

CACHUMA OPERATION &  
MAINTENANCE BOARD

# Fiscal Year 2026-27 Annual Operating Budget



*Adopted: May 18, 2026*



A California Joint Powers Authority

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## Our Mission

*To provide a reliable source of water to our Member Agencies  
in an efficient and cost-effective manner  
for the betterment of our community*



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**Cachuma Operation and  
Maintenance Board**

**Board of Directors**

| <b>Name</b>      | <b>Title</b>   | <b>Member Agency</b>              |
|------------------|----------------|-----------------------------------|
| Kristen Sneddon  | President      | City of Santa Barbara             |
| Cori Hayman      | Vice President | Montecito Water District          |
| Lauren Hanson    | Director       | Goleta Water District             |
| Patrick O'Connor | Director       | Carpinteria Valley Water District |

**General Manager**

Janet L. Gingras

**Staff Contributors**

Edward Lyons, Administrative Manager, CFO

Joel Degner, Engineer / Operations Division Manager

Tim Robinson, Fisheries Division Manager

Elijah Papan, Water Resources Analyst

Dorothy Turner, Administrative Assistant II

Rosey Bishop, Administrative Assistant II

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### COMB AT A GLANCE

|  |                            |
|--|----------------------------|
| Form of government                         | Joint Powers Authority     |
| Date of organization                       | January 1, 1957            |
| Number of full-time staff                  | 15                         |
| Lake Cachuma maximum storage (acre feet)   | 192,978                    |
| Lake Cachuma spillway elevation (feet)     | 753                        |
| Tecolote Tunnel (miles)                    | 6                          |
| South Coast Conduit (SCC) pipeline (miles) | 26                         |
| SCC design capacity                        | 45 million gallons per day |
| Number of reservoirs                       | 4                          |
| Number of structures maintained            | 220                        |
| Number of meters maintained                | 28                         |

### COMB MEMBER AGENCIES

| <b>COMB Member Agency</b>         | <b>COMB Board Representation</b> |
|-----------------------------------|----------------------------------|
| Goleta Water District             | 2 Votes                          |
| City of Santa Barbara             | 2 Votes                          |
| Carpinteria Valley Water District | 1 Vote                           |
| Montecito Water District          | 1 Vote                           |
| <b>Total</b>                      | <b>6 Votes</b>                   |

### CACHUMA PROJECT WATER ENTITLEMENT

| <b>Cachuma Project Member Unit</b>        | <b>Entitlement (%)</b> | <b>Entitlement (AFY)</b> |
|---|------------------------|--------------------------|
| Goleta Water District                     | 36.25%                 | 9,322                    |
| City of Santa Barbara                     | 32.19%                 | 8,277                    |
| Carpinteria Valley Water District         | 10.94%                 | 2,813                    |
| Montecito Water District                  | 10.31%                 | 2,651                    |
| SYR Water Conservation District, ID No. 1 | 10.31%                 | 2,651                    |
| <b>Total</b>                              | <b>100.00%</b>         | <b>25,714</b>            |

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## General Manager's Message

The COMB Fiscal Year (FY) 2026-27 Operating Budget (Budget) provides the foundation for implementing critical infrastructure improvement projects necessary to operate and maintain the Cachuma Transferred Project Works. In addition, the Budget supports the work associated with implementation of the Lower Santa Ynez River Fish Management Plan and the 2000 Cachuma Project Biological Opinion. The Budget document provides detailed information about the Cachuma Operation & Maintenance Board (COMB) revenue and expenditure forecast for the coming year and addresses the main points and major decisions made in compiling the Budget. The Budget provides the financial plan required to implement our mission and will enable staff to utilize the resources needed to achieve our goals.

Adoption of the Budget is one of the most important actions taken by the Board of Directors. The Budget is COMB's financial work plan, translated into expenditures and supported by revenues. It establishes the direction for the near term and, to the extent the decisions have continuing implications, it establishes a long-term course as well. The Budget is a projection of revenues and expenditures needed for operation, maintenance, administration, infrastructure and habitat improvements associated with providing an essential water supply to our Member Agencies.

### Year in Review

The COMB Operating Budget funded the highest priority projects and activities necessary to achieve our goals while keeping expenditures as low as possible. Some of the notable highlights over the last year are:

- Completed safety improvements at the Lauro Tunnel Access House, including installation of a new door, landing, ladder, and retaining wall to improve access and reduce engulfment hazards; also installed a water-resistant hardline communication system and a floor-mounted davit hoist for confined space rescue.
- Emptied and cleaned the Carpinteria Reservoir; replaced two failed 20-inch check valves and one frozen 20-inch valve and coordinated beneficial reuse of approximately one million gallons of remaining water with a neighboring landowner.
- Assisted the Bureau of Reclamation with replacement of a failed 10-inch outlet works valve at Bradbury Dam, including procurement coordination and contract support for valve calibration.
- Repaired a road slump along Glen Annie Turnout Road caused by 2024 winter storms; restored the slope and implemented drainage improvements to prevent future damage.
- Procured a new compact loader with an EPA Final Tier 4 engine, replacing a 20-year-old unit limited by emissions constraints.
- Conducted video inspections of the Lauro Dam spillway conduit, Lauro Reservoir storm drain and Lauro fault drain.

- Performed pilot meter accuracy testing for Montecito Water District meters to support improved annual water auditing performance.
- Procured large valves, meters, and spools for rehabilitation of Sheffield Control Station to improve pipeline capacity and operational isolation during shutdown.
- Assisted CDFW in fish rescue and relocation efforts at Quiota Creek Crossing starting in May through July of 2025 and successfully rescued/relocated 4,069 O. mykiss.

A complete list of accomplishments can be found on [pages 15-22](#) of this document.

### *Short Term Factors Influencing Budget Decisions*

The objective of the Budget is to preserve the current level of service to our Member Agencies, the community and our external stakeholders. Conservative but realistic projection of revenues and expenditures helps ensure availability of resources to meet budgeted obligations. Significant fiscal and operational challenges continue to face our Member Agencies who will fund COMB in FY 2026-27.

- The Cachuma Project was completed in the early 1950s. A large portion of the facility and appurtenant structures are original (installed when the Project was constructed). COMB management and staff have developed a 5-year Infrastructure Improvement Plan (IIP) to provide a methodology for the COMB Board to make cost effective capital improvement decisions. The IIP is organized and structured to identify and prioritize rehabilitation projects necessary to protect, improve and sustain a reliable source of water conveyed from the Cachuma Project to the South Coast communities of Santa Barbara County. Further details are provided on [pages 65-75](#).
- The 2023 and 2024 winter storm events and subsequent debris flows caused damage to South Coast Conduit (SCC) appurtenant structures and facilities along the south coast. COMB is working with personnel from FEMA/CalOES to document the damages and is actively pursuing federal disaster relief and hazard mitigation funding as well as other revenues to offset these repair costs.
- The U.S. economy began to stabilize in 2025 following the inflationary pressures of prior years. However, as we look ahead, geopolitical instability, particularly the ongoing conflict in the Middle East, poses a renewed source of economic uncertainty. Elevated diesel and gasoline prices are expected to increase costs across construction, transportation, and materials delivery and will continue to place additional pressure on COMB and our Members Agencies. Further details are provided on [pages 13-14](#).
- The California State Water Resources Control Board (State Water Board) approved Water Rights Order 2019-0148 for the Cachuma Project (the Order) on September 17, 2019. The Order requires Reclamation, as permit holder, to abide by specific terms as outlined in the Order. The implementation of these terms, in addition to the potential issuance of a new Biological Opinion, may result in future budgetary impacts to the COMB Member Agencies as they comply with the terms of the Order and the new Biological Opinion.

From the beginning of this budget process, we scrutinized our budget planning assumptions, established prudent financial targets and set priorities with careful consideration. COMB has worked aggressively to maintain costs in all areas of the budget by improving operating efficiencies and effectively utilizing internal resources to achieve our objectives.

COMB also evaluated and selected current year infrastructure improvements and special projects based on the following criteria as outlined in the Board approved Five-Year Infrastructure Improvement Plan: water supply reliability, risk, critical need, safety and service disruption. Projects may vary by year depending on external and uncontrolled factors such as ongoing drought conditions, lake elevation and natural disasters. Further details are provided on [pages 65-78](#).

In alignment with Board adopted policies, COMB staff shares a commitment to continued diligence in everyday work production and performance and recognizes the important obligation charged to COMB in support of our Member Agencies and external stakeholders.

*The Overall Budget Summary and Assumptions*

As reflected in Table 1, the COMB Gross Operating Budget for FY 2026-27, excluding offsetting revenues, is \$9.0M as compared to the FY 2025-26 Operating Budget of \$8.3M, which reflects an increase of \$776.3K (9.4%).

**Table 1**

| Category                             | Budget<br>FY 2025-26 | Budget<br>FY 2026-27 | Change (\$) | Change (%) |
|--------------------------------------|----------------------|----------------------|-------------|------------|
| Salaries and Benefits                | \$3,403,220          | \$3,589,278          | \$186,058   | 5.5%       |
| Operation & Maintenance Expenses     | 794,750              | 774,200              | (20,550)    | (2.6%)     |
| General & Administrative Expenses    | 437,207              | 467,024              | 29,817      | 6.8%       |
| Sub Total                            | \$4,635,177          | \$4,830,502          | \$195,325   | 4.2%       |
| Infrastructure Improvements Projects | 3,375,000            | 3,921,000            | 546,000     | 16.2%      |
| Habitat Improvement Projects         | 245,000              | 280,000              | 35,000      | 14.3%      |
| Sub Total                            | \$3,620,000          | \$4,201,000          | \$581,000   | 16.0%      |
| Total Gross Operating Budget         | \$8,255,177          | \$9,031,502          | \$776,325   | 9.4%       |

The net change from the previous fiscal year is described in Table 2 below.

**Table 2**

| Amount    | Description   |
|-----------|---|
| \$186.1K  | <u>Salaries and Benefits</u> - An increase of \$186.5K (5.5%) which includes staffing of fifteen full-time and two fulltime equivalent (FTE) seasonal employees, step increases, a 2.89% COLA adjustment, a 3.9% health benefits premium increase and an 11.1% increase in CalPERS obligation and unfunded liability. |
| (\$20.6K) | <u>Operations and Maintenance Expenses</u> - A decrease of \$20.6K (2.6%) which is attributed to a decrease in Ops fixed capital of \$106K and is offset by an increase in contract labor of \$25K and Fisheries fixed capital of \$50K.  |
| \$29.8K   | <u>General and Administrative Expenses (excluding administrative salaries)</u> - An increase of \$29.8K (6.8%) is attributed to an increase in general liability insurance costs as well as a slight increase in audit expense, utilities, membership dues and miscellaneous office expense.                          |
| \$546K    | <u>Infrastructure Improvement Projects and Special Projects</u> - An increase of \$546K (16.2%) See <a href="#">pages 65-77</a> for information on upcoming scheduled projects.   |
| \$35K     | <u>Habitat Improvement Projects and Program Support Services</u> - An increase of \$35.0K (14.3%). See <a href="#">pages 88-90</a> for information on upcoming scheduled projects.  |
| \$776.3K  | Net Change  |

The COMB Net Operating Budget, including offsetting revenues for FY 2026-27, is \$6.8M and is compared to FY 2025-26 of \$6.4M, which is an increase of \$345.7K (5.4%). COMB is actively engaged in identifying other sources of funding opportunities to lessen the financial burden on its Member Agencies.

**Table 3**

| Category                            | Budget FY 2025-26 | Budget FY 2026-27 | Change (\$) | Change (%) |
|-------------------------------------|-------------------|-------------------|-------------|------------|
| Total Gross Operating Budget        | \$8,255,177       | \$9,031,502       | \$776,821   | 9.4%       |
| Less: Projected Offsetting Revenues | 1,828,246         | 2,258,849         | 430,603     | 23.6%      |
| Total Net Operating Budget          | \$6,426,931       | \$6,773,149       | \$345,722   | 5.4%       |

In this dynamic financial environment, monitoring the budget and responding to changes or unanticipated events is a continuously evolving process. COMB will continue to report financial activity in a timely and transparent manner to the Board and Member Agencies. Cost management will remain a key objective in consideration of ongoing pressures on water rates and financial reserves at the Member Agency level. COMB is committed to sustaining a sound financial position that ensures the ability to identify and resolve future challenges.

Projected Obligation by Cachuma Project Member Units

The COMB Operating Budget and pass-through revenues and charges are funded by assessments from the Cachuma Project Member Units. Amounts are allocated based on various contractual agreements or approved methodologies. The projected obligation for FY 2026-27 is reflected in Table 4.

**Table 4**

| CATEGORY  | Projected Obligation by Cachuma Project Member Unit - FY 2026-27 |                     |                     |                     |                   |                      | FY 2025-26            |
|---|--|---------------------|---------------------|---------------------|-------------------|----------------------|-----------------------|
|   | GWD  | City of SB          | CVWD                | MWD                 | SYRWCD ID No. 1   | Totals               |                       |
| COMB Gross Operating Budget (Billed Quarterly)                        | \$ 3,650,261   | \$ 3,241,432        | \$ 1,101,624        | \$ 1,038,185        | \$ -              | \$ 9,031,502         | \$ 8,255,177          |
| USBR Water Rates <sup>(1)</sup> (Due Oct 1 <sup>st</sup> )            | 870,000  | 772,560             | 262,560             | 247,440             | 247,440           | 2,400,000            | 2,200,000             |
| Lauro Reservoir Intake Assessment/Repair <sup>(2)</sup> (March/April) | -  | 301,350             | 99,325              | 99,325              | -                 | 500,000              | -                     |
| Bradbury SOD Act <sup>(3)</sup> (Due Oct 1st)                         | 94,847   | 84,224              | 28,624              | 26,976              | 26,976            | 261,647              | 261,647               |
| Cachuma Project Renewal Fund <sup>(4)</sup> (Due Oct 1st)             | 87,228   | 77,458              | 26,325              | 24,809              | 24,809            | 240,628              | 244,239               |
| Lauro SOD Act <sup>(3)</sup> (Due Oct 1st)                            | 19,159   | 17,013              | 5,782               | 5,449               | -                 | 47,404               | 47,404                |
| SWRCB Water Rights Fee <sup>(5)</sup> (Billed Dec/Jan)                | 31,920   | 28,340              | 9,630               | 9,080               | 8,380             | 87,350               | 87,350                |
| DDW D3 Permit Fee <sup>(6)</sup> (Billed Dec/Jan)                     | -  | 12,047              | 4,094               | 3,859               | -                 | 20,000               | 20,000                |
| 2000 BiOp / Oak Tree Reimbursement (Billed Quarterly)                 | -  | -                   | -                   | -                   | 35,191            | 20,000               | 20,000                |
| <b>Total Gross Obligation</b>   | <b>\$4,753,415</b>   | <b>\$4,534,425</b>  | <b>\$1,537,964</b>  | <b>\$1,455,122</b>  | <b>\$342,796</b>  | <b>\$12,608,531</b>  | <b>\$11,115,817</b>   |
| Less Offsetting Revenues:   |  |                     |                     |                     |                   |                      |                       |
| FEMA Assistance   | \$ (323,336)   | \$ (287,122)        | \$ (97,581)         | \$ (91,961)         | \$ -              | \$ (800,000)         | \$ (1,295,000)        |
| Grant Income  | (234,014)  | (207,805)           | (70,624)            | (66,557)            | -                 | (579,000)            | (154,000)             |
| Lauro Reservoir Intake Offset - SC JPA                                | (202,085)  | (179,451)           | (60,988)            | (57,476)            | -                 | (500,000)            | -                     |
| Warren Act Trust Fund   | (7,769)  | (6,898)             | (2,344)             | (2,209)             | -                 | (19,221)             | (15,007)              |
| Renewal Fund  | (97,255)   | (86,362)            | (29,351)            | (27,661)            | -                 | (240,628)            | (244,239)             |
| DDW Permit Fee  | (8,083)  | (7,178)             | (2,440)             | (2,299)             | -                 | (20,000)             | (20,000)              |
| County Betterment Fund  | (40,417)   | (35,890)            | (12,198)            | (11,495)            | -                 | (100,000)            | (100,000)             |
| <b>Total Offsetting Revenue</b>                                       | <b>(\$912,959)</b>   | <b>(\$810,707)</b>  | <b>(\$275,525)</b>  | <b>(\$259,658)</b>  | <b>\$ -</b>       | <b>(\$2,258,849)</b> | <b>\$ (1,828,246)</b> |
| <b>Sub Total Projected Net Obligation</b>                             | <b>\$ 3,840,457</b>  | <b>\$ 3,723,718</b> | <b>\$ 1,262,439</b> | <b>\$ 1,195,464</b> | <b>\$ 342,796</b> | <b>\$ 10,349,682</b> | <b>\$ 9,287,571</b>   |
| <b>Memo:</b>  |  |                     |                     |                     |                   |                      |                       |
| <b>FY 2025-26</b>   | <b>\$ 3,605,285</b>  | <b>\$ 3,213,535</b> | <b>\$ 1,092,141</b> | <b>\$ 1,029,253</b> | <b>\$ 347,357</b> | <b>\$ 9,287,571</b>  |                       |
| Increase/Decrease (\$)  | \$ 235,172   | \$ 510,182          | \$ 170,298          | \$ 166,211          | \$ (4,561)        | \$ 1,062,111         |                       |
| Increase/Decrease (%)   | 6.5%   | 15.9%               | 15.6%               | 16.1%               | (1.3%)            | 11.4%                |                       |

Notes:

1. USBR passthrough costs – based on WY 2025-26 obligation amount.
2. Lauro Reservoir Intake Assessment/Repair allocated to City of SB, CVWD and MWD based on Cater JPA agreement.
3. Pursuant to Safety of Dams repayment contract.
4. Based on \$10 per AF of water made available by the Cachuma Project and adjusted by amounts deposited into the Warren Act Trust Fund.
5. State Board of Equalization pass-through cost – based on actual amount paid during FY 2024-25.
6. Division of Drinking Water D3 Permit Fee (City of SB, MWD and CVWD, only)
7. Pursuant to the terms and conditions of the Separation Agreement, ID No. 1 was deemed no longer a Member Agency of COMB and had departed from the COMB JPA Agreement as of May 27, 2016. ID No. 1 continues to be a member of the Cachuma Project which carries certain benefits and obligations associated with the Project as outlined in various agreements. Payments received from ID No. 1 for certain COMB BiOp and Oak Tree related expenditures vary by year and will be returned to the COMB Member Agencies upon collection.

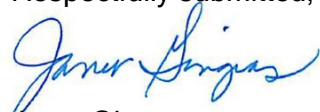
### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to COMB for its Annual Budget for the fiscal year beginning July 1, 2025. This was the sixth year that COMB applied for and achieved this prestigious recognition. To receive this award, a governmental unit must publish a document that meets program criteria as a policy document, a financial plan, an operations guide and as a communications device. This award is valid for a period of one year only. We believe our current budget document continues to conform to the program requirements and we are submitting it to the GFOA to determine its eligibility for another award.

### Closing

The preparation of this Budget would not have been possible without the skill, effort and dedication of the COMB Division Managers and the entire staff of the Administration Division. I wish to thank staff for their assistance in providing the data necessary to prepare this Budget. Recognition is also given to the COMB Board of Directors for their unfailing support in maintaining the highest standards of professionalism in governance of the Cachuma Operation and Maintenance Board. I am pleased to present this Budget to the Board of Directors for formal adoption.

Respectfully submitted,



Janet Gingras  
General Manager



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Cachuma Operation and Maintenance Board  
California**

For the Fiscal Year Beginning

**June 01, 2025**

*Christopher P. Morill*

Executive Director

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**RESOLUTION NO. 823**

**RESOLUTION OF THE GOVERNING BOARD OF THE  
CACHUMA OPERATION & MAINTENANCE BOARD ADOPTING THE  
ANNUAL OPERATING BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2027**

**WHEREAS**, the Cachuma Operation & Maintenance Board (“COMB”) is a joint powers authority and public entity, organized and existing in the County of Santa Barbara in accordance with Government Code Section 6500 et seq., and operating pursuant to the 1996 Amended and Restated Agreement for the Establishment of a Board of Control to Operate and Maintain the Cachuma Project - Cachuma Operation And Maintenance Board, dated May 23, 1996 (“Amended and Restated Agreement”), as amended by an Amendment to the Amended and Restated Agreement made effective September 16, 2003; and as amended by the Second Amendment to the 1996 Amended and Restated Agreement made effective November 20, 2018 (collectively the “Joint Powers Agreement”); and

**WHEREAS**, the Member Agencies of COMB are the Goleta Water District, the City of Santa Barbara, the Montecito Water District, and Carpinteria Valley Water District; and

**WHEREAS**, COMB operates and maintains Cachuma Project facilities pursuant to a Transfer of Operation and Maintenance Contract with the United States Bureau of Reclamation, including the South Coast Conduit (SCC) and appurtenances. The SCC is a critical piece of infrastructure that provides for the conveyance of Cachuma Project water and State Project water to 250,000 residents on the South Coast of Santa Barbara County; and

**WHEREAS**, COMB staff developed the Fiscal Year (FY) 2026-27 Annual Operating Budget using zero-based budgeting methodology, which unlike traditional incremental budgeting, employs a detailed examination of expenditures wherein only the necessary budget amount for each line item is presented for discussion; and

**WHEREAS**, COMB staff presented the FY 2026-27 Draft Operating Budget to the General Managers and technical staff of the Member Agencies for review and incorporated comments and suggestions prior to it being presented to the Administrative Committee for review; and

**WHEREAS**, on May 6, 2026, the COMB Administrative Committee reviewed the FY 2026-27 Draft Annual Operating Budget and, after providing comments, forwarded it to the COMB Governing Board for review and consideration; and

**WHEREAS**, on May 18, 2026, the Governing Board was provided an overview of the FY 2026-27 Proposed Annual Operating Budget, with assurances that it was based on Board priorities, demonstrates fiscal accountability, and ensures future financial sustainability; and

**WHEREAS**, it is in the best interest of COMB to approve and adopt the COMB FY 2026-27 Annual Operating Budget for sound financial operation of COMB.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF COMB AS FOLLOWS:**

1. The Governing Board finds and determines that the facts set forth in the above recitals and in the documents referenced herein are true and correct.
2. The Governing Board approves and adopts, with consideration of any modifications made at the time of adoption, the COMB FY 2026-27 Annual Operating Budget ending June 30, 2027.
3. This Resolution shall take effect immediately.

**PASSED, APPROVED AND ADOPTED** by the Governing Board of the Cachuma Operation and Maintenance Board, this 18<sup>th</sup> day of May 2026, by the following roll call vote:

**Ayes:** Hayman, Hanson, O'Connor, Sneddon  
**Nays:**  
**Abstain:**  
**Absent:**

**APPROVED:**

  
\_\_\_\_\_  
President of the Governing Board

**ATTEST:**

  
\_\_\_\_\_  
Secretary of the Governing Board





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## **SECTION I – COMB OVERVIEW**

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## HISTORY OF COMB

The Cachuma Project was constructed in the early 1950s by the United States Department of the Interior, Bureau of Reclamation (Reclamation or USBR) under contract with the Santa Barbara County Water Agency on behalf of the Cachuma Project Member Units.

The Cachuma Project Member Units (Member Units) are the Carpinteria Valley Water District, Goleta Water District, Montecito Water District, City of Santa Barbara and the Santa Ynez River Water

Conservation District, Improvement District No. 1. The Member Units entered into contracts with the Santa Barbara County Water Agency for the purpose of receiving water from the Cachuma Project for the use and benefit of the Member Units. Over the past sixty years, the Project has been the principal water supply for the Upper Santa Ynez Valley and the South Coast communities, delivering an average of approximately 25,000 acre-feet per year.

On January 1, 1957, the Cachuma Operation & Maintenance Board (COMB) was formed as a Joint Powers Authority (JPA) through an agreement organized by the Cachuma Project Member Units pursuant to the provisions of Articles 1, 2 and 4 of Chapter 5, Division 7, Title 1 of the California Government Code. The resulting JPA agreement was entered into by the Member Units, who, in doing so, became Member Agencies of COMB, in order to provide for the joint exercise of powers by those Member Agencies for the rights to, the facilities of, and the operation, maintenance and use of the Reclamation's project known as the "Cachuma Project." These rights and powers included the storage, treatment, transport and appurtenant facilities and all necessary tangible and intangible property and rights. Under the JPA Agreement, COMB also has the authority to finance the costs for the capture, development, treatment, storage, transport and delivery of water.

COMB's organizational structure originally consisted of the six (6) Cachuma Project beneficiaries: the Carpinteria County Water District, Goleta Water District, Montecito Water District, the City of Santa Barbara, Summerland Water District and Santa Ynez River Water Conservation District (Parent District).

In 1993, the Parent District assigned its rights and obligations under Contract No. 175r-1802 (Water Repayment Contract between USBR and Santa Barbara County) to Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1). In 1995, the Summerland Water District and Montecito Water District combined with Montecito Water District as successor in interest.



## HISTORY OF COMB (CONTINUED)

In 2016, the Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to withdraw from the Agreement. A Separation Agreement was entered into by ID No. 1, COMB and the remaining COMB Member Agencies and was approved by all parties effective August 28, 2018. Pursuant to the terms and conditions of the Separation Agreement, ID No. 1 was deemed no longer a Member Agency of COMB and had departed from the COMB JPA Agreement as of May 27, 2016. ID No. 1 continues to be a member of the Cachuma Project, which carries certain benefits and obligations associated with the Project as outlined in various agreements.

Today, the organization is comprised of four Cachuma Project Member Units, known collectively as COMB's Member Agencies: the Carpinteria Valley Water District, the Goleta Water District, the Montecito Water District and the City of Santa Barbara.

The Governing Board is composed of one publicly elected representative member from each of the governing bodies and is appointed by appropriate action of each governing board to serve on the COMB Board. The appointed Board members are authorized to carry out the provisions of the JPA agreement and any other agreement entered into by the Governing Board. The Board of Directors is responsible for setting policy on matters such as fiscal management and financial planning, Board administration, infrastructure improvements and long-range planning documents.

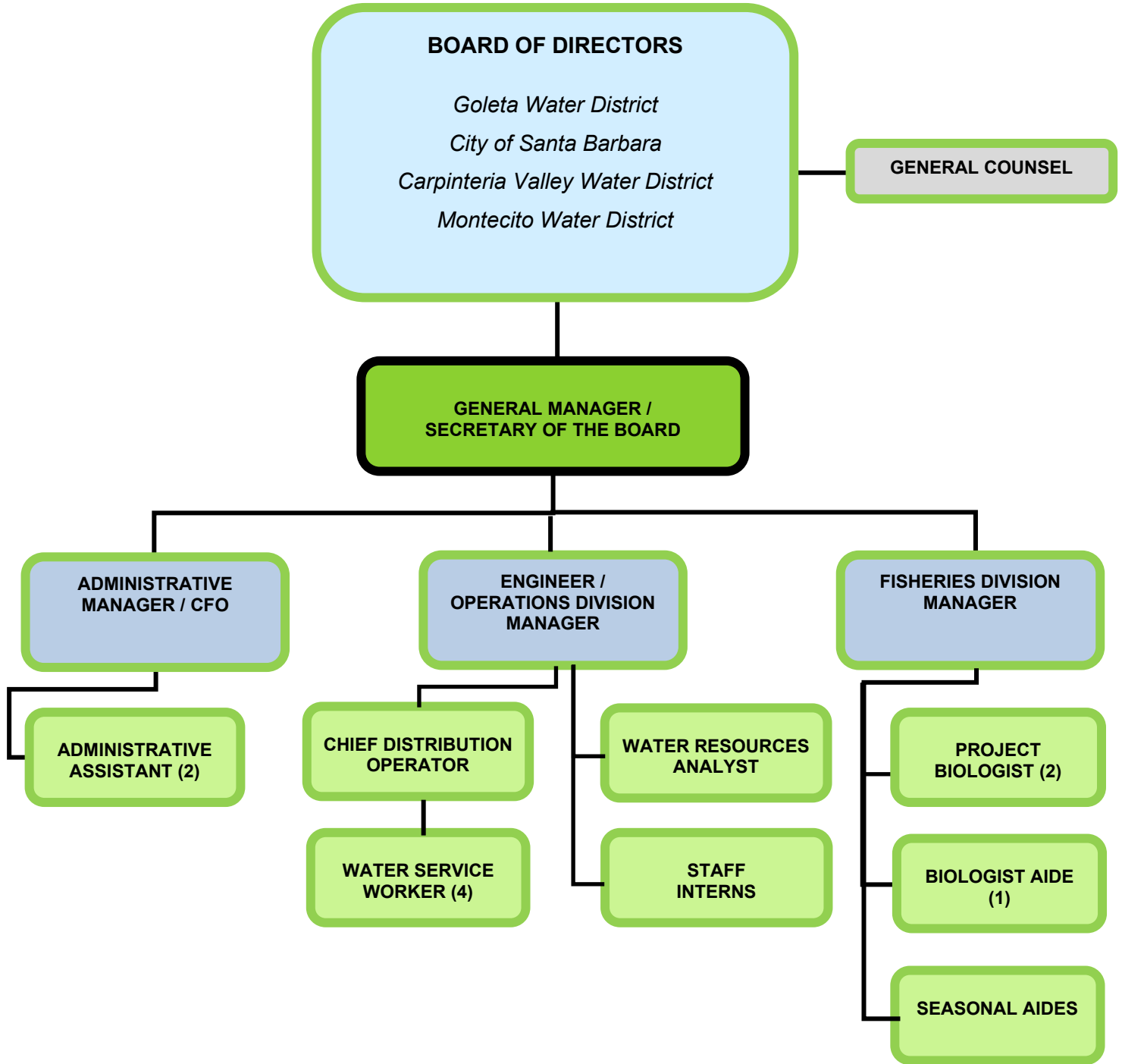
Day-to-day operations are carried out by the General Manager who serves at the pleasure of the Board. The General Manager oversees a staff of fifteen full-time employees including division managers, certified distribution operators, senior biology staff, a water resource analyst and administrative personnel. Figure 1.1 on the following page provides an overview of the COMB Organizational Structure.



*Lake Cachuma Bradbury Dam*

COMB ORGANIZATIONAL STRUCTURE

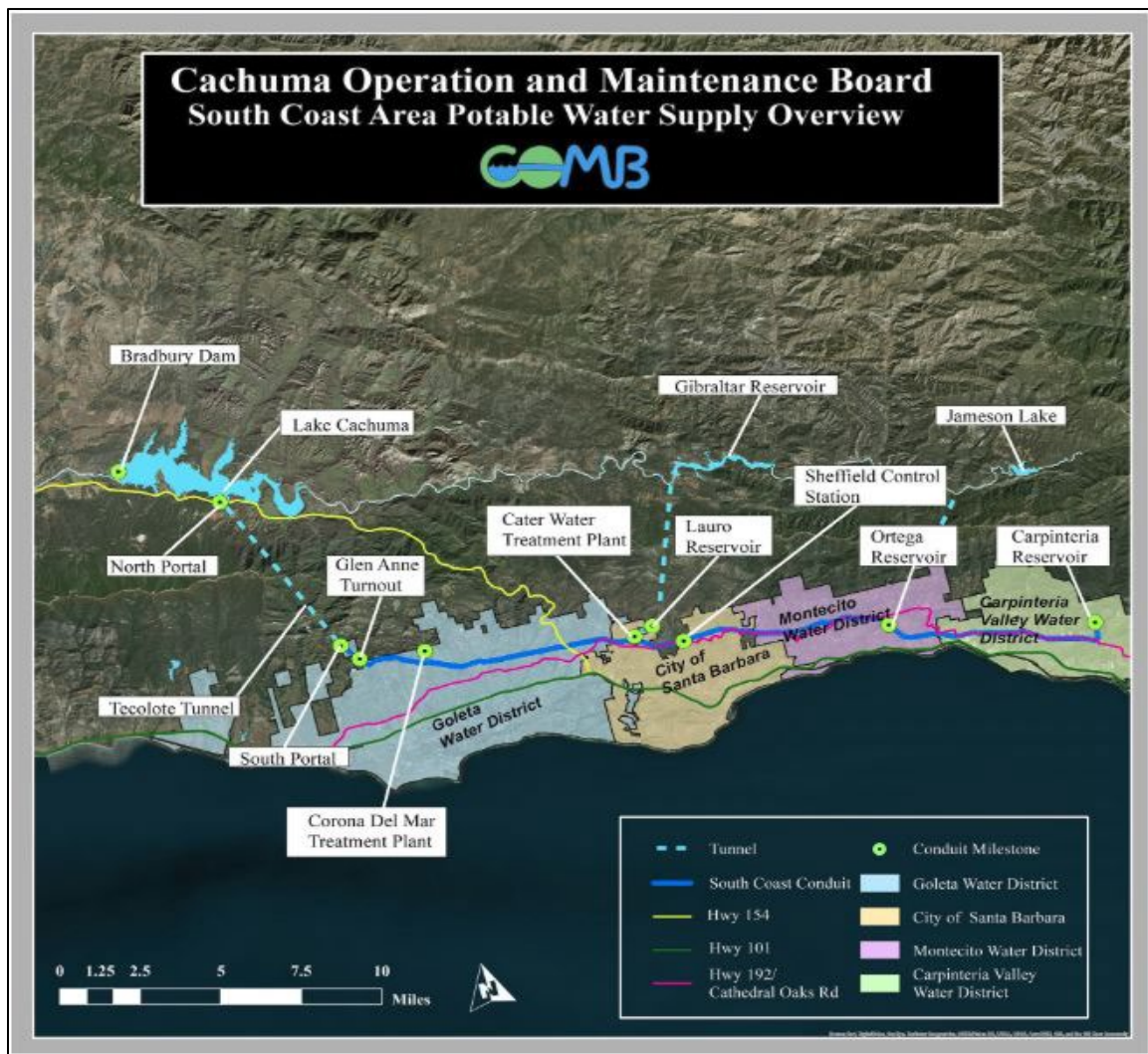
Figure 1.1 –COMB Organizational Structure



## CACHUMA PROJECT FACILITIES MAP

Lake Cachuma and Bradbury Dam are located on the Santa Ynez River approximately 25 miles northwest of Santa Barbara. Water from Lake Cachuma is conveyed to the COMB Member Agencies through the Tecolote Tunnel intake tower at the east end of the reservoir. The Tecolote Tunnel extends 6.4 miles through the Santa Ynez Mountains from Lake Cachuma to the headworks of the South Coast Conduit. The South Coast Conduit system is a high-pressure concrete pipeline that extends over 26 miles from the Tecolote Tunnel outlet to the Carpinteria area and includes four regulating reservoirs and various appurtenant structures. Figure 1.2 below provides an overview of the Cachuma Project Facilities Map.

**Figure 1.2 – Cachuma Project Facilities Map**



## TRANSFERRED PROJECT WORKS CONTRACT

On February 24, 1956, Reclamation, the original Member Units and the Agency entered into a contract which provided for the transfer of Operation and Maintenance (O&M) of the Transferred Project works to the Original Member Units. The O & M contract has been amended by amendatory contracts since that time, one of which was executed with COMB as the contractor. In March 2003, Reclamation entered into a new contract with the Cachuma Operation and Maintenance Board for the operation and care of the transferred project works including the Tecolote Tunnel and the South Coast Conduit system. The contract remained in effect through September 30, 2020. COMB initiated the contract renewal process with Reclamation during fiscal year 2019-20. On September 28, 2020, Reclamation and COMB executed a three-year amendatory contract to allow for the completion of a long-term agreement. In 2023, a second amendatory contract was executed for an additional three-year period through September 2026. COMB has initiated the contract renewal process with Reclamation for a third amendatory contract. Completion of the contract renewal is expected to run parallel with the Master Contract renewal process currently underway between Reclamation, the Santa Barbara County Water Agency and the Cachuma Project Member Units.

COMB is responsible for diversion of water to the South Coast through the Tecolote Tunnel and operation and maintenance of the South Coast Conduit pipeline, flow control valves, meters and instrumentation at control stations and turnouts along the South Coast Conduit and at four regulating reservoirs. COMB coordinates closely with the Bureau of Reclamation and Member Agencies' staff to ensure that water supplies meet daily demands.



