents for a new CO_2 dosing system, including storage and feed system at BVTP. Proposals were obtained from Hazen and Sawyer, and Carollo Engineers. A summary of the proposed costs to provide the design services is provided in the table below.

Consultant	Fee ($)
Hazen and Sawyer	$403,635
Carollo Engineers	$239,014

Staff recommends that the Board of Directors authorize a professional services contract with Carollo Engineers for this project. Carollo submitted the lowest-cost proposal and is an industry-leading water engineering firm. Additionally, the District has a proven track record of successful collaboration with Carollo on past projects.

SCHEDULE:

If approved, design will begin as soon as a contract is in place and is expected to take approximately 8 months.

Project implementation will require approval of a permit amendment from the California Division of Drinking Water (DDW). Staff will prepare and submit the permit amendment application following Board authorization. The DDW review and approval process is anticipated to require approximately 2 to 3 months.

Once the DDW permit amendment is complete, the District may proceed with the bid and construction phase of the Project. Construction is anticipated to begin in summer 2027. Construction, startup, operator training, and commissioning are expected to be completed around the end of 2027.

FISCAL IMPACT:

The Fiscal Year (FY) 2027 adopted budget includes $900,000 for the implementation of a pH adjustment system at the BVTP. The construction cost of the CO_2 System is estimated to be $828,000. At its August 25, 2026 meeting, the Board took action to proceed with the CO_2 System for managing calcification at the BVTP at an estimated cost of $828,000 and to allocate the remaining budget ($72k) to the water softening system for DTP. Therefore, the total cost for the CO_2 System at BVTP is anticipated to exceed the current budget and will require the allocation of additional funds for award of a construction contract. Given the schedule presented above, it is likely that the construction phase of the Project will occur in FY2028. Staff recommend waiting until the project bids are received before considering a budget increase for this project.

Item	BVTP	DTP
FY2027 Budget	$900,000	$90,000
FY2027 Budget Reallocation	$828,000	$162,000
Design Costs	$239,014	$0
Construction Estimate	$828,000	$150,000
Total Project Cost	**$1,067,014**	**$150,000**
Over/(Under) Budget	$239,014	($12,000)

ATTACHMENTS:

1. Proposal from Carollo Engineers for design of a pH Adjustment System at Bella Vista Water Treatment Plant

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MONTECITO WATER DISTRICT

Carbon Dioxide Project for Bella Vista Water Treatment Plant

Date: 9/25/2026
Prepared By: Scott Weddle, PE
Reviewed By: Jason Assouline, PE
Subject: Scope of Work
cc: Andy Salveson, PE

This Scope of Work establishes Carollo Engineers, Inc. (Carollo) services, time of performance, and payment provisions in connection with the Montecito Water District's (District) Bella Vista Water Treatment Plant (BVWTP) Carbon Dioxide (CO_2) Project.

General Project Description

The District operates two surface water treatment plants serving a population of approximately 12,000 in Montecito and Summerland in Santa Barbara County. The District has been experiencing significant calcification at the BVWTP and in the distribution system and premise plumbing. The District requested a scope and budget proposal from Carollo to design a new CO_2 storage and feed system to lower the pH of raw water entering BVWTP to address the calcification challenges. Previous studies (by others) recommended various acid system alternatives and a CO_2 system was selected by the District as the preferred alternative. The District conducted preliminary sizing of the CO_2 system and obtained a preliminary quote from TOMCO Systems (TOMCO) to furnish the equipment.

Carollo's scope of work for the project consists of preparing a Basis of Design Report (BODR) and design services to develop bid documents for the new CO_2 storage and feed system at BVWTP. The District desires to incorporate equipment furnished by TOMCO into the design (sole source) and implement the project using a traditional design-bid-build approach. The current scope of work is only for design services and a future scope of work is anticipated for bidding and construction phase services.

This project will include the following tasks.

Task 100 - Project Management and Coordination

- Monitor project progress and provide monthly progress report and invoices which includes the following:
  - Status updates of the scope, schedule, and budget for the project.
  - Any anticipated out-of-scope items which would require approval via a contract amendment from the District.
- Maintain Action Item and Decision Logs for project-related issues.
- Hold biweekly calls with the District to discuss project progress and review action items and decisions.

- ***Assumptions:***
  - 8-month project duration.
  - All deliverables will be submitted electronically.
- ***Deliverables:***
  - Monthly progress reports.
  - Updates to action item and decision logs.

Task 200 – Basis of Design Report

- Task 210 – Review Existing Information:
  - Review BVWTP as-built drawings and other design-related information including survey and geotechnical data provided by the District.
- Task 220 – Conduct Site Visit and Workshop:
  - Carollo's Project Manager and Project Engineer will visit BVWTP to tour existing facilities and hold a meeting at the site with District staff to discuss key design considerations and reach decisions with staff on items including:
    - Location of CO2 storage and feed equipment.
    - CO2 injection location.
    - Pipe routing from the CO2 feed system to the injection location.
    - Coordination with existing buried utilities.
    - Connection to existing power supply equipment and ductbank routing to the CO2 system.
    - Connection of new CO2 system input and output signals to the existing SCADA system.
    - Location of new analyzers and sample taps.
    - District preferences for equipment, valves, piping, and analyzers.
  - Task 230 - Prepare Draft and Final Basis of Design Report:
    - Prepare and submit for District review a draft BODR that documents decisions, design criteria and assumptions, and updates the project schedule.
    - Prepare and submit the final BODR incorporating District comments received on the draft.
- ***Assumptions:***
  - District will provide up-to-date surveying, geotechnical, and WTP as-built information for Carollo's use. New surveying and geotechnical investigations are not be included in the current scope of work.
    - District shall furnish Carollo available studies, reports and other data pertinent to Carollo's services; furnish to Carollo services of others required for the performance of Carollo's services hereunder, and Carollo shall be entitled to use and rely upon all such information and services provided by the District or others in Performing Consultant's services under this Agreement. The District does not guarantee the accuracy of the information provided and will not hold Carollo accountable for errors in the District-provided documents.
  - The kickoff/BODR workshop will be attended by District staff who are authorized to provide direction to Carollo on key design issues.
  - The site visit and workshop will be conducted within 15 business days of receiving notice to proceed from the District.
  - The draft BODR will be provided within 15 business days of conducting the site visit.
  - The District will review and provide BODR comments within 10 business of receiving the draft BODR.

- The final BODR will be provided 10 business days after receiving District comments on the draft.

- ***Deliverables:***
  - Kickoff workshop and site visit notes.
  - Draft and Final BODR.

Task 300 - Final Design

- Task 310 - Design Drawings:
  - Includes development of design drawings assuming approximately 20 drawings.
  - Drawings include General, Civil, Process/Mechanical, Electrical, Instrumentation, and Typical Details.
- Task 320 - Specifications:
  - The District will provide front end (Division 0) specifications. Carollo will prepare all Division 1 and technical specifications.
- Task 330 - Progress Submittals and QA/QC:
  - Prepare and submit 60 percent, 90 percent, and 100 percent-level design drawings and specifications for District review. The District will review the submittals, resolve conflicting comments and combine all review comments for each submittal into one package, and submit to Carollo. The District will have a three-week review period for each progress submittal.
    - Internal QA/QC reviews of progress submittals will be made by Carollo staff. Carollo's internal review comments can be made available to the District upon request.
- Task 340 - Opinion of Probable Construction Costs (OPCC):
  - Prepare and submit an OPCC within two (2) weeks after the 60 percent and 90 percent (permitting) submittals. The 60 percent OPCC will be an AACE Class 3 estimate, and the 90 percent estimate will be Class 2 estimate.
- ***Assumptions:***
  - CO2 storage and feed equipment will be located outdoors on a new concrete foundation. No new overhead structures (e.g., canopy or other architectural features) are included in the design.
  - TOMCO system will be specified as sole source and procured by the selected general contractor. No pre-purchase documents will be prepared.
  - In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for potential projects, Carollo has no control over cost or price of labor and material; unknown or latent conditions of existing equipment or structure that may affect operation and maintenance costs; competitive bidding procedures and market conditions; time or quality of performance of third parties; quality, type, management, or direction of operating personnel; and schedule. Therefore, Carollo makes no warranty that the District's actual project costs, financial aspects, economic feasibility, or schedules will not vary from Carollo's opinions, analyses, projections, or estimates.
  - All deliverables will be submitted electronically.
- ***Deliverables:***
  - 60, 90, and 100 percent Plans and Specifications (electronic copies).
  - 60 and 90 percent OPCC.

Task 400 – Permitting Support:

- Provide support to the District in preparing documents required for permitting prior to construction of the project. The 90 percent drawings and specifications will be used for permitting. It is assumed that permitting includes Division of Drinking Water (DDW) and Montecito Fire Department only.
- Also provide support to the District in obtaining approvals and permits from State Division of Drinking Water (DDW) and local Fire District for the project.

- ***Assumptions:***
  - The District will take the lead in preparing and submitting documents to permitting agencies. Carollo will provide supporting documents, recommendations, and attend up to two (2) virtual meetings with DDW or Fire District upon request.
  - Permitting through other authorities having jurisdiction (AHJs) is not required for projects of this nature and therefore building permits are not required.
- ***Deliverables:***
  - Meeting notes and agendas.

Schedule

Work described in this scope of work is anticipated to be completed over a 8-month timeframe, starting from the date of the signed agreement to delivering final bid documents.