*Lauro Control Station Valve Exercise*

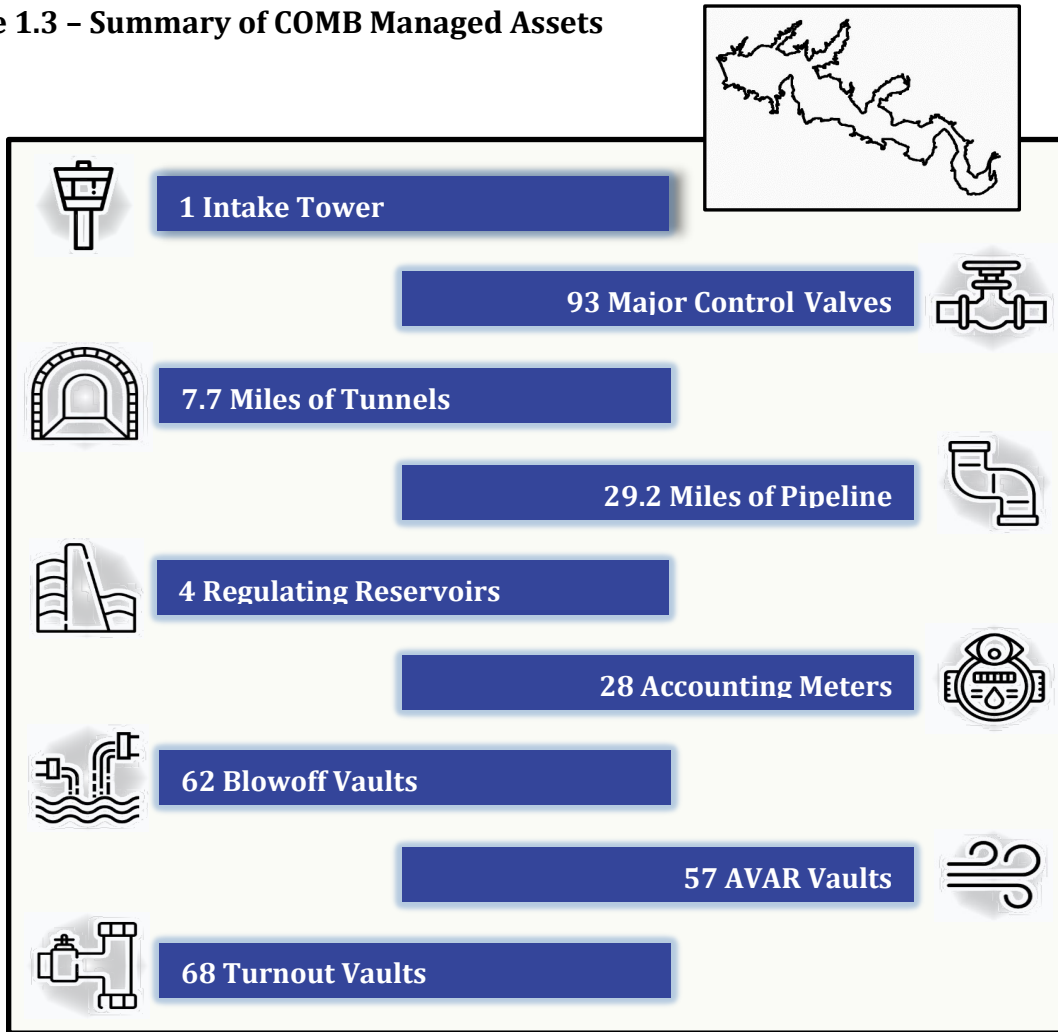
COMB staff reads meters, accounts for Project water deliveries monthly and performs repairs and preventative maintenance on Project facilities and equipment. COMB safeguards Project lands and rights-of-way on the South Coast as the contractor for Reclamation. COMB is responsible for issuing Project water production and use reports, operations reports, fisheries reports and financial and investment reports which track operation and maintenance expenditures.

**COMB MANAGED ASSETS**

COMB, through the Transferred Project Works contract, is responsible for operating and maintaining the USBR facilities. COMB operates and maintains the Cachuma Project critical infrastructure assets, which include the North Portal, Tecolote Tunnel, South Coast Conduit, Sheffield Tunnel and Glen Anne, Lauro, Ortega and Carpinteria Reservoir locations.

A comprehensive inventory was assembled for COMB assets using the Gutteridge, Haskins & Davey (GHD) asset management tool available through the EPA website. The GHD method allows for organizing a hierarchy of assets, which can be characterized by asset class, original cost, replacement cost, effective life, probability of failure and renewal strategy (abandon, maintain, repair, replace), among other inputs. It is useful for viewing assets and their current conditions in a single location, while identifying assets or categories of assets that will need near or long-term work. Figure 1.3 provides a summary of COMB Managed Assets.

**Figure 1.3 – Summary of COMB Managed Assets**



**COMB MANAGED ASSETS (CONTINUED)****Intake Tower**

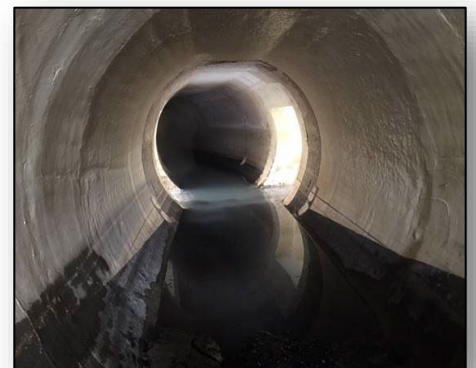
COMB operates and maintains the North Portal Intake Tower, which diverts water from Lake Cachuma into the Tecolote Tunnel and through the South Coast Conduit (SCC) for delivery to COMB Member Agencies. The vertical intake tower was built by the U. S. Bureau of Reclamation during construction of the Cachuma Project and stands 120 feet tall. The intake tower is located approximately mid-reservoir and contains five slide gates, each at varying levels on the pentagonal-shaped tower. The slide gates are used to manage the conveyance of water from the lake at various elevations depending on lake conditions.

**Valves**

COMB operates and maintains over 93 large control valves and slide gates located within gate chambers, control stations and dam inlet-outlet works. Most of the large control valves measure 30 inches or more in diameter. The large control valves are located throughout the system and allow distribution or service area isolation when maintenance on the system is required. COMB performs annual maintenance to ensure their operability.

**Tunnels**

COMB maintains four separate tunnels covering over 7.7 miles throughout the Cachuma Project system. The tunnels vary in length, with the most significant being the 6.4-mile Tecolote Tunnel, which provides water conveyance from Lake Cachuma through the Santa Ynez Mountains to the South Coast Conduit where it is delivered to the water districts. The horseshoe shaped, concrete walled tunnels were built by Reclamation during the creation and installation of the Cachuma Project.



**COMB MANAGED ASSETS (CONTINUED)****Pipeline**

COMB operates and maintains over 29.2 miles of concrete conveyance pipeline throughout the system. The primary pipeline is referred to as the South Coast Conduit (SCC) and is composed of over 9.5 miles of 48-inch diameter reinforced concrete cylinder pipe in the upper reach of the system and 17.0 miles of 27 to 36-inch bar-wrapped concrete cylinder pipe within the lower reach.



The SCC is original except for 330 feet installed as part of a Highway 154 realignment project in 1970, 2,900 feet of welded steel pipe installed in 1980 and approximately 2,000 feet of welded steel pipe installed in the upper reach as part of the Modified Upper Reach Reliability Project (MURRP) in 2012.

In 2022, COMB installed a secured pipeline at the Lake Cachuma Intake Tower. The secured pipeline is a 3600-ft long HDPE pipeline that will be connected to a pumping barge in times of drought to ensure continued water deliveries. The secured pipeline also re-establishes the capability to draft from the original Gate 5 elevation (660') and allow higher quality water when available to be diverted to the Tecolote Tunnel under normal operations.

**Reservoirs**

COMB operates and maintains four regulating reservoirs, which balance conveyance operations within the south coast area of the Cachuma Project system. Two of the reservoirs are zoned earth-filled embankment dams originally designed and installed by the Bureau of Reclamation. Lauro Dam has a structural height of 137 feet, a crest length of 540 feet and a storage capacity of 518 acre-feet. Seismic safety modifications were completed in 2006, which brought the facility into seismic compliance. Glen Anne Dam, located in the upper reach, is currently non-operational. The two reservoirs located in the lower reach of the system are Ortega Reservoir and Carpinteria Reservoir. They are homogenous earth-filled structures and provide for over 100 acre-feet of storage capacity combined. Both Ortega and Carpinteria Reservoirs have two separate bays divided by a center wall and were covered with aluminum roofs in 2007 and 2005, respectively.

## COMB MANAGED ASSETS (CONTINUED)

### Meters

COMB reads and maintains 28 accounting meters throughout the system. Of the 28 meters, 11 are integrated with SCADA to allow remote tracking and historical logging of flow measurements. COMB also tracks pressure and water quality parameters such as turbidity, specific conductance, pH and temperature, using sensors located at the North Portal.



### Structures

COMB operates and maintains approximately 200 SCC structures throughout the system. This includes 62 blow-off vaults, 57 air-vacuum air-release (AVAR) vaults and 68 turnouts through the peaks and valleys of the SCC system. The purpose of these appurtenant structures is to allow staff access to system components, in order to release/admit air for pipeline protection, release water for maintenance purposes or emergencies and to service internal assembly and/or valves.



## INFRASTRUCTURE IMPROVEMENT PLAN - FY 2027 - 2031

In April 2026, the COMB Board adopted the COMB Five-Year Infrastructure Improvement Plan (IIP). The IIP formalizes the strategy for implementation of capital projects and programs needed to carry out the goals and policy objectives of the Board. The IIP is organized and structured to identify and prioritize rehabilitation projects necessary to protect, improve and sustain a reliable source of water conveyed from the Cachuma Project to the South Coast communities of Santa Barbara County.

Projects outlined in the IIP have been identified based on U.S. Bureau of Reclamation inspection recommendations, COMB asset inventory analysis and other staff observations and recommendations. The identification of a project within the five-year plan does not guarantee construction. The initiation of any project requires Board approval for a project to advance to design and ultimately construction. Additionally, the Board of Directors has the ongoing ability to review and revise projects based upon unforeseen conditions, priorities and financial resources. Further details are provided on [pages 111-114](#).

## NATIONAL MARINE FISHERIES SERVICE BIOLOGICAL OPINION AND FISH MANAGEMENT PLAN

The United States Bureau of Reclamation currently operates and maintains Bradbury Dam and associated water transport and delivery structures, collectively known as the Cachuma Project on and near the Santa Ynez River for the Cachuma Project Member Units. The Santa Ynez River is about 900 square miles in watershed area with Bradbury Dam located approximately 48 miles from the Pacific Ocean.



The National Marine Fisheries Services (NMFS) is the United States federal agency that oversees protection of Southern California steelhead (*Oncorhynchus mykiss*, *O. mykiss*). The Cachuma Project Biological Opinion (BO or BiOp) and the Lower Santa Ynez River Fish Management Plan (FMP) were issued in 2000 for implementation of steelhead management actions developed over many years of study by the Cachuma Project Member Units. The BO addresses the effects of the proposed Cachuma Project operations on steelhead and its designated critical habitat in accordance with Section 7 of the Endangered Species Act of 1973. The goal is to provide physical projects and management strategies that will protect, enhance, restore and create new habitat for spawning and rearing of endangered steelhead, while keeping a balance between fish management, other ecological needs and the delivery of adequate water supplies to customers of local water agencies and groundwater recharge.



On behalf of the U. S. Bureau of Reclamation, COMB is responsible for implementation of the 2000 Biological Opinion and Fish Management Plan related to the Cachuma Project on the Santa Ynez River. These activities include ongoing scientific studies along the river, monitoring and recording changing conditions and implementation of fish passage improvements as outlined in the 2000 Biological Opinion. In addition, a consensus based, long-term Fish Management Program was developed which provides protection for steelhead/rainbow trout downstream of Bradbury Dam through a combination of water releases from Bradbury Dam through the Hilton Creek watering system and the removal or modification of numerous fish passage barriers to steelhead on tributaries to the mainstem Santa Ynez River. By implementing these actions, stakeholders in the Cachuma Project have created significant additional habitat for steelhead within the Santa Ynez River watershed.

## DROUGHT RESPONSE AND MANAGEMENT

Efficient use of water has long been a priority within the Cachuma Project Service Area. Water purveyors are dependent on local water supplies and have experienced periodic droughts including 1989-91 and the recent multi-year drought of 2012 - 2019. During a drought period, the COMB Member Agencies dramatically increase their conservation efforts to minimize the impact of water shortages on the community. Drought conditions can last many years. The reductions in Cachuma Project water supplies have a major impact on water supply management for the COMB Member Agencies.

During the drought that began in 2012, COMB was responsible for the implementation of the Emergency Pumping Facility Project (EPFP), which allowed water to be pumped and conveyed during the time when lake levels were extremely low and unable to flow via gravity into the Tecolote Tunnel. After an all-time low of 7% reservoir capacity during 2016, Lake Cachuma rebounded to approximately 73% capacity during the February 2019 storms and subsequent inflows.

In December of 2022, COMB completed the installation of a secured pipeline at Lake Cachuma. The secured pipeline is a 3600-ft long HDPE pipeline that will be connected to a pumping barge in times of drought to ensure continued water deliveries.

The Secured Pipeline Project will improve future deployments of the EPF by 1) reducing the elevation triggers for installing the EPF; (2) eliminating the need to install and remove temporary anchor piles; (3) eliminating the need to store the pipeline near the shore of the lake; and (4) reducing the deployment period from over a year to 120 days. It will also reduce the cost of future EPF deployments and improve the quality of delivered water under normal operations.



*Lake Cachuma Tecolote Tunnel Intake Tower  
Secured Pipeline Installation (December 2022)*

**DROUGHT RESPONSE AND MANAGEMENT (CONTINUED)**

The Secured Pipeline Project will also re-establish the capability to draft from the original Gate 5 elevation (660') and allow higher quality water when available to be diverted to the Tecolote Tunnel under normal operations. COMB was awarded \$4M in grant funding which was applied to construction cost of the Secured Pipeline Project.

During 2023 and 2024, Santa Barbara County experienced back-to-back wet year conditions and extreme stormflow events. During both years, these storms caused flow to occur in the Santa Ynez River, Santa Cruz Creek and other tributaries, raising the elevation in Lake Cachuma to full capacity of 753 feet which resulted in a declaration of surplus water by Reclamation. The last occurrence of a surplus / spill event was in 2011.

**Cachuma Lake Intake Tower - Lake Elevation at Different Points in Time**

*August 2016*



*February 2019*



*February 2023*



*March 2024*



## DROUGHT RESPONSE AND MANAGEMENT (CONTINUED)

### CURRENT RESERVOIR ELEVATION

As of April 20, 2026, the elevation in Lake Cachuma was 752.55 feet, which equates to 191,580 acre-feet of water (or 99.3% capacity). The COMB Member Agencies continue to face a water supply shortage until such time that their respective groundwater basins have been recharged, and supplemental water obligations are repaid.



*North Portal Intake Tower (April 2026)*

COMB has developed a lake elevation projection model for forecasting lake elevations and has implemented a regime to request Member Agencies' projected imports and exports on a periodic basis as part of its ongoing planning process. An update is provided to the COMB Board at their regularly scheduled, monthly public meeting.

### LOCAL AND NATIONAL ECONOMY

Santa Barbara County is located approximately 100 miles north of Los Angeles and 300 miles south of San Francisco. The mild climate, picturesque coastline, scenic mountains and numerous parks and beaches make Santa Barbara County a popular tourist and recreational area. The County spans over 2,700 square miles and includes an estimated population of 442,000 as of mid-2025.



*Santa Barbara County Courthouse*

The local economy remains anchored by several key industries, including tourism, agriculture, education, healthcare, and a growing technology sector. Tourism continues to be a primary economic driver, supported by the region's coastline, wine industry, and cultural attractions. Agriculture remains a significant contributor to the local economy, particularly in specialty crops such as wine grapes, avocados, lemons, and strawberries, and accounts for approximately 10% of the County's workforce. Education and healthcare sectors have demonstrated steady growth, while technology and startup activity continue to contribute to regional job creation.

**LOCAL AND NATIONAL ECONOMY (CONTINUED)**

Labor market conditions remained relatively stable through the end of 2025. Santa Barbara County's unemployment rate was approximately 4.9% in December 2025, compared to 5.5% for the State of California and approximately 4.4% nationally.

The real estate market in Santa Barbara County continued its upward trend. As of December 2025, the countywide median single-family home price was \$1,033,570 as compared to \$1,030,102 and \$996,328 in December 2024 and December 2023, respectively. In the southern portion of Santa Barbara County, the median single-family home price increased to \$2,333,237 in 2025 and compared to \$2,150,000 in December 2024, an 8.5% increase year-over-year. This upward trend reflects sustained demand and limited housing supply, although higher interest rates and affordability constraints have tempered transaction volumes.

At the national level, the U.S. economy began to stabilize in 2025 following the inflationary pressures experienced in prior years. The U.S. annual inflation rate finished at 2.6% for the twelve months ending December 2025, reflecting continued moderation from prior peaks, although inflation remains above the Federal Reserve's long-term target. In response to improving inflation conditions, the Federal Reserve reduced the federal funds rate by a total of approximately 0.75 percentage points during the latter part of 2025. As of early 2026, the federal funds target range is approximately 3.50% to 3.75%, with future policy adjustments expected to remain data dependent.

Looking ahead into 2026, geopolitical instability, in particular the ongoing conflict in the Middle East, presents a renewed source of economic uncertainty. The region plays a critical role in global energy supply, with a significant portion of the world's oil and liquefied natural gas (LNG) transported through key shipping corridors such as the Strait of Hormuz. Disruptions or heightened risk in these areas have contributed to increased volatility in fuel markets and upward pressure on transportation and supply chain costs. Elevated diesel and gasoline prices, in particular, will have an impact on construction, transportation, and materials delivery costs. For public agencies and water utilities, these trends will contribute to continued cost pressures for chemicals, energy, infrastructure materials and contracted services.

The outlook entering 2026 is best characterized as cautiously guarded, as moderating inflation is balanced against ongoing geopolitical risks and cost pressures impacting operations and capital improvement programs. COMB is committed to maintaining costs in all areas of the budget by improving operating efficiencies and effectively utilizing internal resources, when possible, to achieve our objectives.

## ACCOMPLISHMENTS

During calendar year 2025 and into 2026, COMB continued to focus efforts on water supply reliability, infrastructure improvements, environmental stewardship, policies, financial responsibility and improving workforce capabilities. Outlined below are highlights of accomplishments during this past year.

### **Engineering and Operations Division**

- Operated and maintained the South Coast Conduit system, consisting of 29.2 miles of pipeline, including 124 blow-off and air vent structures, 43 turnout structures, 20 meters, and four regulating reservoirs.
- Coordinated weekly with FEMA and CalOES to document winter storm damages for 2023 (DR-4683) and 2024 (DR-4769).
- Reviewed and processed 1,060 Underground Service Alert tickets, taking appropriate action as necessary.
- Installed a new outlet and valves on the 1-inch surface water line at the North Portal Control Station, enabling line flushing and direct water sample collection from lake diversions.
- Completed safety improvements at the Lauro Tunnel Access House, including installation of a new door, landing, ladder, and retaining wall to improve access and reduce engulfment hazards; also installed a water-resistant hardline communication system and a floor-mounted davit hoist for confined space rescue.
- Repaired a road slump along Glen Annie Turnout Road caused by 2024 winter storms; restored the slope and implemented drainage improvements to prevent future damage.
- Updated COMB’s Emergency Response Plan and certified compliance with the U.S. Environmental Protection Agency under the America’s Water Infrastructure Act.
- Reorganized and cleaned the North Portal garage to improve storage and accessibility of critical equipment, including jet flow valve components, log boom materials, fish traps, and historic dam core logs.
- Installed nest diverters on the North Portal Intake Tower and constructed an alternative nesting platform for Lake Cachuma osprey.
- Refurbished the North Portal Intake Tower hoist motor used for fish screen cleaning.

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**ACCOMPLISHMENTS (CONTINUED)****Engineering and Operations Division (Continued)**

- Procured a new compact loader with an EPA Final Tier 4 engine, replacing a 20-year-old unit limited by emissions constraints.
- Replaced and refurbished open air vent screens and lids at Barker Pass and Parma Park.
- Supported the Division of Drinking Water during a sanitary survey; no major recommendations were issued for water quality protection improvements.
- Emptied and cleaned the Carpinteria Reservoir; replaced two failed 20-inch check valves and one frozen 20-inch valve and coordinated beneficial reuse of approximately 1,000,000 gallons of remaining water with a neighboring landowner.
- Assisted the Bureau of Reclamation with replacement of a failed 10-inch outlet works valve at Bradbury Dam, including procurement coordination and contract support for valve calibration.
- Presented on the Sheffield Tunnel evaluation and repair project at Reclamation's 2026 Water Management Workshop in Denver.
- Conducted video inspections of the Lauro Dam spillway conduit, Lauro Reservoir storm drain and Lauro fault drain.
- Performed pilot meter accuracy testing for Montecito Water District meters to support improved annual water auditing performance.
- Prepared an updated Infrastructure Improvement Plan covering the 2027–2031 period.
- Completed critical coating and painting maintenance on the Lauro Dam outlet works pipeline.
- Procured large valves, meters, and spools for rehabilitation of Sheffield Control Station to improve pipeline capacity and operational isolation during shutdowns.
- Completed topographic and cultural resource surveys at the Sheffield Tunnel portals to support rehabilitation design.
- Purchased a new Chevy Silverado to support COMB's on-call staff operations.

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**ACCOMPLISHMENTS (CONTINUED)****Engineering and Operations Division (Continued)**

- Supported staff development, including passing of the Fundamentals of Engineering (FE) exam by COMB's Water Resources Analyst.
- Migrated COMB's GIS system to ESRI Field Maps and initiated centimeter-grade GPS mapping updates for improved field operations accuracy.
- Enhanced the Lake Cachuma elevation projection model to support water supply and conveyance planning.
- Advanced COMB's internal water accounting model to automate and improve monthly reporting.
- Continued monthly water quality sampling, including buoy maintenance, and coordinated biweekly meetings with regional treatment plants to optimize operations.
- Submitted required regulatory reports to the Division of Drinking Water under the Total Coliform Rule, Surface Treatment Rule, and Disinfection Byproducts Rule with sampling assistance from Member Agency Staff.
- Implemented an integrated pest management program, including pilot testing of ground squirrel control methods.
- Maintained regulatory permits with Caltrans, Department of Industrial Relations, APCD, EPA, and the Regional Water Quality Control Board.
- Monitored construction activities within Reclamation right-of-way to protect South Coast Conduit and related infrastructure.
- Completed routine dam inspections and instrumentation reports (all reservoirs).
- Performed structure maintenance and control station valve exercising as part of the annual Operating Division work plan.
- Removed vegetation at all structure sites to ensure defensible space as required by the Santa Barbara County Fire Marshal.
- Completed weekly inspections of major facilities.

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**ACCOMPLISHMENTS (CONTINUED)****Fisheries Division**

- Conducted all 2000 Biological Opinion (BiOp) compliance monitoring in the Lower Santa Ynez River (LSYR) basin and its tributaries, including water quality monitoring at Lake Cachuma pursuant to the associated guidance documents, as described in the 2000 BiOp and 2000 Biological Assessment (BA).
- Conducted all monitoring, analyses and reporting as requested by Reclamation in compliance with the State Water Board Order WR 2019-0148.
- Completed the Water Year (WY) 2025 Annual Monitoring Report and Annual Monitoring Summary.
- Transferred all field monitoring data files to Reclamation via the established data portal for WY2025 and files from previous years if there were modifications after a QA/QC process with Reclamation.
- Provided comments on draft sections of the BA as requested by Reclamation for their re-consultation efforts with the National Marine Fisheries Service (NMFS).
- Worked closely with Reclamation upon their request to monitor Hilton Creek and the LSYR mainstem during all required testing, modifications, or operations of Bradbury Dam, the Hilton Creek Watering System and the Hilton Creek Emergency Backup System, to safeguard the fishery downstream of the dam. Provided assistance to Reclamation operations staff. This included stranding surveys during spill ramp-down operations.
- Completed the second of a 2-year gravel augmentation project at Hilton Creek and submitted the Initial Gravel Augmentation Report (mid-project report) on 2/11/26 to Reclamation. The final report will be completed in the summer of 2026.
- Continued to work closely and collaboratively with California Department of Fish and Wildlife, Reclamation, and NMFS on fish rescue/relocation efforts in the LSYR mainstem and its tributaries, as needed and requested, due to dam operations, specifically spill ramp down, tributary habitat enhancement efforts or reduction of stream flow during the dry season.
- Wrote and submitted to Reclamation the WY2024 Spill Ramp-Down Report (9/26/25) which documented the need for fish rescue/relocation efforts.

---

**ACCOMPLISHMENTS (CONTINUED)****Fisheries Division (Continued)**

- Assisted CDFW in fish rescue and relocation efforts at Quiota Creek Crossing starting in May through July of 2025 and successfully rescued/relocated of 4,069 O. mykiss.
- Completed fish scale mounting, photographing, reading and reporting for WY2025 and WY2011 as part of the WY2025 AMS.
- Worked with the COMB Operations Division on monitoring algae, nutrients and water quality in Lake Cachuma throughout the year.
- Monitored and maintained all mitigation oak trees near Lake Cachuma as part of the surcharge operation at the Dam. COMB has planted approximately 5,740 oak trees under this program since its inception in 2005.
- Completed the 2024 Annual Oak Tree Survey and reported the status of the Lake Cachuma Oak Tree Restoration Program with FY25 financials to the Oak Tree Committee and COMB Board.
- Submitted a CDFW-FRGP grant proposal for the Hilton Creek Fish Passage and Habitat Enhancement Project.
- Maintained a rigorous watering, weeding and deer cage removal effort of the mitigation trees in the Lake Cachuma Oak Tree Restoration Program throughout the dry season that has shown positive results in sustaining those trees.
- Reviewed COMB's CDFW 2081(A) MOU and a CDFW Scientific Collection Permit for CESA take coverage for all components of the Fisheries monitoring program.
- Gave a presentation at the 2025 SRF annual fisheries conference in Santa Cruz on O. mykiss population growth after two wet years and water quality tolerances within the Lower Santa Ynez River Basin.

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**ACCOMPLISHMENTS (CONTINUED)****Administrative Division**

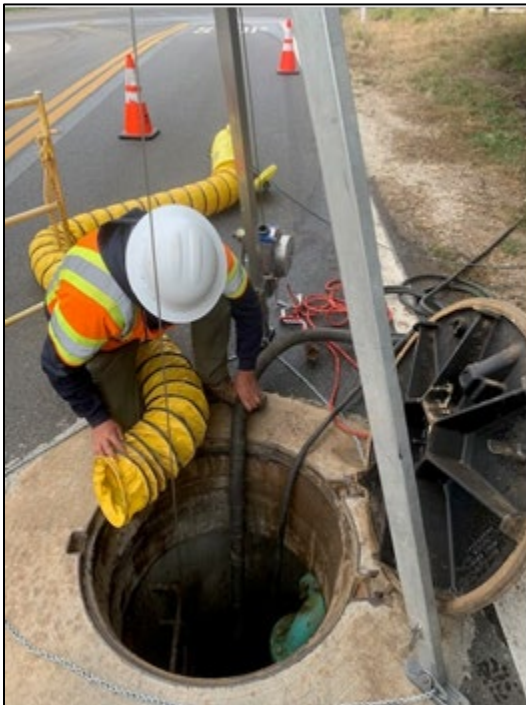
- Awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the FY 2023-24 Annual Comprehensive Financial Report.
- Achieved an unmodified (“clean”) audit opinion for FY 2024–25 financial statements.
- Received the Distinguished Budget Presentation Award from the GFOA for the FY 2025-26 COMB Operating Budget.
- Participated in the Santa Barbara County Integrated Regional Water Management Program (IRWMP). The Cooperating Partners of IRWMP meet regularly to promote and practice integrated regional water management strategies. Their goal is to ensure sustainable water uses, reliable water supplies and water quality, environmental stewardship, efficient urban development and protection of agricultural and watershed awareness.
- Coordinated with FEMA and CalOES to secure disaster recovery funding for storm-related damages that resulted from the 2023 and 2024 winter storm events.
- Completed and submitted a funding application under the 2026 Infrastructure Investments Jobs Act. The IJIA enacted in 2021 authorizes Reclamation to offer extended repayment of extraordinary maintenance (XM) costs on Reclamation transferred works facilities that would otherwise be due in the year incurred. Project awards will be announced in early 2026.
- Participated in an active threat training course for staff, led by an officer with the Santa Barbara Police Department. The training, held onsite, was designed to enhance situational awareness and preparedness in the event of an active threat scenario in the workplace.
- Participated in a technical session with Reclamation to discuss the process renewing the Cachuma Transferred Project Works Contract. A short-term amendatory contract is expected to be finalized in September 2026 to allow for the completion of a long-term agreement.
- Participated in a technical session with Reclamation to discuss the process of finalizing the Bradbury Dam Safety of Dams contract including any amendments that may be needed. The contract is expected to be finalized in calendar year 2026.

**ACCOMPLISHMENTS (CONTINUED)****Administrative Division (Continued)**

- Participated in the Bureau of Reclamation 2024 Contract Compliance Review, on behalf of the Cachuma Project Member Units, COMB and the Santa Barbara County Water Agency. The purpose of the review was to ensure that Contractors' water use, deliveries, and payments are consistent with contract terms.
- Administrative Manager/CFO attended the 2025 Association of California Water Agencies (ACWA) Conference and participated in several educational sessions including: 2025 Legislative Update, Capital Planning and Asset Management, Federal Funding Opportunities, Long Range Financial Planning and Information Technology and Cybersecurity Best Practices.
- Administrative Manager / CFO continued to serve on the Finance and Audit Committee of ACWA JPIA. The primary responsibility of the Committee is to put forward recommendations for approval to the Executive Committee with respect to audit, budget and investment policy.
- Administrative Manager / CFO appointed to serve on the ACWA Region 5 Nominating Committee. The primary responsibility of the nominating committee is to pursue and put forward qualified member candidates within their respective region to run for and serve on the region board and participate in regional activities.
- Completed the annual ACWA JPIA Worker's Compensation, Liability and Property Risk Assessment. ACWA JPIA reviewed COMB's Employment Practices, Safety protocols and Heat Illness Prevention Program, ACWA's Risk Control and Risk Transfer Manual and COMB's Workers Compensation and Liability Program experience history.
- Received the President's Special Recognition Award from ACWA. The JPIA recognizes its members that have a loss ratio of 20% or less in the Liability, Property and Worker's Compensation programs. COMB received an award for achieving a low ratio of paid claims and case reserves in the Liability Program.
- Applied for and was approved for incentive rates for COMB, offered through ACWA JPIA's medical insurance program. Employers qualifying with certain program participation requirements will receive a 4% discount on Anthem and Kaiser medical plan premiums. COMB expects to see a reduction in annual expenditures on medical insurance premiums of approximately \$20,000.

**ACCOMPLISHMENTS (CONTINUED)****Administrative Division (Continued)**

- Conducted the annual Information Technology (IT) review with COMB’s IT consultant. The purpose of the meeting was to review COMB’s systems, identify updates to system requirements, assess current IT protocols, review data disaster recovery practices, as well as identify potential new security risks.
- Updated various internal operational safety procedures/protocols to maintain a safe and healthy working environment, free from hazards, for all employees including COMB’s Injury and Illness Prevention Plan, Safe Operating Procedures Manual and Heat Illness Prevention Plan.
- Updated COMB’s Personnel Policy and Employee Handbook for labor law updates and changes.

**Structure Maintenance (July 2025)**



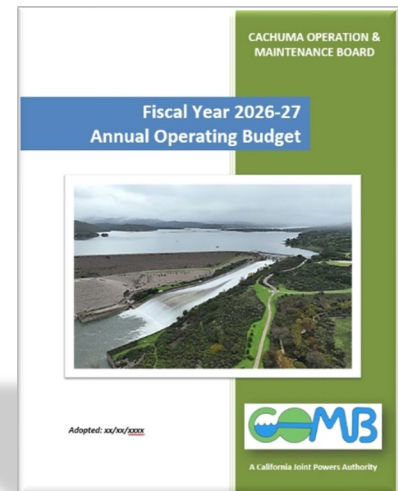
## **SECTION II – BUDGET OVERVIEW**

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## COMB ANNUAL OPERATING BUDGET

Each year, the Board of Directors approves the COMB Operating Budget for the following fiscal year that runs from July 1 through June 30.

The development and adoption of an annual budget is based on the Board’s financial and operational policies. Its purpose is to maintain fiscal stability by providing a structural balance between revenues and expenditures and to identify programs of work COMB has pledged to support. In addition, the budget provides the financial resources necessary to achieve or advance management strategies and goals. It serves as a financial road map and communication tool describing programs of work, resource requirements and functions as a guideline in accomplishing our mission in the most efficient, fiscally sustainable manner while ensuring maximum value to our Member Agencies.



The COMB Operating Budget for FY 2026-27 is further detailed in Section IV – COMB Operating Budget starting on [page 40](#).

## BUDGET DEVELOPMENT

### **Basis of Budgeting**

For budgetary reporting purposes, COMB uses the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. “Measurable” means the amount of the transaction can be determined. “Available” means the amount of the transaction can be collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred. Non-cash expense items such as depreciation expense for fixed assets and accrued paid time off are excluded from the budget.

COMB operates under one fund for budgetary purposes. However, the Agency’s various divisions and budget preparation are segregated as follows:

- Operations / Engineering Division
- Fisheries Division

The Administrative Division is included with General and Administrative Expenditures, which are generally allocated between the Operations Division (65%) and Fisheries (35%).

**BUDGET DEVELOPMENT**

**Budget Development**

Development of the budget is based on a zero-based budgeting methodology. This methodology employs a detailed examination of expenditures wherein only the necessary budget amount for each line item is presented for discussion. This approach addresses fundamental and prioritized service needs and represents the minimum level of funding needed for effective operations.

At the beginning of the annual budget planning cycle, COMB staff prepare estimated budget projections and present a draft Operating Budget to the General Managers and technical staff of the COMB Member Agencies. Staff incorporate any comments received into the proposed operating budget prior to submission to the COMB Administrative Committee. Following review by the Administrative Committee,

COMB staff then conduct a budget workshop with the COMB Board, at a public meeting, to review the draft operating budget, the proposed upcoming infrastructure and habitat improvement projects and any revenue and expenditure assumptions and projections contained therein.

Depending on the quantity or nature of comments received during the budget workshop, the draft budget may be sent back to the Administrative Committee for further consideration or brought back to the Board at its next meeting, as revised, for adoption.



**BUDGET DEVELOPMENT (CONTINUED)****Budget Calendar**

Table 2.1 provides the budget process schedule for FY 2026-27

**Table 2.1 – FY 2026-27 Budget Process Schedule**

| <b>Deliverables</b>  | <b>Jan</b> | <b>Feb</b> | <b>Mar</b> | <b>Apr</b> | <b>May</b> | <b>Jun</b> |
|--|------------|------------|------------|------------|------------|------------|
| Updates to:<br>- Infrastructure Improvement Projects<br>- Habitat Improvement Projects<br>- Projected COMB Managed Revenues<br>- Projected General and Administrative Expenditures<br>- Projected Operating Expenditures | X          | X          |            |            |            |            |
| Draft Budget Document Developed  |            | X          |            |            |            |            |
| Draft Budget Internal Review Process   |            |            | X          |            |            |            |
| Member Agency Review Process   |            |            |            | X          |            |            |
| Admin Committee Draft Budget Review – Public Meeting   |            |            |            | X          |            |            |
| Board Budget Workshop – Public Meeting   |            |            |            | X          |            |            |
| Update Draft Budget – Prepare Final Budget   |            |            |            |            | X          |            |
| Board Adopts Final Budget – Public Meeting   |            |            |            |            | X          |            |

**BUDGET POLICIES****Budget Approval**

The final COMB Operating Budget is approved and adopted by the Board of Directors through a resolution during a scheduled public meeting. Once adopted by the Board, management closely monitors and reports on revenues and expenditures throughout the fiscal year to ensure compliance with the budget, as well as the integrity, transparency and quality of operations.

**Balanced Budget**

The primary budget objective is to provide the highest possible level of service to COMB's stakeholders and members of the public without impairing COMB's financial condition. COMB will make every effort to keep current expenditures less than current assessments and revenues. Current expenditures are defined as operating expenses, debt payment and infrastructure and habitat improvement projects. COMB will endeavor to operate within the approved budgetary amounts to avoid subsequent assessments of its Member Agencies.

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**BUDGET POLICIES (CONTINUED)****Outside Funding Sources**

COMB staff actively pursues outside funding sources for all infrastructure improvement projects. Outside funding sources, such as grants, are used to finance only those improvement projects that are consistent with the Five-Year Infrastructure Improvement Project Plans and COMB priorities and whose operating and maintenance costs have been included in future operating budget forecasts. Board policy requires that all grant agreements be considered in Committee and be reviewed and approved by the Board prior to acceptance.

**Pass-Through Revenues and Charges**

In addition to the annual Operating Budget, COMB collects and manages various other assessments, which are considered pass-through revenues and charges. COMB has been granted the authority, by various agreements, for administering the provision, collection and payment of these revenues, including the USBR Entitlement Obligation (USBR Water Rates), the Bradbury and Lauro Safety of Dams (SOD) Repayment Obligations and the State Water Resources Control Board Water Rights Fee. Since these payments are considered pass-through revenues and charges, they are not recorded as revenue on COMB's financial statements. COMB endeavors to provide sufficient information to its Member Agencies regarding the USBR and other pass-through charges to enable them to gain a full understanding of the charges.

**Budgeted Expenditures**

As stated in COMB's Procurement Policy, the General Manager has the authority to approve expenditures made for official COMB business up to a maximum of \$50,000, provided such expenditures are within the budget, as adopted by the COMB Board. Purchases of equipment, services, or supplies exceeding \$50,000 are submitted, through the appropriate Committee, to the Board of Directors for review and approval. This expenditure authority limitation does not apply to routine, recurring operational expenses already approved within the annual operating budget, such as salaries, benefits, insurance, legal and IT services.

Emergency expenditures, as defined in COMB's Procurement policy, are subject to approval by the General Manager or designee, who in turn notifies the Board President of actions taken and brings notification to the full Board within 30 days of the expenditure being made. In such an event, a determination is made and considered by the Board if a special assessment is warranted to cover non-budgeted emergency expenditures. Any capital expenditure or form of indebtedness in excess of one million dollars requires unanimous consent by the COMB Board through a board resolution.

**BUDGET POLICIES (CONTINUED)****Allocation of General and Administrative Expenses**

General and Administrative expenses include costs for support of all administrative functions of COMB, such as Director fees, legal expenditures, general liability and property insurance, audit fees, temporary/contract labor, utilities, IT and communications, postage and office supplies, training, education and subscriptions and miscellaneous expenses. General and Administrative expenses are generally allocated between Operations Division (65%) and Fisheries Division (35%).