Compensation

Total compensation and breakdown for the scope of services is provided in Attachment 1. Monthly project invoices will be submitted based on the rate schedule and classifications shown in fee table. The 2026 rates will also apply to project work in 2027. Future work in 2027 and 2028 may be subjected to escalation, as agreed upon by the District.

ATTACHMENT 1
MONTECITO WATER DISTRICT
PROFESSIONAL ENGINEERING SERVICES
CARBON DIOXIDE SYSTEM DESIGN
FEE ESTIMATE

Task	Subtask	Description	PIC	Project Manager	QA/QC	Project Engineer	Project Engineer Support	Instrumentation and Control	Electrical	Structural	CAD Graphics	Doc. Process/ Clerical	TotalCarollo Labor Hours	Total Carollo Labor Cost	PECE(2)	Other Direct Costs	Total Cost
	Carollo Labor Rates[1]		$367.00	$351.00	$351.00	$270.00	$175.00	$307.00	$307.00	$270.00	$237.00	$159.00			$17.00		
100	**Project Management**																
	100	Project Administration, Biweekly Meetings	2	24								8	34	$ 10,430	$ 578		$ 11,008
		TASK 100 TOTAL	**2**	**24**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**8**	**34**	**$ 10,430**	**$ 578**	**$ -**	**$ 11,008**
200	**Basis of Design Workshop and Site Visit**																
	210	Review Existing Information		4		8							12	$ 3,564	$ 204		$ 3,768
	220	Conduct site visit and worshop		8		16							24	$ 7,128	$ 408	$ 3,000	$ 10,536
	230	Prepare Draft and Final BODR		8	4	24					8	4	48	$ 13,224	$ 816		$ 14,040
		TASK 200 TOTAL	**-**	**20**	**4**	**48**	**-**	**-**	**-**	**-**	**8**	**4**	**84**	**$ 23,916**	**$ 1,428**	**$ 3,000**	**$ 28,344**
300	**Final Design**																
	310	**Design Drawings**															
	310.1	Prepare 60% Drawings		8		20	60	8	8	4	96		204	$ 47,452	$ 3,468		$ 50,920
	310.2	Prepare 90% Drawings		8		8	20	8	8	2	40		94	$ 23,400	$ 1,598		$ 24,998
	310.3	Prepare 100% Drawings		8		8	20	4	4	2	32		78	$ 19,048	$ 1,326		$ 20,374
	320	Prepare Specifications											-	$ -			
	320.1	Prepare 60% Specs		4		20	40	8	8	2		40	122	$ 25,616	$ 2,074		$ 27,690
	320.2	Prepare 90% Specs		4		12	40	8	8	2		24	98	$ 20,912	$ 1,666		$ 22,578
	320.3	Prepare 100% Specs		4		4	12	4	4	2		24	54	$ 11,396	$ 918		$ 12,314
	330	**Progress Submittals and QA/QC**											-	$ -			
	330.1	Prepare 60% submittal		2		4							6	$ 1,782	$ 102		$ 1,884
	330.2	60% QA/QC Review			20								20	$ 7,020	$ 340		$ 7,360
	330.3	Prepare 90% submittal		2		8	8						18	$ 4,262	$ 306		$ 4,568
	330.4	90% QA/QC Review			20								20	$ 7,020	$ 340		$ 7,360
	330.1	Prepare 100% submittal		2		4	8						14	$ 3,182	$ 238		$ 3,420
	330.2	100% QA/QC Review			4								4	$ 1,404	$ 68		$ 1,472
	340	**Opinion of Probable Construction Cost**											-	$ -			
	340.1	60% OPCC		2	2	12							16	$ 4,644	$ 272		$ 4,916
	340.2	90% OPCC		2	2	8							12	$ 3,564	$ 204		$ 3,768
		TASK 300 TOTAL	**-**	**46**	**48**	**108**	**208**	**40**	**40**	**14**	**168**	**88**	**760**	**$ 180,702**	**$ 12,920**	**$ -**	**$ 193,622**
400	**Permitting Support**																
	400	Permitting Support	4	4	2	8							18	$ 5,734	$ 306		$ 6,040
		TASK 400 TOTAL	**4**	**4**	**2**	**8**	**-**	**-**	**-**	**-**	**-**	**-**	**18**	**$ 5,734**	**$ 306**	**$ -**	**$ 6,040**
Totals			**6**	**94**	**54**	**164**	**208**	**40**	**40**	**14**	**176**	**100**	**896**	**$ 220,782**	**$ 15,232**	**$ 3,000**	**$ 239,014**

Notes:
1.Rates shown are based on 2026 rates.
2. Project Equipment Communication Expense.
3. Other direct expenses include mileage traveling to/from meetings at IRS Federal Rate, and travel expenses at cost.

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-B

DATE: OCTOBER 27, 2026

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: SEMIANNUAL WATER SUPPLY UPDATE

RECOMMENDATION:

Information only.

DISCUSSION:

Overview

As we begin the new water year, Water Year (WY) 2027, which began on October 1, 2026, the District remains committed to the community's water supply security. The District's 3-year water supply outlook remains favorable with limited changes since the prior semiannual update was provided in April 2026. Water deliveries pursuant to the 2020 Water Supply Agreement with the City of Santa Barbara in connection with its ocean desalination plant remain constant. This reliable, rainfall-independent source serves as a critical baseline and meets 35% of customer water needs. After filling and spilling last winter, the Cachuma Project and Jameson Lake, which also serve as critical water sources for the District, remain relatively full at approx. 85% of their current full storage capacity. While State Water availability for 2026 was only 45% of the full contract entitlement, the District doesn't project a need for it within its 3-year outlook. State Water allocated in 2026 that is not exchanged pursuant to the 1993 Santa Ynez River / State Water Project Exchange Agreement, was declared surplus by the Board of Directors in May 2026 and is being sold to Homer LLC, pursuant to the 2024 Water Management Program Agreement, to help offset costs for other more reliable water sources. Since water supply conditions remain favorable and reservoirs are near full, groundwater use is limited and stored water in Semitropic will remain in reserve for future use during periods of below-average rainfall or drought.

The District's water supply planning, including the *2025 Urban Water Management Plan*, *2025 Future Demand and Water Supply Options Analysis*, and 3-year water supply outlook continue to indicate adequate water to meet projected customer water demand without projected water shortages or the near-term need for imported water (i.e., State Water Project, supplemental, Semitropic). This outlook is attributable to the District's past actions to improve long-term water supply reliability, such as acquisition of ocean desalination supplies and groundwater banking, which have well equipped the District to respond to changing conditions.

Total water use for WY 2026, which ended September 30, 2026, is approx. 4,100 acre feet (AF), which is right at planned use. Planned use for WY 2027 remains at 4,100 AF and is based on the average use over the prior 5 years.

The primary sources of supply planned for use to meet customer needs in WY 2027 include ocean desalination, the Cachuma Project, and Jameson Lake. Groundwater use is projected to be minimal, and water stored in Semitropic is expected to remain in reserve. State Water supplies remain in surplus and are not planned for use in WY 2027; any available allocation may be stored in Semitropic or transferred (sold) to Homer LLC, as determined by the Board of Directors in Spring 2027.

As of October 1, 2026, the US Drought Monitor indicates that approximately 70% of the state is experiencing drought conditions, while Santa Barbara County remains entirely drought-free. According to the National Oceanic and Atmospheric Administration's (NOAA) Climate Prediction Center, part of the National Weather Service (NWS), El Niño conditions in the Pacific are continuing to strengthen. El Niño is a climate pattern in which sea surface temperatures in the central and eastern tropical Pacific run warmer than average. The agency declared El Niño's onset in June 2026, when the east-central tropical Pacific Ocean was 0.5°C above average. Its current outlook gives an 83% chance that the event would reach "very strong" status, often called a "super" El Niño, in October through December. Water temperature in the east-central tropical Pacific Ocean is approximately 2.3°C above average, with pockets of surface water 4°C warmer than average. A strong El Niño tends to raise the odds of a wetter, stormier winter in California, particularly in the southern part of the state, but the actual impacts remain uncertain.

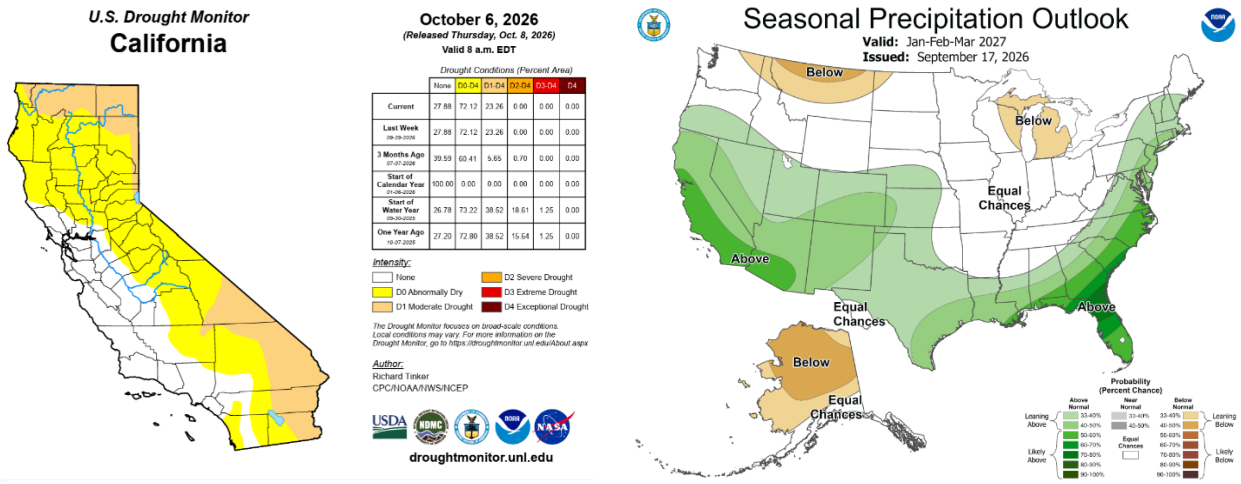


Figure 1: US Drought Monitor Map (Oct 2026) and NOAA Rainfall Prediction Jan-Mar 2027

Despite a strong water supply outlook, efficient use is necessary to stretch existing supplies and ensure long-term reliability. The District continues to promote water use efficiency through rebates, property-specific water budgets, smart meters (automated metering infrastructure), and a demonstration garden. Additionally, the District continues evaluating various long-term water

supply initiatives, including the potential need for additional independent local rainfall water supplies, local groundwater banking, and the optimal use of surplus State Water Project supplies.

BACKGROUND:

Update on Water Sources

The **Cachuma Project**, a United States Bureau of Reclamation (USBR) owned and operated surface water reservoir, is a critical local surface water supply for the District. The Cachuma Project has historically supplied about 40% of the District's annual water supply, but this has been reduced to about 30% since the acquisition of ocean desalination from the City of Santa Barbara. This reduction in reliance on the Cachuma Project enables this critical supply to be preserved for later use, such as during dry periods or droughts. The District's full Cachuma Project contractual entitlement is 2,651 AF, and annual allocations vary depending on lake levels. The Cachuma Project is currently 85% of its current full storage capacity. Since WY 2023, the Cachuma Project has maintained a 100% allocation, with USBR issuing a 100% allocation for WY 2027, and similar full allocations are anticipated over the next two water years, even under dry conditions. As of October 1, 2026, the District has approx. 4,400 AF of Cachuma Project supplies available.

Jameson Lake, another critical local surface water supply for the District, is a District-owned and operated facility that serves as a longer-term drought supply with reduced deliveries over an extended period. Projected annual deliveries are consistent with the District's 2020 modified rule curve for the reservoir, which plans for up to 2,000 acre feet of deliveries when the lake is full, reducing to between 500 and 800 acre feet per year thereafter as the lake level declines. The purpose of increasing deliveries when the lake is full is to draw down the lake level to create available storage capacity to capture runoff, if any, in subsequent years. Jameson Lake typically supplies about 25% of the District's annual water supply, or 1,100 AFY, and is currently 87% of its current full storage capacity.

Doulton Tunnel is a 2.2-mile tunnel through the Santa Ynez Mountains that allows Jameson Lake deliveries to reach the South Coast and the District's service area. The tunnel itself experiences water intrusion (water entry from the surrounding soil and rock), which contributes to water deliveries from Jameson Lake. Tunnel intrusion is groundwater and is highly dependent on rainfall. Deliveries have historically ranged from 50 gallons per minute (gpm) to 1,500 gpm, but typically average between 150 gpm to 350 gpm.

Desalination deliveries began in January 2022, with the District receiving 117.4 AF of water per month from the City of Santa Barbara, in accordance with the September 2020 *Water Supply Agreement* (WSA). These deliveries are made possible by the City's operation of its ocean desalination facility. This local, rainfall-independent water supply is nearly 100% reliable and serves as a baseline supply for the District, helping to mitigate the impact of ongoing and future regulatory, environmental, and climatic challenges affecting other water sources. Pursuant to the WSA, deliveries occur irrespective of hydrologic conditions and make up about 35% of the District's annual water supply.

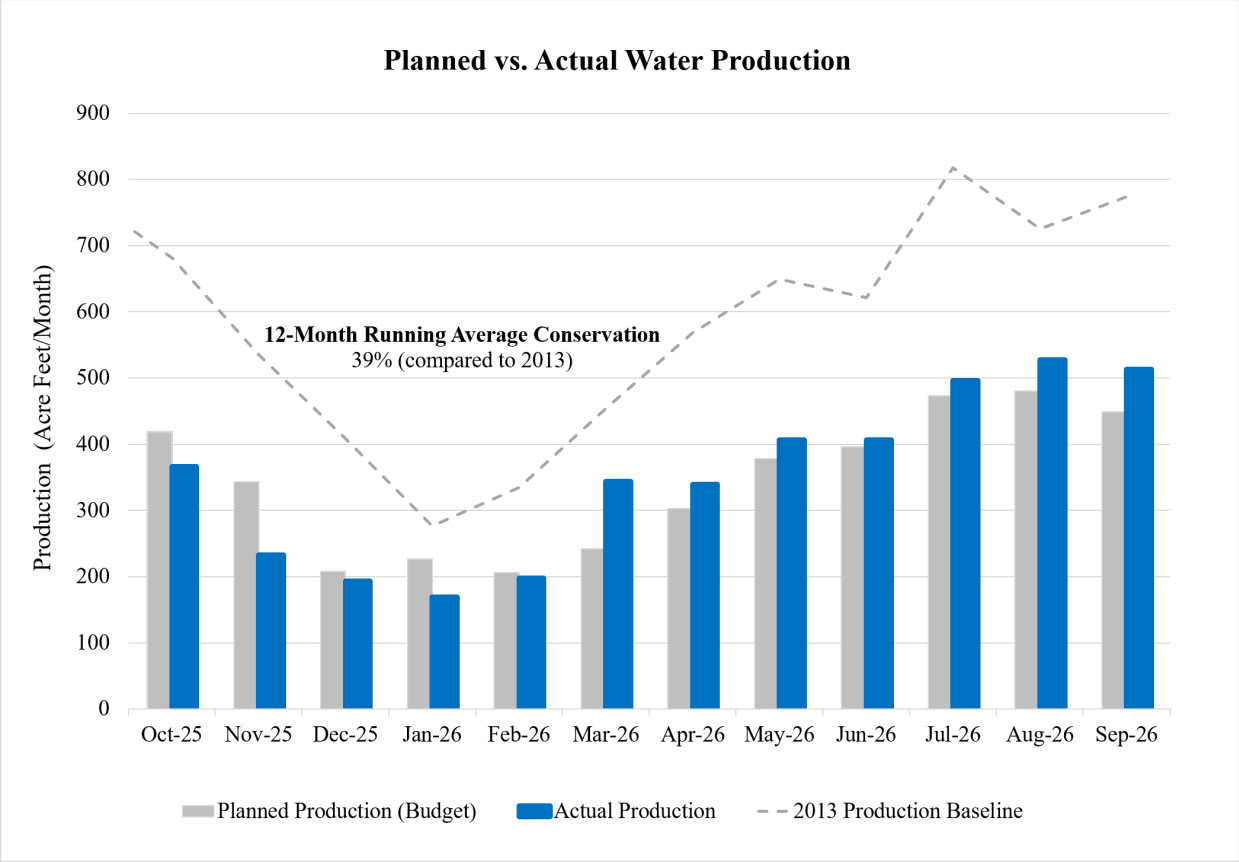
Groundwater serves as an important drought supply for the District. During average or wet conditions, the District reduces the use of groundwater, allowing for increased recovery of the groundwater basin. During below-average or dry periods, the District increases groundwater production from the basin. The District has six potable and six non-potable active groundwater wells capable of pumping a combined total of approximately 700 acre feet per year (AFY), depending on groundwater levels. Typical groundwater production ranges between 5 and 15% of the District's annual water supply, or 150 and 500 AFY, depending on hydrologic conditions.

The **State Water Project** (SWP) is a supplemental surface water source supplying water from Northern California. The District's full Table A entitlement is 3,300 acre feet, which includes a 300 acre foot drought buffer. The Department of Water Resources (DWR) reviews SWP water availability monthly and releases allocation updates, with the first annual allocation typically released around December 1 for the upcoming calendar year and a final annual allocation typically released around May 1. Since deliveries to Santa Barbara County began in 1997, the SWP has averaged about half (58%) of a full allocation, which has reduced to 43% over the last fifteen years. Typically, SWP allocations are higher in wet years when local supplies are abundant, and the District has reduced or no need for the water. Conversely, allocations have historically dropped as low as 5% during droughts, when the District needs the water most. Analyses and modeling continue to project little to no need for SWP supplies over the coming decades. The District has options for managing this supply including (a) storage in the SWP system, (b) delivery to the Cachuma Project for storage, (c) storage in the Semitropic Groundwater Banking and Exchange Program, and/or (d) a transfer (sell). In April/May each year, when the final SWP allocation is known, the District determines how to utilize the available SWP supplies in that year.

The District participates in the **Semitropic Groundwater Banking and Exchange Program.** During average or wet conditions, the District may store surplus SWP water in a groundwater basin located in the Central Valley of California for future use or delivery during below-average or dry conditions. Participation in this program provides a guaranteed right to withdraw or recover up to 1,500 AFY of District-stored water and store up to 4,500 AF at any time. The District's contract with Semitropic allows for the storage of water in excess of the stored water right of 4,500 AF if Semitropic has available capacity within its groundwater banking program. To date, the Semitropic banking program is at approximately half capacity. Currently, the District has about one and a half years of supply stored, or about 5,800 AF in Semitropic and available for use. Storing surplus SWP supplies in Semitropic bolsters the District's drought supplies and reduces the risk of loss due to conditions, such as spills within the SWP system.