**Budget Adjustments / Augmentations**

The budget may be adjusted or augmented throughout the year by Board action to accommodate an expenditure that was either unanticipated or indeterminable at the time the annual budget was adopted. This process involves a recommendation by staff to the appropriate Board committee prior to submission to the Board of Directors for consideration. A budget adjustment is defined as the process of reallocating budgeted funds to an alternate account and does not change the overall approved budget amount. A budget augmentation is defined as an increase to the approved budget and the need for additional assessments.

The Board considers the recommendation at a public meeting and approves or rejects such requests by motion and majority vote of the Board. Any budget adjustment or augmentation that increases the cost of a capital expenditure or form of indebtedness in excess of one million dollars requires unanimous consent by the COMB Board through a board resolution.

**Member Agency Payment of Assessments**

Current operations of COMB are funded by assessment of the Member Agencies, with the assessments based on the Member Agencies' Cachuma Project entitlement percentages. Operating assessments are calculated each year through the Budget process. Member Agencies are billed at the start of each quarter for their allocable amount.

Section 4.2 of Article IV of the COMB JPA outlines the division of Cachuma Project Costs among the Member Agencies. Section 4.2 states: "Parties shall divide and pay the administrative costs, the storage operation and maintenance costs and the conveyance and operations and maintenance costs, including the payment of any loans or obligations incurred by the Cachuma Operation and Maintenance Board pursuant to the provisions of Article I, Section 1.3(h) (iv) and Section 1.3 (i), according to their use of the facilities and their participation in the benefit of the annual yield of the Cachuma Project. Such costs shall be assessed to the parties upon a schedule approved by the Cachuma Operation and Maintenance Board."

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**BUDGET POLICIES (CONTINUED)****Non-Member Agency Payment Obligations**

Pursuant to the Separation Agreement between COMB and Santa Ynez River Conservation District, ID No. 1 (ID No. 1), starting in Fiscal Year 2017-18 and going forward, certain actual expenditures incurred by COMB will be collected from ID No. 1 through an invoice issued quarterly to it by COMB. In addition, COMB collects payments from ID No. 1 for continuing pass-through obligations pursuant to the terms of the Separation Agreement, dated August 31, 2018.

**Unexpended Funds**

Unexpended funds occur when assessments (revenues) collected from the Member Agencies through the budget process exceed actual expenditures. Unexpended funds are identified through the audit process and returned to the Member Agencies using one of four methods. These methods include: 1) the issuance of checks made payable to each Member Agency; 2) constructively returning the unexpended funds by reducing future quarterly assessments; 3) carrying forward unexpended funds for work in process; and/or 4) reducing the projected operating budget for the following fiscal year.

The Board of Directors shall take action annually to approve the methodology for return once unexpended funds are identified.

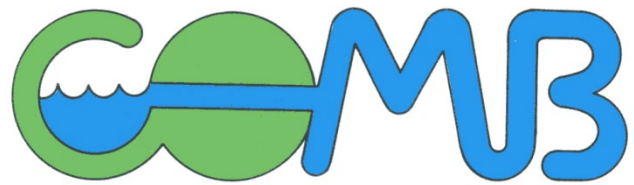
**Financial Statement Reporting**

Division financial statements are provided to each division manager monthly. Expenditures are reviewed to ensure that actual costs to date do not exceed the adopted budget.

Unaudited financial statements, including a statement of paid claims and an investment report, are received and filed by the Board monthly at a regularly scheduled public meeting.

On a quarterly basis, the Administrative Manager / Chief Financial Officer (CFO) provides a fiscal year-to-date financial review of the unaudited interim financial reports to the Board of Directors, comparing actual expenditures to the budget. Additionally, the General Manager provides a quarterly report of contracts executed pursuant to COMB's Procurement policy.

In compliance with Government Code section 53891(a), COMB submits its annual Financial Transaction Report and annual Government Compensation in California to the State Controller's office for posting on its public website.



## **SECTION III - COMB MANAGED REVENUES**

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**COMB MANAGED REVENUES AND EXPENDITURES**

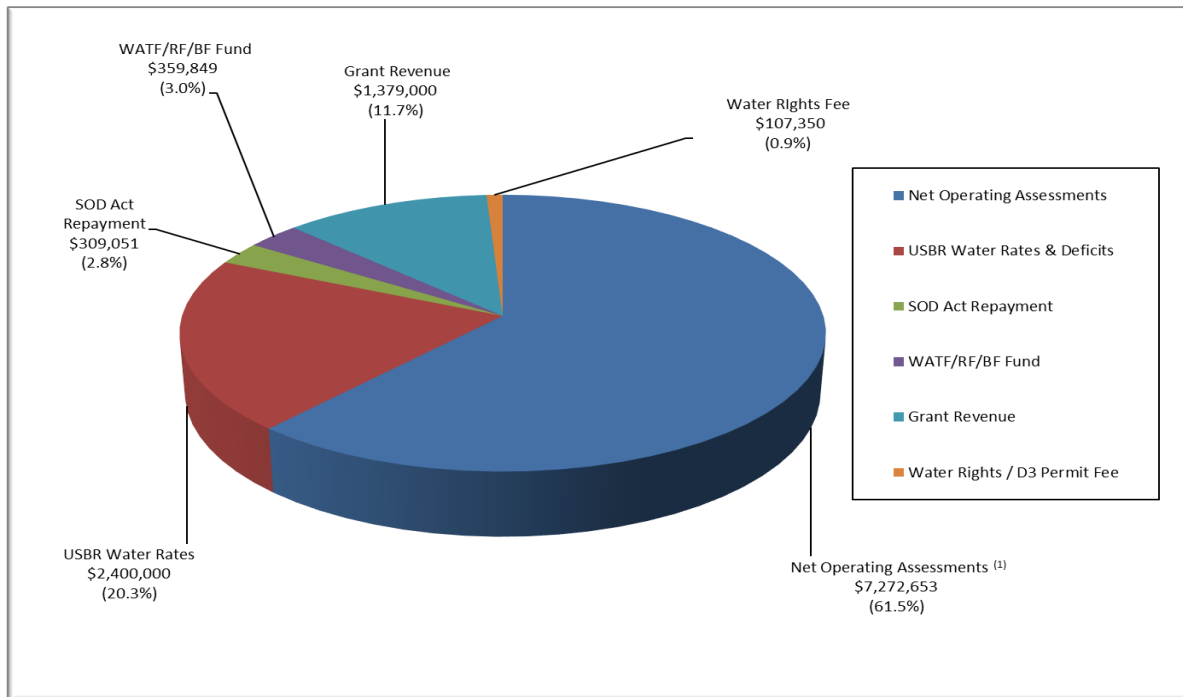
In addition to the annual Operating Budget, COMB collects and manages various other assessments, which are considered pass-through revenues and charges. COMB has been granted the authority, by various agreements, for administering the provisions, collection and payment of these revenues including the following:

- USBR Entitlement Obligation (USBR Water Rates)
- Bradbury Safety of Dams (SOD) Repayment Obligations
- Lauro Safety of Dams (SOD) Repayment Obligations
- State Water Resource Control Board Water Rights Fee

COMB is also responsible for managing various federal, state and local grant revenues, as well as various restricted trust fund accounts to be used for the betterment of the Cachuma Project.

For FY 2026-27, COMB’s projected managed revenues are \$11,827,903 as shown in Figure 3.1 and Table 3.1. The previous ten fiscal years’ COMB Managed Revenues are shown in Table 3.2.

**Figure 3.1 – FY 2026-27 COMB Managed Revenue by Source**



(1) Net Operating Assessments include \$500K for the Lauro Reservoir Intake Assessment and Repair collected under City of Santa Barbara Cater JPA agreement.

## COMB MANAGED REVENUES AND EXPENDITURES (CONTINUED)

Table 3.1 – FY 2026-27 COMB Managed Revenues and Expenditures <sup>(1)</sup>

| Category                                       | FY 2024-25<br>Actuals | FY 2025-26<br>Budget | FY 2025-26<br>Est. Actuals | FY 2026-27<br>Budget |
|--|-----------------------|----------------------|----------------------------|----------------------|
| <b>Revenues:</b>                               |                       |                      |                            |                      |
| COMB Net Operating Budget                      | \$ 5,389,948          | \$ 6,426,931         | \$ 5,275,925               | \$ 6,772,653         |
| USBR Water Rates/Deficits                      | 2,018,372             | 2,200,000            | 2,387,618                  | 2,400,000            |
| FEMA Assistance                                | 272,915               | 1,295,000            | 215,011                    | 800,000              |
| Grant Funding                                  | 8,847                 | 154,000              | 476                        | 579,000              |
| Lauro Reservoir Intake Offset - SC JPA         | -                     | -                    | -                          | 500,000              |
| Warren Act Trust Fund                          | 42,123                | 15,007               | 15,007                     | 19,221               |
| Bradbury SOD Act                               | 261,647               | 261,647              | 261,647                    | 261,647              |
| Cachuma Project Betterment Fund                | 100,000               | 100,000              | 100,000                    | 100,000              |
| SWRCB Water Rights Fee                         | 77,706                | 79,620               | 85,647                     | 87,350               |
| Lauro SOD Act                                  | 47,404                | 47,404               | 47,404                     | 47,404               |
| Renewal Fund                                   | 367,449               | 244,239              | 244,239                    | 240,628              |
| DDW D3 Permit Fee                              | 20,110                | 20,000               | 19,334                     | 20,000               |
| <b>Total Managed Revenues:</b>                 | <b>\$ 8,606,522</b>   | <b>\$ 10,843,848</b> | <b>\$ 8,652,308</b>        | <b>\$ 11,827,903</b> |
| <b>Expenditures:</b>                           |                       |                      |                            |                      |
| <b>Contracts/Agreements</b>                    |                       |                      |                            |                      |
| U.S. Bureau of Reclamation                     | \$ 2,018,372          | \$ 2,200,000         | \$ 2,387,618               | \$ 2,400,000         |
| Bradbury SOD Act Repayment                     | 261,647               | 261,647              | 261,647                    | 261,647              |
| Lauro SOD Act Repayment                        | 47,404                | 47,404               | 47,404                     | 47,404               |
| Water Rights Fee                               | 77,706                | 79,620               | 85,647                     | 87,350               |
| <b>Subtotal:</b>                               | <b>\$ 2,405,129</b>   | <b>\$ 2,588,671</b>  | <b>\$ 2,782,316</b>        | <b>\$ 2,796,401</b>  |
| <b>Personnel</b>                               |                       |                      |                            |                      |
| Operations Division                            | \$ 1,153,832          | \$ 1,382,999         | \$ 1,313,323               | \$ 1,434,453         |
| Fisheries Division                             | 797,368               | 908,841              | 883,600                    | 985,031              |
| Administrative Division                        | 1,002,042             | 1,111,380            | 1,171,058                  | 1,169,794            |
| <b>Subtotal:</b>                               | <b>\$ 2,953,242</b>   | <b>\$ 3,403,220</b>  | <b>\$ 3,367,980</b>        | <b>\$ 3,589,278</b>  |
| <b>Operation and Maintenance</b>               |                       |                      |                            |                      |
| Operations Division                            | \$ 541,000            | \$ 703,000           | \$ 666,643                 | \$ 630,700           |
| Fisheries Division                             | 72,443                | 91,750               | 68,635                     | 143,500              |
| <b>Subtotal:</b>                               | <b>\$ 613,443</b>     | <b>\$ 794,750</b>    | <b>\$ 735,277</b>          | <b>\$ 774,200</b>    |
| <b>General and Administrative</b>              |                       |                      |                            |                      |
| Operations Division                            | \$ 200,632            | \$ 293,227           | \$ 218,546                 | \$ 315,490           |
| Fisheries Division                             | 113,637               | 143,981              | 118,449                    | 151,534              |
| <b>Subtotal:</b>                               | <b>\$ 314,269</b>     | <b>\$ 437,207</b>    | <b>\$ 336,994</b>          | <b>\$ 467,024</b>    |
| <b>Infrastructure and Improvement Projects</b> |                       |                      |                            |                      |
| Infrastructure Improvement Projects            | \$ 1,264,785          | \$ 2,515,000         | \$ 908,139                 | \$ 3,730,000         |
| Special Projects                               | 457,997               | 860,000              | 293,388                    | 191,000              |
| Habitat Improvement Projects                   | 448,070               | 105,000              | 96,779                     | 110,000              |
| Program Support Services                       | 149,588               | 140,000              | 131,434                    | 170,000              |
| <b>Subtotal:</b>                               | <b>\$ 2,320,439</b>   | <b>\$ 3,620,000</b>  | <b>\$ 1,429,740</b>        | <b>\$ 4,201,000</b>  |
| <b>Total Expenditures before Debt:</b>         | <b>\$ 8,606,522</b>   | <b>\$ 10,843,848</b> | <b>\$ 8,652,308</b>        | <b>\$ 11,827,903</b> |

**Footnotes**

(1) Consolidated schedule including COMB annual Operating Budget and Contractual Obligations managed by COMB.

(2) COMB Board adopts the annual Operating Budget.

## COMB MANAGED REVENUES AND EXPENDITURES (CONTINUED)

Table 3.2 – Previous Ten Fiscal Years’ COMB Managed Revenues (1)

| Fiscal          | Net Operating | USBR Water Rates | SOD Act    | Grant        | WATF/RF/BF (2) | Loan Payments | Water Rights/ D3 | Total Managed |
|-----------------|---------------|------------------|------------|--------------|----------------|---------------|------------------|---------------|
| 2017-18         | \$ 2,587,215  | \$ 1,728,642     | \$ 309,051 | \$ -         | \$ 710,361     | \$ 463,450    | \$ 48,991        | \$ 5,847,710  |
| 2018-19 (3)     | \$ 4,197,066  | \$ 3,189,982     | \$ 309,051 | \$ 1,886,408 | \$ 629,521     | \$ 463,450    | \$ 52,162        | \$ 10,727,640 |
| 2019-20 (4),(5) | \$ 4,624,002  | \$ 2,312,529     | \$ 309,051 | \$ 1,461,452 | \$ 681,523     | \$ 463,450    | \$ 60,900        | \$ 9,912,907  |
| 2020-21         | \$ 4,808,442  | \$ 1,788,246     | \$ 309,051 | \$ 180,754   | \$ 356,078     | \$ 463,450    | \$ 64,423        | \$ 7,970,444  |
| 2021-22         | \$ 4,421,917  | \$ 1,770,763     | \$ 309,051 | \$ 15,763    | \$ 272,830     | \$ 38,621     | \$ 70,715        | \$ 6,899,660  |
| 2022-23 (6)     | \$ 5,349,254  | \$ 2,231,608     | \$ 309,051 | \$ 2,996,640 | \$ 228,715     | \$ -          | \$ 70,715        | \$ 11,185,983 |
| 2023-24         | \$ 4,113,826  | \$ 1,907,982     | \$ 309,051 | \$ 329,608   | \$ 461,533     | \$ -          | \$ 93,774        | \$ 7,215,773  |
| 2024-25 (7)     | \$ 5,389,948  | \$ 2,018,372     | \$ 309,051 | \$ 281,762   | \$ 509,572     | \$ -          | \$ 97,817        | \$ 8,606,522  |
| 2025-26 (7)     | \$ 5,275,925  | \$ 2,387,618     | \$ 309,051 | \$ 215,487   | \$ 359,246     | \$ -          | \$ 104,981       | \$ 8,652,308  |
| 2026-27 (8)     | \$ 7,272,653  | \$ 2,400,000     | \$ 309,051 | \$ 1,379,000 | \$ 359,849     | \$ -          | \$ 107,350       | \$ 11,827,903 |

## Notes:

(1) COMB has been granted the authority, by various agreements, to administer the provisions, collection and payment of certain pass-thru revenues including the USBR Entitlement Obligation (USBR Water Rates), the Bradbury and Lauro Safety of Dams (SOD) Repayment Obligations and the State Water Resource Control Board Water Rights Fee. These pass-through revenues are not reflected in COMB's audited financial statements.

(2) WATF/RF/BF = Warrant Act Trust Fund / Renewal Fund / Betterment Fund.

(3) FY 2018-19 USBR Water Rates include (1) an installment payment for Extraordinary O&M Costs (\$420K) related to the replacement of the 30" cone valves on Bradbury Dam (Total Cost - \$1.2M) amortized over a 3-year period, and (2) approximately \$860k of the FY 2015-17 USBR Deficits paid in full by three Cachuma Project Member Units. The remaining Member Units elected to pay their obligation over a 5-year period.

(4) FY 2019-20 USBR Water Rates include (1) 2nd installment payment for Extraordinary O&M Costs (\$420K) - see Footnote 6, and (2) approximately \$200k of the FY 2015-17 USBR Deficits due from two Cachuma Project Member Units which elected to pay their obligation over a 5-year period.

(5) FY 2019-20 Grant Revenue includes funding related to Sycamore Canyon Slope Stabilization FEMA Assistance (\$450k) and California Department of Fish and Wildlife grant funds affiliated with Quiota Creek Project (\$1.01M).

(6) FY 2022-23 Grant Revenue includes funding from the Department of Water Resources Urban and Multi Benefit Drought Relief Program (\$2.25M) and US Bureau of Reclamation WaterSMART Drought Response Program (\$750k). Both grants will be applied to the Lake Cachuma Secured Pipeline project.

(7) FY 2024-25 and FY 2025-26 Grant Revenue includes projected FEMA/CalOES assistance related to FEMA DR-4683-CA 2023 Winter Storm.

(8) FY 2026-27 Net Operating Revenue includes \$500K for the Lauro Reservoir Intake Assessment and Repair collected under City of Santa Barbara Cater JPA agreement.

**COMB OPERATING BUDGET**

COMB operates under an annual operating budget, which is adopted by the Board of Directors in accordance with established short and long-term financial plans. The COMB Operating budget reflects projected operating expenses for the COMB Operations Division, the Fisheries Division and General and Administrative expenses.

The budget may be amended throughout the year by Board action. The Board considers the request of staff at a public meeting and approves or rejects such requests by motion and majority vote of the Board.

Annual budget revenues are funded by quarterly assessments of COMB Member Agencies and are based on the Member Agencies' proportionate Cachuma Project entitlement percentages. Included in the budget is the cost of personnel and administration, operation and maintenance, fisheries related work and infrastructure improvement projects related to the Cachuma Project storage and conveyance facilities. These facilities include the Tecolote Tunnel, the South Coast Conduit (SCC) and four regulating dams and reservoirs (Glen Annie, Lauro, Ortega and Carpinteria). During the fiscal year 2021-22, COMB conducted and/or completed several special studies and projects using revenue provided by these assessments. These projects included storage of key components of the Emergency Pumping Facility, improvements to the South Coast Conduit and rehabilitation and betterment of control stations, valves and structures.

**Table 3.3**  
**COMB Operating Budget Allocation Percentages**

| <b>Member Unit</b>       | <b>COMB Operating Budget Allocation %</b> |
|--------------------------|---|
| Goleta Water District    | 40.42 %                                   |
| City of Santa Barbara    | 35.89 %                                   |
| Carpinteria Valley WD    | 12.20 %                                   |
| Montecito Water District | 11.50 %                                   |
| <b>Total</b>             | <b>100.00%</b>                            |

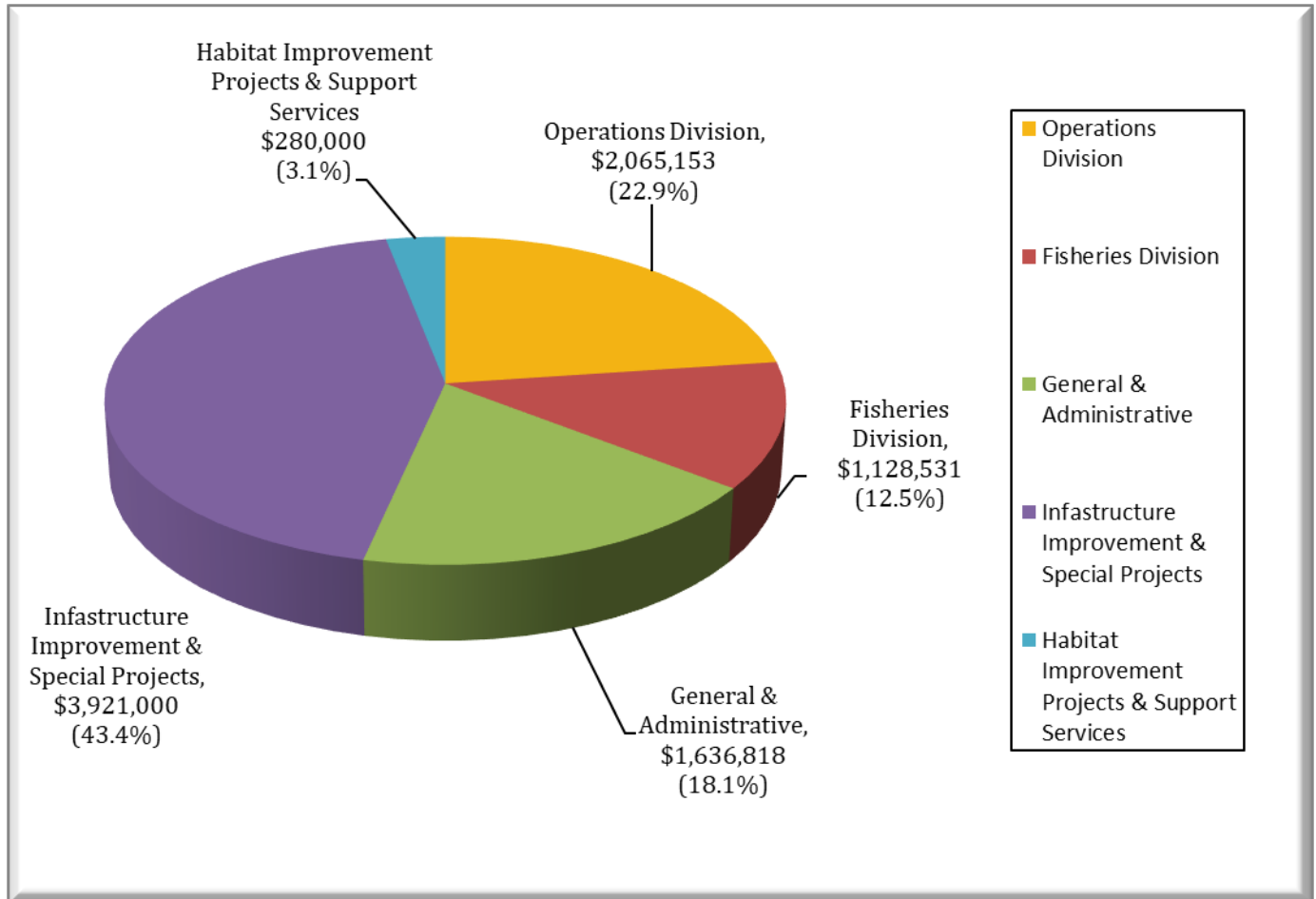
In 2016, the Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to withdraw from the COMB Joint Powers Agreement. A Separation Agreement was entered into by ID No. 1, COMB and the remaining COMB Member Agencies and was approved by all parties effective August 28, 2018.

Pursuant to the terms and conditions of the Separation Agreement, ID No. 1 is no longer a Member Agency of COMB and has departed from the COMB JPA Agreement as of May 27, 2016. ID No. 1 continues to be a member of the Cachuma Project, which carries certain benefits and obligations associated with the Project and specific COMB activities as outlined in the Separation Agreement. Payments received from ID No. 1 for certain COMB BiOp and Oak Tree related expenditures, previously assessed to the current COMB Member Agencies, are returned to the COMB Member Agencies upon collection.

**COMB OPERATING BUDGET (CONTINUED)**

The COMB Gross Operating Budget, not including pass-thru expenditures, for FY 2026-27 is \$9,031,502 and is further broken down by major category as depicted in Figure 3.2.

**Figure 3.2 – FY 2026-27 Operating Budget by Division**



The primary budgetary objective is to provide the highest possible level of service to the Cachuma Project Members. Continual efforts are made to improve productivity, lower costs and enhance services. COMB staff evaluates and selects infrastructure improvements and special projects based on the following criteria: water supply reliability, risk, critical need, safety and service disruption. Projects may vary by year depending on external and uncontrolled factors such as ongoing drought conditions, lake elevation and natural disasters (i.e., fire, significant rain events, debris flow, etc.).

The COMB gross budget history for the previous ten fiscal years is outlined in Table 3.4 on the following page.

**Table 3.4 – Previous Ten Fiscal Years’ Gross Operating Budget History**

| Fiscal Year | Operations Division O&M | Fisheries Division O&M | General and Admin | Infrastructure Improvement & Special Projects | Habitat Improvement Projects & Support | Total        |
|-------------|-------------------------|------------------------|-------------------|---|--|--------------|
| 2017-18     | \$1,062,108             | \$753,374              | \$1,139,848       | \$1,020,000                                   | \$1,343,000                            | \$5,318,330  |
| 2018-19     | \$1,101,747             | \$763,409              | \$1,196,679       | \$1,842,983                                   | \$2,349,996                            | \$7,254,814  |
| 2019-20     | \$1,227,664             | \$800,751              | \$1,227,664       | \$2,045,327                                   | \$1,390,000                            | \$6,766,977  |
| 2020-21     | \$1,339,141             | \$810,413              | \$1,199,967       | \$1,630,000                                   | \$185,000                              | \$5,164,520  |
| 2021-22     | \$1,402,187             | \$867,558              | \$1,237,439       | \$1,600,050                                   | \$185,000                              | \$5,292,234  |
| 2022-23     | \$1,561,326             | \$934,164              | \$1,288,054       | \$6,050,000                                   | \$185,000                              | \$10,018,544 |
| 2023-24     | \$1,846,147             | \$908,982              | \$1,365,659       | \$2,670,000                                   | \$197,000                              | \$6,987,788  |
| 2024-25     | \$1,935,112             | \$958,430              | \$1,468,365       | \$2,675,000                                   | \$597,000                              | \$7,633,908  |
| 2025-26     | \$2,085,999             | 1,000,591              | \$1,548,587       | \$3,375,000                                   | \$245,000                              | \$8,255,177  |
| 2026-27     | \$2,065,153             | \$1,128,531            | \$1,636,818       | \$3,921,000                                   | \$280,000                              | \$9,031,502  |

Unexpended funds are identified through the audit process and returned to the Member Agencies using one of four methods. These methods include: 1) the issuance of checks made payable to each Member Agency; 2) constructively returning the unexpended funds by reducing the Member Agency’s quarterly assessments; 3) carrying forward unexpended funds for work in process; and/or 4) reducing the projected operating budget for the following fiscal year. The Board of Directors shall take action annually to approve the methodology for return once unexpended funds are identified.

### USBR WATER RATES

Through Resolution No. 224 and the Water Rates Agreement, COMB is responsible for administering provisions of the Water Rates Agreement for the Cachuma Project. This includes calculating and distributing bills and assessments for water, administering payments from the Cachuma Member Units to the United States pursuant to the provisions of the Master Contract, the Cachuma Member Unit water supply contracts with Santa Barbara County Water Agency and the water rates agreement. COMB is required to make payment directly to the United States to satisfy those agreements.

The water rates are developed annually by the rate-setting branch of Reclamation (Regional Office) located in Sacramento and are based on projected Operating and Maintenance (O&M) costs for the upcoming water year. The South-Central California (Fresno) Area Office is responsible for providing the Regional Office with estimated budgets and projected O&M costs pertaining to the Cachuma Project for formulation of the water rates. The total projected amount for WY 2026-27 is \$2.4M.

### USBR WATER RATE DEFICITS

USBR Water Rate Deficits occur due to a deficiency in revenues (USBR projected budget) compared to actual operational and any extraordinary costs for a particular fiscal year.

Reclamation reported an O&M deficit of \$198,618 based on Water Year 2024 results. Reclamation added this amount to the 1<sup>st</sup> period obligation for WY 2025-26. The WY 2025 surplus/(deficit), when finalized, will be reported with the WY 2026-27 Water Rate calculations during the fall of 2026.

### GRANT FUNDING / FINANCIAL ASSISTANCE

COMB has developed a grant program by utilizing a team of staff members to write proposals, administer grants and carry out grant contracts.

In 2021, COMB entered into a Cooperative Agreement with Carpinteria Valley Water District (CVWD) proposing a collaborative work effort between CVWD and COMB to repair and rehabilitate aging infrastructure in the lower reach section of the South Coast Conduit and the CVWD distribution system. CVWD proposed to participate financially in rehabilitating SCC laterals in collaboration with COMB by installing two (2) isolation valves on the SCC. This approach would allow improved isolation and enable longer shutdowns to repair and maintain the system in the future or during an emergency. Phase 2 of this project was completed in FY 2024-25.

In July 2022, Congressman Salud Carbajal announced that his office had secured \$500,000 in Congressionally Directed Spending (CDS) under the U.S. Environmental Protection Agency grant program. The congressional appropriations bill was signed into law by President Biden in December 2022. Funds from this program will be applied to the Sheffield Tunnel Project during FY 2026-27.

The 2023 and 2024 winter storm events and subsequent debris flows caused damage to South Coast Conduit appurtenant structures and facilities. Shortly thereafter, President Joseph R. Biden, Jr. declared that an emergency exists in the State of California and ordered Federal assistance to supplement State, tribal and local response efforts. COMB is working closely with FEMA/CalOES for federal disaster relief and hazard mitigation funding for damages that resulted from that event.

In September 2024, COMB was awarded a Santa Barbara Air Pollution Control District grant in the amount not-to-exceed \$79,999. Funds from this grant will be applied to the construction of a solar/battery/EV charging station project at COMB's headquarters in support of COMB's Sustainability Plan. The plan is expected to be completed during FY 2026-27.

**WARREN ACT TRUST FUND / RENEWAL FUND**

The Warren Act Trust Fund is a requirement of the Cachuma Project Warren Act Contract negotiated between the Central Coast Water Authority (CCWA) and the Bureau of Reclamation for delivery and transport of State Water Project water through the Cachuma Project facilities. A 1995 memorandum of understanding executed in conjunction with the Warren Act Contract established a charge of \$43 per acre-foot (AF) (\$58 initially with a \$15 service charge by Reclamation), which is not indexed. Payments are required upon delivery of State Water Project (SWP) water to Cachuma Reservoir. CCWA makes quarterly payments to COMB based on the prior quarter's water deliveries to the lake.

The Renewal Fund is a requirement of the 1995 Renewal Master Contract (Contract No. I75r-1802R between the United States and Santa Barbara County Water Agency) entered into for water conveyance from the Cachuma Project to the five Cachuma Project Member Units. The Member Units are the Carpinteria Valley Water District, the Goleta Water District, the Montecito Water District, the City of Santa Barbara and the Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1). The Renewal Master Contract requires payment of \$10 per acre-foot of water made available by the Cachuma Project. The Renewal Fund itself is capped at \$257,100, which is related to the current annual operational yield of 25,714 AF. Subject to the limitations of sub article 27(e), the Cachuma Project Member Units shall deposit into the Renewal Fund an amount which, when added to any monies already in the Renewal Fund, is sufficient to pay for activities which are to be undertaken pursuant to the Annual Work Plan for the that Water Year.

For calendar year 2025, total SWP deliveries into the lake were 447 AF, which converts to \$19,221 of Warren Act Trust Fund revenue available for FY 2026-27. Therefore, the preliminary amount to be deposited into the Renewal Fund by the Cachuma Member Units, subject to sub article 27 (e), is projected to be \$240,628 based on the following calculation.

|               |  |
|---------------|--|
| <b>Given:</b> | WATF = \$19,221  |
|               | AOY = Annual Operation Yield of 25,714 x \$10 = \$257,100              |
|               | RFC (Renewal Fund Calculation) = $[1 - (WATF / \$300,000) \times AOY]$ |
| <b>Then:</b>  | RFC = $[1 - (\$19,221 / \$300,000) \times \$257,100]$                  |
|               | RFC = \$240,628  |

**WARREN ACT TRUST FUND / RENEWAL FUND (CONTINUED)***Warren Act Trust Fund / Renewal Fund Annual Meeting*

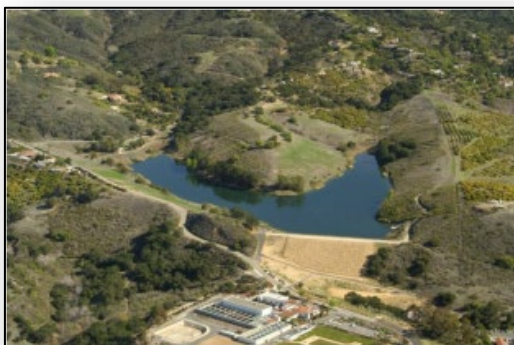
The annual meeting of the Cachuma Project Warren Act Trust Fund / Renewal Fund (Funds Committee) occurs in the summer of each year. At the annual meeting, the Funds Committee reviews the Annual and Long-Term Plan prepared as outlined in the Master Renewal Contract document. The participating Committee members discuss and subsequently vote on how to apply the Warren Act Trust Fund / Renewal Fund monies for program expenditures and activities in the upcoming fiscal year.

**BRADBURY DAM / LAURO DAM SAFETY OF DAMS (SOD) ACT REPAYMENT CONTRACTS**

Under the terms and conditions of a repayment contract executed in 2002, COMB is responsible for payment to the United States for fifteen percent (15%) of the total amount of Safety of Dams (SOD) Act funds expended by the United States for structural stability and related work at Bradbury Dam and Lauro Dam.



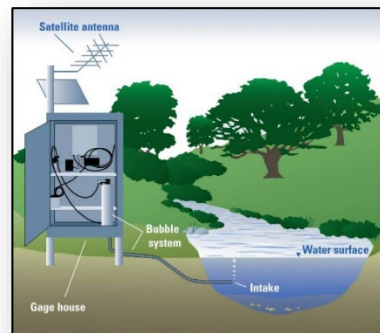
Bradbury Dam: The fifteen percent obligation under the Bradbury SOD contract is \$7,605,739 and is to be repaid by annual payments over a 50-year period. COMB's payment obligation for FY 2026-27 is \$261,647 with assessments collected from the Cachuma Project Member Units in accordance with each Member's Cachuma Project entitlement percentages.



Lauro Dam: The fifteen percent obligation under the Lauro SOD contract is \$1,009,737 and is to be repaid by annual payments over a 50-year period. COMB's payment obligation for FY 2026-27 is \$47,404 and assessments are collected from the COMB Member Agencies in accordance with each Member Agency's pro-rata Cachuma Project entitlement percentages.

### BETTERMENT FUND

Article 8 (b) of the Cachuma Project Member Unit contracts with Santa Barbara County Water Agency requires the County Water Agency to provide \$100,000 annually for beneficial purposes consistent with the Water Agency Act and within the Santa Ynez River watershed or the Cachuma Project service area. All decisions relating to the expenditure on such funds must be agreed on by both the County Water Agency and the Cachuma Member Agency Representative, acting by unanimous vote. Consistent with past years, COMB will receive \$100,000 to be used for the Santa Ynez River stream gauge program.



*Stream Gauge Station*

### WATER RIGHTS FEE

Effective January 1, 2004, the Water Code was amended to authorize and require the State Water Board to adopt emergency regulations establishing and revising water rights and water quality certification fees, which are to be deposited in the Water Rights Fund in the State Treasury. Since then, the State Water Board has charged annual water rights fees. The Water Code authorizes the State Water Board to revise the fee schedule each fiscal year as necessary to conform to the revenue levels set forth in the annual Budget Act.

COMB is responsible for the assessment and payment of the water rights fee on behalf of the Cachuma Project Members. Assessments are made according to the Cachuma Project entitlement percentages with all five Member Units being responsible for the Santa Ynez River Permit fees and the four South Coast Member Units being responsible for the Lauro Creek and W. Glen Anne Creek fees. The projected cost for FY 2026-27 is \$87,350.

### DRINKING WATER PROGRAM FEE

The South Coast Conduit is divided into two sections: Goleta and Carpinteria. The South Coast Conduit – Goleta Section (SCC – GS) starts at the South Portal of the Tecolote Tunnel and ends at Lauro Reservoir, conveying raw water from Lake Cachuma to Lauro Reservoir. The South Coast Conduit – Carpinteria Section (SCC-CS) starts at Cater Water Treatment Plant and ends at Carpinteria Reservoir, conveying treated water.

Effective February 2022, the SCC-CS became permitted as a D3 wholesaler by the State of California Division of Drinking Water. Costs for this fee are shared by the City of Santa Barbara, Carpinteria Valley Water District and Montecito Water District. The projected cost for FY 2026-27 is \$20,000.

## POTENTIAL REVENUE OPPORTUNITIES

### ***Integrated Regional Water Management Program (IRWMP)***

Beginning in September 2006, the Santa Barbara County Water Agency has worked with a County-wide group of approximately 29 cooperating partners including cities, special districts, water companies, joint powers authorities and Non-Governmental Organizations (NGOs) to develop the first Integrated Regional Water Management (“IRWM”) Plan (completed in May 2007). The plan was recently updated in 2019 in response to DWR’s 2016 IRWM Guidelines.



The Water Agency acts as the single eligible grant recipient responsible for administration of the IRWM Grants. In accordance with the Memorandum of Understanding (MOU) and sub-grant agreements between the Water Agency and project proponents, the Water Agency functions as a pass-through agency between the State and proponents. The Water Agency is responsible for organizing and forwarding the required project reporting information and claims to the State on behalf of each project proponent. Project proponents are then reimbursed once funding is received from the State.

### **Multi-Jurisdictional Hazard Mitigation Plan (MJHMP)**

COMB participated in the County of Santa Barbara Office of Emergency Management 2022 update to the MJHMP. COMB as a member of the Mitigation Advisory committee provided input on local hazard management activities and reviewed draft MJHMP components as part of a regional effort to update the MJHMP and annexes.