Customer Water Use (Demand)

Customer water remains relatively stable at about 4,100 AFY and can vary approx. 10% up or down depending on weather conditions. Customer water use for WY 2026, which ended September 30, 2026, was right on budget at 4,100 AF. This budgeted amount aligns with the five-year average (2021–2025) of approximately 4,100 AF.



In December 2022, the District adopted its first *Water Use Efficiency Plan* (WUEP), which is a long-term plan targeting permanent reductions in customer water use, consistent with the State's goal of *Making Conservation a California Way of Life*. The Plan includes a variety of recommended actions to encourage and help achieve permanent, long-term reductions in water use. Implementation of the WUEP continues with water conservation programs such as making water use efficiency rebates available, providing customers with property-specific water budgets, a demonstration garden, and other actions. More information on the District's water conservation programs is available on its website.

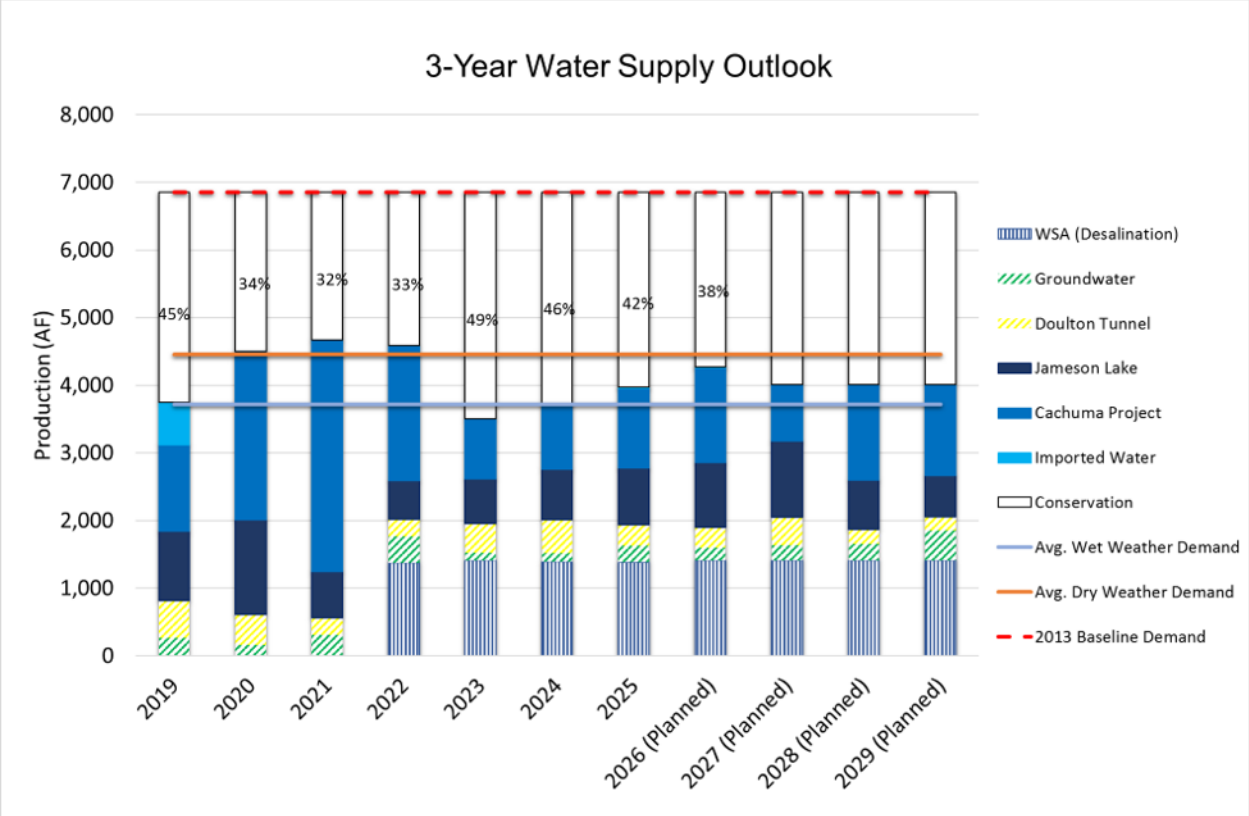
In 2018, the California Legislature enacted two key policy bills, Senate Bill 606 (SB 606) and Assembly Bill 1668 (AB 1668), implementing a new framework for long-term water conservation and drought planning for water suppliers. AB 1668 and SB 606 build on the State's ongoing efforts *Making Conservation a California Way of Life*, including Senate Bill X7-7, creating a new foundation for long-term improvements in water conservation and drought planning. SB 606 and AB 1668 established guidelines for efficient water use and a framework for the implementation and oversight of the new standards. Among other provisions, the legislation includes establishing urban water use objectives (UWUO) and long-term standards for efficient water use that apply to urban retail water suppliers. The UWUO is an estimate of aggregate efficient water use from the previous year based on adopted water use efficiency service area characteristics for that year. All UWUO requirements became effective in 2024, and compliance must be achieved by 2027. The

District's annual reporting to the State Water Resources Control Board, most recently in late 2025 for the fiscal year ending June 30, 2025, indicates it remains in compliance with its UWUO.

To advance its water-use efficiency efforts, the District completed its rollout of Water Budgets on monthly water bills in April 2025. A Water Budget is a property-specific monthly water-use target that promotes efficient indoor and outdoor water use while preserving existing landscaping and the community's semi-rural atmosphere. Water budgets account for seasonal changes in water use, such as irrigation in winter versus summer, and provide customers flexibility in how they use water on their property while discouraging water waste and excessive use. More details are available on the District's website

Water Supply Outlook

Based on available information, including assumed average hydrologic conditions in WY 2027 followed by below-average conditions in FY 2028 and WY 2029, the District's 3-year water supply outlook indicates adequate supplies to meet planned customer use without anticipated water shortages or the need for imported water.

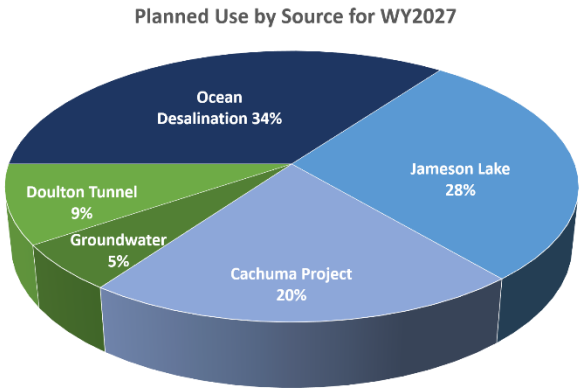


Despite the favorable water supply condition, efficient water use remains essential to the long-term reliability of the District's water supply. Demand management is necessary to ensure alignment with planned use continues. Focus continues to be on efficient water use, in particular the implementation of the *2022 Water Use Efficiency Plan*, including water use efficiency rebates, and use of property-specific water budgets and smart water meters (automated metering

infrastructure). These actions provide Customers and the District with tools to effectively manage water use, including avoiding water waste and loss.

In June 2026, the District completed its *2025 Urban Water Management Plan*. Urban water suppliers that supply 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 separate Water Shortage Contingency Plan (WSCP). Urban water suppliers prepare UWMPs every five years; the latest is the 2025 UWMP, due to the California Department of Water Resources by July 1, 2026. UWMPs support long-term resource planning to ensure adequate water supplies are available to meet existing and future water needs. They also assess the near- and long-term reliability of District supplies to meet expected demands under various hydrological conditions, including normal and single dry years, as well as during a drought condition lasting five consecutive years. The District's 2025 UWMP projects a diversified, reliable source of supply to meet expected demands under various circumstances for the foreseeable future. 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, meaning the District is well prepared to weather short droughts without needing to reduce customer demands. During Year 5 of severe multi-year droughts, the UWMP anticipates a minor supply shortage of up to 5 percent. Water use during Year 5 of 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 meet demands during severe multi-year drought periods, though the WSCP provides additional water shortage stages should an emergency shortage occur.

Primary sources of supply planned for use to meet customer demands in the new water year, WY 2027, include the ocean desalination, the Cachuma Project, and Jameson Lake. Water stored in Semitropic is expected to remain in reserve for use in future below-average or dry years. SWP supplies remain in surplus and are not planned for use in WY 2027; any available 2027 allocation may be stored in Semitropic or transferred (sold) to Homer LLC.



The District continuously evaluates water supply conditions and the need for additional supplemental water and/or demand-management measures to ensure water supply availability over a three-year planning period and beyond.

Water Supply Enhancements

The District continues to evaluate other means of bolstering water supply reliability, including the acquisition of new sources of local reliable water supplies and local groundwater banking.

In May 2025, the District completed separate evaluations of **Aquifer Storage and Recovery** (ASR) in the Montecito and Carpinteria Groundwater Basins. These evaluations assessed the feasibility of implementing an ASR program to store surplus water and bolster the District's drought supplies. Despite identified challenges in obtaining regulatory approval, the evaluations determined the ASR programs to be feasible, cost-effective, and a water supply reliability benefit. Further evaluation or development of an ASR program in the Montecito Groundwater Basin continues with the planned preparation of an application for an ASR pilot program from the Regional Water Quality Control Board in late 2026. Further evaluation or development of an ASR program in the Carpinteria Groundwater Basin, in collaboration with Carpinteria Valley Water District (CVWD) and the Carpinteria Groundwater Sustainability Agency, remains ongoing and is subject to CVWD's development schedule.