The purpose of the MJHMP is to identify policies and actions that can be implemented to reduce risk and future losses from disasters. The MJHMP creates a framework for risk-based decision-making to reduce damage to lives, property and local economies by focusing resources on the greatest risks and vulnerabilities. MJHMP adoption allows access to hazard mitigation assistance programs and funding, including Hazard Mitigation Grant Programs, Pre-Disaster Mitigation, Flood Mitigation Assistance and Severe Repetitive Loss Grant Programs.

### ***Other Revenue Sources***

COMB staff are actively engaged in identifying other sources of funding opportunities to lessen the financial burden on COMB’s Member Agencies. Other revenue sources include grant funding and low interest debt financing.

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**SECTION IV – COMB OPERATING BUDGET**

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### COMB OPERATING BUDGET HIGHLIGHTS

The Operating Budget reflects projected operating expenses for the COMB Operations Division, the Fisheries Division as well as the General and Administrative expenses for FY 2026-27. These projected expenditures have been refined through the development of divisional annual work plans. The Board adopted a Five Year (2027-2031) Infrastructure Improvement Plan and required implementation activities associated with the 2000 Biological Opinion.

Development of the budget was based on a zero-based budgeting methodology. Unlike traditional incremental budgeting, this methodology employs a detailed examination of expenditures wherein only the necessary budget amount for each line item is presented for discussion. This approach addresses the most fundamental and prioritized service needs and represents the minimum level of funding needed for effective operations.

As reflected in Table 4.1, the COMB Gross Operating Budget for FY 2026-27, excluding offsetting revenues, is \$9.0M as compared to the FY 2025-26 Operating Budget of \$8.3M, which reflects an increase of \$776.3K (9.4%).

The net change from the previous fiscal year is described by the following items:

- An increase in total Salaries and Benefits of 186.1K (5.5%), which includes the staffing of fifteen full-time and two full-time equivalents (FTE) seasonal employees, a 2.89% COLA adjustment, step increases, a 3.9% health benefits increase and an 11.1% increase in CalPERS obligation and unfunded liability.
- A decrease in total Operations and Maintenance expenses of \$20.5K (2.6%) which is attributed to a decrease in Ops fixed capital of \$106K and is offset by an increase in contract labor of \$25K and Fisheries fixed capital of \$50K.
- An increase in General and Administrative expenses of \$29.8K (6.8%) which is attributed to an increase in general liability insurance costs as well as a slight increase in audit expense, utilities, membership dues and misc. office expense.
- An increase in the Operations Division Infrastructure Improvement Projects and Special Projects of \$546.0K (16.2%). [See pages 65-78](#) for information on upcoming scheduled projects.
- An increase in Habitat Improvement Projects and Program Support Services of \$35.0K (14.3%). [See pages 86-89](#) for information on upcoming scheduled projects.

The COMB Net Operating Budget, including offsetting revenues for FY 2026-27, is \$6.8M and is compared to FY 2025-26 of \$6.4M, which is an increase of \$345.7K (5.4%).

## COMB OPERATING BUDGET HIGHLIGHTS (CONTINUED)

Table 4.1- COMB Operating Budget: Consolidated Overview

| COMB OPERATING BUDGET  |                     |                     |                    |              |
|--|---------------------|---------------------|--------------------|--------------|
| SALARIES & BENEFITS  | FY 2025-26          | FY 2026-27          | Change (\$)        | Change (%)   |
| Operations Division  | \$ 1,382,999        | \$ 1,434,453        | \$ 51,455          | 3.7%         |
| Fisheries Division   | 908,841             | 985,031             | \$ 76,189          | 8.4%         |
| Administration   | 1,111,380           | 1,169,794           | \$ 58,414          | 5.3%         |
| <b>TOTAL</b>   | <b>\$ 3,403,220</b> | <b>\$ 3,589,278</b> | <b>\$ 186,058</b>  | <b>5.5%</b>  |
| OPERATIONS & MAINTENANCE EXPENSES                                  |                     |                     |                    |              |
| Operations Division  | \$ 703,000          | \$ 630,700          | \$ (72,300)        | -10.3%       |
| Fisheries Division   | 91,750              | 143,500             | \$ 51,750          | 56.4%        |
| <b>TOTAL</b>   | <b>\$ 794,750</b>   | <b>\$ 774,200</b>   | <b>\$ (20,550)</b> | <b>-2.6%</b> |
| GENERAL & ADMINISTRATIVE EXPENSES                                  |                     |                     |                    |              |
| Operation Division   | \$ 293,227          | \$ 315,490          | \$ 22,263          | 7.6%         |
| Fisheries Division   | 143,981             | 151,534             | \$ 7,554           | 5.2%         |
| <b>TOTAL</b>   | <b>\$ 437,207</b>   | <b>\$ 467,024</b>   | <b>\$ 29,817</b>   | <b>6.8%</b>  |
| <b>Total Operating Budget</b>                                      | <b>\$ 4,635,177</b> | <b>\$ 4,830,502</b> | <b>\$ 195,325</b>  | <b>4.2%</b>  |
| INFRASTRUCTURE IMPROVEMENT, HABITAT IMPROVEMENT & SPECIAL PROJECTS |                     |                     |                    |              |
| Operations Division  |                     |                     |                    |              |
| Infrastructure Improvement Projects                                | \$ 2,515,000        | \$ 3,730,000        | \$ 1,215,000       | 48.3%        |
| Special Projects   | 860,000             | 191,000             | \$ (669,000)       | -77.8%       |
| <b>TOTAL</b>   | <b>3,375,000</b>    | <b>3,921,000</b>    | <b>\$ 546,000</b>  | <b>16.2%</b> |
| Fisheries Division   |                     |                     |                    |              |
| Habitat Improvement Projects                                       | \$ 105,000          | \$ 110,000          | \$ 5,000           | 4.8%         |
| Program Support Services   | \$ 140,000          | \$ 170,000          | \$ 30,000          | 21.4%        |
| <b>TOTAL</b>   | <b>245,000</b>      | <b>280,000</b>      | <b>\$ 35,000</b>   | <b>14.3%</b> |
| <b>TOTAL GROSS OPERATING BUDGET</b>                                | <b>\$ 8,255,177</b> | <b>\$ 9,031,502</b> | <b>\$ 776,325</b>  | <b>9.4%</b>  |
| Projected Offsetting Revenues                                      | \$ (1,828,246)      | \$ (2,258,849)      |                    |              |
| <b>TOTAL NET OPERATING BUDGET</b>                                  | <b>\$ 6,426,931</b> | <b>\$ 6,772,653</b> | <b>\$ 345,722</b>  | <b>5.4%</b>  |

**COMB OPERATING BUDGET HIGHLIGHTS (CONTINUED)**

COMB expenditures are comprised of costs associated with personnel, operations and maintenance, general and administrative and infrastructure and habitat improvement projects.

Staff assignments and project implementation are reviewed by the General Manager and the Division Managers to control costs and to provide the highest possible level of service to the COMB Member Agencies. Projects may vary by year depending on financial and operational constraints. Additionally, external and uncontrolled factors such as ongoing drought conditions, lake elevation and natural disasters (i.e., fire, significant rain events, debris flow, etc.) can have an impact on project implementation.

**PERSONNEL**

Recruitment, professional development and employee retention are considered key factors by COMB to achieve its short and long-term goals and objectives. The General Manager is responsible for hiring and overseeing a staff of fifteen full time employees including three division managers, certified distribution operators, senior biology staff, water resources analyst and administrative personnel, as outlined in Table 4.2 – Personnel Count Summary.

**Table 4.2 – Personnel Count Summary**

| <b>Position</b>             | <b>FTE<br/>Count<br/>FY 2024-25</b> | <b>FTE<br/>Count<br/>FY 2025-26</b> | <b>FTE<br/>Count<br/>FY 2026-27</b> | <b>Change<br/>Over<br/>FY 2024-25</b> | <b>Change<br/>Over<br/>FY 2025-26</b> |
|-----------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
| General Manager             | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Administrative Mgr./CFO     | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Operations Division Manager | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Chief Distribution Operator | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Water Service Worker        | 4                                   | 4                                   | 4                                   | 0                                     | 0                                     |
| Fisheries Division Manager  | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Senior Biologist            | 2                                   | 2                                   | 2                                   | 0                                     | 0                                     |
| Biologist Aide              | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Water Resources Analyst     | 1                                   | 1                                   | 1                                   | 0                                     | 0                                     |
| Administrative Assistant    | 2                                   | 2                                   | 2                                   | 0                                     | 0                                     |
| <b>Total</b>                | <b>15</b>                           | <b>15</b>                           | <b>15</b>                           | <b>0</b>                              | <b>0</b>                              |

There are no projected staffing changes for FY 2026-27.

**COMB OPERATING BUDGET HIGHLIGHTS (CONTINUED)****Salaries and Benefits**

As reflected in Table 4.3, total projected salaries and benefits for FY 2026-27 are \$3.6M, which reflects an increase of \$186.1K (5.5%) as compared to FY 2025-26. The budget reflects the current salaries and benefits package for all employees including the General Manager's position.

The budget includes a 2.89% COLA increase for all employees, excluding the General Manager, according to the historical annual calculation that is based on the February Consumer Price Index (CPI) data each year. The calculation is obtained by averaging the prior thirteen months indexes for all urban consumers and comparing that average to the previous year averaged data. The U.S. City and the Los Angeles-Riverside data is averaged together to obtain the percentage COLA for the period.

Health insurance costs for active employees are projected to increase between 5-10% in January 2027 based on preliminary projections from ACWA/JPIA.

COMB participates in the California Public Employees' Retirement System. On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. PEPRA limited pension benefits offered to new employees and increased the cost sharing between new employees and public employers. All employees hired after January 2013 who are not classified as "classic" members contribute 7.75% of their eligible salary towards the CalPERS retirement premium.

Starting July 1, 2017, all employees hired before July 1, 2017 (and who are "Classic" employees as defined by CalPERS) began contributing toward their employee member contribution under a five-year phased-in method. For fiscal year 2026-27, the classic member contribution rate is set at 7.0%. Additionally, the CALPERS line item reflects an increase in the annual Unfunded Liability obligation as factored under the CALPERS 30-year amortization policy and pursuant to the Public Employee Pension Reform Act of 2013. A copy of the most recent CalPERS valuation report can be found at <https://www.calpers.ca.gov/page/employers/actuarial-resources/public-agency-actuarial-valuation-reports>.

Table 4.3 provides a breakdown of the individual components of the projected Personnel costs for FY 2026-27 as compared to FY 2025-26 and FY 2024-25.

**COMB OPERATING BUDGET HIGHLIGHTS (CONTINUED)**

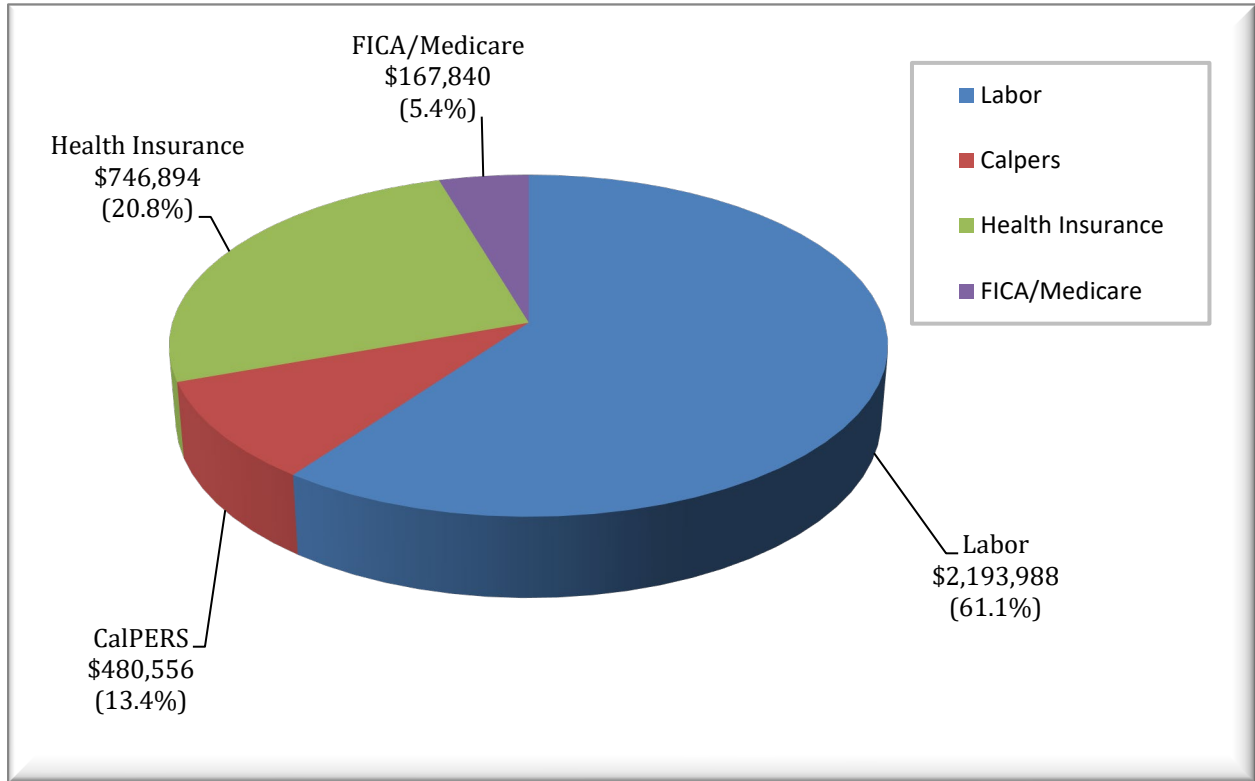
**Table 4.3 – FY 2026-27 Budgeted Personnel Costs**

| Category        | Actual<br>FY 2024-25 | Budget<br>FY 2025-26 | Estimated<br>Actual<br>FY 2025-26 | Budget<br>FY 2026-27 | Variance Analysis (*)     |                          |
|-----------------|----------------------|----------------------|-----------------------------------|----------------------|---------------------------|--------------------------|
|                 |                      |                      |                                   |                      | \$<br>Higher /<br>(Lower) | %<br>Higher /<br>(Lower) |
| Labor           | \$1,895,869          | \$2,081,846          | \$2,142,188                       | \$2,193,988          | \$112,142                 | 5.4%                     |
| CalPERS         | 382,366              | 443,264              | 443,347                           | 480,556              | 37,293                    | 8.4%                     |
| Health Ins / WC | 533,398              | 718,849              | 656,085                           | 746,894              | 28,045                    | 3.9%                     |
| FICA/Medicare   | 141,609              | 159,261              | 126,360                           | 167,840              | 8,579                     | 5.4%                     |
| <b>Total</b>    | <b>\$2,953,242</b>   | <b>\$3,403,220</b>   | <b>\$3,367,980</b>                | <b>\$3,589,278</b>   | <b>\$186,058</b>          | <b>5.5%</b>              |

(\*) Compares FY 2026-27 Budget to FY 2025-26 Budget.

Figure 4.1 provides a breakdown of the individual components of the projected Personnel costs for FY 2026-27.

**Figure 4.1 – FY 2026-27 Personnel Costs by Category**



**COMB OPERATING BUDGET HIGHLIGHTS (CONTINUED)****Operations and Maintenance Expenses**

COMB Operations are comprised of two divisions: Operations and Fisheries.

**Operations Division**

COMB's Operations Division is responsible for diversion of water from Lake Cachuma located in the Santa Ynez Valley to the South Coast of Santa Barbara County through the Tecolote Tunnel. In addition, the Operations Division responsibilities include operation and maintenance of the 26-mile South Coast Conduit conveyance pipeline, flow control valves, meters, instrumentation at control stations, turnouts and appurtenant structures along the South Coast Conduit and at four regulating reservoirs.



COMB coordinates closely with the Bureau of Reclamation and Member Agency staff to ensure that water supplies meet daily demands.

**Fisheries Division**

COMB's Fisheries Division is responsible for implementation of the 2000 Biological Opinion and Fish Management Plan related to the Cachuma Project on the Santa Ynez River in Santa Barbara, California. These activities include ongoing scientific studies along the river, monitoring and recording changing conditions and implementation of fish passage improvements as outlined in the 2000 Biological Opinion. The National Marine Fisheries Services (NMFS) is an agency that oversees protection of Southern California steelhead (*Oncorhynchus mykiss*).



Operation and Maintenance expenditures required to support the divisions include Vehicles and Equipment, Contract Labor, Materials and Supplies and Other Expenses. Projects and staff assignments are reviewed by the General Manager to control costs in this category. Table 4.4 includes a brief description of expenditures for each O&M category.

**OPERATIONS AND MAINTENANCE (CONTINUED)****Table 4.4 – Operation and Maintenance Expenditures Descriptions**

| <b>Category</b>        | <b>Operations</b>  | <b>Fisheries</b>  |
|------------------------|--|---|
| Vehicles and Equipment | Includes funds for the purchase of fixed capital, equipment rental, vehicle and equipment maintenance and fuel costs.  | Includes funds for the purchase of fixed capital, equipment rental, vehicle and equipment maintenance and fuel costs.   |
| Contract Labor         | Contains funds for outside services and labor that cannot be supported by COMB staff, which may include water quality sampling, elevator repair, tree trimming and removal services, heavy equipment and operators' labor costs for various small projects including meter calibration and meter repair. | Contains funds for outside services/labor to support equipment calibration on flow meters and funds for technical assistance corresponding to the operation, maintenance and performance review of completed fish passage projects.   |
| Materials and Supplies | Covers costs related to the operation and maintenance of the conduit, reservoirs and outlying buildings and roads.   | Includes costs for the purchase of items needed for the Fisheries Monitoring Program specifically monitoring for migration, spawning and over-summering such as constructing and repairing fish migration traps and the equipment necessary to conduct snorkel and redds surveys. |
| Other Expenses         | Includes permit fees, utilities, uniforms, hazardous waste disposal, communications, Under-ground Service Alerts, employee training and certifications.  | Includes funds to pay for permit fees, uniforms and personal protective gear for the fisheries division employees.  |

**OPERATIONS AND MAINTENANCE (CONTINUED)**

Operation and Maintenance expenditures in FY 2026-27 are projected to total \$774.2K, a 2.6% decrease as compared to FY 2025-26.

**Table 4.5 – FY 2026-27 Operation and Maintenance Costs - Consolidated**

| Category             | Actual<br>FY 2024-25 | Budget<br>FY 2025-26 | Estimated<br>Actual<br>FY 2025-26 | Budget<br>FY 2026-27 | Variance Analysis (*)    |                         |
|----------------------|----------------------|----------------------|-----------------------------------|----------------------|--------------------------|-------------------------|
|                      |                      |                      |                                   |                      | \$<br>Higher/<br>(Lower) | %<br>Higher/<br>(Lower) |
| Vehicles & Equip.    | \$285,675            | \$358,500            | \$317,555                         | \$302,500            | (\$56,000)               | -15.6%                  |
| Contract Labor       | 128,526              | 223,000              | 217,891                           | 248,000              | 25,000                   | 11.2%                   |
| Materials & Supplies | 119,404              | 121,750              | 125,384                           | 127,500              | 5,750                    | 4.7%                    |
| Other Expenses       | 79,838               | 91,500               | 73,368                            | 96,200               | 4,700                    | 5.1%                    |
| <b>Total</b>         | <b>\$613,443</b>     | <b>\$794,750</b>     | <b>\$734,198</b>                  | <b>\$774,200</b>     | <b>(\$20,550)</b>        | <b>-2.6%</b>            |

(\*) Compares FY 2026-27 Budget to FY 2025-26 Budget.

(\*\*) Includes both Operations and Fisheries Division.

**GENERAL AND ADMINISTRATIVE**

General and Administrative expenses include costs for support of all administrative functions of COMB such as: Director fees, legal expenditures, general liability and property insurance, audit fees, utilities, IT and communications, postage and office supplies, training, education and subscriptions and miscellaneous expenses. Costs are generally allocated between Operations and Maintenance (65%) and Fisheries Division (35%).



General and Administrative expenditures, excluding administrative labor and benefits, in FY 2026-27 are projected to total \$467.0K, a 6.8% increase as compared to FY 2025-26.

The budget reflects an increase in expenses of \$29.8K (6.8%) related to an increase in general liability insurance costs, as well as a slight increase in audit expense, utilities, membership dues and misc. office expense.

Table 4.6 provides a breakdown of the individual components of the projected General and Administrative costs for FY 2026-27 as compared to FY 2025-26 and FY 2024-25.

**GENERAL AND ADMINISTRATIVE (CONTINUED)**

**Table 4.6 – FY 2026-27 General and Administrative Costs (\*\*)**

| Category                    | Actual<br>FY 2024-25 | Budget<br>FY 2025-26 | Estimated<br>Actual<br>FY 2025-26 | Budget<br>FY 2026-27 | Variance Analysis (*)     |                          |
|-----------------------------|----------------------|----------------------|-----------------------------------|----------------------|---------------------------|--------------------------|
|                             |                      |                      |                                   |                      | \$<br>Higher /<br>(Lower) | %<br>Higher /<br>(Lower) |
| Director Fees               | \$14,124             | \$20,000             | \$12,465                          | \$20,000             | \$0                       | 0.0%                     |
| Audit                       | 39,911               | 35,000               | 34,215                            | 40,000               | 5,000                     | 14.3%                    |
| Legal                       | 27,815               | 100,000              | 32,942                            | 100,000              | -                         | 0.0%                     |
| Unemployment Insurance      | 28                   | 5,000                | -                                 | 5,000                | -                         | 0.0%                     |
| General Liability Insurance | 84,171               | 84,900               | 89,033                            | 94,000               | 9,100                     | 10.7%                    |
| Postage/Office Supplies     | 9,401                | 10,000               | 12,358                            | 12,000               | 2,000                     | 20.0%                    |
| Office Equip/Leases         | 12,266               | 21,972               | 13,427                            | 21,974               | 2                         | 0.0%                     |
| Misc. Admin Expense         | 19,963               | 18,500               | 21,202                            | 24,900               | 6,400                     | 34.6%                    |
| Communications              | 11,942               | 13,955               | 12,808                            | 13,955               | -                         | 0.0%                     |
| Utilities                   | 20,070               | 14,980               | 19,075                            | 20,245               | 5,265                     | 35.1%                    |
| Membership Dues             | 18,668               | 18,900               | 19,705                            | 20,950               | 2,050                     | 10.8%                    |
| Admin Fixed Assets          | 10,727               | 17,000               | 2,211                             | 17,000               | -                         | 0.0%                     |
| Computer Consultant         | 34,551               | 55,000               | 51,661                            | 55,000               | -                         | 0.0%                     |
| Employee Education          | -                    | 4,500                | -                                 | 4,500                | -                         | 0.0%                     |
| Travel                      | 3,491                | 7,500                | 7,254                             | 7,500                | -                         | 0.0%                     |
| Public Info                 | 5,794                | 5,000                | 3,640                             | 5,000                | -                         | 0.0%                     |
| IRWM                        | 1,345                | 5,000                | 5,000                             | 5,000                | -                         | 0.0%                     |
| <b>Total</b>                | <b>\$314,269</b>     | <b>\$437,207</b>     | <b>\$336,994</b>                  | <b>\$467,024</b>     | <b>\$29,817</b>           | <b>6.8%</b>              |

(\*) Compares FY 2026-27 Budget to FY 2025-26 Budget.

(\*\*) Excludes labor



*Cachuma Operation and Maintenance Board Meeting Room*

## INFRASTRUCTURE IMPROVEMENT PROJECTS

Infrastructure planning and investment is critical to the ongoing reliability of the Cachuma Project, its facilities and its distribution system. COMB staff evaluates and selects current year infrastructure improvements and special projects based on the following criteria: water supply reliability, risk, critical need, safety, service disruption and the betterment of the Cachuma Project. Tables 4.7 and 4.8 below are the projects identified for implementation during fiscal year 2026-27. Detailed descriptions of each project can be found on [pages 65-78](#).

**Table 4.7 – FY 2026-27 Infrastructure Improvement Projects**

| Project Name   | Fiscal Year<br>2026-27 |
|--|------------------------|
| Lauro Reservoir Bypass Channel Road Improvement      | \$1,320,000            |
| Sheffield Tunnel Evaluation and Repair               | 750,000                |
| Lauro Reservoir Intake Assessment / Repair           | 500,000                |
| Critical Control Valve Replacement                   | 200,000                |
| SCC Structure Rehabilitation                         | 170,000                |
| North Portal Intake Tower Seismic Assessment         | 150,000                |
| Multi-Site Renewable Energy and Resiliency           | 150,000                |
| Meter Replacement Program                            | 150,000                |
| North Portal Elevator Modification                   | 140,000                |
| Tecolote Tunnel Weep Hole Restoration                | 100,000                |
| Tecolote Tunnel Concrete Deterioration Investigation | 100,000                |
| <b>Sub Total</b>                                     | <b>\$3,730,000</b>     |

**Table 4.8 – FY 2026-27 Operations Division Special Projects**

| Project Name                               | Fiscal Year<br>2026-27 |
|--|------------------------|
| COMB Building Improvements and Maintenance | \$80,000               |
| Water Quality and Sediment Management      | \$40,000               |
| SCADA Improvements and Support             | \$35,000               |
| ROW Identification Program                 | \$20,000               |
| GIS and Mapping                            | \$16,000               |
| Sub Total                                  | <b>\$191,000</b>       |

## HABITAT IMPROVEMENT PROJECTS

The Fisheries Division is tasked, through Reclamation's operation of the Cachuma Project, with carrying out the fisheries monitoring, data analysis and tributary enhancement projects as described in the National Marine Fisheries Service's (NMFS) 2000 Biological Opinion. A consensus based, long-term fisheries program has been developed that provides protection for steelhead/rainbow trout (*Oncorhynchus mykiss*, *O. mykiss*) downstream of Bradbury Dam. This is done through a combination of long-term monitoring, water releases from

Bradbury Dam through the Hilton Creek Watering System, Hilton Creek Emergency Backup System and Outlet Works, passage flows to assist migrating steelhead, improved riparian habitat and the removal or modification of numerous fish passage barriers to steelhead on tributaries of the Lower Santa Ynez River. Projects identified for implementation during fiscal year 2026-27 are provided in Table 4.9. Detailed descriptions of each project can be found on [pages 88-89](#).

**Table 4.9 – FY 2026-27 Habitat Improvement Projects**

| Project Name                             | Fiscal Year 2026-27 |
|--|---------------------|
| Hilton Creek Habitat Improvement Project | \$50,000            |
| El Jaro Creek / Cross Creek Ranch        | \$50,000            |
| Tributary Project Support                | \$10,000            |
| <b>Sub Total</b>                         | <b>\$110,000</b>    |

In summary, the COMB Gross Operating Budget for FY 2026-27 is \$9,031,502. COMB staff are actively engaged in identifying other sources of funding opportunities in an effort to lessen the financial burden on COMB’s Member Agencies. With projected, offsetting revenues of \$2,258,849, the COMB Net Operating Budget for FY 2026-27 totals \$6,772,653.

**Table 4.10- COMB Operating Budget Summary**

| Category                    | Budget FY 2025-26  | Budget FY 2026-27  | Variance Analysis (*) |                    |
|-----------------------------|--------------------|--------------------|-----------------------|--------------------|
|                             |                    |                    | \$ Higher / (Lower)   | % Higher / (Lower) |
| Gross Operating Budget      | \$8,255,177        | \$9,031,502        | \$776,325             | 9.4%               |
| Less: Offsetting Revenue    | 1,828,246          | 2,258,849          | 430,603               | 233.6%             |
| <b>Net Operating Budget</b> | <b>\$6,426,931</b> | <b>\$6,772,653</b> | <b>\$346,722</b>      | <b>5.4%</b>        |

N/M – Not Meaningful

**LIST OF SUPPORTING TABLES:**

- 1) Table 4.11 - FY 2026-27 COMB Operating Budget by Division
- 2) Table 4.12 - FY 2026-27 COMB Operating Budget Allocation by Quarter

Table 4.11- COMB Operating Budget: By Division



## OPERATIONS DIVISION



| Account Number                              | Account Name               | FY 2024-25 Actual   | FY 2025-26 Budget   | Estimated FY 2025-26 Actual | FY 2026-27 Budget   | Variance Analysis (*) |                |
|---|----------------------------|---------------------|---------------------|-----------------------------|---------------------|-----------------------|----------------|
|   |                            |                     |                     |                             |                     | \$ Higher / (Lower)   | % Change       |
| <b>OPERATION &amp; MAINTENANCE EXPENSES</b> |                            |                     |                     |                             |                     |                       |                |
| <b>SALARIES &amp; BENEFITS</b>              |                            |                     |                     |                             |                     |                       |                |
| 3100  | Labor Operations Staff     | \$ 763,007          | \$ 876,451          | \$ 884,498                  | \$ 908,971          | \$ 32,519             |                |
| 3155  | CalPERS                    | 134,835             | 163,691             | 154,233                     | 176,867             | 13,176                |                |
| 3150  | Health Insurance           | 176,190             | 231,986             | 212,607                     | 233,631             | 1,645                 |                |
| 3150  | Workers Compensation       | 22,237              | 43,823              | 25,247                      | 45,449              | 1,626                 |                |
| 3160  | FICA                       | 57,564              | 67,049              | 36,737                      | 69,536              | 2,488                 |                |
| <b>TOTAL</b>                                |                            | <b>\$ 1,153,832</b> | <b>\$ 1,382,999</b> | <b>\$ 1,313,323</b>         | <b>\$ 1,434,453</b> | <b>\$ 51,455</b>      | <b>3.72%</b>   |
| <b>VEHICLES &amp; EQUIPMENT</b>             |                            |                     |                     |                             |                     |                       |                |
| 3201  | Vehicle/Equip Maintenance  | \$ 48,854           | \$ 50,000           | \$ 45,591                   | \$ 50,000           | \$ -                  |                |
| 3202  | Fixed Capital              | 173,646             | 206,000             | 206,202                     | 100,000             | (106,000)             |                |
| 3203  | Equipment Rental           | 5,212               | 40,000              | 23,653                      | 40,000              | -                     |                |
| 3204  | Miscellaneous              | 10,261              | 10,000              | 6,639                       | 10,000              | -                     |                |
| <b>TOTAL</b>                                |                            | <b>\$ 237,974</b>   | <b>\$ 306,000</b>   | <b>\$ 282,084</b>           | <b>\$ 200,000</b>   | <b>\$ (106,000)</b>   | <b>-34.64%</b> |
| <b>CONTRACT LABOR</b>                       |                            |                     |                     |                             |                     |                       |                |
| 3301  | Conduit, Meter, Valves     | \$ 13,606           | \$ 35,000           | \$ 33,661                   | \$ 35,000           | \$ -                  |                |
| 3302  | Buildings & Roads          | 24,090              | 50,000              | 49,079                      | 50,000              | -                     |                |
| 3303  | Reservoirs                 | 80,291              | 70,000              | 68,480                      | 70,000              | -                     |                |
| 3304  | Engineering, Misc Services | 3,032               | 50,000              | 50,000                      | 75,000              | 25,000                |                |
| <b>TOTAL</b>                                |                            | <b>\$ 121,019</b>   | <b>\$ 205,000</b>   | <b>\$ 201,220</b>           | <b>\$ 230,000</b>   | <b>\$ 25,000</b>      | <b>12.2%</b>   |
| <b>MATERIALS &amp; SUPPLIES</b>             |                            |                     |                     |                             |                     |                       |                |
| 3401  | Conduit, Meter, Valves     | \$ 76,060           | \$ 82,500           | \$ 80,078                   | \$ 85,000           | \$ 2,500              |                |
| 3402  | Buildings & Roads          | 16,054              | 20,500              | 17,547                      | 21,500              | 1,000                 |                |
| 3403  | Reservoirs                 | 19,276              | 10,500              | 17,595                      | 11,000              | 500                   |                |
| <b>TOTAL</b>                                |                            | <b>\$ 111,390</b>   | <b>\$ 113,500</b>   | <b>\$ 115,220</b>           | <b>\$ 117,500</b>   | <b>\$ 4,000</b>       | <b>3.5%</b>    |
| <b>OTHER EXPENSES</b>                       |                            |                     |                     |                             |                     |                       |                |
| 3501  | Utilities                  | \$ 8,506            | \$ 7,000            | \$ 5,724                    | \$ 7,000            | \$ -                  |                |
| 3502  | Uniforms                   | 5,848               | 7,500               | 6,832                       | 7,500               | -                     |                |
| 3503  | Communications             | 13,082              | 16,000              | 12,926                      | 16,000              | -                     |                |
| 3504  | USA & Other Services       | 4,787               | 8,000               | 4,616                       | 8,000               | -                     |                |
| 3505  | Miscellaneous              | 14,207              | 12,000              | 12,515                      | 14,700              | 2,700                 |                |
| 3506  | Training                   | 3,680               | 3,000               | 3,769                       | 5,000               | 2,000                 |                |
| 3507  | Permits                    | 20,506              | 25,000              | 21,736                      | 25,000              | -                     |                |
| <b>TOTAL</b>                                |                            | <b>\$ 70,616</b>    | <b>\$ 78,500</b>    | <b>\$ 68,118</b>            | <b>\$ 83,200</b>    | <b>\$ 4,700</b>       | <b>6.0%</b>    |
| <b>TOTAL O &amp; M EXPENSE</b>              |                            | <b>\$ 1,694,832</b> | <b>\$ 2,085,999</b> | <b>\$ 1,979,966</b>         | <b>\$ 2,065,153</b> | <b>\$ (20,845)</b>    | <b>-1.0%</b>   |

(\*) Compares FY 2026-27 Budget to FY 2025-26 Budget.

Table 4.11 COMB Operating Budget: By Division (Continued)



OPERATIONS DIVISION (CONTINUED)



| Account Number  | Account Name                                 | FY 2024-25 Actual   | Adopted FY 2025-26 Budget | Estimated FY 2025-26 Actual | FY 2026-27 Budget   | Variance Analysis (*) |               |
|---|--|---------------------|---------------------------|-----------------------------|---------------------|-----------------------|---------------|
|   |  |                     |                           |                             |                     | \$ Higher / (Lower)   | % Change      |
| <b>GENERAL AND ADMINISTRATIVE EXPENSES</b>                      |  |                     |                           |                             |                     |                       |               |
| 5000  | Directors Fees                               | \$ 9,181            | \$ 13,000                 | \$ 7,716                    | \$ 13,000           | \$ -                  |               |
| 5101  | Audit  | 25,942              | 22,750                    | 22,240                      | 26,000              | 3,250                 |               |
| 5100  | Legal  | 15,982              | 75,000                    | 26,600                      | 75,000              | -                     |               |
| 5150  | Unemployment Tax                             | 28                  | 5,000                     | -                           | 5,000               | -                     |               |
| 5200  | Liability & Property Insurance               | 54,711              | 55,100                    | 57,872                      | 61,300              | 6,200                 |               |
| 5201  | Health and Workers' Compensation             | 183,192             | 229,073                   | 228,337                     | 242,223             | 13,150                |               |
| 5250  | CalPERS                                      | 94,207              | 107,940                   | 110,098                     | 117,090             | 9,150                 |               |
| 5339  | FICA & Medicare                              | 26,798              | 30,725                    | 26,655                      | 32,108              | 1,383                 |               |
| 5300-5307   | Administrative Salaries                      | 390,564             | 401,637                   | 418,852                     | 419,717             | 18,080                |               |
| 5310  | Office Expense & Postage                     | 6,093               | 6,000                     | 7,691                       | 8,000               | 2,000                 |               |
| 5311  | Office Equipment / Leases                    | 7,973               | 13,440                    | 8,312                       | 13,440              | -                     |               |
| 5312  | Miscellaneous                                | 12,683              | 11,000                    | 13,305                      | 15,000              | 4,000                 |               |
| 5313  | Communications                               | 7,580               | 9,500                     | 7,929                       | 9,500               | -                     |               |
| 5314  | Utilities                                    | 13,046              | 9,737                     | 11,808                      | 15,000              | 5,263                 |               |
| 5315  | Membership Dues                              | 11,593              | 11,700                    | 12,269                      | 13,250              | 1,550                 |               |
| 5316  | Admin Fixed Assets                           | 6,973               | 12,000                    | 1,223                       | 12,000              | -                     |               |
| 5318  | Computer Consultant                          | 22,458              | 35,000                    | 31,729                      | 35,000              | -                     |               |
| 5325  | Employee Education / Training                | -                   | 2,000                     | -                           | 2,000               | -                     |               |
| 5330  | Admin Travel & Conferences                   | 1,321               | 3,500                     | 2,600                       | 3,500               | -                     |               |
| 5331  | Public Information                           | 3,723               | 3,500                     | 2,253                       | 3,500               | -                     |               |
| <b>TOTAL GENERAL &amp; ADMINISTRATIVE</b>                       |  | <b>\$ 894,047</b>   | <b>\$ 1,057,602</b>       | <b>\$ 997,488</b>           | <b>\$ 1,121,628</b> | <b>\$ 64,025</b>      | <b>6.1%</b>   |
| <b>SPECIAL G &amp; A EXPENSES</b>                               |  |                     |                           |                             |                     |                       |               |
| 5510  | Integrated Regional Water Mgmt Plan          | \$ 1,345            | \$ 5,000                  | \$ 5,000                    | \$ 5,000            | \$ -                  |               |
| <b>TOTAL SPECIAL G &amp; A EXPENSES</b>                         |  | <b>\$ 1,345</b>     | <b>\$ 5,000</b>           | <b>\$ 5,000</b>             | <b>\$ 5,000</b>     | <b>\$ -</b>           | <b>0.0%</b>   |
| <b>INFRASTRUCTURE IMPROVEMENT PROJECTS (IIP) <sup>(1)</sup></b> |  |                     |                           |                             |                     |                       |               |
| 6096  | SCC Structure Rehabilitation                 | \$ 17,251           | \$ 40,000                 | \$ 40,000                   | \$ 170,000          | \$ 130,000            |               |
| 6137  | SCC Lower Reach Lateral Structures Phase II  | 526,133             | -                         | -                           | -                   | -                     |               |
| 6137  | SCC Lower Reach Lateral Structures Phase III | 266,197             | -                         | -                           | -                   | -                     |               |
| 6128  | Lauro Outlet Works Tunnel Safety Imprv       | 87,472              | 125,000                   | 84,970                      | -                   | (125,000)             |               |
| 6107  | North Portal Elevator Modification           | 58,313              | 100,000                   | 70,000                      | 140,000             | 40,000                |               |
| 6102  | Lauro Reservoir Bypass Channel Rd Imprv      | 54,022              | 1,245,000                 | 36,857                      | 1,320,000           | 75,000                |               |
| 6123  | Sheffield Tunnel Evaluation and Repair       | 68,800              | 130,000                   | 129,298                     | 750,000             | 620,000               |               |
| 6072  | Tecolote Tunnel Weep Hole Restoration        | -                   | -                         | -                           | 100,000             | 100,000               |               |
| 6045  | Critical Access Road Maint and Repair        | 32,779              | 50,000                    | 50,000                      | -                   | (50,000)              |               |
| 6043  | Lauro Reservoir Intake Assessment/Repair     | -                   | 75,000                    | 72,382                      | 500,000             | 425,000               |               |
| 6134  | North Portal Intake Tower Seismic Assmnt     | -                   | 150,000                   | -                           | 150,000             | -                     |               |
| 6074  | North Portal Log Boom Replacement            | 143,192             | -                         | -                           | -                   | -                     |               |
| 6075  | Multi Site Renewable Energy and Resiliency   | 10,628              | 125,000                   | -                           | 150,000             | 25,000                |               |
| 6133  | Meter Replacement Program                    | -                   | 100,000                   | 100,000                     | 150,000             | 50,000                |               |
| 6138  | Critical Control Valve Replacement           | -                   | 325,000                   | 324,633                     | 200,000             | (125,000)             |               |
| 6139  | Tecolote Tunnel Concrete Deterioration Inv   | -                   | 50,000                    | -                           | 100,000             | 50,000                |               |
| <b>TOTAL IIP</b>  |  | <b>\$ 1,264,785</b> | <b>\$ 2,515,000</b>       | <b>\$ 908,139</b>           | <b>\$ 3,730,000</b> | <b>\$ 1,215,000</b>   | <b>48.3%</b>  |
| <b>SPECIAL PROJECTS</b>   |  |                     |                           |                             |                     |                       |               |
| 6110  | SCADA Improvements and Support               | \$ 29,427           | \$ 35,000                 | \$ 36,635                   | \$ 35,000           | \$ -                  |               |
| 6115  | COMB Bldg Improvements and Maint             | 29,688              | 80,000                    | 75,158                      | 80,000              | -                     |               |
| 6097  | GIS and Mapping                              | 8,765               | 10,000                    | 11,078                      | 16,000              | 6,000                 |               |
| 6100  | Watershed Sanitary Survey                    | -                   | 75,000                    | 74,355                      | -                   | (75,000)              |               |
| 6105  | ROW Identification Program                   | 11,364              | 20,000                    | 16,535                      | 20,000              | -                     |               |
| 6125  | 2023 Winter Storm Repairs                    | 12,100              | -                         | -                           | -                   | -                     |               |
| 6126  | 2024 Winter Storm Repairs                    | 341,524             | 600,000                   | 42,809                      | -                   | (600,000)             |               |
| 6138  | Water Quality and Sediment Mgmt              | 25,129              | 40,000                    | 36,818                      | 40,000              | -                     |               |
| <b>TOTAL SPECIAL PROJECTS</b>                                   |  | <b>\$ 457,997</b>   | <b>\$ 860,000</b>         | <b>\$ 293,388</b>           | <b>\$ 191,000</b>   | <b>\$ (669,000)</b>   | <b>-77.8%</b> |
| <b>TOTAL IIP and SPECIAL PROJECTS</b>                           |  | <b>\$ 1,722,782</b> | <b>\$ 3,375,000</b>       | <b>\$ 1,201,527</b>         | <b>\$ 3,921,000</b> | <b>\$ 546,000</b>     | <b>16.2%</b>  |
| <b>TOTAL OPERATIONS DIVISION BUDGET</b>                         |  | <b>\$ 4,313,007</b> | <b>\$ 6,523,601</b>       | <b>\$ 4,183,980</b>         | <b>\$ 7,112,781</b> | <b>\$ 589,180</b>     | <b>9.0%</b>   |

(\*) Compares FY 2026-27 Budget to FY 2025-26 Budget.

Table 4.11 - COMB Operating Budget: By Division (Continued)



FISHERIES DIVISION



| Account Number                              | Account Name                     | FY 2024-25 Actual | Adopted FY 2025-26 Budget | Estimated FY 2025-26 Actual | FY 2026-27 Budget   | Variance Analysis (*) |              |
|---|----------------------------------|-------------------|---------------------------|-----------------------------|---------------------|-----------------------|--------------|
|   |                                  |                   |                           |                             |                     | \$ Higher / (Lower)   | % Change     |
| <b>OPERATION &amp; MAINTENANCE EXPENSES</b> |                                  |                   |                           |                             |                     |                       |              |
| <b>SALARIES &amp; BENEFITS</b>              |                                  |                   |                           |                             |                     |                       |              |
| 4100  | Labor Fisheries Staff            | \$ 503,406        | \$ 515,491                | \$ 543,655                  | \$ 551,299          | \$ 35,808             |              |
| 4114  | Labor Seasonal Staff             | 28,590            | 72,000                    | 37,427                      | 88,000              | 16,000                |              |
| 4151  | CalPERS                          | 102,597           | 113,512                   | 115,644                     | 123,551             | 10,040                |              |
| 4150  | Health Insurance                 | 107,817           | 133,521                   | 123,429                     | 141,309             | 7,788                 |              |
| 4150  | Workers Compensation             | 12,140            | 29,375                    | 16,881                      | 31,965              | 2,590                 |              |
| 4152  | FICA                             | 42,818            | 44,943                    | 46,564                      | 48,906              | 3,963                 |              |
| <b>TOTAL</b>                                |                                  | <b>\$ 797,368</b> | <b>\$ 908,841</b>         | <b>\$ 883,600</b>           | <b>\$ 985,031</b>   | <b>\$ 76,189</b>      | <b>8.4%</b>  |
| <b>VEHICLES &amp; EQUIPMENT</b>             |                                  |                   |                           |                             |                     |                       |              |
| 4270  | Vehicle/Equip Maintenance        | \$ 31,018         | \$ 30,000                 | \$ 16,297                   | \$ 30,000           | \$ -                  |              |
| 4280  | Fixed Capital                    | 15,956            | 20,000                    | 19,174                      | 70,000              | 50,000                |              |
| 4290  | Miscellaneous                    | 727               | 2,500                     | -                           | 2,500               | -                     |              |
| <b>TOTAL</b>                                |                                  | <b>\$ 47,701</b>  | <b>\$ 52,500</b>          | <b>\$ 35,471</b>            | <b>\$ 102,500</b>   | <b>\$ 50,000</b>      | <b>95.2%</b> |
| <b>CONTRACT LABOR</b>                       |                                  |                   |                           |                             |                     |                       |              |
| 4221  | Instrumentation                  | \$ 1,034          | \$ 3,000                  | \$ 1,720                    | \$ 3,000            | \$ -                  |              |
| 4222  | Project Maintenance              | 6,473             | 15,000                    | 14,951                      | 15,000              | -                     |              |
| <b>TOTAL</b>                                |                                  | <b>\$ 7,507</b>   | <b>\$ 18,000</b>          | <b>\$ 16,671</b>            | <b>\$ 18,000</b>    | <b>\$ -</b>           | <b>0.0%</b>  |
| <b>MATERIALS &amp; SUPPLIES</b>             |                                  |                   |                           |                             |                     |                       |              |
| 4390  | Miscellaneous                    | \$ 8,014          | \$ 8,250                  | \$ 10,164                   | \$ 10,000           | \$ 1,750              |              |
| <b>TOTAL</b>                                |                                  | <b>\$ 8,014</b>   | <b>\$ 8,250</b>           | <b>\$ 10,164</b>            | <b>\$ 10,000</b>    | <b>\$ 1,750</b>       | <b>21.2%</b> |
| <b>OTHER EXPENSES</b>                       |                                  |                   |                           |                             |                     |                       |              |
| 4502  | Uniforms                         | \$ 2,624          | \$ 5,000                  | \$ 5,250                    | \$ 5,000            | \$ -                  |              |
| 4503  | Permits                          | 6,597             | 8,000                     | 1,079                       | 8,000               | -                     |              |
| <b>TOTAL</b>                                |                                  | <b>\$ 9,221</b>   | <b>\$ 13,000</b>          | <b>\$ 6,329</b>             | <b>\$ 13,000</b>    | <b>\$ -</b>           | <b>0.0%</b>  |
| <b>TOTAL O &amp; M EXPENSE</b>              |                                  | <b>\$ 869,811</b> | <b>\$ 1,000,591</b>       | <b>\$ 952,234</b>           | <b>\$ 1,128,531</b> | <b>\$ 127,939</b>     | <b>12.8%</b> |
| <b>GENERAL AND ADMINISTRATIVE EXPENSES</b>  |                                  |                   |                           |                             |                     |                       |              |
| 5426  | Directors Fees                   | \$ 4,943          | \$ 7,000                  | \$ 4,748                    | \$ 7,000            | \$ -                  |              |
| 5407  | Legal                            | 11,834            | 25,000                    | 6,342                       | 25,000              | -                     |              |
| 5441  | Audit                            | 13,969            | 12,250                    | 11,975                      | 14,000              | 1,750                 |              |
| 5443  | Liability & Property Insurance   | 29,460            | 29,800                    | 31,162                      | 32,700              | 2,900                 |              |
| 5401  | Health and Workers' Compensation | 31,822            | 51,072                    | 49,584                      | 52,317              | 1,245                 |              |
| 5402  | CalPERS                          | 50,727            | 58,121                    | 63,373                      | 63,048              | 4,927                 |              |
| 5403  | FICA/Medicare                    | 14,429            | 16,544                    | 16,403                      | 17,289              | 745                   |              |
| 5404-09                                     | Administrative Salaries          | 210,302           | 216,266                   | 257,755                     | 226,001             | 9,735                 |              |
| 5410  | Office Expense & Postage         | 3,308             | 4,000                     | 4,666                       | 4,000               | -                     |              |
| 5411  | Office Equipment / Leases        | 4,293             | 8,533                     | 5,115                       | 8,535               | 2                     |              |
| 5412  | Miscellaneous                    | 7,280             | 7,500                     | 7,897                       | 9,900               | 2,400                 |              |
| 5413  | Communications                   | 4,362             | 4,455                     | 4,879                       | 4,455               | -                     |              |
| 5414  | Utilities                        | 7,025             | 5,243                     | 7,267                       | 5,245               | 2                     |              |
| 5415  | Membership Dues                  | 7,075             | 7,200                     | 7,436                       | 7,700               | 500                   |              |
| 5416  | Admin Fixed Assets               | 3,754             | 5,000                     | 988                         | 5,000               | -                     |              |
| 5418  | Computer Consultant              | 12,093            | 20,000                    | 19,932                      | 20,000              | -                     |              |
| 5425  | Employee Education / Training    | -                 | 2,500                     | -                           | 2,500               | -                     |              |
| 5430  | Admin Travel & Conferences       | 2,170             | 4,000                     | 4,655                       | 4,000               | -                     |              |
| 5431  | Public Information               | 2,072             | 1,500                     | 1,387                       | 1,500               | -                     |              |
| <b>TOTAL GENERAL &amp; ADMINISTRATIVE</b>   |                                  | <b>\$ 420,917</b> | <b>\$ 485,985</b>         | <b>\$ 505,564</b>           | <b>\$ 510,190</b>   | <b>\$ 24,205</b>      | <b>5.0%</b>  |

(\*) Compares FY 2026-27 Budget to FY 2025-26 Budget.

Table 4.11- COMB Operating Budget: By Division (Continued)



**FISHERIES DIVISION (CONTINUED)**



| Account Number                                | Account Name                           | FY 2024-25 Actual   | Adopted FY 2025-26 Budget | Estimated FY 2025-26 Actual | FY 2026-27 Budget     | Variance Analysis (*) |              |
|---|--|---------------------|---------------------------|-----------------------------|-----------------------|-----------------------|--------------|
|   |  |                     |                           |                             |                       | \$ Higher / (Lower)   | % Change     |
| <b>PROGRAM SUPPORT SERVICES</b>               |  |                     |                           |                             |                       |                       |              |
| 6201  | BO/FMP Implementation                  | \$ 36,768           | \$ 20,000                 | \$ 17,942                   | \$ 45,000             | \$ 25,000             |              |
| 6202  | GIS and Mapping                        | 9,178               | 10,000                    | 8,303                       | 10,000                | -                     |              |
| 6205  | USGS Stream Gauge Program              | 103,643             | 110,000                   | 105,190                     | 115,000               | 5,000                 |              |
| <b>TOTAL PROGRAM SUPPORT SERVICES</b>         |  | <b>\$ 149,588</b>   | <b>\$ 140,000</b>         | <b>\$ 131,434</b>           | <b>\$ 170,000</b>     | <b>\$ 30,000</b>      | <b>21.4%</b> |
| <b>HABITAT IMPROVEMENT PROJECTS (HIP) (1)</b> |  |                     |                           |                             |                       |                       |              |
| 6207  | Oak Tree Restoration Program           | \$ 759              | \$ 5,000                  | \$ 379                      | \$ -                  | \$ (5,000)            |              |
| 6320  | Hilton Creek Habitat Improvement       | 11,984              | 25,000                    | 25,000                      | 50,000                | \$ 25,000             |              |
| 6321  | El Jaro / Cross Creek Ranch            | -                   | 65,000                    | 65,000                      | 50,000                | \$ (15,000)           |              |
| 6303  | Tributary Project Support              | 346,689             | 10,000                    | 6,400                       | 10,000                | -                     |              |
| 6304  | Tributary Project Enhancement          | 88,638              | 0                         | -                           | -                     | -                     |              |
| <b>TOTAL HABITAT IMPROVEMENT PROJECTS</b>     |  | <b>\$ 448,070</b>   | <b>\$ 105,000</b>         | <b>\$ 96,779</b>            | <b>\$ 110,000</b>     | <b>\$ 5,000</b>       | <b>4.8%</b>  |
| <b>TOTAL HIP AND PROGRAM SUPPORT SERVICES</b> |  | <b>\$ 597,657</b>   | <b>\$ 245,000</b>         | <b>\$ 228,213</b>           | <b>\$ 280,000</b>     | <b>\$ 35,000</b>      | <b>14.3%</b> |
| <b>TOTAL FISHERIES DIVISION BUDGET</b>        |  | <b>\$ 1,888,386</b> | <b>\$ 1,731,576</b>       | <b>\$ 1,686,012</b>         | <b>\$ 1,918,721</b>   | <b>\$ 187,145</b>     | <b>10.8%</b> |
| <b>TOTAL COMB GROSS OPERATING BUDGET</b>      |  | <b>\$ 6,201,392</b> | <b>\$ 8,255,177</b>       | <b>\$ 5,869,992</b>         | <b>\$ 9,031,502</b>   | <b>\$ 776,325</b>     | <b>9.4%</b>  |
| <b>Projected Offsetting Revenues:</b>         |  |                     |                           |                             |                       |                       |              |
|   |  | FY 2024-25 Actual   | FY 2025-26 Budget         | Estimated FY 2025-26 Actual | FY 2026-27 Budget     | Variance Analysis (*) |              |
|   |  |                     |                           |                             |                       | \$ (Higher) / Lower   | % Change     |
|   | Warren Act Trust Fund (4)              | \$ (42,123)         | \$ (15,007)               | \$ (15,007)                 | \$ (19,221)           | \$ (4,214)            |              |
|   | Renewal Fund (4)                       | (367,449)           | (244,239)                 | (244,239)                   | (240,628)             | 3,611                 |              |
|   | Renewal Fund Carryover (4)             | -                   | -                         | -                           | -                     | -                     |              |
|   | Santa Barbara County Contribution      | (100,000)           | (100,000)                 | (100,000)                   | (100,000)             | -                     |              |
|   | Lauro Reservoir Intake Offset - SC JPA | -                   | -                         | -                           | (500,000)             | (500,000)             |              |
|   | Community Grant Funding - Sheffield    | -                   | -                         | -                           | (500,000)             | (500,000)             |              |
|   | Grant Income - Ops                     | (8,847)             | (154,000)                 | (476)                       | (79,000)              | 75,000                |              |
|   | D3 Permit Pass Thru                    | (20,110)            | (20,000)                  | (19,334)                    | (20,000)              | -                     |              |
|   | FEMA Assistance                        | (272,915)           | (1,295,000)               | (215,011)                   | (800,000)             | 495,000               |              |
|   | <b>Total Offsetting Revenues</b>       | <b>\$ (811,444)</b> | <b>\$ (1,828,246)</b>     | <b>\$ (594,067)</b>         | <b>\$ (2,258,849)</b> | <b>\$ (430,603)</b>   | <b>23.6%</b> |
| <b>TOTAL COMB NET OPERATING BUDGET</b>        |  | <b>\$ 5,389,948</b> | <b>\$ 6,426,931</b>       | <b>\$ 5,275,925</b>         | <b>\$ 6,772,653</b>   | <b>\$ 345,722</b>     | <b>5.4%</b>  |

**Disclosures**

- (1) Board policy requires all projects to be approved thru Committee and by the Board prior to commencement
- (2) General and Administrative labor costs are generally allocated at 65% Operations Division and 35% Fisheries Division
- (3) Labor costs contain 3.18% COLA increase per annual calculation
- (4) Warren Act Trust Fund and Renewal Fund are special purpose restricted funds

Table 4.12 – Annual COMB Operating Budget

| <b>OPERATIONS DIVISION</b>               |                |                       |
|--|----------------|-----------------------|
| <b>Operations Division Budget</b>        |                |                       |
| Goleta Water District                    | 40.42%         | \$ 2,874,772          |
| City of Santa Barbara                    | 35.89%         | \$ 2,552,798          |
| Carpinteria Valley Water District        | 12.20%         | \$ 867,586            |
| Montecito Water District                 | 11.50%         | \$ 817,625            |
| <b>Total Operations Division Budget</b>  | <b>100.00%</b> | <b>\$ 7,112,781</b>   |
| <b>FISHERIES DIVISION</b>                |                |                       |
| <b>Fisheries Division Budget</b>         |                |                       |
| Goleta Water District                    | 40.42%         | \$ 775,489            |
| City of Santa Barbara                    | 35.89%         | \$ 688,634            |
| Carpinteria Valley Water District        | 12.20%         | \$ 234,037            |
| Montecito Water District                 | 11.50%         | \$ 220,560            |
| <b>Total Fisheries Division Budget</b>   | <b>100.00%</b> | <b>\$ 1,918,721</b>   |
| <b>COMB GROSS OPERATING BUDGET</b>       |                |                       |
| Goleta Water District                    | 40.42%         | \$ 3,650,261          |
| City of Santa Barbara                    | 35.89%         | \$ 3,241,432          |
| Carpinteria Valley Water District        | 12.20%         | \$ 1,101,624          |
| Montecito Water District                 | 11.50%         | \$ 1,038,185          |
| <b>Total Gross COMB Operating Budget</b> | <b>100.00%</b> | <b>\$ 9,031,502</b>   |
| <b>OFFSETTING REVENUES</b>               |                |                       |
| Goleta Water District                    | 40.42%         | \$ (912,959)          |
| City of Santa Barbara                    | 35.89%         | \$ (810,707)          |
| Carpinteria Valley Water District        | 12.20%         | \$ (275,525)          |
| Montecito Water District                 | 11.50%         | \$ (259,658)          |
| <b>TOTAL</b>                             | <b>100.00%</b> | <b>\$ (2,258,849)</b> |
| <b>Total Offsetting Revenues</b>         | <b>100.00%</b> | <b>\$ (2,258,849)</b> |
| <b>TOTAL NET COMB OPERATING BUDGET</b>   | <b>100.00%</b> | <b>\$ 6,772,653</b>   |

**Table 4.12 - COMB Operating Budget Allocation by Quarter**

For FY 2026-27, COMB adjusted the collection of quarterly assessments based on estimated projected implementation and projected cash outflows.

| <b>COMB OPERATING BUDGET QUARTERLY ASSESSMENT</b>                            |                |                     |
|--|----------------|---------------------|
| <b>COMB Operating Budget Quarterly Assessment (July - September, 2026)</b>   |                |                     |
| Goleta Water District  | 40.42%         | \$ 772,536          |
| City of Santa Barbara  | 35.89%         | \$ 686,012          |
| Carpinteria Valley Water District  | 12.20%         | \$ 233,146          |
| Montecito Water District   | 11.50%         | \$ 219,720          |
| <b>Subtotal Assessment (July - September, 2026)</b>                          | <b>100.00%</b> | <b>\$ 1,911,414</b> |
| <b>COMB Operating Budget Quarterly Assessment (October - December, 2026)</b> |                |                     |
| Goleta Water District  | 40.42%         | \$ 595,369          |
| City of Santa Barbara  | 35.89%         | \$ 528,687          |
| Carpinteria Valley Water District  | 12.20%         | \$ 179,678          |
| Montecito Water District   | 11.50%         | \$ 169,331          |
| <b>Subtotal Assessment (October - December, 2026)</b>                        | <b>100.00%</b> | <b>\$ 1,473,065</b> |
| <b>COMB Operating Budget Quarterly Assessment (January - March, 2027)</b>    |                |                     |
| Goleta Water District  | 40.42%         | \$ 754,984          |
| City of Santa Barbara  | 35.89%         | \$ 670,425          |
| Carpinteria Valley Water District  | 12.20%         | \$ 227,849          |
| Montecito Water District   | 11.50%         | \$ 214,728          |
| <b>Subtotal Assessment (January - March, 2027)</b>                           | <b>100.00%</b> | <b>\$ 1,867,986</b> |
| <b>COMB Operating Budget Quarterly Assessment (April - June, 2027)</b>       |                |                     |
| Goleta Water District  | 40.42%         | \$ 614,414          |
| City of Santa Barbara  | 35.89%         | \$ 545,600          |
| Carpinteria Valley Water District  | 12.20%         | \$ 185,426          |
| Montecito Water District   | 11.50%         | \$ 174,748          |
| <b>Subtotal Assessment (April - June, 2027)</b>                              | <b>100.00%</b> | <b>\$ 1,520,188</b> |
| <b>TOTAL NET COMB OPERATING BUDGET</b>                                       |                |                     |
| Goleta Water District  | 40.42%         | \$ 2,737,303        |
| City of Santa Barbara  | 35.89%         | \$ 2,430,725        |
| Carpinteria Valley Water District  | 12.20%         | \$ 826,099          |
| Montecito Water District   | 11.50%         | \$ 778,527          |
| <b>TOTAL NET COMB OPERATING BUDGET</b>                                       | <b>100.00%</b> | <b>\$ 6,772,653</b> |

## Notes:

- General & Administrative Expenses are allocated at 65% Operations Division and 35% Fisheries Division with the exception of Legal Fees, Membership dues, Admin Fixed Assets, Education, Travel, Public Info
- Pursuant to the terms and conditions of the Separation Agreement, ID No. 1 was deemed no longer a Member Agency of COMB and had departed from the COMB JPA Agreement as of May 27, 2016. ID No. 1 continues to be a member of the Cachuma Project which carries certain benefits and obligations associated with the Project as outlined in various agreements. Payments received from the ID No. 1 for certain COMB BiOp and Oak Tree related expenditures will be returned to the COMB Member Agencies upon collection.

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: OPERATION AND MAINTENANCE EXPENSES**



COMB's Operations Division is responsible for diversion of water from Lake Cachuma located in the Santa Ynez Valley to the South Coast of Santa Barbara County through the Tecolote Tunnel. In addition, the Operations Division responsibilities include the operation and maintenance of the 26-mile South Coast Conduit conveyance pipeline, flow control valves, meters, instrumentation at control stations, turnouts and appurtenant structures along the South Coast Conduit and at four regulating reservoirs.

COMB coordinates closely with the Bureau of Reclamation and COMB Member Agency staff to ensure that water supplies meet daily demands.

|                                      |                     |
|--------------------------------------|---------------------|
| <b>Labor (Accounts: 3100 - 3160)</b> | <b>\$ 1,434,453</b> |
|--------------------------------------|---------------------|

Operation and Maintenance labor is the cost for the total salaries and benefits for an Operations Division Manager / Engineer, a Chief Distribution Operator/Operations Supervisor, a Water Resources Analyst and a four-member field crew. The benefits include medical, dental and vision insurance coverage, a \$20,000 life insurance policy per employee, an employee assistance program (EAP) and the Cal-PERS retirement contribution.

Starting July 1, 2017, classic members began paying a portion of the Employer Paid Member Contribution (EPMC) cost. For fiscal year 2026-27, the classic members' contribution rate is set at 7.0%. All employees hired after January 2013 who are not classified as "classic" members will contribute 7.75% of the CalPERS retirement premium from their bi-weekly paycheck.

The health, vision, dental and life insurance programs are selected through ACWA/JPIA. The Workers' Compensation premiums are based on payroll calculated at various percentages depending on the category of each employee (clerical, outside sales and field operations). FICA is a mandatory employer expense. A multiple policy discount has been applied as additional savings to the employee benefits program.

The overall labor line item includes COLA of 2.89% based on the annual calculation.

Totals by Account:

|                           |                     |
|---------------------------|---------------------|
| 3100 Labor Operations     | \$ 908,971          |
| 3155 CalPERS              | \$ 176,867          |
| 3150 Health Insurance     | \$ 233,631          |
| 3150 Workers Compensation | \$ 45,449           |
| 3160 FICA                 | \$ 69,536           |
| <b>Total</b>              | <b>\$ 1,434,453</b> |

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: OPERATION AND MAINTENANCE EXPENSES**



|   |                   |
|---|-------------------|
| <b>Vehicles and Equipment (Accounts: 3201 - 3204)</b> | <b>\$ 200,000</b> |
|---|-------------------|

The Vehicles and Equipment account is comprised of four sub-accounts which include funds for the purchase of vehicles, fuel, parts, inspections and maintenance of vehicles, equipment and rental of equipment.

Account 3201 includes supplies necessary to operate and maintain vehicles and equipment such as fuel, oil, tires, parts, inspections and labor, etc. This account reflects amounts determined by historical expense data and projected operational needs. Account 3202 contains funds for the purchase of replacement vehicles, equipment or large tools as may be necessary in the fiscal year. Account 3203 includes all rental equipment charges necessary for operation. Account 3204 is utilized for the purchase of small tools, equipment and supplies. These accounts are increased or decreased annually to reflect changes in the price, work plan and number of items to be purchased from these accounts.

Totals by Account:

|                                |            |
|--------------------------------|------------|
| 3201 Vehicle/Equip Maintenance | \$ 50,000  |
| 3202 Fixed Capital             | \$ 100,000 |
| 3203 Equipment Rental          | \$ 40,000  |
| 3204 Misc.                     | \$ 10,000  |
| Total                          | \$ 200,000 |

|   |                   |
|---|-------------------|
| <b>Contract Labor (Accounts: 3301 - 3304)</b> | <b>\$ 230,000</b> |
|---|-------------------|

The Contract Labor account contains funds for outside services/labor that cannot be supported by COMB staff which may include water quality sampling, elevator repair, tree trimming and removal services, heavy equipment and operators' labor costs for various small projects, meter calibration and meter repair, etc. The amounts have been distributed between accounts 3301, 3302 and 3303 to reflect the costs accurately. Account 3304 is used to hire consultants as necessary for extraordinary engineering, design, or study projects.

Totals by Account:

|                             |            |
|-----------------------------|------------|
| 3301 Conduit, Meter, Valves | \$ 35,000  |
| 3302 Buildings and Roads    | \$ 50,000  |
| 3303 Reservoirs             | \$ 70,000  |
| 3304 Engineering Misc.      | \$ 75,000  |
| Total                       | \$ 230,000 |

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: OPERATION AND MAINTENANCE EXPENSES**



|   |                   |
|---|-------------------|
| <b>Materials / Supplies (Accounts: 3401 - 3403)</b> | <b>\$ 117,500</b> |
|---|-------------------|

The Materials and Supplies account covers costs related to operation and maintenance of the conduit, reservoirs and outlying buildings and roads. This account includes funding for gravel, fencing, charts, locks, paint, fire extinguishers, etc.

Totals by Account:

|                             |            |
|-----------------------------|------------|
| 3401 Conduit, Meter, Valves | \$ 85,000  |
| 3402 Buildings and Roads    | \$ 21,500  |
| 3403 Reservoirs             | \$ 11,000  |
| Total                       | \$ 117,500 |

|   |                  |
|---|------------------|
| <b>Other Expenses (Accounts: 3501 - 3506)</b> | <b>\$ 83,200</b> |
|---|------------------|

The Other Expenses account includes utilities, uniforms, hazardous waste disposal, communications (phones at facilities and cell phones for operations and maintenance), Underground Service Alerts (USA), employee training and certifications. Costs are based on historical actual charges for these services.

Totals by Account:

|                                  |           |
|----------------------------------|-----------|
| 3501 Utilities                   | \$ 7,000  |
| 3502 Uniforms                    | \$ 7,500  |
| 3503 Communications              | \$ 16,000 |
| 3504 USA and Other Services      | \$ 8,000  |
| 3505 Misc.*                      | \$ 14,700 |
| 3506 Training and Certifications | \$ 5,000  |
| 3507 Permits                     | \$ 25,000 |
| Total                            | \$ 83,200 |

\*Misc. detail: Operations Division non-fixed assets expenses, computer/software/ office supply needs, shipping, refuse/recycle/ waste/non-hazmat material disposal, portable toilets/roll off boxes, operations employment ads/background checks.

|  |           |
|--|-----------|
| Non-fixed assets                                     | \$ 1,000  |
| Operations computer/<br>Software/office supply needs | \$ 500    |
| Safety / First Aid Supplies                          | \$ 1,200  |
| Refuse/recycle, etc.                                 | \$ 5,000  |
| Portable toilets/roll offs                           | \$ 7,000  |
| Total  | \$ 14,700 |

|  |                     |
|--|---------------------|
| <b>SUBTOTAL OPERATION AND MAINTENANCE EXPENSES</b> | <b>\$ 2,065,153</b> |
|--|---------------------|

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



**Program Description**

The General and Administrative accounts reflect costs for support of all administrative functions of COMB. These include water supply and delivery reports, human resources and risk management, tax, audit, contractual and employment law, salary and benefits, accounting, communications with Federal, State and local agencies and the public on a variety of contractual and informational matters.

Administrative costs are generally allocated between the Operations Division (65%) and the Fisheries Division (35%).

|  |                  |
|--|------------------|
| <b>Directors' Fees (Account: 5000)</b> | <b>\$ 13,000</b> |
|--|------------------|

This account reflects Directors' fees at a rate of \$225.75 per meeting. The Directors will decide future increases by public meeting and change of ordinance. This cost is allocated between the Operations and Fisheries division.

|                              |                  |
|------------------------------|------------------|
| <b>Audit (Account: 5101)</b> | <b>\$ 26,000</b> |
|------------------------------|------------------|

This account reflects costs for the annual COMB financial audit and any other audit service or valuation as required.

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| <b>Legal (Account: 5100)</b> | <b>\$ 75,000</b> |
|------------------------------|------------------|

This account reflects costs for the COMB general counsel and any litigation expenses.

|   |                 |
|---|-----------------|
| <b>Unemployment Tax (Account: 5150)</b> | <b>\$ 5,000</b> |
|---|-----------------|

COMB belongs to the California State Unemployment "self-insured" program. Under the program, COMB is not required to pay unemployment premiums. Instead, COMB is required to budget for and pay any unemployment claims that may arise. This account is an estimate.

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



|   |                  |
|---|------------------|
| <b>Liability and Property Insurance (Account: 5200)</b> | <b>\$ 61,300</b> |
|---|------------------|

This account reflects insurance costs for coverage provided by ACWA/JPIA for all general liability, property insurance (buildings, personal property, fixed equipment and catastrophic coverage), crime coverage, employee dishonesty and replacement costs. The general liability premiums are based on a formula that includes annual payroll as well as a three-year loss history of claims. The property insurance premiums are based on value of property in which coverage is provided. The general liability and property insurance line item is an allocated cost between Operations and Fisheries Divisions.

|   |                   |
|---|-------------------|
| <b>Health and Workers' Compensation (Account: 5201)</b> | <b>\$ 242,223</b> |
|---|-------------------|

This account reflects costs for 65% of all administrative staff health premiums (medical, dental, vision and life) and employee assistance program (EAP), workers' compensation premiums as well as all retiree health premiums. The cost for health premiums is a set premium amount for each employee and their dependents, as well as eligible retirees, depending on qualifying criteria. The health, workers compensation and life insurance programs were negotiated through ACWA/JPIA. Although there have been substantial increases in the past, the premiums have remained competitive throughout the years. This line item includes a projected increase in health premiums that will occur in January 2026.

|                                |                  |
|--------------------------------|------------------|
| <b>CalPERS (Account: 5250)</b> | <b>\$117,090</b> |
|--------------------------------|------------------|

This account reflects costs for the California Public Employees' Retirement System. The costs are based on 65% of salaries for all COMB administrative staff. The calculation of this account is payroll driven.

COMB pays the employer and a portion of the employee cost for classic members while new hires pay 50% of the normal cost contributions. Starting July 1, 2017, classic members began paying a portion of the employee cost (EPMC). For fiscal year 2025-26, the classic members' contribution rate is set at 7.0%. All employees hired after January 2013 who are not classified as "classic" members will contribute 7.75% of the CalPERS retirement premium from their bi-weekly paycheck.

|  |                  |
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| <b>FICA and Medicare (Account: 5339)</b> | <b>\$ 32,108</b> |
|--|------------------|

This account reflects 65% of the matching share of social security and Medicare taxes for all administrative employees.

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



|   |                   |
|---|-------------------|
| <b>Administrative Salaries (Account: 5300 - 5307)</b> | <b>\$ 419,717</b> |
|---|-------------------|

This account reflects salaries for the specified positions of General Manager, Administrative Manager/CFO and two administrative staff at 65% apportionment. The salaries for all administrative staff (except the GM) contain a 3.18% cost of living increase. The COLA calculation is based on a melding of both the Los Angeles / Riverside index with the US City average index for a 13-month rolling period. The salary for the General Manager is set by the COMB Board.

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|--|-----------------|
| <b>Office Expense and Postage (Account 5310)</b> | <b>\$ 8,000</b> |
|--|-----------------|

The Office Expense and Postage account reflects the cost of all office supplies and postage for general and administrative tasks. General and Administrative expenses have been reduced to the lowest level of effective operation.

|  |                  |
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| <b>Office Equipment/Leases (Account: 5311)</b> | <b>\$ 13,440</b> |
|--|------------------|

The Office Equipment/Leases account includes costs associated with leases and quarterly service agreements for postage machine, copier equipment, accounting/computer software licenses and any maintenance fees.

|  |                  |
|--|------------------|
| <b>Miscellaneous Expense (Account: 5312)</b> | <b>\$ 15,000</b> |
|--|------------------|

This account contains funds necessary for office cleaning, board meeting supplies, outside payroll services, building alarm renewal and miscellaneous expenses. General and Administrative expenses have been reduced to the lowest level of effective operation.

|                       |                 |
|-----------------------|-----------------|
| Office Cleaning       | \$10,000        |
| Paychex payroll costs | \$ 3,000        |
| Misc. expenses        | \$ 2,000        |
| <b>Total</b>          | <b>\$15,000</b> |

|                                       |                 |
|---------------------------------------|-----------------|
| <b>Communications (Account: 5313)</b> | <b>\$ 9,500</b> |
|---------------------------------------|-----------------|

This account contains funds necessary for the telephone service, long distance service, cable internet service, conference call service and cell phone service. General and Administrative expenses have been reduced to the lowest level of effective operation.

**COMB OPERATING BUDGET NARRATIVE**  
**OPERATIONS DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



|                                  |                  |
|----------------------------------|------------------|
| <b>Utilities (Account: 5314)</b> | <b>\$ 15,000</b> |
|----------------------------------|------------------|

This account contains funds necessary to provide utilities to the administrative offices.

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|--|------------------|
| <b>Membership Dues (Account: 5315)</b> | <b>\$ 13,250</b> |
|--|------------------|

This account reflects membership dues for Association of California Water Agencies (ACWA), American Water Works Association (AWWA), California Special Districts Association (CSDA), Government Finance Officers Association (GFOA) and subscriptions for professional publications.

|  |                  |
|--|------------------|
| <b>Administrative Fixed Assets (Account: 5316)</b> | <b>\$ 12,000</b> |
|--|------------------|

This fiscal year's fixed assets include the replacement of computers and office furniture as needed.

|  |                  |
|--|------------------|
| <b>Computer Consultant (Account: 5318)</b> | <b>\$ 35,000</b> |
|--|------------------|

This account was established for an outside consulting company that provides monitoring and technical support for all of our information technology and computer related needs.

|  |                 |
|--|-----------------|
| <b>Employee Education / Training (Account: 5325)</b> | <b>\$ 2,000</b> |
|--|-----------------|

This account was established to provide employees with the ability to obtain professional training, required certifications and for management training purposes. This account also provides for human resources and employee related subscriptions.

|  |                 |
|--|-----------------|
| <b>Administrative Travel (Account: 5330)</b> | <b>\$ 3,500</b> |
|--|-----------------|

This account reflects actual travel costs for the COMB staff. This account is also used for attendance at conferences by the General Manager and/or staff.