Since 2018, the District has evaluated the feasibility of implementing a **Recycled Water** project. The District's *2023 Enhanced Recycled Water Feasibility Study*, prepared in collaboration with the Montecito Sanitary District (MSD), recommended a regional indirect potable reuse (IPR) project involving multiple special districts and benefiting multiple urban water purveyors and groundwater basins. The project proposed treating secondary wastewater effluent from the MSD Wastewater Treatment Plant (WWTP), implementing advanced treatment at the MSD WWTP site, and conveying purified water south to the Carpinteria Groundwater Basin for injection. The District would recover the injected water either through a supply exchange with the Carpinteria Valley Water District or by pumping it directly back to the District's distribution system. Due to extraordinary cost increases and reductions in available State and Federal funding programs, in March 2024, the District's Board of Directors placed the recycled water project on hold until further notice. If or when additional planning and construction grant funding opportunities become available and/or the anticipated unit cost of advanced treated water decreases, making a recycled water project financially viable, the District will consider reinitiating a recycled water project.

ATTACHMENTS

None

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-C

DATE: OCTOBER 27, 2026

TO: BOARD OF DIRECTORS

FROM: DIRECTOR WICKS, DISTRICT'S ACWA REPRESENTATIVE & GENERAL MANAGER

SUBJECT: RESOLUTION NO. 2335 SUPPORTING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) VISION FOR OUR WATER FUTURE INITIATIVE

The Operations and Customer Relations Committee reviewed this item at its October 19, 2026 meeting and supports the recommendation. The committee suggests that, if adopted, the resolution be transmitted to ACWA with a cover letter urging aggressive advocacy to advance statewide desalinated and recycled water supplies.

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 2335 supporting the Association of California Water Agencies (ACWA) Vision for Our Water Future Initiative.

DISCUSSION:

Water is foundational to California's communities, economy, agriculture, environment, and climate resilience. As California faces increasing challenges from climate extremes, aging infrastructure, regulatory complexity, and affordability pressures, strong statewide leadership and coordinated action on water have never been more important.

The District supports the Association of California Water Agencies (ACWA) Vision for Our Water Future initiative and its recommendations to help guide California's water priorities under the next governor, taking office in January 2027.

The ACWA Vision for Our Water Future priorities call on state leaders to:

- Elevate water as a statewide priority through sustained leadership and coordinated action.
- Ensure safe and reliable water remains affordable through stable funding partnerships and streamlined investment delivery.
- Strengthen and modernize California's water infrastructure, including both constructed and natural systems.

- Improve regulatory, operational, and scientific frameworks to support efficient project delivery and adaptive water management.

The District understands firsthand the importance of reliable and resilient water supplies for the people, businesses, farms, and ecosystems we serve. Local agencies are essential partners in implementing practical, science-based solutions that meet California's diverse water needs.

BACKGROUND:

Montecito Water District is an active member of ACWA, which represents approximately 470 public water agencies in California. ACWA launched the Vision for Our Water Future policy initiative to actively elevate water-related priorities with California's gubernatorial candidates, legislative leadership, and administration officials in advance of a new governor taking office in 2027. On March 20, ACWA's Board of Directors unanimously approved the Vision for Our Water Future policy recommendations and backed them with the resources needed to support their success.

The Vision for Our Water Future initiative focuses on integrating members' unified priorities into campaign platforms and further establishing the Association as a leading voice in shaping California's water future. With this action, Montecito Water District will join the growing list of agencies, more than 80 to date, that have formally memorialized their support of the initiative. Supporting this initiative is consistent with Goal 4, Water Policy Inclusion, identified in the District's 2022 Strategic Plan.

ATTACHMENTS:

1. Proposed Resolution No. 2335 Supporting the Association of California Water Agencies (ACWA) Vision for Our Water Future Initiative
2. ACWA Vision Document

RESOLUTION NO. 2335

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO WATER DISTRICT SUPPORTING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' (ACWA) VISION FOR OUR WATER FUTURE INITIATIVE

WHEREAS, in April 2026, the Association of California Water Agencies (ACWA) launched Vision for Our Water Future, a member-driven initiative to identify statewide water priorities to inform engagement with California's next Administration; and

WHEREAS, the Vision for Our Water Future priorities are a set of recommendations for the next governor, emphasizing the importance of strong leadership, sustainable investment and coordinated action across all levels of government to secure California's water future; and

WHEREAS, the first priority is to lead on water and elevate water as foundational to California's economy, agriculture, communities, environment and climate resilience through sustained leadership and coordinated state action; and

WHEREAS, the second priority is to ensure safe and reliable water remains affordable through sustained and predictable funding partnerships and streamlined investment delivery; and

WHEREAS, the third priority is to strengthen and modernize California's water infrastructure, including both built and natural systems, to improve reliability and resilience; and

WHEREAS, the fourth priority is to improve regulatory, operational, and scientific frameworks to enable efficient project delivery and adaptive water management; and

WHEREAS, local water agencies play a critical role in delivering safe and reliable water supplies and are essential partners in implementing statewide solutions; and

WHEREAS, supporting the Vision recommendations demonstrates a unified commitment to collaborative, science-based and practical policies that advance a secure and resilient water future for California's communities, farms, economy and environment; now, therefore, be it

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Montecito Water District hereby expresses support for ACWA's Vision for Our Water Future recommendations and affirms its commitment to working collaboratively to advance reliable, affordable, and resilient water supplies.

PASSED AND ADOPTED by the Board of Directors of the Montecito Water District this 27th day of October 2026 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Brian Goebel, President

ATTEST:

_____
Nick Turner, Secretary

DRAFT

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Setting the Vision

The Association of California Water Agencies (ACWA) represents approximately 470 public water agencies that collectively deliver approximately 90 percent of the water used by Californians — in their homes, on their farms, and for their businesses.

Water agencies are being proactive and are on the front lines of the state's most pressing challenges — from droughts, floods, and wildfires to aging infrastructure and the need for more housing. Meaningful progress requires state partnership with local water suppliers to achieve common goals. Bold leadership from the governor is critical to setting a unified direction, accelerating action, and delivering results to prepare California for the future. Action is needed now.

Why Water Matters

Water is the foundation upon which California is built. This State is the world's fourth-largest economy, the nation's breadbasket, a global technology leader, and home to extraordinary ecosystems. None of it functions without water.

Water is not a single-sector issue. It is the backbone every other sector depends on. It determines where homes can be built, whether farms can produce, how businesses operate and grow, and whether species can survive a changing climate. A safe, reliable, and affordable water supply is one of the most important investments California can make.

ACTION IS NEEDED NOW

1. **Lead on Water**
2. **Protect Affordability**
3. **Deliver Critical Infrastructure**
4. **Modernize Water Management**

California Thrives With Water

- **Housing:** California must plan for 2.5 million new homes in the next decade. Every unit requires a reliable water supply.
- **Agriculture:** California agriculture is 12% of the state's economy, contributing $60 billion; employing over 400,000 people; and producing more than half of the nation's fruits, nuts, and vegetables. Both surface and groundwater are fundamental to California's agriculture sector.
- **Economy:** California's $4 trillion economy spans technology, innovation, manufacturing, trade, and tourism. Every dollar of it depends on a reliable water supply.
- **Environment:** California's extraordinary ecosystems — its rivers, wetlands, and floodplains — depend on the same water system managed by local water suppliers. A thriving California requires managing water to sustain both communities and ecosystems.
- **Public Health:** Water suppliers are California's first line of public health defense, delivering safe, clean drinking water to every community in the state.
- **Climate Resilience:** Climate whiplash — the swing between extreme droughts and extreme floods — is increasing, snowpack is diminishing, and wildfires are growing more severe. Water suppliers are modernizing, but they cannot do it alone.

Building A Modern System

Securing California's water future requires more than incremental fixes. It demands a fundamental shift in how the State leads, invests, and operates. The Vision for Our Water Future provides an essential framework for ensuring a resilient and reliable water system.

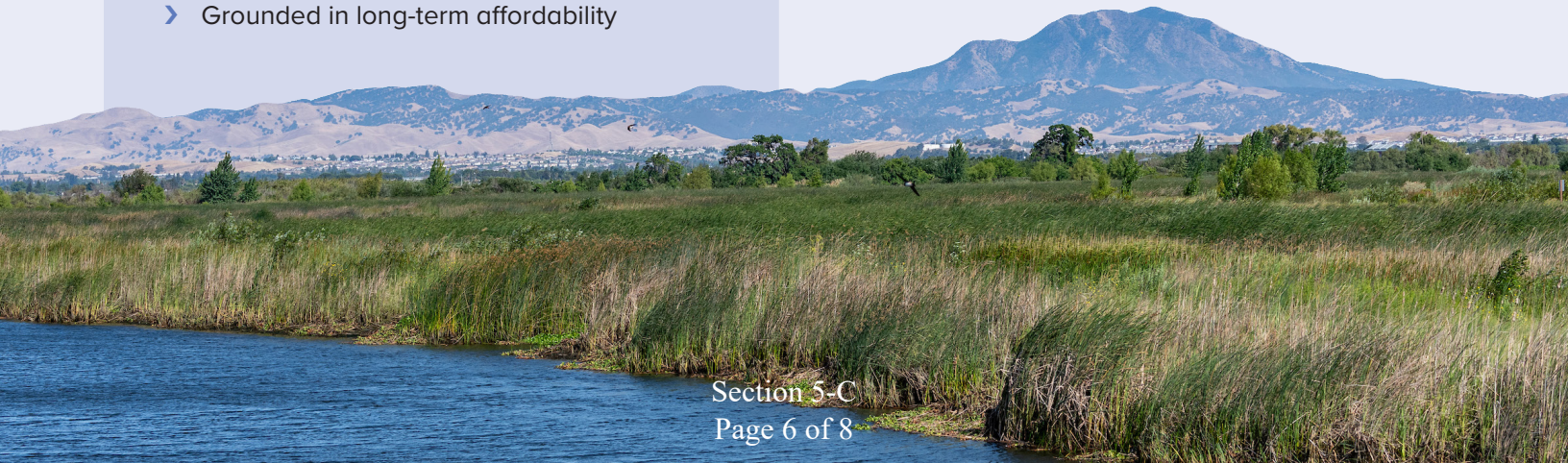
Funded, built, and managed for extreme conditions, our modern water system is resilient, coordinated, and flexible — meeting the needs of California's communities, economy, and environment.

- **Anchored by Backbone Infrastructure:** The State Water Project and Central Valley Project form the foundation of the statewide water system. These assets capture and manage California's highly variable hydrology and move water where and when it is needed.
- **Strengthened by Regional Resiliency:** Regional and watershed-based partnerships strengthen local water reliability under changing hydrologic conditions and during emergencies through coordinated planning, interconnected infrastructure, diversified supplies, and shared responsibility.
- **Delivered Locally:** Water is delivered by local suppliers, even when conveyed through or interconnected with statewide or regional systems. Local agencies set rates and policies — ratepayers fund approximately 85% of California's water system costs — while navigating structural constraints from Proposition 218, regulatory mandates, and permitting complexity.

Key Elements of A Modern Water System

- Designed and upgraded for the future
- Flexible and responsive to changing climate conditions
- Supported by aligned state permitting, regulatory, and investment frameworks
- Informed by technology, data, and science
- Grounded in long-term affordability

A modern water system must be resilient, coordinated, and flexible to meet California's evolving needs.



1 LEAD ON WATER

Recognize water as an essential resource and the infrastructure that underpins California's economy, housing growth, food production, environmental health, and community resilience. Sustained executive leadership is needed to improve water supply reliability, accelerate climate resilience, and ensure coordinated action across state government.

- **Set a Bold Water Agenda (First 100 Days):** Establish a focused statewide water agenda aligned with this Vision for Our Water Future.
- **Appoint Leaders to Deliver Results:** Appoint and empower leaders to deliver measurable outcomes.
- **Unify State Agencies:** Direct state agencies to align under unified statewide water priorities and jointly advance implementation in partnership with local, regional, and federal water managers. Designate a cabinet-level water policy executive, reporting directly to the Governor, to align agencies and organize state resources to implement California's water priorities.

2 PROTECT AFFORDABILITY

Ensure safe and reliable water remains affordable by strengthening sustained state investment and funding partnerships with local, regional, and federal agencies to address rising infrastructure, climate, and regulatory costs. California's ratepayers fund more than 85% of the system. Without predictable investment, these costs will increasingly fall on households, businesses, and farmers.

- **Secure Sustainable Water Funding:** Create a reliable sustainable state funding source for water infrastructure that provides predictable, long-term investment. This funding should support critical water infrastructure projects, environmental needs, and California's Human Right to Water while leveraging federal, regional, and local investment.
- **Accelerate Funding:** Improve funding programs and coordination so investments reach projects faster — reducing administrative delays, lowering project costs, and accelerating infrastructure delivery.
- **Integrate Investments Across Sectors:** Align state investments and integrate water infrastructure funding across energy, housing, and climate and hazard mitigation to advance multi-benefit projects and maximize federal, state, and regional investment.

3 DELIVER CRITICAL INFRASTRUCTURE

Future-proof California's critical water infrastructure to ensure reliable supplies in the face of climate change, growing economic and community demands, and escalating emergency risks. This requires strengthening the statewide water system, including both built and natural infrastructure, while advancing regional resilience to maximize systemwide reliability.

- **Strengthen the State's Water Backbone:** Upgrade, repair, and optimize California's essential backbone infrastructure — the California State Water Project and Central Valley Project.
  - **Modernize and Protect Infrastructure:** Advance a durable Delta conveyance solution, strengthen Delta levees, safeguard critical infrastructure from subsidence and seismic risk, and upgrade system technologies — including Forecast Informed Reservoir Operations, snowpack measurement, and remote monitoring control.
  - **Improve Coordinated Operations:** Integrate operations of the California State Water Project and Central Valley Project to increase system flexibility, expand the storage and movement of water, and enhance water supply reliability.
- **Safeguard Colorado River Water Supplies:** Protect California's Colorado River allocation, consistent with the State's legal entitlements and the efforts of the Colorado River Board of California.
- **Empower Regional Water Solutions:** Champion regional and watershed-based solutions. State policy should empower regions with the tools, flexibility, and investment needed to advance regional planning, partnerships, and projects that diversify water supplies, strengthen system connectivity and operational efficiency, and restore ecosystem functions to ensure reliable water supplies.

4 MODERNIZE WATER MANAGEMENT

Improve California's regulatory and operational systems so water projects can move forward reliably and efficiently, infrastructure can be operated more flexibly, and agencies can respond more rapidly to changing conditions. California's regulatory framework should deliver clear, coordinated decisions grounded in the best available science, while maintaining environmental protections, public transparency, and California's existing water rights priority system.

- **Improve Permitting Performance:** Enhance the clarity, coordination, and efficiency of state permitting processes to accelerate infrastructure and operational improvements; eliminate avoidable costs; and ensure state and local agencies deliver timely, accountable results.
  - **Integrate Permit Requirements:** Integrate requirements and processes across regulatory agencies to eliminate redundancy and inconsistency.
  - **Enhance Regulatory Certainty:** Establish transparent procedures, clear criteria for permit approval, and accountable timelines for agency decisions — developed in direct partnership with water suppliers.
  - **Streamline Pathways:** Create efficient pathways to advance multi-benefit, climate-resilient water supply projects.
- **Modernize Water Operations:** Advance operational approaches that reflect changing climate realities to improve water supply reliability across environmental, agricultural, and urban sectors. This may include coordinated reservoir management, flexible diversion rules tied to real-time hydrology, accelerated groundwater recharge and conjunctive use, expanded water transfers, and other adaptive strategies.
- **Strengthen Water Data and Science:** Invest in integrated, science-based statewide data systems and technology that improve transparency, inform real-time decisions, and strengthen regulatory and operational performance to increase efficiency and better manage water resources.

VISION FOR OUR WATER FUTURE

Vision for Our Water Future is an initiative of the Association of California Water Agencies, representing approximately 470 public water agencies in California.

MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: **5-E**

DATE: **OCTOBER 27, 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.

In addition to outgoing information, incoming public information is vital to the functioning of the District. Timely relay of relevant community news and safety updates is ongoing to staff, the Board, and to the wider community as appropriate. Currently, the historically strong El Niño weather pattern, ongoing extreme heat, and other environmental conditions are pertinent. (Attachment 1).

Outreach is ongoing related to the potential future sale of a portion of District State Water Contract Interests. In addition to information posted to the District z article was published in the October 22-29 Montecito Journal (Attachment 2). The item was also discussed during General Manager Nick Turner's presentation at the Montecito Association's October Board Meeting, and reported through their community updates.

PREPAREDNESS:

On October 15, 2026, all staff participated in a Statewide annual earthquake drill known as "The Great ShakeOut." The drill focused on reviewing and testing internal alert systems, practicing proper safety conduct during an earthquake, and providing information on informational resources.

UPCOMING EVENTS:

November 7, 2026, Montecito Beautification Day

Montecito Water District to table / provide water at Upper Village.

November -December

Charitable Donations boxes located at the District Office for Thanksgiving and December holidays in collaboration with Unity Shoppe and Toys for Tots.

ATTACHMENTS:

1. Advertisement and Enews
2. The Water Column, Montecito Journal Oct 22-29, 2026

Attachment 1

Public information is both outgoing and incoming, as the District keeps the public informed and stays current on pertinent local affairs.

Advertisement and enews

MONTECITO WATER DISTRICT
A Reliable Supply Since 1921

County to Livestream El Niño Information Meeting

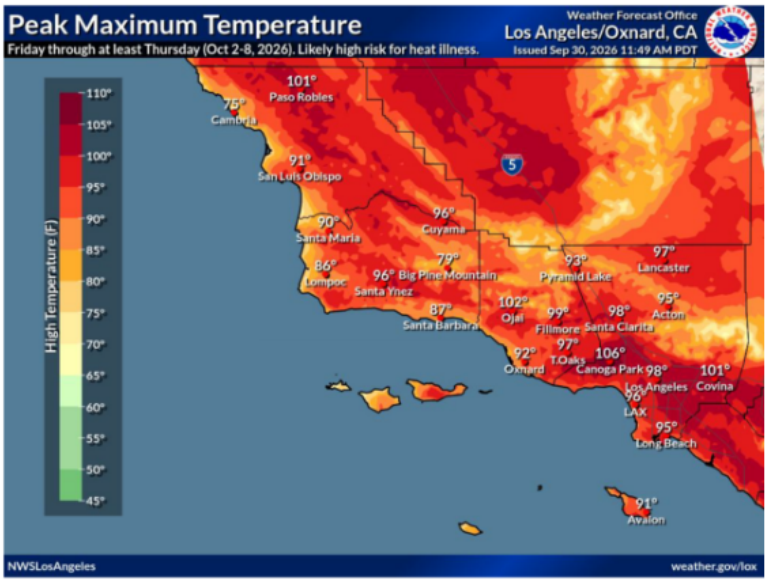
Thursday, October 1, 5:30-7 p.m.