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



|   |                 |
|---|-----------------|
| <b>Public Information (Account: 5331)</b> | <b>\$ 3,500</b> |
|---|-----------------|

This account is available for public information bulletins or newsletters in order to communicate with the community in case of emergencies or environmental impacts on the COMB water distribution system or reservoirs. This account also includes costs to operate and maintain the COMB website.

|   |                    |
|---|--------------------|
| <b>SUBTOTAL GENERAL AND ADMINISTRATIVE EXPENSES</b> | <b>\$1,121,628</b> |
|---|--------------------|

**OPERATIONS DIVISION: SPECIAL GENERAL AND ADMINISTRATIVE EXPENSES**

|  |                 |
|--|-----------------|
| <b>Integrated Regional Water Management Plan (Account: 5510)</b> | <b>\$ 5,000</b> |
|--|-----------------|

This account has been established for COMB to participate in the integrated regional water management plan for Santa Barbara County.

|   |                 |
|---|-----------------|
| <b>SUBTOTAL SPECIAL GENERAL AND ADMINISTRATIVE EXPENSES</b> | <b>\$ 5,000</b> |
|---|-----------------|



*North Portal Intake Tower*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                   |
|---|-------------------|
| <b>SCC Structure Rehabilitation (Account: 6096)</b> | <b>\$ 170,000</b> |
|---|-------------------|

**Background**


Blowoff structures exist on all low points of a water distribution system. Blowoffs allow the conduit to be dewatered to conduct necessary maintenance and to perform emergency work. Combination air vacuum air release valves (AVARs) are located at high points along the pipeline and act to automatically expel air and relieve vacuum accumulation in pipes. If air is not adequately expelled, air pockets can constrict flows. If the vacuum is not relieved, serious damage or collapse of the pipeline can occur. Of the sixty-two blowoffs on the SCC – five need to have their valve replaced and/or be rehabilitated and four of fifty-seven AVARs need their valve replaced. Four shutdowns are needed to complete these replacements (F2, F3, F4, and F5).

**Need**

The remaining original and partially rehabilitated blowoffs need full rehabilitation due to extensive corrosion. The dependability of these components is necessary to allow the system to be dewatered for maintenance and response to an emergency break. Three blowoff structures are original (STA 698+55, 732+72, and 880+05) plus two additional blowoffs requiring replacement of the first valve (STA 804+24 and 902+96). Although all the AVARs are now above grade and coated, there are four (4) AVARs which require a shutdown to replace the first valve at STA 703+00, 755+84, 874+00, and 900+15. Not completing this project could result in an unplanned outage and a major release of water.

**Description**

The project would require coordination with impacted Member Agencies during the required shutdowns of the SCC. The project consists of replacing manhole covers, blowoff nozzles, gate valves, upper spools, and discharge piping for original blowoffs and replacing first valves for partially rehabilitated structures. The work would be phased over four shutdowns (F2, F3, F4, and F5).



**Figure - Inside of Blow-Off Structure**

**PRIORITY CATEGORY**  
**2. Required to Maintain**  
**Level of Service**

**ESTIMATED COST**  
**\$320,000**

| Fiscal Year | Phase  | Cost      |
|-------------|--------|-----------|
| 2027        | F3, F4 | \$170,000 |
| 2028        | F2, F5 | \$150,000 |

**Environmental / Permitting Considerations:** *This project has been identified by the USBR as a Category 2 recommendation. Several shutdowns require releasing water into Southern Steelhead Critical Habitat and are delayed until on-going biological consultation is completed.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|  |                   |
|--|-------------------|
| <b>North Portal Elevator Modification Study / Implementation (Account: 6107)</b> | <b>\$ 140,000</b> |
|--|-------------------|

**Background**

This study / implementation phase will improve safety and functionality in one of COMB’s critical facilities. The North Portal Elevator is the only access point to the jet flow control valve and bypass controlling flow into the Tecolote Tunnel. Routine staff entry into the gate chamber is required to calibrate instrumentation, access valves, and to inspect or make other adjustments as needed. The existing elevator shaft is 8 feet in diameter and 156 feet deep, containing an enclosed elevator car for descension into the gate chamber. In an emergency, entrants need to utilize a small emergency door on the ceiling of the elevator car and ascend 140 feet of ladder rungs up to the surface doors using a full body harness and fall arrest extraction system.

**Need**

The existing elevator has been a longstanding concern due to its limited escape options and narrow shaft design. The study will consider improved escape features, a secondary escape shaft, installation of modernized extraction systems, exterior stairs to the elevator control room, sealing / grouting to prevent unwanted water entry and electrical malfunction, or other safety improvements as recommended. The overarching need is to modernize the elevator and extraction capabilities in the North Portal, ensuring that in case of an emergency, personnel can swiftly and safely evacuate the gate chamber.

**Description**

The study is a comprehensive assessment considering design flaws of the existing elevator system. This project will include a detailed analysis of the elevator’s limitations and its escape features. A range of potential solutions will be explored, and the best solution will be recommended. Smaller scale common sense safety modifications have begun and will continue to occur. With the lake at higher elevation, increased water intrusion will be slowed using sealants and grouts. An exterior staircase and door will be constructed to facilitate simpler access to the elevator control room instead of the existing ladder and fall-arrest system to the top floor.



**Figure - North Portal Elevator Shaft**

**PRIORITY CATEGORY**  
**1. Regulatory, Legal, or Safety Requirement**

**ESTIMATED COST**  
**\$1,100,000\***

| Fiscal Year | Phase                 | Cost      |
|-------------|-----------------------|-----------|
| 2027        | Study/Sealing/Repairs | \$140,000 |
| 2028        | Study/Construction    | \$400,000 |
| 2029        | Construction          | \$600,000 |

*\*Construction costs are highly variable and dependent upon the outcome of the study.*

**Environmental / Permitting Considerations:** *There will be OSHA requirements to consider in the development of this study to modify this facility; other environmental, permitting, historic building considerations, and collaboration with Reclamation will be required.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                     |
|---|---------------------|
| <b>Lauro Reservoir Bypass Channel Road Repair (Account: 6102)</b> | <b>\$ 1,320,000</b> |
|---|---------------------|

**Background**

Lauro Reservoir is the Cachuma Project’s primary balancing reservoir on the South Coast and forebay for Cater Water Treatment Plant. Natural watershed flows upstream of Lauro Reservoir are required by the Division of Drinking Water to be routed around the reservoir for public safety. Watershed flows are captured by Lauro Debris Basin and diverted into a 24" HDPE storm drain, or onto the Lauro Reservoir Bypass Channel during more extreme storm events. In addition to routing emergency overflow, the bypass channel also collects runoff from the surrounding slopes, prevents shallow landslides, and provides vehicle access around the reservoir. Portions of the bypass channel were improved with a concrete road and retaining walls in 2007 and in 2023 after a significant washout.

**Need**

The need for this project is illustrated through repeated damages and public safety concerns since the 1960s. Damages have occurred in the following years: 1962, 1964, 1965, 1967, 1969, 1973-74, 1977-78, 1980, 1983-85, 1991-92, 1993-94, 1995, 1998, 2000, 2005, and 2023. Damages from excessive storm inputs included slides, washouts, erosion, high turbidity levels, water quality concerns, and the need to take Lauro Reservoir offline for varying periods. These storm events caused disruptions to water supply and quality and necessitated repairs. There remains 800ft of unimproved bypass channel with asphalt and gravel vulnerable to damage.

**Description**

Includes removal of the current asphalt and gravel sections and installation of a significantly more robust concrete bypass channel with curbs and retaining walls to match previously improved sections. The total length of the improved bypass channel would be approximately 800ft and would include retaining walls to hold back the slope and prevent shallow landslides onto the bypass channel and washouts of the road. The project would complete the bypass channel around Lauro Reservoir and prevent repetitive damages.



**Figure - Lauro Reservoir Bypass Channel Washout January 2023 Winter Storms**

**PRIORITY CATEGORY**  
**3. Addresses Critical Deficiency**

**ESTIMATED COST**  
**\$1,320,000\***

| Fiscal Year | Phase        | Cost        |
|-------------|--------------|-------------|
| 2027        | Construction | \$1,320,000 |

\*The Lauro Reservoir Bypass Channel Road Improvements project schedule depends upon grant funding opportunities. COMB goal of receiving \$800,000 in 404 HMGP funding for the project in FY 2026-27.

**Environmental / Permitting Considerations:** Environmental and permitting will follow the same procedure as previous installations. FEMA is awaiting Reclamation environmental review/SHPO to be completed before releasing 404 HMGP funding.

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                   |
|---|-------------------|
| <b>Sheffield Tunnel Evaluation and Repair (Account: 6123)</b> | <b>\$ 750,000</b> |
|---|-------------------|

**Background**

The Sheffield Tunnel is a concrete tunnel housing the 30” Centrifugal Concrete Pipe (CCP) South Coast Conduit (SCC) that extends 6,100 feet in 12-ft segments between the Sheffield Control Station east of Mission Creek to Parma Park. Within the tunnel, sections of concrete pipe are connected and joined with steel bands, double gaskets, and mortar to maintain the integrity of the pipe collar connections. Water collected within Sheffield Tunnel accumulates and is routed into a creek drop inlet culvert downstream of the west portal of the tunnel.

**Need**

In 2025, the Sheffield Tunnel was inspected by Reclamation, COMB, and support staff and the condition of each joint was assessed and documented. Some of the joints were found to be deteriorated; 1% with no mortar and the steel joint ring crack or compromised, 4% with mortar separating from the pipe, and 10% with severe cracks or separation of mortar. Reclamation issued a Category 1 to develop and implement a plan to address deficiencies at the pipeline joints in Sheffield Tunnel (note that this changed the Project ID; formerly 2007-2-B). The 6,100-foot tunnel does not have redundancy and any damage to the SCC in this area would cause potential water supply disruptions, significant access challenges for repair work, and environmental damage in the uncontrolled release of water from the pipeline.

**Description**

The overall plan includes an emergency contingency, Sheffield Control Station improvements, East Portal line valve, hydraulic modeling, conceptual design and alternative study, environmental compliance, financing, and project implementation. Planned for FY 2026 are improvements to the Sheffield Control Station, an east portal line valve installation, and an internal inspection. Several options for the repair have been identified including internal seals, semi-structural liner, HDPE liner/bypass, grouting the tunnel, horizontal directional drilling of new pipe, etc. The best alternative will be considered for construction.



**Figure - Sheffield Tunnel and Pipeline**

**PRIORITY CATEGORY**  
**2. Required to Maintain Level of Service**

**ESTIMATED COST**  
**\$6,750,000**

| Fiscal Year | Phase           | Cost        |
|-------------|-----------------|-------------|
| 2027        | Eng/Parts/Const | \$750,000   |
| 2028        | Construction    | \$6,000,000 |

**Environmental / Permitting**

**Considerations:** *This project has been identified by the USBR as a Category 1 recommendation. There are several cultural and environmental considerations to be resolved including O. mykiss critical habitat at Mission Creek.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|  |                   |
|--|-------------------|
| <b>Tecolote Tunnel Weep Hole Restoration (Account: 6072)</b> | <b>\$ 100,000</b> |
|--|-------------------|

**Background**


Included in the construction of the Tecolote Tunnel were a series of “weep holes” that allow ground water to flow into the tunnel. The weep holes serve two purposes: 1) to relieve the ground water pressure on the outside of the tunnel structure and 2) provide for the importation of usable ground water into the tunnel.

**Need**

There were 576 2-inch diameter weep holes installed in the Tecolote Tunnel during construction. Many of the weep holes have been subjected to mineral accumulation creating deposits which clog the flow into the tunnel. Hydrogen sulfide has contributed to corrosion of the concrete structure adjacent to the weep holes. The mineral accumulation and corrosion have eliminated or reduced the ability of the weep holes to function, potentially affecting the stability of the structure. The weep holes need to be cleaned to allow proper water drainage into the tunnel to protect the tunnel structure. Clearing out the weep holes will likely increase water production from the Tecolote Tunnel at a very low cost compared to other sources of water in the region.

**Description**

The project will require a shutdown of the tunnel and all safety precautions necessary for tunnel access due to increased temperatures and geothermal activity, hydrogen sulfide exposure, and confined space issues. Entry would require coordination with Reclamation and specialized safety personnel. An electric tunnel utility vehicle could be used to power specialized hand-held drills and vacuums to clear the hardened mineral deposits and dislodge debris. A pilot program would be conducted in the winter 2026-27 and if flow increases were measured additional effort would be undertaken to drill out the weep holes in subsequent years. Work would be limited to a 2-3 day shutdown during the winter months.



**Figure - Clogged Weep hole in Tecolote Tunnel**

**PRIORITY CATEGORY**  
**4. Evaluates Significant Deficiency**

**ESTIMATED COST**  
**\$300,000**

| Fiscal Year | Phase        | Cost      |
|-------------|--------------|-----------|
| 2027        | Pilot        | \$100,000 |
| 2028        | Construction | \$100,000 |
| 2029        | Construction | \$100,000 |

**Environmental / Permitting Considerations:** *This project has been identified by the USBR as a Category 2 recommendation.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|  |                   |
|--|-------------------|
| <b>Lauro Reservoir Intake Structure Repair (Account: 6043)</b> | <b>\$ 500,000</b> |
|--|-------------------|

**Background**

The Lauro Reservoir intake structure was modified in 1981 by adding a stainless steel circular intake screen connected to a steel pipe which was inserted in the original concrete intake structure. A ½-inch thick steel circular bearing plate was installed on top of the existing concrete intake structure to cover the opening between the intake structure and vertical pipe and provide structural support. The 2018 dive report prepared by Reclamation states the intake structure is in satisfactory condition with the exception of the bearing plate. The bearing plate was observed to be fully covered with corrosion and rust nodules.

**Need**

The steel bearing plate on the intake structure has deteriorated because of corrosion and poses an operational risk for both the protection against outside intrusion of elements penetrating through the opening or structural support of the intake pipe and screen. Failure of the intake structure would cause immediate operational challenges in maintaining deliveries to Cater Water Treatment Plant, who treats water for the City of Santa Barbara, Montecito Water District, and Carpinteria Valley Water District through the potable section of the South Coast Conduit.

**Description**

Engineering services were procured, and the current structure is seismically inadequate, and the consultant is currently drafting plans to replace the intake support structure. A diver or remotely operated underwater vehicle will need to complete an inspection of the intake structure prior to finalization of the replacement plans. The reservoir may need to be lowered to accommodate inspections and repairs.



**Figure - Intake Structure Extension to be Placed in Lauro Reservoir April 5, 1981**

**PRIORITY CATEGORY**  
**3. Addresses Critical Deficiency**

**ESTIMATED COST**  
**\$500,000\***

| Fiscal Year | Phase        | Cost      |
|-------------|--------------|-----------|
| 2027        | Construction | \$500,000 |

*\*The cost estimates are preliminary, and draft designs are not complete. Cost assumes intake screen could be reused. However, it may be that the entire structure may need to be replaced which would increase costs significantly.*

*This structure was added as part of the Reclamation agreement with the City of Santa Barbara No. 0-07-20-L1582. Based on the agreement, the costs of maintenance are to be compensated by the City of Santa Barbara through the Cater JPA.*

**Environmental / Permitting Considerations:** *This project has been identified by the USBR as a Category 2 recommendation.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                   |
|---|-------------------|
| <b>North Portal Intake Tower Seismic Assessment (Account: 6134)</b> | <b>\$ 150,000</b> |
|---|-------------------|

**Background**

Water diversions from Lake Cachuma occur from the North Portal Intake Tower facility into the Tecolote Tunnel and the South Coast Conduit for water delivery to the Cachuma Project Member Agencies. The vertical intake tower free-stands 120 feet, is located approximately mid-reservoir, and contains 5 slide gates, each at varying levels on the pentagonal shaped tower. The slide gates are covered with mesh fish screens to prevent fish and debris from entering the tunnel. Water diversions are controlled 800 feet away through a 140-foot shaft to the gate chamber.

**Need**

The North Portal Intake Tower and Gate Chamber was constructed by the Bureau of Reclamation in the 1950's, at which time the standards for structural design requirements were not as stringent as today's compliance requirements. Structural elements of the intake structure and gate chamber would be examined to determine the general reliability of the tower, and recommendations for upgrades and refurbishments would be provided if needed. The consequence of not completing this project would be uncertainty in structure reliability during a seismic event, which could result in losing ability to deliver water to the South Coast while emergency repairs are made.

**Description**

This initial phase consists of acquiring consulting services of a qualified structural engineering firm to perform a Seismic Reliability Analysis and Physical Condition Assessment of the North Portal Intake Tower and Gate Chamber. It shall include a report on all findings and propose recommendations for structural rehabilitation to increase and/or ensure continued reliability of the structure in the occurrence of a large seismic event. It should also include recommendations for a temporary pump system from the lake to the gate chamber in the event of earthquake damage. An assessment of the intake tower is easier to perform during low lake levels; however, the lake is currently full and is scheduled to begin in Fiscal Year 2026-27.



**Figure - North Portal Intake Tower**

**PRIORITY CATEGORY  
3. Addresses Critical Deficiency**

**ESTIMATED COST  
\$300,000**

| Fiscal Year | Phase       | Cost      |
|-------------|-------------|-----------|
| 2027        | Assessment  | \$150,000 |
| 2028        | Engineering | \$150,000 |

*\*A condition assessment of the North Portal Intake Tower is ideally completed when the lake level is low exposing for examination. COMB goal of receiving \$300,000 in seismic funding for the project over fiscal years 2026-27 and 2027-28.*

**Environmental / Permitting Considerations:** *No regulatory compliance measures are expected for this project as it is an assessment.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                   |
|---|-------------------|
| <b>Multi-Site Renewable Energy and Resiliency (Account: 6075)</b> | <b>\$ 150,000</b> |
|---|-------------------|

**Background**

On June 27, 2022, the COMB Board of Directors adopted the 2022 Sustainability Plan, which included an initiative to explore alternate sources of renewable energy. Specifically, staff was instructed to explore opportunities for alternative sources of renewable energy (solar, hydroelectric, etc.) to be installed at the COMB office and/or outlying facilities. The design of the Cachuma Project water conveyance system is already remarkably low-energy relying on gravity feed to deliver water throughout the system as opposed to pumps with electrical demand; a modest project could achieve net-zero designation. The primary locations requiring electricity are at the COMB office headquarters (including new EV chargers), the outlying North Portal building near Lake Cachuma, and smaller dispersed locations requiring power for meter boxes and appurtenances.

**Need**

The envisioned benefit is to incorporate clean energy components into COMB’s energy system, while participating in regional and global efforts towards cleaner air, lower carbon emissions, and conservation of natural resources. Also of interest is the long-term cost savings associated with reduced conventional energy consumption, and increased energy resilience through on-site battery storage. Currently there are generators at the COMB office and North Portal building locations. On-site storage could augment existing back-up systems and provide flexibility in avoiding increased electricity prices during peak hours.

**Description**

In CY 2026-27, a 40kW ground-mounted photovoltaic array, EV chargers, and battery storage project at the COMB Headquarters is planned, offsetting office and new EV charging infrastructure usage. As part of the project, a new automatic transfer switch would be installed on the primary electric panel as well. The system could be expanded in the future as more electrical vehicles are added to COMB’s fleet.



**Figure - Proposed Ground Mount Location West of COMB Headquarters “Chlorine Building”**

**PRIORITY CATEGORY**  
**6. System Reliability and Improvements**

**ESTIMATED COST**  
**\$450,000\***

| Fiscal Year | Phase       | Cost        |
|-------------|-------------|-------------|
| 2027        | Lauro Solar | \$150,000** |

\* A grant offer has been accepted in the amount of \$79,000 from SBCAPCD FY 2026-27.

\*\*Installation costs offset by reduced electrical and fuel costs.

**Environmental / Permitting Considerations:** *MP-620 would be required from Reclamation, and coordination with SB County Fire Department for meeting building setbacks and defensible space standards, as well as coordination with SCE.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|  |                   |
|--|-------------------|
| <b>Meter Replacement Program (Account: 6133)</b> | <b>\$ 150,000</b> |
|--|-------------------|

**Background**

COMB is responsible for accurate water accounting on behalf of the Cachuma Project Member Agencies to the U.S. Bureau of Reclamation monthly. In addition, the State Water Resources Control Board is requiring meter audits at the water district level and may require water audits for wholesale agencies in the future. The process of water accounting entails recording data from twenty-nine meters located along the conveyance system from the North Portal of Lake Cachuma to the Carpinteria Reservoir. COMB monthly performs a mass balance and analysis of water accounting losses as part of its normal accounting procedures.

**Need**

COMB’s water meters are critical to the water accounting and system operations. Several meters in the system have reached limited-life cycle phase and are likely in need of replacement in the next five years. Not completing the project could impact operations, system water accounting accuracy and jeopardize compliance with Section 64561 of Titles 17 and 22 California Code of Regulations, which states “each water system shall: (b) meter the quantity of water flow from each source and record the total monthly production each month.”

**Description**

COMB operates several electronic magmeters that are critical to system operations and water accounting that have reached limited-life cycle phase and are likely in need of replacement in the next five years. COMB operates electronic magmeters at Glen Anne Turnout, Goleta West, Ortega Inflow, Ortega Southflow and Boundary which are utilized to manage system operations on a day-to-day basis and for monthly accounting of water use. Replacements would be purchased and installed for the Ortega Inflow, Ortega Southflow and Boundary meters as the most critical, with additional meter replacement locations chosen based on priority.



**Figure – Montecito Pump Station Meter**

**PRIORITY CATEGORY**  
**3. Addresses Critical Deficiency**

**ESTIMATED COST**  
**\$800,000**

| Fiscal Year | Phase         | Cost      |
|-------------|---------------|-----------|
| 2027        | Buy / Install | \$150,000 |
| 2028        | Buy / Install | \$150,000 |
| 2029        | Buy / Install | \$100,000 |
| 2030        | Buy / Install | \$100,000 |
| 2031        | Buy / Install | \$300,000 |

**Environmental / Permitting**  
**Considerations:** Annual water audit reporting may be required for wholesale water agencies in the future as follow-up to SB 606

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                   |
|---|-------------------|
| <b>Critical Control Valve Replacement (Account: 6138)</b> | <b>\$ 200,000</b> |
|---|-------------------|

**Background**

A majority of the valves located at control stations along the South Coast Conduit are original and were installed in the 1950s. There are at least 93 large diameter valves in the system, ranging in size from 16 inches to 48 inches. Several of these valves are critical for operations, but many of the valves are obsolete and are not utilized for operations. During previous maintenance work and shutdowns, key valves in the system have been characterized as exhibiting excessive leak-by. This program would replace critical valves in the system at key control station locations.

**Need**

In-line isolation and control valves are needed to properly operate and maintain the system. Valves with excessive leak-by or poor operability impact system operations. The system is operated differently than originally designed after the installation of the William B. Cater Water Treatment Plant. Many system valves are no longer needed for operations. Obsolete valves and piping are potential points of failure and increase maintenance needs. The consequences of not completing this project include loss of control within control stations and excessive leak-by, which will impact operations during repair work requiring pipeline shutdown.

**Description**

This project would involve systematic replacement of key control valves in the system with known operational deficiencies. Control station piping would be streamlined to reflect current operations, and obsolete valving would be removed from the control stations. Lauro and Sheffield Control Stations will be prioritized as they have not been recently evaluated and have not had any original valves replaced.



**Figure – Lauro Control Station Gate Valve**

**PRIORITY CATEGORY  
3. Addresses Critical Deficiency**

**ESTIMATED COST  
\$1,300,000**

| Fiscal Year | Phase        | Cost      |
|-------------|--------------|-----------|
| 2027        | Sheffield    | \$200,000 |
| 2028        | Lauro        | \$200,000 |
| 2029        | Carp/Lauro   | \$300,000 |
| 2030        | Ortega/Lauro | \$300,000 |
| 2031        | Misc.        | \$300,000 |

**Environmental / Permitting Considerations:** *Changes to the South Coast Conduit system to remove obsolete valves and piping would require Bureau of Reclamation review and approval.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: INFRASTRUCTURE IMPROVEMENT PROJECTS**



|   |                   |
|---|-------------------|
| <b>Tecolote Tunnel Concrete Deterioration Investigation (Account: 6139)</b> | <b>\$ 100,000</b> |
|---|-------------------|

**Background**

The Tecolote Tunnel was completed in 1956 to divert water from Lake Cachuma to the South Coast Conduit. The tunnel provides water delivery through the mountain to the South Portal. The tunnel structure consists of a modified circular horseshoe shaped cross section constructed of steel encased in 12-24 inches of concrete and operates in open channel flow that is approximately 7 feet inside and is 6.4 miles long with a gradual shallow slope to enable gravity feed. The only ingress and egress are at the North Portal and South Portal. During periodic inspections by the USBR, deteriorations have been observed in the tunnel lining due to long-term exposure to hydrogen sulfide gas.

**Need**

Hydrogen sulfide gas in the tunnel is believed to have caused the deterioration of the concrete lining of the tunnel. The deterioration occurs from Station 158+00 to 335+40. In areas, the interior concrete surface has peeled in sheets approximately 3/8 of an inch thick and fallen into the invert, creating sediment and the concrete lining is softening into a mushy brown paste. A tunnel collapse could interrupt deliveries for an extended period and would be very technically difficult to repair.

**Description**

The project requires engineer evaluation of concrete deterioration. These would include accurate internal diameter measurements to estimate concrete losses, concrete core samples with compression tests and petrographic samples to determine the extent and cause of deterioration. 2012-2-Q, which recommends COMB “prepare and implement a repair plan to perform all necessary repairs to address all damaged concrete and remediate the widespread concrete deterioration in the Tecolote Tunnel to restore safe and reliable service of the facility.” The work will likely require a drone to scan the inside of the tunnel and an electric tunnel vehicle with the ability to power concrete coring tools. The work would occur during the next scheduled inspection in winter 2026-27.



**Figure - Concrete Lining Deterioration within the Tecolote Tunnel**

**PRIORITY CATEGORY**  
**4. Evaluates Significant Deficiency**

**ESTIMATED COST**  
**\$100,000**

| Fiscal Year | Phase       | Cost      |
|-------------|-------------|-----------|
| 2027        | Engineering | \$100,000 |

**Environmental / Permitting Considerations:** *This project has been identified by the USBR as a Category 2 recommendation.*

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: SPECIAL PROJECTS**



|  |                  |
|--|------------------|
| <b>SCADA Improvement and Support (Account: 6110)</b> | <b>\$ 35,000</b> |
|--|------------------|

The “Supervisory Control and Data Acquisition” system (SCADA) collects and enables the retrieval of historical data. Information includes flows, reservoir elevations, alarms, communication, turbidity, pH, temperature and valve positions. Additionally, SCADA provides alerts to COMB Operations staff to take corrective action 24/7. For fiscal year 2024-25, costs in this category include ongoing contractor support and any software subscription and licenses.



*SCADA Control Panel*

|   |                  |
|---|------------------|
| <b>COMB Building Improvements and Maintenance (Account: 6115)</b> | <b>\$ 80,000</b> |
|---|------------------|



*COMB Laurel Canyon Office and Yard*

This account contains funds for outside services/labor that cannot be supported by COMB staff including building improvements, plumbing and electrical, HVAC repair, landscaping and general maintenance.

|  |                  |
|--|------------------|
| <b>GIS and Mapping (Account: 6097)</b> | <b>\$ 16,000</b> |
|--|------------------|

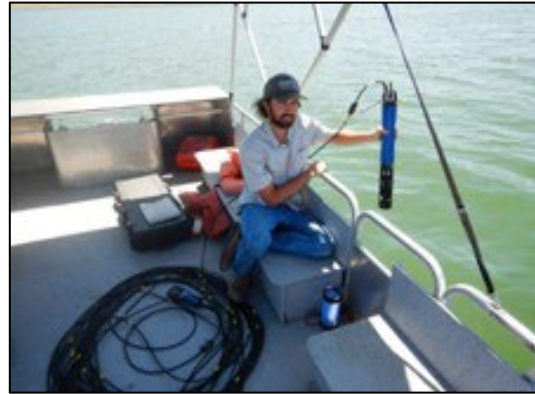
This line item will support expenses for the licenses that are required to run the software affiliated with the Right-of-way program and other extraneous mapping needs.

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: SPECIAL PROJECTS**



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|--|------------------|
| <b>Water Quality and Sediment Management (Account: 6138)</b> | <b>\$ 40,000</b> |
|--|------------------|

Lake Cachuma is the principal drinking water supply for the South Coast of Santa Barbara County providing surface water supply to the Goleta Water District, City of Santa Barbara, Montecito Water District and Carpinteria Valley Water District. In addition, Lake Cachuma serves as the conduit for state water deliveries to the South Coast. Diversions from the lake are managed by COMB. Upstream of Lake Cachuma are Gibraltar Reservoir, owned by the City of Santa Barbara and Jameson Reservoir, owned by Montecito Water District.



*Water Quality Sampling*

COMB completed a two-year study in 2020 on behalf of and in coordination with, the COMB Member Agencies for addressing raw surface water quality and sedimentation issues at Lake Cachuma. In 2024 COMB completed an Organic Carbon / Phosphorus Sampling and Source Investigation which refined our understanding of sources and flux rates of carbon, phosphorus and sulfides at Lake Cachuma and provided additional recommendations for consideration.



*Lake Cachuma  
Water Quality Monitoring Buoy*

For Fiscal Year 2026-27, COMB plans to continue our regular water quality sampling program at Lake Cachuma. Periodic boron and sulfate sampling will be incorporated at COMB Member Agency request to inform groundwater injection programs. Minor modifications at the North Portal Building allow more frequent sampling of the Secured Pipeline alternate intake site when it is being utilized.

COMB completed initial development of a CE-QUAL water quality model of the lake in 2025 and will continue development and calibration of the model in 2026. Continued sampling of tributary water quality in Fiscal Year 2026-27 will allow COMB to more fully understand inputs to Lake Cachuma and allow greater resolution within the CE-QUAL model. This may be paired with thermograph deployment at tributaries. Anti-fouling field supplies for the monitoring buoy and onboard water quality equipment will be installed to protect the asset from algal colonization associated with long-term deployment.

**COMB OPERATING BUDGET NARRATIVE  
OPERATIONS DIVISION: SPECIAL PROJECTS**



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|--|------------------|
| <b>Right of Way Identification Program (Account: 6105)</b> | <b>\$ 20,000</b> |
|--|------------------|

The Right of Way Project (ROW) inventory will centralize information electronically to facilitate landowner communication regarding pending right-of-way work, provide communication with Santa Barbara permitting agencies and enable COMB staff response to right-of-way disruptions and issues more efficiently by utilizing the GIS inventory. Specific tasks of the project include identifying, locating and labeling the pipeline through field mapping in GIS and surveying. Sequentially, as data is developed, landowners will be notified of property easements and of COMB’s South Coast Conduit responsibilities.

|                                  |                   |
|----------------------------------|-------------------|
| <b>SUBTOTAL SPECIAL PROJECTS</b> | <b>\$ 191,000</b> |
|----------------------------------|-------------------|

|   |                     |
|---|---------------------|
| <b>SUBTOTAL INFRASTRUCTURE IMPROVEMENT &amp; SPECIAL PROJECTS</b> | <b>\$ 3,921,000</b> |
|---|---------------------|

|   |                     |
|---|---------------------|
| <b>TOTAL OPERATIONS DIVISION BUDGET</b> | <b>\$ 7,112,781</b> |
|---|---------------------|



*Sheffield Tunnel East Portal*

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: OPERATION AND MAINTENANCE EXPENSES**



**Program Description**

To maintain and support all associated costs of operation and maintenance as they relate to the implementation of the NMFS Biological Opinion and the Lower Santa Ynez River Fish Management Plan.

|                                      |                   |
|--------------------------------------|-------------------|
| <b>Labor (Accounts: 4100 - 4152)</b> | <b>\$ 985,031</b> |
|--------------------------------------|-------------------|

The Fisheries Division Labor line reflects labor costs and benefits for a Senior Resource Scientist, a three-member field crew and four part-time seasonal bio-aide positions.

The benefits include medical, dental and vision insurance coverage, a \$20,000 life insurance policy per employee, deferred compensation, matching social security contributions, mandatory workers' compensation coverage, an employee assistance program (EAP), FICA/Medicare and a CalPERS retirement contribution (2% @ 55 formula) Starting July 1, 2017, classic members began paying a portion of the employee cost (EPMC). For FY 2025-26, the classic member's contribution rate is set at 7.0%. All employees hired after January 2013 and who are not classified as "classic" members will contribute 7.75% of the CalPERS retirement premium from their bi-weekly paycheck (2% @ 62 formula). This line item includes a 2.89% COLA based on the annual calculation.

Totals by Account

|                           |                  |
|---------------------------|------------------|
| 4100 Labor Biology Crew   | \$551,299        |
| 4114 Labor Seasonal Crew  | \$ 88,000        |
| 4151 CalPERS              | \$123,551        |
| 4150 Health Insurance     | \$141,309        |
| 4150 Workers Compensation | \$ 31,965        |
| 4152 FICA                 | \$ 48,906        |
| <b>Total</b>              | <b>\$985,031</b> |



COMB Fisheries Staff

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: OPERATION AND MAINTENANCE EXPENSES**



|   |                   |
|---|-------------------|
| <b>Vehicles and Equipment (Accounts: 4270 - 4290)</b> | <b>\$ 102,500</b> |
|---|-------------------|

The Vehicles and Equipment section is made up of three accounts which include funds for the purchase of vehicles, fuel, parts, inspections and maintenance of vehicles and equipment.

Account 4270 includes costs necessary to operate vehicles and equipment such as fuel, oil, tires, parts, inspections and labor, etc. This account reflects amounts determined by historical expense data and projected operational needs. Account 4280 contains funds for the purchase or replacement of equipment or large tools as may be necessary in the fiscal year. Account 4290 includes funding for all miscellaneous items affiliated with vehicles or equipment.

These accounts are increased or decreased annually to reflect changes in the price.

Totals by Account:

|                    |                  |
|--------------------|------------------|
| 4270 Vehicles      | \$ 30,000        |
| 4280 Fixed Capital | \$ 70,000        |
| 4290 Miscellaneous | \$ 2,500         |
| <b>Total</b>       | <b>\$102,500</b> |

|   |                  |
|---|------------------|
| <b>Contract Labor (Accounts: 4220 - 4222)</b> | <b>\$ 18,000</b> |
|---|------------------|

The Contract Labor account contains funds for outside services/labor to support equipment calibration on flow meters and sonde meters and funds for technical assistance corresponding to the operation, maintenance and performance review of completed fish passage projects.

Completed tributary projects at Rancho San Julian, Cross Creek Ranch and Quiota Creek Crossings require annual performance evaluation; licensed fish passage engineers need to conduct the structural evaluation whereas the biological evaluation and report are done by COMB staff.

Totals by Account:

|                          |                 |
|--------------------------|-----------------|
| 4221 Equip Calibration   | \$ 3,000        |
| 4222 Project Maintenance | \$15,000        |
| <b>Total</b>             | <b>\$18,000</b> |

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: OPERATION AND MAINTENANCE EXPENSES**



|   |                  |
|---|------------------|
| <b>Materials and Supplies (Account: 4390)</b> | <b>\$ 10,000</b> |
|---|------------------|

The Materials and Supplies account covers costs for the purchase of materials needed for the Fisheries Monitoring Program, specifically monitoring for migration, spawning and over-summering. This can include constructing and repairing fish migration traps (PVC, netting, plywood, locks, waders, etc.) and the equipment necessary to conduct snorkel (dry suit, masks, snorkels, hoods, gloves, etc.) and redd surveys (waders, clipboards, etc.).

|                                       |                  |
|---------------------------------------|------------------|
| <b>Other Expenses (Account: 4502)</b> | <b>\$ 13,000</b> |
|---------------------------------------|------------------|

The Other Operating Expenses account includes permit fees and uniform expense for the fisheries employees.

|  |                     |
|--|---------------------|
| <b>SUBTOTAL OPERATION AND MAINTENANCE EXPENSES</b> | <b>\$ 1,128,531</b> |
|--|---------------------|



*Quiota Creek Fish Passage Project*

**COMB OPERATING NARRATIVE**  
**FISHERIES DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



**Program Description**

The General and Administrative accounts reflect costs for support of all fisheries division administrative functions of COMB. The salaries and benefits are divided on a 65% - 35% basis between the Operations Division and the Fisheries Division based on payroll allocations. General and Administrative expenses have been reduced to the lowest level of effective operation for FY 2026-27

|                                       |                 |
|---------------------------------------|-----------------|
| <b>Directors Fees (Account: 5426)</b> | <b>\$ 7,000</b> |
|---------------------------------------|-----------------|

This account reflects Directors' fees at a rate of \$225.75 per meeting. The Directors will decide future increases by public meeting and change of ordinance. This cost is allocated between Operations and Fisheries divisions.

|                              |                  |
|------------------------------|------------------|
| <b>Legal (Account: 5407)</b> | <b>\$ 25,000</b> |
|------------------------------|------------------|

This account reflects the costs for General Counsel affiliated with the Fisheries Division program of work, as well as anticipated litigation.

|                              |                  |
|------------------------------|------------------|
| <b>Audit (Account: 5441)</b> | <b>\$ 14,000</b> |
|------------------------------|------------------|

This account reflects costs for a portion of the annual COMB financial audit and any single audit requirements.

|   |                  |
|---|------------------|
| <b>Liability and Property Insurance (Account: 5443)</b> | <b>\$ 32,700</b> |
|---|------------------|

This account reflects a portion of insurance costs for coverage provided by ACWA/JPIA for all general liability and property i.e., buildings, structures, computers, modular furniture, copiers, postage meters, vehicles and replacement costs of all properties belonging to COMB.

|  |                  |
|--|------------------|
| <b>Health and Workers Compensation (Account: 5401)</b> | <b>\$ 52,317</b> |
|--|------------------|

This account reflects costs for 35% of all administrative staff health premiums (medical, dental, vision and life) and employee assistance program (EAP), deferred compensation and workers' compensation premiums. The cost for health premiums is a set premium amount for each employee and their dependents. This line item includes a projected increase in health premiums that will go into effect in January 2026.

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



|                                |                  |
|--------------------------------|------------------|
| <b>CalPERS (Account: 5402)</b> | <b>\$ 63,048</b> |
|--------------------------------|------------------|

This account reflects 35% percent of costs for the California Public Employees' Retirement System for administrative personnel charged to the fisheries division. COMB pays the employer and a portion of the employee cost for classic members and new hires pay 50% of the normal cost contributions. Starting July 1, 2017, classic members began paying a portion of the employee cost (EPMC). For FY 2026-27, the classic member's contribution rate is set at 7.0%. All employees hired after January 2013, who are not classified as "classic" members, contribute 7.75% of the CalPERS retirement premium from their bi-weekly paycheck (2% @ 62 formula).

|  |                  |
|--|------------------|
| <b>FICA and Medicare (Account: 5403)</b> | <b>\$ 17,289</b> |
|--|------------------|

This account reflects 35% of the matching share of social security and Medicare taxes for all administrative employees.

|  |                   |
|--|-------------------|
| <b>Salaries (Accounts: 5404, 5405, 5408, 5409, 5419)</b> | <b>\$ 226,001</b> |
|--|-------------------|

This account reflects a 35% allocation of salaries for the General Manager, Administrative Manager and two administrative staff positions.

|  |                 |
|--|-----------------|
| <b>Postage and Office Supplies (Account: 5410)</b> | <b>\$ 4,000</b> |
|--|-----------------|

The Office Expense and Postage account reflects the cost of all office supplies and postage for general and administrative tasks attribute to the fisheries division.

|  |                 |
|--|-----------------|
| <b>Office Equipment / Leases (Account: 5411)</b> | <b>\$ 8,535</b> |
|--|-----------------|

The Office Equipment / Leases account includes the fisheries division portion of leases and quarterly service agreements for postage machine, copier equipment and any maintenance fees.

|   |                 |
|---|-----------------|
| <b>Miscellaneous Administrative Expense (Account: 5412)</b> | <b>\$ 9,900</b> |
|---|-----------------|

This account contains funds necessary for office cleaning, Board meeting supplies, Paychex payroll costs, outside copy costs and other minor miscellaneous expenses.

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**



|                                       |                 |
|---------------------------------------|-----------------|
| <b>Communications (Account: 5413)</b> | <b>\$ 4,455</b> |
|---------------------------------------|-----------------|

This account contains funds necessary for the telephone service, long distance service, cable internet service and staff cell phones.

|                                  |                 |
|----------------------------------|-----------------|
| <b>Utilities (Account: 5414)</b> | <b>\$ 5,245</b> |
|----------------------------------|-----------------|

This account contains funds necessary to provide utilities to the administrative offices affiliated with the fisheries division program of work.

|  |                 |
|--|-----------------|
| <b>Membership Dues (Account: 5415)</b> | <b>\$ 7,700</b> |
|--|-----------------|

This account reflects costs for membership dues for the American Fisheries Society as well as a portion of ACWA dues as they pertain to the fisheries division employees. This account also covers subscriptions for professional publications.

|  |                 |
|--|-----------------|
| <b>Administrative Fixed Assets (Account: 5416)</b> | <b>\$ 5,000</b> |
|--|-----------------|

This fiscal year's fixed assets include the purchase of computers according to the replacement schedule and office equipment / furniture as needed.

|  |                  |
|--|------------------|
| <b>Computer Consultant (Account: 5418)</b> | <b>\$ 20,000</b> |
|--|------------------|

This account was established to fund needs for all computer and internal network systems support through outside computer consultant services. It also accommodates purchasing and updating of software licenses.

|   |                 |
|---|-----------------|
| <b>Employee Education / Subscriptions (Account: 5425)</b> | <b>\$ 2,500</b> |
|---|-----------------|

This account was established to provide employees with the ability to obtain professional training, required certifications and for management training purposes, specifically for in field and office operations and safety and regulatory compliance. This account also provides for employee related subscriptions to professional fisheries organizations.

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: GENERAL AND ADMINISTRATIVE EXPENSES**

|  |                 |
|--|-----------------|
| <b>Administrative Travel (Account: 5430)</b> | <b>\$ 4,000</b> |
|--|-----------------|

This account provides for actual travel costs for professional conferences, seminars, training and strategy meetings that are attended by the General Manager and/or staff throughout the fiscal year.

|   |                 |
|---|-----------------|
| <b>Public Information (Account: 5431)</b> | <b>\$ 1,500</b> |
|---|-----------------|

This account is for miscellaneous costs that may arise out of public records act requests, newsletters, webpage support or other public information requirements.

|   |                   |
|---|-------------------|
| <b>SUBTOTAL GENERAL AND ADMINISTRATIVE EXPENSES</b> | <b>\$ 510,190</b> |
|---|-------------------|



*Beaver Dam Survey*

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: PROGRAM SUPPORT SERVICES**



|  |                  |
|--|------------------|
| <b>Biological Opinion / FMP Implementation (Account: 6201)</b> | <b>\$ 45,000</b> |
|--|------------------|

This line item provides funding for outside consultant support on activities, which include participation in the NFMS Biological Opinion compliance preparation as well as review of technical reports, study plans, participation in coordination and review meetings and conference calls.

BO and WR Order 2019-0148 Compliance Tasks and Support

This task addresses ongoing Cachuma Project Biological Opinion (BO or BiOp) and WR Order 2019-0148 compliance efforts and implementation of the Lower Santa Ynez River Fisheries Monitoring Program (FMP). As needed, consultants will provide technical and analytical support and review of the fisheries monitoring program and any proposed study plans. This may require participation of an advisory group to obtain consensus on the recommendations. A fish passage engineer will review, evaluate and develop technical elements of fisheries related monitoring, fish passage and restoration program elements. In addition, this item includes bio-statistician support and genetic tissue analysis (fish fin clips) conducted by a National Marine Fisheries Service certified geneticist. Activities may involve background research, concept development, content development and production schematics support for the ongoing BO, WR Order 2019-0148 and FMP activities.



AMC and CC Participation and Technical Support

Conference calls preparation and follow-up per call as well as participation in face-to-face meeting of the Adaptive Management Committee (AMC) and Consensus Committee (CC) if necessary. Technical support to COMB in preparing work products for the AMC and the CC as required.

Review of Fisheries Monitoring Reports

Fisheries monitoring reports that are prepared by the Cachuma Project biology staff must be reviewed for compliance measures for terms and conditions presented in the BO and WR Order 2019-0148 including the Annual Monitoring Report and technical memos prepared for Reclamation as well as the AMC, CC or COMB Board. This may include participation in the Science Advisory Committee to discuss comments on the reviewed reports.

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: PROGRAM SUPPORT SERVICES**



|                               |                  |
|-------------------------------|------------------|
| <b>GIS and Mapping - 6202</b> | <b>\$ 10,000</b> |
|-------------------------------|------------------|

This account provides funds for the purchase and maintenance of the GIS and GPS system components, software (ESRI, AutoCAD, Field Mapplet, MapLogic and Photoshop), hardware, aerial imagery and GIS/GPS technical support.

|  |                   |
|--|-------------------|
| <b>USGS Stream Gauge Program (Account: 6205)</b> | <b>\$ 115,000</b> |
|--|-------------------|

This line item is to fund the required stream discharge and water quality monitoring on the lower Santa Ynez River and its tributaries in compliance with the NMFS Biological Opinion.

|  |                   |
|--|-------------------|
| <b>SUBTOTAL PROGRAM SUPPORT SERVICES</b> | <b>\$ 170,000</b> |
|--|-------------------|



Redd Survey – Upper Refugio Reach

**COMB OPERATING BUDGET NARRATIVE**  
**FISHERIES DIVISION: HABITAT IMPROVEMENT PROJECTS**



|  |                  |
|--|------------------|
| <b>Tributary Project Support (Account: 6303)</b> | <b>\$ 10,000</b> |
|--|------------------|

This line item is to fund technical assistance provided by a fish passage engineer for tasks anticipated to include refinement of monitoring methods and procedures, hydraulic review of fish passage within a stream network, troubleshooting of general operation and maintenance issues and review of miscellaneous technical data and reporting.

|   |                  |
|---|------------------|
| <b>Hilton Creek Habitat Improvement (Account: 6320)</b> | <b>\$ 50,000</b> |
|---|------------------|

The Hilton Creek Fish Passage and Habitat Enhancement Project aims to improve fish movement and habitat quality along a continuously watered stretch of Hilton Creek that is fed by Lake Cachuma. This section of the creek has a steep gradient with exposed bedrock, a cascade chute, high velocities, shallow depths, and limited resting areas—conditions that have worsened following major storm events in 2023 and 2024 that removed important in-stream features. These issues create barriers for endangered Southern California steelhead, limiting access to otherwise suitable spawning and rearing habitat upstream. The project proposes targeted improvements to restore fish passage and maximize the ecological benefits from the consistent water supply.

Engineering and design work led by HDR, supported by detailed topographic surveys, has identified a phased approach to minimize construction impacts over three years. Phase 1 focuses on canyon and trail bedrock sections, Phase 2 addresses a cascade chute, and Phase 3 includes habitat enhancements in key stream reaches.

COMB is pursuing grant funding to offset the cost of this project. Costs for FY 2026-27 include final engineering and design costs. Construction costs would be incorporated in the FY 2027-28 COMB budget.

|  |                  |
|--|------------------|
| <b>El Jaro Creek / Cross Creek Ranch (Account: 6321)</b> | <b>\$ 50,000</b> |
|--|------------------|

The El Jaro Creek Fish Passage and Habitat Enhancement Project builds on a 2009 effort that improved fish passage by installing rock weirs to help juvenile and adult fish navigate a concrete low flow stream crossing. However, severe stormflows in 2023 and 2024 damaged key downstream features, causing erosion, lowering the streambed, and creating a barrier that now exceeds fish passage standards. To restore functionality, the project proposes reconfiguring the existing at-grade weir, adding a new downstream weir, and stabilizing the affected channel to meet regulatory criteria for fish passage and improve habitat for spawning and rearing.

A second component addresses significant bank erosion downstream, where the creek has undercut a 30-foot-high sediment wall and caused major loss of adjacent agricultural land. The plan includes installing rock slope protection, redirecting streamflow away from the bank, and adding a vegetated terrace for long-term stability. Located within designated critical habitat for endangered Southern California steelhead, these improvements aim to restore habitat quality and ensure unimpeded juvenile and adult fish passage in a key watershed connected to the Santa Ynez River.

COMB is pursuing grant funding to offset the cost of this project. Costs for FY 2026-27, pending grant approval, include final project design sufficient to solicit contractor bidding. Construction costs for the project would be incorporated in the FY 2027-28 COMB budget.

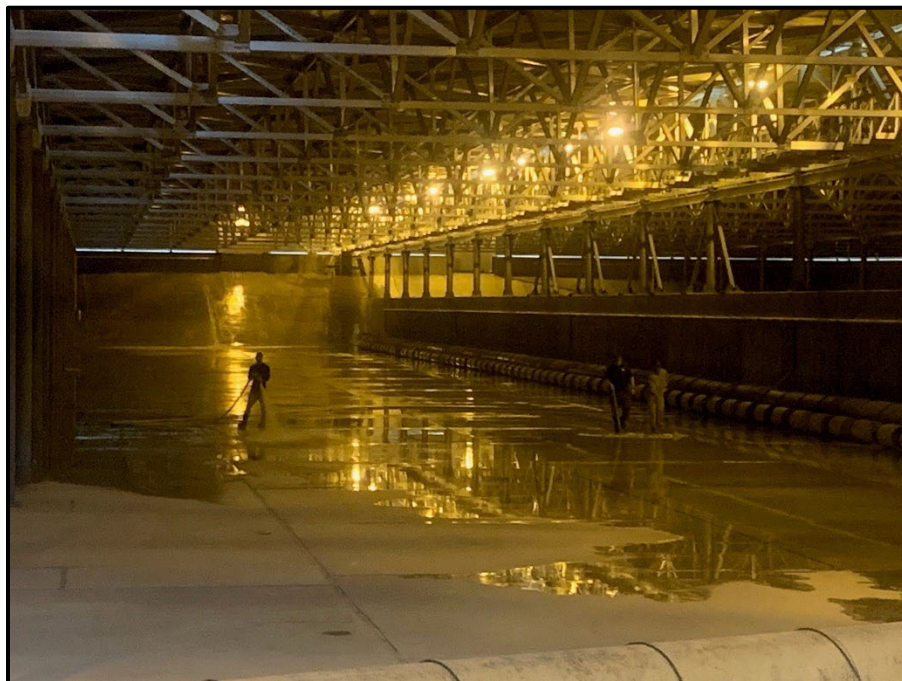
|   |                     |
|---|---------------------|
| <b>SUBTOTAL HABITAT IMPROVEMENT PROJECTS</b>                  | <b>\$ 110,000</b>   |
| <b>SUBTOTAL PROG SUPPORT AND HABITAT IMPROVEMENT PROJECTS</b> | <b>\$ 280,000</b>   |
| <b>TOTAL FISHERIES DIVISION BUDGET</b>                        | <b>\$ 1,918,721</b> |



**RECAP - TOTAL COMB OPERATING BUDGET**  
**FY 2026-27**



|  |                           |
|--|---------------------------|
| <b>COMB OPERATIONS DIVISION</b>          | <b>\$7,112,781</b>        |
| <b>COMB FISHERIES DIVISION</b>           | <b><u>\$1,918,721</u></b> |
| <b>TOTAL COMB GROSS OPERATING BUDGET</b> | <b>\$9,031,502</b>        |
| <b>LESS: OFFSETTING REVENUES</b>         | <b><u>(2,258,849)</u></b> |
| <b>TOTAL COMB NET OPERATING BUDGET</b>   | <b><u>\$6,772,653</u></b> |



Ortega Reservoir

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**APPENDIX**

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## **FISCAL OVERSIGHT**

## COMB GOVERNANCE

As set forth in Section 1.3 of the COMB JPA, COMB is governed by a Board of Directors (Board), which has the authority to conduct the business and policy-making affairs of COMB. All powers of COMB are exercised through the Board. Members of the Board are obligated to uphold both the Constitution of the United States and the Constitution of the State of California. Board members are also required to comply with all applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. (California Government Code Section 1360; and Article 20, Section 3 of the California Constitution.)



COMB has five standing committees: the Administrative Committee (financial, personnel and legal matters), the Operations Committee, the Fisheries Committee, the Public Outreach Committee and the Lake Cachuma Oak Tree Committee. Each committee is composed of two Board members and one alternate Board member. Appointments to the committees are made by the President of the Board, typically during the first month of the fiscal year or as necessary. The committees meet with staff on an as-needed basis and review and recommend proposed actions to the Board concerning, among other things, capital improvements, finance and other matters. On occasion, COMB utilizes ad-hoc committees that are temporary in nature.

COMB's General Manager is responsible for overall management of the day-to-day and long-term operations and activities of COMB.

## FINANCIAL, ADMINISTRATIVE AND OPERATING POLICIES

The COMB Board establishes policies and resolutions to comply with federal and state law, government code, various Cachuma Project operating and JPA agreements, applicable administrative policies and generally-accepted accounting principles. These policies include:

### **Board Governance Policy**

COMB Board Resolution No. 676, adopted November 26, 2018.

The Board Governance policy sets forth the basic professional and ethical standards to be followed by the COMB Board. The objectives of this Policy are to (1) outline the function, role and responsibility of the Board; (2) provide guidance for dealing with ethical issues; (3) heighten awareness of these ethical issues and values as critical elements in Board members' conduct and governing practices; and (4) support effective and timely decision-making.

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**FINANCIAL, ADMINISTRATIVE AND OPERATING POLICIES (CONTINUED)****Board Governance Policy (Continued)**

This policy was adopted pursuant to Section 1.7 of the 1996 Amended and Restated Joint Powers Agreement (COMB JPA) for the Establishment of a Board of Control to exercise the powers of the Agreement.

**Annual Statement of Investment Policy**

COMB Board Resolution No. 689, adopted July 22, 2019.

This policy sets forth guidelines by which surplus funds may be invested. The policy requires that the investment of surplus money of COMB shall be made in securities in accordance with Section 53601 of the Government Code. Investments are made taking into consideration the following factors: the probable income as well as the probable safety of said funds, exercising the judgment and care under the circumstances prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation, but in regard to the permanent disposition of said funds.

This policy requires the Board Secretary to submit a monthly report to the Board in accordance with Section 53646(b) of the Government Code.

**Fiscal Policy**

COMB Board Resolution No. 674, adopted November 26, 2018 (Revised July 24, 2023).

The purpose of this policy is to identify and outline fiscal policies and guidelines pursuant to federal and state law, government code, various Cachuma Project operating and JPA agreements, applicable administrative policies and generally-accepted accounting principles.

This policy sets forth the basic framework for the overall fiscal management of COMB and provides guidelines for evaluating both current activities and proposals for future programs. This policy further provides a guideline for the administrative and finance staff in planning and directing day-to-day financial affairs and in developing financial recommendations to the COMB Board.

The objective of this policy is to achieve long-term stability and a positive financial condition. An important aspect of the policy is the application of budget and fiscal policies in the context of a long-term financial approach.

The scope of this policy includes accounting, auditing, financial reporting, internal control, operating and capital budgeting, revenue management, cash and investment management, expenditure control, asset management, strategic plans and debt management.

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**FINANCIAL, ADMINISTRATIVE AND OPERATING POLICIES (CONTINUED)****Procurement Policy**

Adopted by the COMB Board August 27, 2017

The procurement policy sets forth uniform procedures for the procurement of equipment, non-professional and professional services, supplies and formal bidding and contracting for COMB. The objective of a procurement policy is to ensure timely, efficient and cost-effective procurement within the guidelines of good business practices and transparent public policy. Unless stated otherwise, the policy applies to all purchasing actions regardless of funding source and payment method. All procurements shall be reasonable and necessary.

This policy applies to the procurement of equipment, services and supplies using funds authorized for expenditure by the adopted annual budget.

**Capital Improvement Planning**

Five-Year Infrastructure and Habitat Improvement Plans are developed by COMB staff and used as an internal guideline for forecasting, budgeting and long-term financial planning. COMB staff actively pursues outside funding sources for all Infrastructure Improvement Projects. Outside funding sources, such as grants, are used to finance only those Improvement Projects that are consistent with the Five-Year Infrastructure Improvement Plan and COMB priorities and whose operating and maintenance costs have been included in future operating budget forecasts.

Section 1.3 of Article I of the COMB JPA outlines unanimous consent required for the Cachuma Operation and Maintenance Board to act on certain matters. Section 1.3. (i). states: A decision of the Cachuma Operation and Maintenance Board authorizing a capital expenditure in excess of one million dollars or incurring an indebtedness or obligation in excess of one million dollars shall not be effective unless it has been ratified by a resolution approved by all of the parties.”

COMB staff, with the assistance of external consultants, will conduct a reliability study of its critical infrastructure on a periodic basis, to evaluate its current condition, remaining useful life and future replacement costs. The Bureau of Reclamation technical engineering team also conducts periodic and comprehensive facility reviews every 3 and 6 years, respectively, to assess and document recommendations on the system operating facilities.

**Reserve Policy**

A reserve account provides resources to ensure sufficient funding is available to meet operating, capital and debt service obligations, comply with legally mandated requirements and to respond to unforeseen events or emergencies.

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**FINANCIAL, ADMINISTRATIVE AND OPERATING POLICIES (CONTINUED)****Reserve Policy (Continued)**

COMB has traditionally operated without a formalized reserve fund and has utilized COMB quarterly assessments for operational expenditures. In addition, special assessments have been authorized by the Board during extraordinary or unforeseen events.

**Debt Policy**

COMB is authorized pursuant to Section 6588(C) of the Government Code of the State of California and the COMB 1996 Amended and Restated JPA agreement to issue bonds, notes, letters of credit, or other forms of indebtedness. COMB does not use long-term debt to pay for on-going operations. The use of bonds or other forms of indebtedness is only considered for significant capital and infrastructure improvements.

There is no specific provision within the California Government Code that limits the amount of debt that may be issued by COMB as a Joint Powers Authority. However, indebtedness or obligation in excess of one million dollars shall not be effective unless it has been ratified by a resolution approved by unanimous consent of the COMB Board pursuant to Section 1.3. (h). of Article I of the COMB JPA.

New debt issues and refinancing of existing debt must be analyzed for compatibility within COMB's overall financial planning. The review includes, but is not limited to, cash flow analysis and the maintenance of COMB's bond rating. Annual debt service shall not produce an adverse impact upon future operations.

**Annual Audit**

An annual audit is performed by an independent public accounting firm with an audit opinion to be included with COMB's published Comprehensive Annual Financial Report. The external auditor presents the COMB Board, on an annual basis, with audited financial statements in accordance with Government Auditing Standards issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. The external auditor expresses an opinion about whether the financial statements fairly represent the financial position of COMB. The external auditor also evaluates the adequacy of COMB's internal control system, the electronic data processing and, where weaknesses are noted, makes appropriate recommendations for improvements.

The external auditor will further submit a written management letter, which communicates suggested improvements in COMB's financial operations and any deficiencies in internal controls that need to be addressed.

## BASIS OF ACCOUNTING

COMB operates as a proprietary fund-type. All proprietary fund-types use a flow of economic resources measurement focus. Under this measurement focus, all assets and liabilities associated with the operation of these funds are included in the Statement of Net Position. Total net position (i.e., fund equity) is segregated into amounts invested in capital and unrestricted net position. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in total net position.

All proprietary fund-types utilize the accrual basis of accounting. Under this method, revenues are recognized when earned, regardless of when received, and expenses are recognized at the time the related liabilities are incurred, regardless of when paid.

COMB's accounting policies and procedures are consistent with:

- Generally Accepted Accounting Principles (GAAP)
- Governmental Accounting Standards Board (GASB)
- Office of Management and Budget (OMB) Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" related to federal assistance and federal grant programs.

## FUND STRUCTURE

To provide for accountability of public monies in accordance with applicable federal and state law and regulations, various Cachuma Project and JPA agreements and Board policies, the following funds have been established in the Treasury of COMB. COMB operates under one fund for financial statement and budgetary purposes. Because COMB is a pass-through agency, all revenues are equal to the expenditures included in the budget. As such, the overall fund balance is expected to be zero. Unexpended funds are identified through the audit process and returned to the Member Agencies on an annual basis.

### **General Fund**

Receipts from COMB O&M assessments, Cachuma Project pass-through revenues, federal and state grant reimbursements, the Cachuma Project Betterment Fund and miscellaneous income are deposited into the General Fund. Payments from the General Fund are made in accordance with COMB Fiscal Policy (adopted November 26, 2018) and COMB Procurement Policy (adopted August 27, 2017) and include the following items:

- Infrastructure and Habitat Improvement Projects
- Operation and Maintenance Costs
- Administrative Costs
- Loans and Obligations
- Cachuma Project Pass-through Charges
- Transfers to the Revolving Fund

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**FUND STRUCTURE (CONTINUED)****Revolving Fund**

The Revolving Fund is used to pay employee compensation and payroll related federal, state and local taxes. The fund is replenished through transfers from the General Fund.

**Investment Fund**

The COMB Board of Directors established a General Fund from which monies may be expended for specific and general operating purposes. From time to time, COMB has on hand in the General Fund monies, which are surplus to COMB's immediate operating needs. The COMB Board determined it to be in the public interest to invest in such surplus funds in a manner which ensures a maximum return consistent with safety on such investments while maintaining the integrity of such surplus funds.

Cash and investment programs are maintained in accordance with California Government Code Section 53600 et seq. to ensure that proper controls and safeguards are maintained. Pursuant to State law, the COMB Board adopts a detailed investment policy through a Board resolution on an annual basis. Reports on COMB's investment portfolio and cash position are presented to the COMB Board monthly at a regularly scheduled public meeting, in conformity with Section 53646(a) of the California Government Code.

**Warren Act Trust Fund**

The Warren Act Trust Fund is a requirement of the Cachuma Project Warren Act Contract that the Central Coast Water Authority (CCWA) negotiated with the US Bureau of Reclamation for delivery and transport of State Water Project (SWP) water through the Cachuma Project facilities.

A 1995 memorandum of understanding executed between CCWA, Reclamation and the Cachuma Project Authority (CPA) in conjunction with the Warren Act Contract established a charge of \$43 per acre-foot (AF) (\$58 initially with a \$15 service charge by Reclamation), which is not indexed. Payments are required upon delivery of SWP water to Cachuma Reservoir. CCWA makes quarterly payments to COMB (successor agency to CPA) on the prior quarter's water deliveries to the lake. Article 3.a. of the MOU provides that those funds be deposited into the Warren Act Trust Fund.

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## **FUND STRUCTURE (CONTINUED)**

### **Warren Act Trust Fund (Continued)**

Expenditures of the Warren Act Trust Fund revenues, as further detailed in the MOU, are considered restricted and are limited to:

- Environmental Restoration
- Wastewater Reclamation
- Water Conservation
- Cachuma Project Betterment
- Innovative Water Management Techniques

The contract remained in effect through September 2024. CCWA initiated the contract renewal process with Reclamation during fiscal year 2023-24. On September 16, 2024, Reclamation and CCWA executed a three-year amendatory contract to allow for the completion of a long-term agreement.

### **Renewal Fund**

The Renewal Fund is a requirement of the 1995 Renewal Master Contract (executed in 1996 between Reclamation and the Santa Barbara County Water Agency) entered into for water conveyance from the Cachuma Project to the five Cachuma Project Member Units.

The Renewal Master Contract requires the payment of \$10 per AF of water made available by the Cachuma Project during the water year, which runs from October 1 to September 30. The Renewal Fund itself is capped at \$257,100, which is related to the current annual operational yield of 25,714 AF.

Article 27(a) of the Cachuma Project Renewal Master Contract (MCA 27) established the Renewal Fund into which monies are deposited and from which monies are expended. As provided in this Article, the purpose of Renewal Fund is to finance the following activities:

- Mitigation activities associated with the selected alternative identified in the final Cachuma Project Renewal EIS/EIR.
- Activities that may be required of the Contracting Officer by SWRCB orders affecting Project Water Rights.
- Studies described in sub-article 7 (b) which are specific to conducting and preparing studies and reports that are required to be submitted by Reclamation to the SWRCB pursuant to Board WR94-5 paragraph 3, including fisheries studies and other related studies under the continuing jurisdiction of the SWRCB.

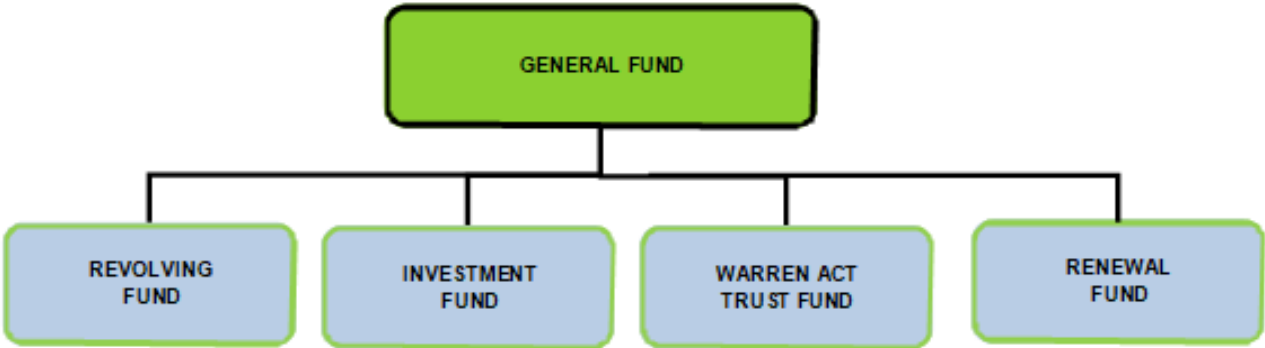
**FUND STRUCTURE (CONTINUED)**

**Renewal Fund (Continued)**

- Studies relating to modifications in the Cachuma Project operations pursuant to sub-article 9 (g), including to protect the environment and groundwater quality downstream of Bradbury Dam, conserve Project Water and promote efficient water management.
- Restoration of riparian or other habitat of the Santa Ynez River and its watershed, which has been adversely affected by the Project.
- Activities of Reclamation pursuant to sub-article 27 (i) that are required by law to be the Contractor, those shall be included in the Long-Term Plan and Annual Work Plan and reimbursed by the Renewal Fund.

The 1995 Renewal Master Contract was to expire on September 30, 2020. The Santa Barbara County Water Agency (SBCWA) initiated a contract renewal process with Reclamation during fiscal year 2019-20. On September 22, 2020, Reclamation and SBCWA executed a three-year amendatory contract to allow for the development and completion of a long-term agreement. In 2023, the contract was amended for an additional three-year period through September 2026. SBCWA has initiated the contract renewal process with Reclamation.

**Figure 5.1 – COMB Fund Structure**



COMB operates under one fund for financial statement and budgetary purposes. Because COMB is a pass-through agency, all revenues are equal to the expenditures included in the budget. As such, the overall fund balance is expected to be zero. Unexpended funds are identified through the audit process and returned to the Member Agencies on an annual basis.

A summary of funds by fund type can be found on the following page.

## FUND STRUCTURE (CONTINUED)

Table 5.1 Summary of Funds by Fund Type – FY 2026-27 (1)

| Category                                       | General Fund         | Warren Act Trust Fund | Renewal Fund      | Total                |
|--|----------------------|-----------------------|-------------------|----------------------|
| <b>Revenues:</b>                               |                      |                       |                   |                      |
| COMB Net Operating Budget                      | \$ 6,772,653         | \$ -                  | \$ -              | \$ 6,772,653         |
| USBR Water Rates/Deficits                      | 2,400,000            | -                     | -                 | 2,400,000            |
| FEMA Assistance                                | 800,000              | -                     | -                 | 800,000              |
| Grant Funding                                  | 579,000              | -                     | -                 | 579,000              |
| Lauro Reservoir Intake Offset - SC JPA         | 500,000              | -                     | -                 | 500,000              |
| Warren Act Trust Fund                          | -                    | 19,221                | -                 | 19,221               |
| Bradbury SOD Act                               | 261,647              | -                     | -                 | 261,647              |
| Cachuma Project Betterment Fund                | 100,000              | -                     | -                 | 100,000              |
| SWRCB Water Rights Fee                         | 87,350               | -                     | -                 | 87,350               |
| Lauro SOD Act                                  | 47,404               | -                     | -                 | 47,404               |
| Renewal Fund                                   | -                    | -                     | 240,628           | 240,628              |
| DDW D3 Permit Fee                              | 20,000               | -                     | -                 | 20,000               |
| <b>Total Managed Revenues:</b>                 | <b>\$ 11,568,054</b> | <b>\$ 19,221</b>      | <b>\$ 240,628</b> | <b>\$ 11,827,903</b> |
| <b>Expenditures:</b>                           |                      |                       |                   |                      |
| <b>Contracts/Agreements</b>                    |                      |                       |                   |                      |
| U.S. Bureau of Reclamation                     | \$ 2,400,000         | \$ -                  | \$ -              | \$ 2,400,000         |
| Bradbury SOD Act Repayment                     | 261,647              | -                     | -                 | 261,647              |
| Lauro SOD Act Repayment                        | 47,404               | -                     | -                 | 47,404               |
| Water Rights Fee                               | 87,350               | -                     | -                 | 87,350               |
| <b>Subtotal:</b>                               | <b>\$ 2,796,401</b>  | <b>\$ -</b>           | <b>\$ -</b>       | <b>\$ 2,796,401</b>  |
| <b>Personnel</b>                               |                      |                       |                   |                      |
| Operations Division                            | \$ 1,434,453         | \$ -                  | \$ -              | \$ 1,434,453         |
| Fisheries Division                             | 840,182              | 4,221                 | 140,628           | 985,031              |
| Administrative Division                        | 1,169,794            | -                     | -                 | 1,169,794            |
| <b>Subtotal:</b>                               | <b>\$ 3,444,429</b>  | <b>\$ 4,221</b>       | <b>\$ 140,628</b> | <b>\$ 3,589,278</b>  |
| <b>Operation and Maintenance</b>               |                      |                       |                   |                      |
| Operations Division                            | \$ 630,700           | \$ -                  | \$ -              | \$ 630,700           |
| Fisheries Division                             | 143,500              | -                     | -                 | 143,500              |
| <b>Subtotal:</b>                               | <b>\$ 774,200</b>    | <b>\$ -</b>           | <b>\$ -</b>       | <b>\$ 774,200</b>    |
| <b>General and Administrative</b>              |                      |                       |                   |                      |
| Operations Division                            | \$ 315,490           | \$ -                  | \$ -              | \$ 315,490           |
| Fisheries Division                             | 151,534              | -                     | -                 | 151,534              |
| <b>Subtotal:</b>                               | <b>\$ 467,024</b>    | <b>\$ -</b>           | <b>\$ -</b>       | <b>\$ 467,024</b>    |
| <b>Infrastructure and Improvement Projects</b> |                      |                       |                   |                      |
| Infrastructure Improvement Projects            | \$ 3,730,000         | \$ -                  | \$ -              | \$ 3,730,000         |
| Special Projects                               | 176,000              | 15,000                | -                 | 191,000              |
| Habitat Improvement Projects                   | 10,000               | -                     | 100,000           | 110,000              |
| Program Support Services                       | 170,000              | -                     | -                 | 170,000              |
| <b>Subtotal:</b>                               | <b>\$ 4,086,000</b>  | <b>\$ 15,000</b>      | <b>\$ 100,000</b> | <b>\$ 4,201,000</b>  |
| <b>Total Expenditures before Debt:</b>         | <b>\$ 11,568,054</b> | <b>\$ 19,221</b>      | <b>\$ 240,628</b> | <b>\$ 11,827,903</b> |

(1) COMB operates under one fund for financial statement and budgetary purposes. Because COMB is a pass-through agency, all revenues are equal to the expenditures included in the budget. As such, the overall Fund Balance excluding the Warren Act Trust Fund and Renewal Fund is expected to be zero. Unexpended funds are identified through the audit process and returned to the Member Agencies on an annual basis.

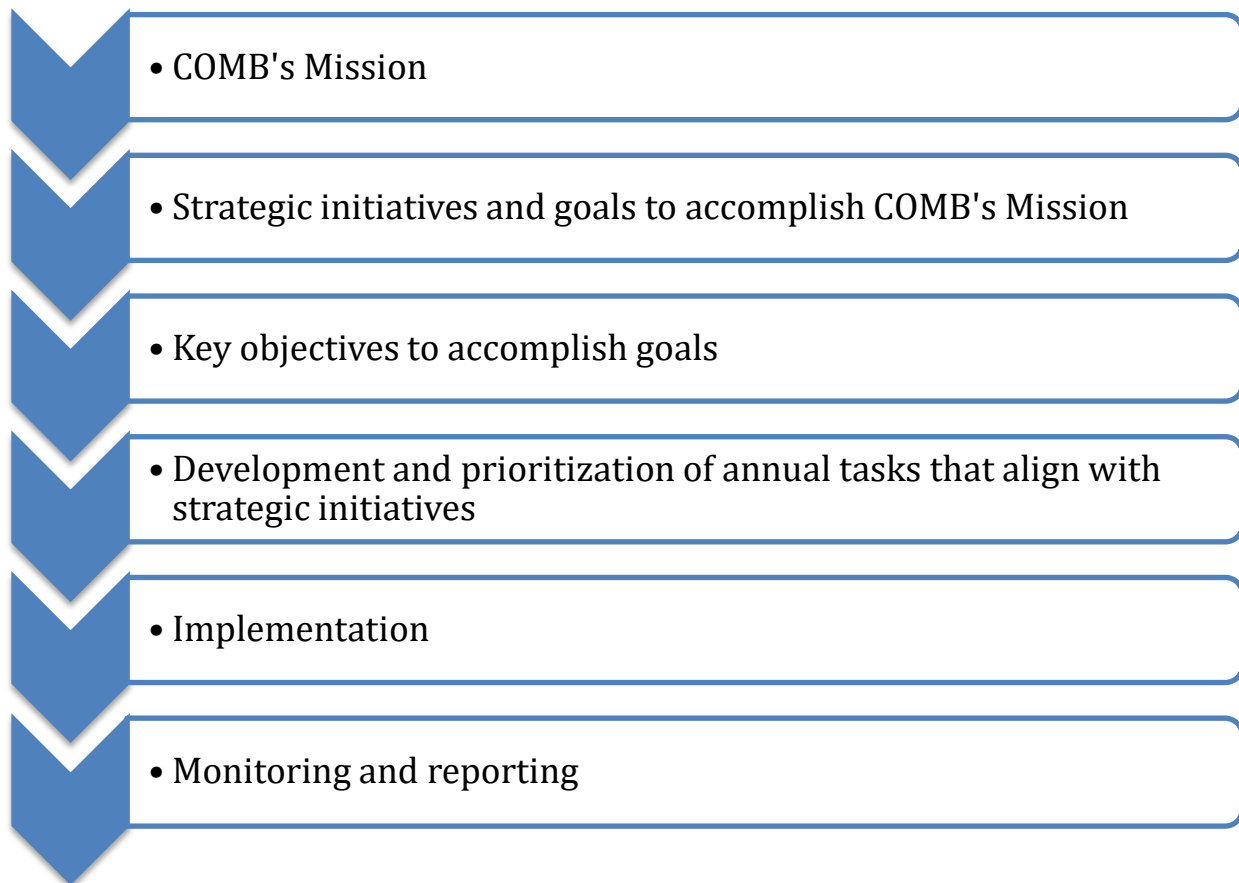
## LONG TERM PLANNING

## STRATEGIC PLANNING

### The Planning Process

Strategic planning is a comprehensive and systematic management tool designed to help organizations assess the current environment, anticipate and respond appropriately to changes in the environment, envision the future, increase effectiveness, develop commitment to the organizations' mission and achieve consensus on strategies and objectives for achieving that mission. The planning process warrants considerable time and includes thoughtful consideration on components such as identifying critical issues and establishing strategic initiatives, developing broad goals to achieve those initiatives, creating measurable objectives and ultimately implementing the plan.