Virtual El Niño Community Meeting to provide important information on this year's weather outlook, storm-season preparations, and emergency readiness. Due to significant public interest, the presentation will be livestreamed on YouTube in both English and Spanish. A recording will be available immediately following the livestream through the same links.

To view the meeting in English please watch on the County's YouTube page: County of Santa Barbara El Niño Community Meeting

To view the meeting in Spanish please watch on the County's Español YouTube page: Reunión comunitaria sobre El Niño para el condado de Santa Barbara

Ready SBC ››

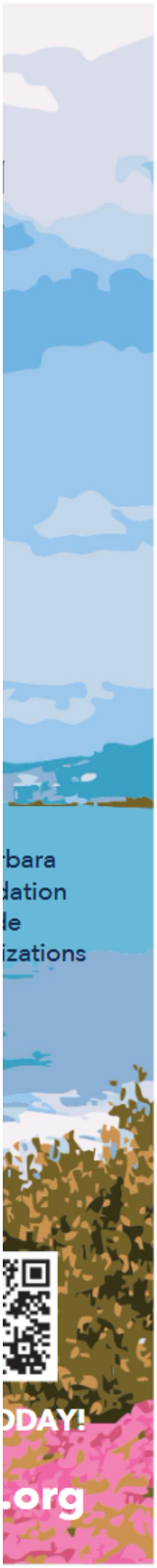


National Weather Service forecasts an extended heat wave beginning Friday and lasting through at least next Thursday, possibly longer. Cautions include elevated risk for heat illness and fire conditions.

Water Wise Tips for Heat Waves

For you, family, friends, and pets--hydration is essential:

- Drink plenty of liquids; start early in the day, don't wait until you feel



The Water Column

MWD Steers Towards Selling a Portion of its State Water Contract Interests

MWD's Board of Directors votes to explore sale of approximately 40% of the District's State Water Project Contract Interests (courtesy photo)

by Laura Camp

Montecito Water District's Board of Directors has approved a non-binding Letter of Intent to sell approximately 40% of the District's State Water contract interests. The MWD will keep nearly 60% of its State Water Contract interests, or approximately 1,900 acre-feet of annual water allocation, and the capacity to convey, store, and transfer water, if the sale succeeds.

At the District's September Board meeting, MWD General Manager **Nick Turner** presented information on the State Water Project and the partial sale opportunity. Data shared showed that the MWD has received its full annual State Water Project allocation only five times since participation started in 1997.

"The MWD currently pays about $5 million annually in fixed costs regardless of whether the allocation is 100% or 0%," Turner explained. "If there is water available and we deliver it, that cost increases."

The record shows that during drought years allocations have gone as low as 5%, or 165 acre-feet, reinforcing Turner's message that this costly water is not available during times when the MWD needs it most. Additional points in support of the sale include:

- The MWD will retain more than half of its original State Water Project entitlement, and there are no projected impacts to the reliability of its water supplies. The MWD has not used State Water to meet customer demands since 2019.

- MWD water security has improved as a result of numerous successful actions and extensive long-term planning efforts completed over the past decade.

- In 2022, the MWD added approximately 1,400 acre-feet of water annually through the 50-Year Water Supply Agreement with the City of Santa Barbara. Receipt of this local water is unrelated to rainfall and the amount is consistent, in contrast to variable annual allocations like State Water.

- Through groundwater banking, the MWD has stored more than 5,802 acre-feet of surplus State Water since 2017. Current storage guarantees four years' worth of 1,400 acre-feet deliveries in the event of future drought conditions. Storage could continue to grow, even after the sale, by depositing additional water supplied from the MWD's remaining State Water interest.

- Long-term water supply planning, including a comprehensive Future Demand and Water Supply Option analysis, prepared by Hydrogeologic Consultant Dr. **Steven Bachman** in 2025, indicates that even under severe drought conditions the MWD will meet customer demand without State Water.

- District-wide annual use has remained consistently reduced by approximately 45% since 2015.

Public comments made following the presentation conveyed both concern and support. Whether endorsing or expressing reservations about the sale, most speakers acknowledged improvements to the MWD's water supply portfolio made over the past decade. Concerns revolved primarily around potential future water shortage based on past experience with

Water Column Page 37 ▸

◂ *Water Column (Continued from 18)*

allocations during the drought from 2012-2015. One member of the public emphasized "The operative words of the agreement are permanent and in perpetuity." Some proponents indicated the sale was a long time coming, and one stated "…there was huge controversy when we purchased these rights. I think it was wasted money when we bought it, now we own it and we have a responsibility to be intelligent when we consider the sale."

Board discussion followed the presentation and public comment, with a focus on the value of reducing the amount of money currently spent on State Water and instead investing in more local, reliable supplies to further diversify the MWD's water portfolio. That concept was summarized in these closing remarks from Board President **Brian Goebel**:

"Everyone here wants a diverse water supply. What's the net result of this Letter of Intent going to be? Our water supply will be more diverse. We'll be way better off if we diversify by ridding ourselves of a part of the State Water Project that we do not need. This community will be stronger, not weaker, going forward by a substantial amount. So that is why I've come to the point where I'm going to support this deal. I think the concerns expressed by this community and the people here today are legitimate. I appreciate people being here today. I appreciate the civility of the discussion today. I appreciate the opportunity to have a chance to explain to the community in greater detail why I think this deal will be a net benefit."

Next steps in the process include finalizing a purchase agreement with Solstra Communities California LLC (Solstra), which will be publicly noticed prior to adoption. Solstra seeks water for Solomon Hills, a planned development project for up to 4,000 homes in northern Santa Barbara County. Even with a completed purchase agreement, the sale would not be final until the development receives all approvals, which could take several years.

Customers interested in additional information are encouraged to review the meeting materials and presentation available online at: www.montecitowater.com and to contact the MWD directly at 805-969-2271 with any questions.

Here is a Q&A based off of the public discussion:

On an ongoing annual basis, how much water would the sale entail?

Using the State's predicted average of 46% for ongoing fulfillment of allocations, selling 1,400 acre-feet of State Water Project contract interests equates to approximately 644 acre-feet of water per year on average. This number varies annually and is largely dependent on northern California's snowpack; actual numbers could be less. For reference, 644 is about 15% (or 1/7th) of the MWD's approximate total annual consumption of 4,400 acre-feet.

What will the money be used for?

Proposed uses for the proceeds of sale and ongoing related cost savings include: Implementing local projects to provide additional local rainfall – independent supplies and/or groundwater storage, accelerating infrastructure improvements, strengthening reserves, reducing debt, and mitigating future water rate increases.

What if the buyer defaults?

Locally the State Water Project is managed by the Central Coast Water Authority (CCWA). If the buyer were to default, CCWA will divert the water back to the MWD rather than making a transfer to the buyer. It's not like a car that is sold and then gone, the water is a managed asset that cannot be lost.

What if operation of the desalination plant is interrupted?

Per the 50-Year Water Supply Agreement with the City of Santa Barbara, the water may come from any of the City's sources. While the cost of this agreement is based on participation in desalination, the deliveries are not dependent solely on the plant.

Jameson Lake is a local surface water supply owned and operated by Montecito Water District (photo by Bill Dewey)

What is the likelihood of future drought severity or customer demand exceeding the parameters used in modeling and analysis?

Long-term water supply planning, including a comprehensive Future Demand and Water Supply Option analysis, prepared by hydrogeologic consultant Dr. Steven Bachman in 2025, indicates that even under severe drought conditions the MWD could meet customer demand without State Water. These analyses take a most conservative approach, modeling conditions worse than any experienced in known history. Long-term projections are based on multiple factors including drought, population growth, and others which are also evaluated in the District's Urban Water Management Plan, which is prepared in accordance with stringent requirements and filed with the State.

What other risks have been considered?

The presentation identified the potential risk for non-renewal of long-term contracts related to other water sources (Cachuma Project, Groundwater Banking, etc.). Allocating proceeds from the sale to develop alternate local water supplies could mitigate these contract concerns. Ultimately the sale could in fact reduce dependency on external contracts if the monies are reallocated into more District-controlled supplies.

What is the net gain to the MWD?

In the words of Director **Ken Coates**, "Monetizing what we can use for projects locally that give us total control, and the ability to say to the residents, you don't have to worry ever again about what we went through."

Where can I get more information?

Customers interested in additional information are encouraged to review the meeting materials and presentation available online at: www.montecitowater.com and to contact the MWD directly at 805-969-2271 with any questions.

***Laura Camp** is the Public Information Officer for the Montecito Water District*

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MONTECITO WATER DISTRICT
MEMORANDUM

SECTION: 5-F

DATE: OCTOBER 27, 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:

Partial Sale of State Water Project Interests

On September 29, 2026, following a multi-year evaluation, the District took action to advance an opportunity to sell a portion of the District's State Water Project (SWP) interests, including water entitlement, treatment and conveyance capacity, and all associated rights and obligations. The Board of Directors authorized a *Letter of Intent* (LOI) to sell approximately 40% or 1,400 acre feet of its SWP interests to Solstra Communities California LLC for the Solomon Hills Project located in northern Santa Barbara County just south of the community of Orcutt. The LOI outlines the principal terms of the proposed permanent transfer. The fully executed LOI is on file with the District.

Article 4 of the LOI outlines the transaction schedule. Per the schedule, the District and Solstra are now moving toward a *Purchase and Sale Agreement* as the next step. That process has begun and is expected to take approximately 6 months.

Pursuant to Article 6 of the LOI, the District and Solstra will establish an escrow account for Solstra's deposit of funds to cover the District's transaction costs. Establishment of the escrow account is underway, and it is expected to be funded before the end of October.

Additionally, as the contract holder of the District's State Water Project (SWP) interests, the Central Coast Water Authority (CCWA) must be involved in finalizing any sale. After months of preliminary discussions, the District officially requested CCWA's assistance with the proposed sale. On October 22, 2026, the District's General Manager presented the proposed partial sale of the District's SWP contract interests to the CCWA Board of Directors at its regular Board meeting. The General Manager formally requested CCWA's assistance to:

1. Define the transfer process for CCWA members.

2. Review the proposed sale structure to ensure compliance with all affected agreements, covenants, and restrictions.
3. Prepare necessary contract amendments and related documentation to finalize the transaction.

While the CCWA Board took no formal action, its members generally expressed cautious support for the District's request.

AB 1572 Prohibition of Irrigation of Nonfunctional Turf

AB 1572, signed into law in October 2023, permanently bans the irrigation of nonfunctional turf with potable water at commercial, industrial, and institutional (CII) properties, HOA common areas, and similar sites, regardless of drought conditions. California Water Code § 10608.12 defines "Nonfunctional Turf" as any turf that is not functional turf, including turf located within street rights-of-way and parking lots. "Functional Turf" is defined as a ground cover surface of turf located in a recreational use area or community space, excluding turf enclosed by fencing or other barriers to permanently preclude human access for recreation or assembly. AB 1572 differs from the 2022 emergency drought regulations, which the District implemented through Ordinance No. 97 and subsequently found no nonfunctional turf within its boundary. Ordinance No. 99, the District's current water use efficiency ordinance, does not include the 2023 nonfunctional turf ban. Under AB 1572, the ban phases in on January 1, 2027, for public properties; 2028 for other CII properties; 2029 for HOAs and community service organizations; and 2031 for qualifying disadvantaged-community properties. Exceptions include trees and perennial plantings, health and safety needs, cemeteries, agriculture, and individual residences. CII owners with over 5,000 square feet of irrigated area must certify compliance beginning June 30, 2030, with similar HOA requirements starting in 2031.

By January 1, 2027, the District must update its policies to incorporate the nonfunctional turf prohibition, notify applicable customers, and submit the updated policy to the State Water Board. The District's approximately 4,700 accounts are mostly single-family homes not covered by the law. Enforcement is optional, though violators face civil penalties of up to $1,000 per day.

Staff will prepare a proposed revision to Ordinance No. 99 that incorporates the nonfunction turf ban required by AB 1572 and develop a plan to communicate this water use restriction to applicable customers. Both are scheduled for presentation to the Operations and Customer Relations Committee and Board of Directors at their respective meetings in November.

Update on ASADRA Reservoir Seismic Retrofit and Replacement Projects and Associated Funding 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, Park Lane, and Bella Vista Reservoirs are the first three reservoirs to be retrofitted. Construction began on the Terminal

Reservoir in December 2025 and on the Park Lane Reservoir in July 2026. The current status of each reservoir is provided below.

Terminal Reservoir

Construction on Terminal Reservoir continues to progress ahead of schedule. Pacific Hydrotech's recent work has focused on placement of the concrete roof deck, which, as of mid-October, is complete. The current schedule indicates project completion in mid-December 2026.

Park Lane Reservoir

Construction on Park Lane Reservoir is on schedule. Pacific Hydrotech is currently focused on installing formwork, reinforcement, and concrete placement for the interior wall footing and walls. The project is currently estimated to be completed in July 2027.

Bella Vista Reservoir

The Bella Vista Reservoir project bid advertisement occurred on September 3, 2026. Bids are scheduled to be opened publicly on November 24, with a Notice to Proceed with construction expected soon thereafter.

The District expeditiously compiles monthly reimbursement requests, which are 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 $5.8M on the ASADRA project and has been reimbursed for approximately $2.6M. The District expects to receive approximately $2.7M in reimbursements soon. While the average turnaround time for reimbursement thus far is about 68 days from request to payment, the District currently has five reimbursement requests totaling approximately $3M outstanding, averaging 124 days, with one request exceeding 190 days. Staff are actively working with the office of Assemblymember Gregg Hart to expedite the ASADRA reimbursements.

Table 1 – Summary of ASADRA Project Funding Reimbursement

INVOICE #	SUBM. DATE	TOTAL EXPENSES	INELIGIBLE	ELIGIBLE	REIMBURSED	OUTSTANDING	% ELIG EXP PD	DATE PAID	DAYS
1[A]	1/31/2025	$ 1,078,529	$ (35,081)	$ 1,043,448	$ 1,043,448	$ -	100%	6/2/2025	122
2	2/9/2026	$ 403,761	$ (66,022)	$ 337,739	$ 337,739	$ -	100%	5/8/2026	88
3	3/31/2026	$ 6,778	$ (2,016)	$ 4,762	$ 4,762	$ -	100%	5/8/2026	38
4	3/10/2026	$ 62,918	$ (10,561)	$ 52,357	$ 52,357	$ -	100%	5/8/2026	59
5	4/3/2026	$ 1,161,112	$ -	$ 1,161,112	$ 1,161,112	$ -	100%	5/8/2026	35
6	4/13/2026	$ 863,333	$ -	$ 863,333		$ (863,333)			193
7	5/29/2026	$ 904,473	$ (30,658)	$ 873,815		$ (873,815)			147
8	6/15/2026	$ 284,452	$ (8,696)	$ 275,756		$ (275,756)			130
9	7/16/2026	$ 702,630	$ (7,995)	$ 694,635		$ (694,635)			99
10	9/2/2026	$ 376,620	$ (43,132)	$ 333,487		$ (333,487)			51
11	NA	$ 1,222,771	$ (3,272)	$ 1,219,499		$ (1,219,499)			NA
	GRAND TOTAL (Excluding 11)	$ 5,844,605	$ (204,161)	$ 5,640,444	$ 2,599,418	$ (3,041,026)	46%		

Update on Approvals and Reimbursements for FEMA-Eligible Projects

The District has five ongoing disaster recovery projects related to the 2018 Thomas Fire and Debris Flow and 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). Table 2 summarizes expenses and reimbursements. The District is anticipating approximately $1M in FEMA reimbursements in the next 3-6 months. Staff continue to work with the offices of Congressman Salud Carbajal and Assemblymember Gregg Hart to expedite these reimbursements.

Table 2 – Summary of Outstanding FEMA Projects and Reimbursements

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	$ 1,250,294	$ 785,545	63%	$ 464,749	Nov-26
Bella Vista Highline Repairs	$ 1,200,000	$ 440,904	$ 3,179,178	100%	$ -	
COMPLETED PENDING FEMA CLOSE OUT						
Juncal Pipeline	$ 5,461,844	$ 5,461,844	$ 4,807,575	88%	$ 654,269	Sep-26
ADMINISTRATIVE PROJECTS						
2018 Aministrative Costs	$ 287,978		$ 95,993	0%	$ -	2028
2023 Administrative Costs	$ 276,044		$ -	0%	$ -	2028
Total Open Projects	**$ 10,626,413**	**$ 7,313,590**	**$ 9,028,839**		**$ 1,119,018**	

Human Resources Update

Annual Open Enrollment for employee health benefits is now underway. Once a year, employees can review and change their health plan elections for the upcoming plan year. During this period, staff also provide a comprehensive summary packet highlighting the robust benefits offered through JPIA's group health program. The benefits package offers a wide range of supportive services, including mental wellness resources, cancer care, diabetes prevention, reproductive and family planning support, menopause and pelvic health care, telehealth services, virtual physical therapy, physical fitness programs, travel assistance, financial planning tools, and complementary dental and vision coverage.

Staff continue to promote these wellness resources throughout the year to strengthen employee engagement and retention while proactively mitigating risks associated with workplace stress, injuries, and significant life events.

In support of these ongoing wellness initiatives, the District recently applied for and was awarded a $1,120 Wellness Grant from JPIA to fund an employee wellness event. Planning is underway, with the event anticipated for December or early spring.

Cash Flow Forecast

Cash flow is reviewed by District staff regularly to ensure sufficient cash to meet planned expenditures and to identify any near-term shortfalls that may require attention. At its October 20, 2026 meeting, the Finance Committee reviewed the latest cash flow forecast, which projects through the end of Fiscal Year 2027. Based on current projections, cash flow is sufficient to meet short-term obligations. However, significant uncertainty remains, including the timing of state funding reimbursements. The forecast will be updated as new information becomes available and reviewed monthly with the Finance Committee.