At the end of 2019, COMB staff developed six internal strategic initiatives as part of the annual budget and long-term financial planning process. Staff took into consideration the following elements in its planning efforts:



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## STRATEGIC PLANNING (CONTINUED)

### **Our Policy Statement and Mission**

COMB is committed to providing its core services while maintaining a balanced approach to human and environmental needs. Our actions are guided by the COMB mission:

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***“To provide a reliable source of water to our Member Agencies  
in an efficient and cost-effective manner  
for the betterment of our community.”***

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### **Strategic Initiatives**

As COMB moves into the next fiscal year, staff is committed to upholding the core values that have shaped its standard of excellence. These six initiatives seek to coordinate with existing COMB plans, policies, programs and action to carry out our mission.



- Initiative 1 - Water Supply Reliability
- Initiative 2 - Distribution Facilities Improvement
- Initiative 3 - Environmental Stewardship and Public Trust Resources
- Initiative 4 - Cost Effectiveness and Value
- Initiative 5 - Organizational Policies and Financial Responsibilities
- Initiative 6 - Foster Leadership and Workforce Capabilities

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**STRATEGIC PLANNING (CONTINUED)****Initiative 1 Water Supply Reliability**

**Goal:** Sustain a safe and reliable water supply for our Member Agencies by:

**Objectives:**

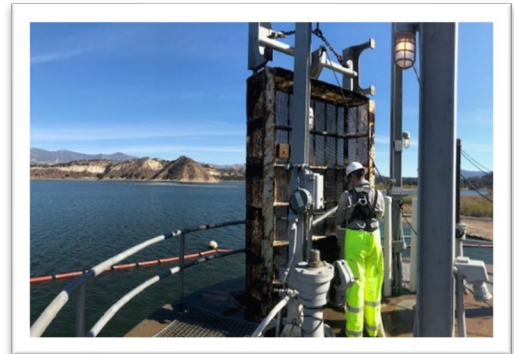
- Protecting and maintaining the water conveyance system.
- Analyzing watershed conditions - watershed stewardship.
- Implementing drought response and resiliency measures.
- Storing and conveying state water imports.
- Monitoring / defending against natural and human-made disasters.

**Initiative 2 Distribution Facilities Improvements**

**Goal:** Identify, prioritize and implement projects necessary to protect, improve and sustain the Cachuma Project conveyance system and appurtenant structures by:

**Objectives:**

- Continuing infrastructure improvement planning.
- Developing and updating asset management plan.
- Updating the risk and resiliency plan.
- Improving facilities security and emergency preparedness plans.
- Continuing technological improvements toward operation and maintenance activities.



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**STRATEGIC PLANNING (CONTINUED)****Initiative 3 Environmental Stewardship and Public Trust Resources**

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**Goal: Monitor and respond** to changing climate conditions, develop and implement strategies to support the sustainability of the steelhead trout population and improve fish passage along the Lower Santa Ynez River (LYSR) by:

**Objectives:**

- Implementing the provisions of the 2000 BiOp and Water Rights (WR) Order 2019-0148.
- Protecting and enhancing steelhead habitats in accordance with the FMP.
- Adhering to environmental regulatory requirements.
- Improving watershed protection.
- Working to mitigate climate crisis effects of COMB operations.

**Initiative 4 Cost-Effectiveness and Value**

---

**Goal: Maintain and improve** the cost-effectiveness and value of COMB services to our Member Agencies by:

**Objectives:**

- Managing and maintaining infrastructure efficiently.
- Continuing to review and prioritize IIP.
- Investing in system improvements and sustainably efficient equipment for better, more economical results and climate change resiliency.
- Enhancing asset management program.
- Leveraging technology to improve system.



**STRATEGIC PLANNING (CONTINUED)****Initiative 5 Organizational Policies and Financial Responsibility**

**Goal: Operate** within approved policies in a productive, transparent and efficient manner to ensure sound financial stability by:

**Objectives:**

- Advancing the development of policies and procedures in an ever changing legal and regulatory environment.
- Enhancing the annual financial audit practices and budget document formulation.
- Developing short- and long-term financial plans.
- Adhering to risk transfer practices.
- Leveraging advances in technology.

**Initiative 6 Foster Leadership and Strengthen Workforce Capabilities**

**Goal: Promote** a safe and positive work environment and provide opportunities for employees to utilize their diverse talents, grow professionally, and prepare for future challenges by:

**Objectives:**

- Promoting a safe and socially equitable working environment.
- Providing training and continuing education.
- Advanced licensing and certification for staff members.
- Investing in professional growth opportunities.
- Reinforcing employee retention through workplace / leadership practices.



## **FY 2026-27 GOALS AND PRIORITIES**

In January of each year, COMB Division Managers prepare a list of priorities by division and general area of responsibility. This list is reviewed by the General Manager and refined as appropriate. The goals are then presented to the Board of Directors at a regularly scheduled public meeting. Outlined below are key priorities, organized by strategic initiative, to be undertaken during FY 2026-27.

### **Strategic Initiative 1 – Water Supply Reliability**

**Goal:** Sustain a safe, reliable water supply for our Member Agencies.

- Perform studies and implement modifications to key infrastructure to improve resiliency and safety, including the North Portal Intake Tower seismic assessment, the Tecolote Tunnel concrete deterioration investigation and a safety modification study of the North Portal Elevator.
- Coordinate with Reclamation, Member Agencies, and regional partners on water supply planning, operational coordination, and emergency preparedness efforts.
- Continue monthly water quality sampling, including operation of the Lake Cachuma Evaporation and Water Quality Buoy, and conduct coordinated biweekly meetings with regional treatment plants to optimize operations.
- Continue to update and enhance the Lake Cachuma projection model, monitor reservoir conditions, hydrologic trends, and drought indicators to support proactive water supply management and operational decision making. Provide regular updates to the COMB Board and Member Agencies.

### **Strategic Initiative 2 – Distribution Facilities Improvements**

**Goal:** Identify, prioritize and implement projects necessary to protect, improve and sustain the Cachuma Project conveyance system and appurtenant structures.

- Continue structural maintenance and rehabilitation of the Lower Reach South Coast Conduit and appurtenant structures.
- Rehabilitate the Lauro Reservoir Intake Structure that delivers water stored in the reservoir to the Cater Treatment Plant.
- Rehabilitate the Sheffield Control Station to improve pipeline capacity east of the control station and provide better isolation during outages. FY 2026-27 work includes installation of an east portal line valve and internal inspection of the pipeline.
- Complete the Lauro Bypass Channel/Access Road Project to improve access and maintain water quality at Lauro Reservoir.

**FY 2026-27 GOALS AND PRIORITIES (CONTINUED)**

- Perform a comprehensive update of GIS data within COMB's Field Mapper system, incorporating updated aerial imagery and system information. Locate and digitize lateral piping associated with the South Coast Conduit.
- Continue organizing and digitizing historical records, with a focus on construction photographs of the South Coast Conduit and obtain available drawings from Reclamation.

**Strategic Initiative 3 – Environmental Stewardship and Public Trust Resources**

**Goal:** Monitor and respond to changing climate conditions, minimize impacts associated with COMB operations and implement strategies to support the sustainability of the steelhead trout population and improve fish passage along the Lower Santa Ynez River (LYSR).

- Install solar, battery, and EV charging system at COMB headquarters and continue to evaluate small hydropower system potential.
- Replace a 2009 Ford Explorer with a fuel efficient hybrid or electric vehicle.
- Continue implementation of the monitoring and survey program per the 2000 Biological Opinion.
- Continue annual development and implementation of a Migrant Trapping Plan in collaboration with Reclamation. Maintain the LSYR *O. mykiss* scale inventory and conduct data analysis.
- Collaborate with Reclamation, Cachuma Project Member Units and downstream interest groups to provide technical input for a draft Biological Assessment (BA) to support re-consultation with NMFS for a new Biological Opinion (BiOp).
- Complete the two-year Gravel Augmentation Program in Hilton Creek. Consider submitting a follow up proposal for continued program activities.
- Continue monitoring all oak trees within the Lake Cachuma Oak Tree Restoration Program.
- Continue education and collaboration with other *O. mykiss* monitoring programs within the Southern California Steelhead DPS to enhance collective knowledge.

**Strategic Initiative 4 – Cost-Effectiveness and Value**

**Goal:** Maintain and improve the cost-effectiveness and value of COMB services to our Member Agencies.

- Identify and prioritize infrastructure improvement projects through the COMB Five-Year Infrastructure Improvement Plan (IIP).

**FY 2026-27 GOALS AND PRIORITIES (CONTINUED)**

- Maintain proactive preventive maintenance programs to reduce emergency repairs, extend asset life, and minimize long-term operational costs.
- Assess and prioritize water meters for replacement to improve the accuracy of water accounting.
- Review and update purchasing and procurement practices to improve cost competitiveness and maximize value for agency expenditures.
- Pursue grant funding for upcoming projects, particularly those identified in the Infrastructure Improvement Plan and Habitat Improvement Plan

**Strategic Initiative 5 – Organizational Policies and Financial Responsibility**

**Goal:** Operate within approved policies in a productive, transparent and efficient manner to ensure sound financial stability.

- Execute a short-term amendatory agreement with Reclamation to the Cachuma Transferred Project Works Contract to allow for completion of a long-term agreement.
- Finalize the Bradbury Dam Safety of Dams contract including any amendments that may be needed.
- Operate within approved financial resources.
- Enhance Annual Comprehensive Financial Report (ACFR) and budget documents.
- Participate in the ACWA JPIA Commitment to Excellence Program.
- Continue to strengthen cybersecurity and information technology infrastructure to reduce operational risk and protect critical agency systems and data.
- Advance Board policies and internal procedures.

**Strategic Initiative 6 – Foster Leadership and Strengthen Workforce Capabilities**

**Goal:** Promote a safe and positive work environment and provide opportunities for employees to utilize their diverse talents, grow professionally, and prepare for future challenges.

- Encourage staff development and certification as water system distribution operators, qualified applicators and appropriate safety training.
- Develop Employee Retention Plan to promote workforce stability and longevity.
- Participate in the ACWA JPIA Vector Solutions Online Training Program.
- Develop an Employee Health and Wellness Plan.

## PERFORMANCE MEASURES

In support of our mission to provide a reliable source of water to our Member Agencies in an efficient and cost-effective manner, COMB has identified the following key performance measures to demonstrate our efforts in achieving our objective.

### Water Conveyed by Year, by Source of Water Via South Coast Conduit (Acre Feet)

|   | Actual<br>2020 | Actual<br>2021 | Actual<br>2022 | Actual<br>2023 | Actual<br>2024 | Actual<br>2025 | Plan (*)<br>2026 | Plan (*)<br>2027 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|
| Cachuma Project Deliveries                          | 17,917         | 22,657         | 14,693         | 18,890         | 16,223         | 19,227         | 23,517           | 23,675 (a)       |
| State Water Project (SWP) Deliveries <sup>(2)</sup> | 705            | 2,457          | 5,537          | 410            | 330            | 429            | 53               | 1,600 (b)        |
| So. Coast Storage (Gain/Loss)                       | 177            | (26)           | (56)           | (63)           | (19)           | (37)           | -                | -                |
| <b>Total</b>  | <b>18,799</b>  | <b>25,088</b>  | <b>20,175</b>  | <b>19,237</b>  | <b>16,534</b>  | <b>19,620</b>  | <b>23,570</b>    | <b>25,275</b>    |

(\*) Based on Member's projected imports/exports at the start of the year.

### Water Conveyed by Year, by COMB Member Agency Via South Coast Conduit (Acre Feet)

|                                   | Actual<br>2020 | Actual<br>2021 | Actual<br>2022 | Actual<br>2023 | Actual<br>2024 | Actual<br>2025 | Plan (*)<br>2026 | Plan (*)<br>2027    |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|---------------------|
| Goleta Water District             | 9,995          | 10,226         | 9,302          | 10,571         | 10,670         | 10,746         | 10,204           | 10,547              |
| City of Santa Barbara             | 2,149          | 8,059          | 5,854          | 4,723          | 2,298          | 4,327          | 9,160            | 10,250              |
| Carpinteria Valley Water District | 3,311          | 3,013          | 2,414          | 2,691          | 2,268          | 2,994          | 2,935            | 2,935               |
| Montecito Water District          | 2,493          | 3,417          | 2,003          | 887            | 966            | 1,190          | 1,245            | 1,516               |
| Other (**)                        | 674            | 398            | 656            | 428            | 352            | 400            | 27               | 27                  |
| <b>Total</b>                      | <b>18,622</b>  | <b>25,114</b>  | <b>20,230</b>  | <b>19,300</b>  | <b>16,553</b>  | <b>19,656</b>  | <b>23,570</b>    | <b>25,275 (a+b)</b> |

(\*) Based on Member's projected imports/exports at the start of the year.

(\*\*) Other includes SWP participants: La Cumbrew Mutual Water, Raytheon, and Morehart Land Company

### Apparent Water Loss (Target = +/- 6%)

|  | Actual<br>2020 | Actual<br>2021 | Actual<br>2022 | Actual<br>2023 | Actual<br>2024 | Actual<br>2025 | Plan (**)<br>2026 | Plan (**)<br>2027 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|-------------------|
| Water Production (*)                   | 18,721         | 24,854         | 20,330         | 19,139         | 17,136         | 19,830         | 23,570            | 25,275            |
| Water Deliveries                       | 18,799         | 25,088         | 20,175         | 19,237         | 16,534         | 19,772         | 23,570            | 25,275            |
| Difference = Apparent Water Loss (AWL) | (78)           | (234)          | 156            | (99)           | 602            | 58             | -                 | -                 |
| AWL %                                  | -0.42%         | -0.94%         | 0.77%          | -0.52%         | 3.51%          | 0.29%          | +/- 6%            | +/- 6%            |

(\*) Cachuma Lake Diversion + Tecolote Tunnel Intrusion + County Park Usage

(\*\*) Per Cachuma Project Master Contract - All Project Water delivered for municipal and industrial purposes is measured by meters with an accuracy of +/- 6 percent

### Planned Maintenance Hours to Distribution System Length

|                                    | Actual<br>2020 | Actual<br>2021 | Actual<br>2022 | Actual<br>2023 | Actual<br>2024 | Actual<br>2025 | Plan<br>2026 | Plan<br>2027 |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|
| Maintenance Hours                  | 5,317          | 4,916          | 5,233          | 4,484          | 4,472          | 4,352          | 4,967        | 4,967        |
| Maintenance Hours/Mile of Pipeline | 187            | 173            | 174            | 149            | 149            | 145            | 165          | 165          |

### Underground Service Alert in the COMB Right of Way (ROW)

|   | Actual<br>2020 | Actual<br>2021 | Actual<br>2022 | Actual<br>2023 | Actual<br>2024 | Actual<br>2025 | Plan<br>2026 | Plan<br>2027 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|--------------|--------------|
| # of Dig Alerts Received and Reviewed by COMB Staff | 1,091          | 1,006          | 970            | 1,150          | 1,082          | 1,082          | 1,000        | 1,000        |

### Safety and Training Hours

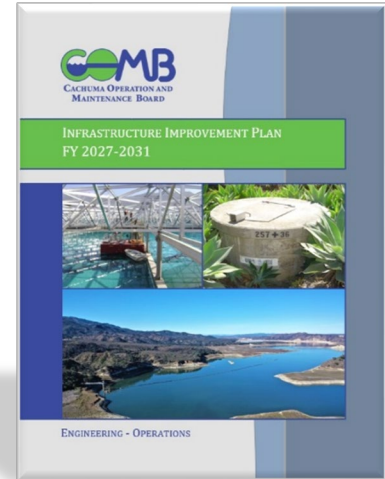
|                                 | Actual<br>2020 | Actual<br>2021 | Actual<br>2022 <sup>(1)</sup> | Actual<br>2023 | Actual<br>2024 | Actual<br>2025 | Plan<br>2026 | Plan<br>2027 |
|---------------------------------|----------------|----------------|-------------------------------|----------------|----------------|----------------|--------------|--------------|
| Total Safety and Training Hours | 142            | 189            | 644                           | 263            | 188            | 231            | 180          | 180          |

(1) 2022 Safety and Training Hours were high due to staff education requirements related to Distribution Operator testing and license/certification.

## LONG TERM CAPITAL AND FINANCIAL PLANNING

COMB operates under an annual operating budget, which is adopted by the Board of Directors in accordance with established short and long-term financial plans. Through the Transferred Project Works contact (O&M Contract), COMB is responsible for operating and maintaining the facilities of the U.S. Bureau of Reclamation. COMB does not have the title to the assets of the Cachuma Project. Capital improvements are recorded as expenditures in the COMB Operating Budget and funded on a current basis from the COMB Member Agencies.

The FY 2026-27 Budget includes \$3,921,000 for capital (infrastructure) improvement and non-capital (special) projects as compared to the FY 2025-26 Budget of \$3,375,000. See [pages 65-78](#) for information on current year's projects.



COMB has developed a comprehensive five-year Infrastructure Improvement Plan (IIP) that is used as an internal guideline for forecasting, budgeting and long-term financial planning. The IIP formalizes the strategy for implementation of capital projects and programs needed to carry out the goals and policy objectives of the Board. The IIP is organized and structured to identify and prioritize rehabilitation projects necessary to protect, improve and sustain a reliable source of water conveyed from the Cachuma Project to the South Coast communities of Santa Barbara County.

The IIP identifies the improvements needed in the Cachuma Project System and sets forth review criteria to enable the prioritization of projects for scheduling improvements during the five-year period. The IIP is intended to serve many purposes including:

- **Long Range Planning Document**

As a long-range planning document, the IIP describes the key infrastructure improvements needed for a five-year horizon and identifies additional projects that should be evaluated on a regular basis for potential future inclusion. The goal of the five-year plan is to identify the critical needs projects for near-term implementation.

- **Cachuma Project Cost Analysis**

The IIP provides an outline of costs associated with rehabilitation of the Cachuma Project that serves to provide guidance for long-term rate analysis efforts performed by our Member Agencies.

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## LONG TERM CAPITAL AND FINANCIAL PLANNING (CONTINUED)

- **Budget Development**

The annual COMB Operating Budget outlines discrete projects and affiliated costs to communicate needed investment for the forthcoming fiscal cycle. The IIP provides detailed guidance on priority projects to be included in the annual operating budget.

- **Communication to Stakeholders**

The IIP communicates to COMB's stakeholders the array of infrastructure improvements necessary to maintain a reliable supply of water. Communicating the condition of assets and the challenges associated with competing financial resources provides a basis for our Member Agencies to consider COMB projects and their own priorities.

Prior to drafting the IIP, COMB conducted a critical needs assessment, which included an internal inventory of assets, a conditions assessment, an estimate of replacement costs and a projection by which assets require immediate or near-term replacement for major infrastructure and appurtenances. This assessment was supplemented with the U.S. Bureau of Reclamation site inspection recommendations (periodic and comprehensive reviews) of selected Cachuma Project facilities and components.

In developing the IIP, COMB staff, with input from the Member Agencies' technical staff, developed the following list of goals to serve as the guiding principles of the plan.

### **IIP Established Goals**

- Carryout COMB's mission of providing a reliable source of water to our Member Agencies.
- Identify infrastructure vulnerabilities and operational deficiencies (Risk Management).
- Provide for a systematic selection of critical projects.
- Maintain the current level of service while allocating infrastructure improvement costs over time.
- Identify funding requirements for long-term capital planning.
- Serve as a basis for annual budget development.
- Create a framework for ensuring reliable and sustainable operations.
- Serve as a planning document for the Board of Directors.

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## LONG TERM CAPITAL AND FINANCIAL PLANNING (CONTINUED)

COMB staff incorporated elements of COMB internal analysis and Reclamation site inspections to produce a list of projects for further consideration. The projects included in the IIP represent the minimal level of investment necessary to continue to meet regulatory requirements, critical needs and sustain vital infrastructure.

### IIP Project Ranking

To evaluate projects systematically, COMB created project priorities, as shown on the following page and ranked the projects in order of criticality. The purpose of utilizing this methodology was to separate the projects accurately into categories from high to low priority. The ranking informs the Board of Directors when reviewing, approving and budgeting for implementation of important infrastructure improvement projects.

COMB staff prioritized a comprehensive list of proposed projects using the following six priority categories:

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#### **Priority 1** Regulatory or Legal Requirement

Projects that are subject to the requirements of federal, state, or local regulatory agencies, with noncompliance resulting in fines or other adverse actions.

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#### **Priority 2** Required to Maintain Current Level of Service

Projects that maintain the current level of service to COMB's Member Agencies. These projects reduce potential disruptions, water loss and property damage that could occur without replacement. In general, these projects include the replacement or rehabilitation of valves and infrastructure that are inoperable, or whose failure would result in an unplanned shutdown of deliveries or disruption in the transmission of critical operations data.

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#### **Priority 3** Addressing Critical Deficiency

A critical deficiency has the potential to jeopardize COMB's ability to serve its Member Agencies in a significant manner. These deficiencies have been identified by the Bureau of Reclamation, COMB staff and outside experts. Projects under this category address known critical conditions that could result in major infrastructure failure, deteriorated water quality, limited water production, or unsafe working conditions.

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#### **Priority 4** Evaluates Critical / Significant Deficiency

Potential critical / significant deficiencies have been identified which require further engineering investigation and design. These projects would evaluate the criticality of the deficiency and potential solutions to mitigate the deficiency.

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**LONG TERM CAPITAL AND FINANCIAL PLANNING (CONTINUED)****Priority 5****Proactive Aging / Deficient Infrastructure Replacement**

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These projects provide funding for the proactive replacement, upgrade, or improvement of a facility that is near or at the end of its useful service life. Although an asset may be at its assumed end of useful life, it may remain functional for many years; therefore, the replacement is considered proactive until the asset becomes inoperable.

**Priority 6****System Reliability and Resilience Improvements**

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These projects consist of system improvements, which improve system reliability or provide backup systems to maintain service levels during and after emergency events (i.e. wildfires, earthquakes, floods).

**Updates to IIP**

The IIP is updated on an annual basis and submitted to the Operations Committee for review and comment. Following Committee review and recommendations, the IIP and its annual amendments are presented to the Board of Directors for final approval. The COMB IIP, including five year cost projections, can be found on the COMB website at [www.cachuma-board.org/infrastructure-improvement-program](http://www.cachuma-board.org/infrastructure-improvement-program).

**Five Year Financial Plan**

The Five-Year Financial Plan (Plan) is prepared to provide the Cachuma Project Member Units (Member Units) pro forma projections of the COMB's operating expenditures and pass-through charges. The Plan is prepared only as an informational tool and is not formally adopted by the COMB Board of Directors. This information is used by the Member Units for their budget and long-term planning purposes. Additionally, these projections are used by the Member Units to assist in establishing water rates for their local agencies and ensuring their water system revenues are sufficient to meet their operating expenses and debt coverage covenants.

COMB's operating expenditures and general and administrative expenses are projected at a 3% inflation rate. Infrastructure improvement projects are based on the approved COMB IIP for FY 2027-2031. Board policy requires that all projects are reviewed by committee and approved by the Board prior to commencement. The Plan also includes "pass-through" charges from the U.S. Bureau of Reclamation and the State Water Resources Control Board. While these expenditures are not considered expenses for COMB, the charges are collected by COMB and paid to the respective agencies; therefore, they are included in the projection. Costs are allocated based on contractual agreements or approved methodologies and vary by contract.

## LONG TERM CAPITAL AND FINANCIAL PLANNING (CONTINUED)

Table 5.2 – Five Year Financial Plan <sup>(1)</sup>

|  | 2026-27              | 2027-28             | 2028-29              | 2029-30              | 2030-31              | Note     |
|--|----------------------|---------------------|----------------------|----------------------|----------------------|----------|
| COMB Gross Operating Budget                    | \$ 9,031,502         | \$ 12,860,547       | \$ 7,474,363         | \$ 7,643,094         | \$ 7,816,887         | (2), (3) |
| USBR O&M Costs                                 | 2,400,000            | 2,448,000           | 2,496,960            | 2,546,899            | 2,597,837            | (4)      |
| Lauro Reservoir Intake Assessment / Repair     | 500,000              | -                   | -                    | -                    | -                    | (5)      |
| Bradbury SOD Act                               | 261,647              | 261,647             | 261,647              | 261,647              | 261,647              | (7)      |
| Cachuma Project Renewal Fund                   | 240,628              | 200,000             | 200,000              | 200,000              | 200,000              | (6)      |
| Lauro SOD Act                                  | 47,404               | 47,404              | 47,404               | 47,404               | 47,404               | (7)      |
| SWRCB Water Rights Fee                         | 87,350               | 89,971              | 92,670               | 95,450               | 98,313               | (8)      |
| DDW D3 Permit Fee                              | 35,191               | 36,247              | 37,334               | 38,454               | 39,608               | (9)      |
| Non-Member Agency Obligation                   | 35,191               | 60,000              | 60,000               | 60,000               | 60,000               | (10)     |
| <b>Total Gross Obligation</b>                  | <b>12,638,913</b>    | <b>16,003,815</b>   | <b>10,670,378</b>    | <b>10,892,949</b>    | <b>11,121,697</b>    |          |
| Less Offsetting Revenues:                      |                      |                     |                      |                      |                      |          |
| - Grant Funding                                | \$ (579,000)         | \$ (5,550,000)      | \$ -                 | \$ -                 |                      |          |
| - Lauro Reservoir Intake Offset - SC JPA       | (500,000)            |                     |                      |                      |                      |          |
| - FEMA Assistance                              | (800,000)            | -                   | -                    | -                    |                      |          |
| - Warren Act Trust Fund/Renewal Fund           | (259,849)            | (380,000)           | (380,000)            | (380,000)            | (380,000)            |          |
| - County Betterment Fund                       | (100,000)            | (100,000)           | (100,000)            | (100,000)            | (100,000)            |          |
| - DDW Permit Fee                               | (35,191)             | (36,247)            | (37,334)             | (38,454)             | (39,608)             |          |
| - Non-Member Agency Constructive Return        | -                    | (60,000)            | (60,000)             | (60,000)             | (60,000)             |          |
| <b>Total Offsetting Revenues</b>               | <b>(2,274,040)</b>   | <b>(6,126,247)</b>  | <b>(577,334)</b>     | <b>(578,454)</b>     | <b>(579,608)</b>     |          |
| <b>Total Net Obligation</b>                    | <b>\$ 10,364,873</b> | <b>\$ 9,877,568</b> | <b>\$ 10,093,044</b> | <b>\$ 10,314,494</b> | <b>\$ 10,542,089</b> |          |
|  | \$ 0                 |                     |                      |                      |                      |          |
| <u>Projected Obligation by Member Unit:</u>    |                      |                     |                      |                      |                      |          |
| Goleta Water District                          | \$ 3,840,457         | \$ 3,836,656        | \$ 3,921,153         | \$ 4,008,007         | \$ 4,097,285         |          |
| City of Santa Barbara                          | \$ 3,723,718         | \$ 3,428,784        | \$ 3,504,472         | \$ 3,582,273         | \$ 3,662,248         |          |
| Carpinteria Valley Water District              | \$ 1,262,439         | \$ 1,165,297        | \$ 1,191,020         | \$ 1,217,461         | \$ 1,244,641         |          |
| Montecito Water District                       | \$ 1,195,464         | \$ 1,098,191        | \$ 1,122,433         | \$ 1,147,351         | \$ 1,172,966         |          |
| Santa Ynez Water Conservation District ID No 1 | \$ 342,796           | \$ 348,641          | \$ 353,967           | \$ 359,402           | \$ 364,949           |          |
| <b>Total Net Obligation by Member Unit</b>     | <b>\$ 10,364,873</b> | <b>\$ 9,877,568</b> | <b>\$ 10,093,044</b> | <b>\$ 10,314,494</b> | <b>\$ 10,542,089</b> |          |

## Notes:

1. Projected amounts are for information only and have not been approved by the COMB Board of Directors and are subject to change.
2. COMB's operating expenditures and G&A expenses are projected at a 3% inflation rate.
3. COMB's infrastructure improvement projects are based upon the approved and amended COMB IIP for FY 2027-2031. Board policy requires that all projects be reviewed by the Committee and approved by the Board prior to commencement.
4. USBR O&M costs are projected with a 2% inflation factor.
5. Lauro Reservoir Intake repair project allocated to City of SB, CVWD and MWD based on Cater JPA agreement.
6. Pursuant to US Bureau of Reclamation Safety of Dams Act Repayment Agreement.
7. Amounts are variable in nature and are directly tied to the annual amount of State Water Project Water delivered into the lake.
8. State Water Resources Control Board pass-through cost projected with a 3% inflation factor.
9. Division of Drinking Water D3 Permit Fee (City of SB, MWD and CVWD, only)
10. Pursuant to the terms and conditions of the Separation Agreement, ID No. 1 was deemed no longer a Member Agency of COMB. ID No. 1 continues to be a member of the Cachuma Project which carries certain benefits and obligations associated with the Project as outlined in various agreements.
11. FY 2027-28 Grant Funding assumes possible grant funding for the Sheffield Tunnel Repair Project.

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**DEBT SERVICE**

**DEBT SERVICE****SOD Act Assessments Receivable and Contract Payable****Bradbury Dam SOD**

On July 1, 2002, COMB executed a repayment contract with U.S. Bureau of Reclamation under the Department of Interior of the United States. Under the terms of the agreement and in accordance with the United States Safety of Dams Act, COMB will reimburse Reclamation for fifteen percent (15%) of the total amount of SOD Act funds expended by Reclamation to preserve the structural integrity of Bradbury Dam and related Cachuma Project facilities. COMB entered into a repayment contract with Reclamation when the project was deemed substantially complete. The repayment contract, as executed, calls for a repayment of 15% of a total cost of \$45,276,008 or approximately \$6,791,000 plus interest, as appropriate, over a 50-year period.

The repayment obligation has been allocated fifty-one and three-tenths percent (51.3%) to irrigation uses or \$3,483,989 and forty-eight and seven tenths' percent (48.7%) to municipal and industrial uses or \$3,307,412. The Irrigation allocation bears no interest and repayment commenced in fiscal year ending 2017. Interest during construction of \$325,477 was added to the M&I Allocation. During construction, COMB made advances of \$1,496,148 that were applied against the M&I Allocation amounts. Accounting for advances made by COMB during construction, the balance due under the M&I Allocation contract was \$2,136,741.

COMB's payment obligation for FY 2026-27 is \$261,648 and assesses the Cachuma Project Member Units in accordance with each Member's Cachuma Project entitlement percentage. The annual payment requirements to retire the contract through October 1, 2051, including interest payments at 5.856%, are presented in the following table. This table does not include future adjustments that may be made by Reclamation to the Bradbury Dam repayment contract due to additional incurred costs.

**Table 5.3 - Bradbury Dam SOD Obligation**

| FYE          | M&I Allocation    |                 | Irrigation Allocation | Total              |
|--------------|-------------------|-----------------|-----------------------|--------------------|
|              | Principal         | Interest        |                       |                    |
| 2027         | 155,749           | 9,121           | 96,778                | 261,648            |
| 2028         |                   |                 | 96,778                | 96,778             |
| 2029         |                   |                 | 96,778                | 96,778             |
| 2030         |                   |                 | 96,778                | 96,778             |
| 2031         |                   |                 | 96,778                | 96,778             |
| 2032 - 2036  |                   |                 | 483,890               | 483,890            |
| 2037 - 2041  |                   |                 | 483,890               | 483,890            |
| 2042 - 2046  |                   |                 | 483,890               | 483,890            |
| 2047 - 2051  |                   |                 | 483,890               | 483,890            |
| 2052         |                   |                 | 96,778                | 96,778             |
| <b>Total</b> | <b>\$ 155,749</b> | <b>\$ 9,121</b> | <b>\$2,516,228</b>    | <b>\$2,681,098</b> |

**DEBT SERVICE (CONTINUED)****SOD Act Assessments Receivable and Contract Payable****Lauro Dam SOD**

On March 21, 2007, COMB executed a repayment contract with U.S. Bureau of Reclamation under the Department of Interior of the United States. Under the terms of the agreement and in accordance with the United States Safety of Dams Act, COMB will reimburse Reclamation for fifteen percent (15%) of the total amount of SOD Act funds expended by Reclamation to preserve the structural integrity of Lauro Dam and reservoir; total costs not to exceed \$17,314,125. The primary contract for construction of the modification project was awarded by Reclamation in September 2005, and the work was deemed substantially complete in February 2007.

The total cost of the Lauro Dam SOD Act project was to be reevaluated, and repayment agreement amended, as necessary. During 2017, Reclamation completed its final accounting for the project and issued a final repayment contract. The repayment obligation has been allocated fifty and seventy-two one-hundredths percent (50.72%) to irrigation uses or \$512,139 and forty-nine and twenty-eight hundredths' percent (49.28%) to municipal and industrial uses or \$497,598. The Irrigation allocation bears no interest.

COMB's payment obligation for FY 2026-27 is \$47,405 and assesses the COMB Member Agencies (only) in accordance with each Member Agency's pro-rata Cachuma Project entitlement percentage. The annual payment requirements to retire the contract through October 1, 2057, including interest payments at 4.556%, are presented in the following table. This table represents the final repayment contract amount issued during fiscal year 2017.

**Table 5.4 - Lauro Dam SOD Obligation**

| FYE          | M&I Allocation   |                 | Irrigation Allocation | Total            |
|--------------|------------------|-----------------|-----------------------|------------------|
|              | Principal        | Interest        |                       |                  |
| 2027         | 25,753           | 9,425           | 12,227                | 47,405           |
| 2028         | 26,926           | 8,252           | 12,227                | 47,405           |
| 2029         | 28,153           | 7,025           | 12,227                | 47,404           |
| 2030         | 29,435           | 5,742           | 12,227                | 47,404           |
| 2031         | 30,776           | 4,401           | 12,227                | 47,404           |
| 2032 - 2036  | 65,823           | 4,532           | 61,136                | 131,491          |
| 2037 - 2041  |                  |                 | 61,136                | 61,136           |
| 2042 - 2046  |                  |                 | 61,136                | 61,136           |
| 2047 - 2051  |                  |                 | 61,136                | 61,136           |
| 2052 - 2056  |                  |                 | 61,136                | 61,136           |
| 2057 - 2058  |                  |                 | 24,454                | 24,454           |
| <b>Total</b> | <b>\$206,866</b> | <b>\$39,376</b> | <b>\$391,270</b>      | <b>\$637,512</b> |

**DEBT SERVICE (CONTINUED)****Changes in Long Term Debt – FY 2027**

Projected changes in long-term debt for FY 2026-27 by obligation are reflected in the following table.

**Table 5.5 – Changes in Long Term Debt FY 2026-27**

| <b>Obligation</b> | <b>Beginning<br/>Balance<br/>July 1, 2026</b> | <b>Additions</b> | <b>Principal<br/>Payments</b> | <b>Adjustments</b> | <b>Ending<br/>Balance<br/>June 30, 2027</b> |
|-------------------|---|------------------|-------------------------------|--------------------|---|
| Bradbury SOD      | \$2,671,958                                   | \$ 0             | \$252,527                     | \$0                | \$2,419,431                                 |
| Lauro SOD         | 598,137                                       | 0                | 37,980                        | 0                  | 560,157                                     |
| <b>Total</b>      | <b>\$3,804,493</b>                            | <b>\$0</b>       | <b>\$290,507</b>              | <b>\$0</b>         | <b>\$3,513,986</b>                          |

**LIST OF ACRONYMS**  
**AND ABBREVIATIONS**

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**LIST OF ACRONYMS AND ABBREVIATIONS**

|            |  |
|------------|--|
| ACWA       | Association of California Water Agencies       |
| AMC        | Adaptive Management Committee                  |
| AWWA       | American Water Works Association               |
| AF         | Acre Foot                                      |
| AFY        | Acre Feet per Year                             |
| AVAR/BO    | Air Vacuum Air Release / Blow-Off              |
| BO or BiOp | Biological Opinion                             |
| CalPERS    | California Public Employees' Retirement System |
| CC         | Consensus Committee                            |
| CCFA       | Central Coast Funding Area                     |
| CCRB       | Cachuma Conservation Release Board             |
| CCWA       | Central Coast Water Authority                  |
| CDFW       | California Department of Fish and Wildlife     |
| City of SB | City of Santa Barbara                          |
| COMB       | Cachuma Operation and Maintenance Board        |
| COLA       | Cost of Living Adjustment                      |
| CPI        | Consumer Price Index                           |
| CSDA       | California Special Districts Association       |
| CVWD       | Carpinteria Valley Water District              |
| DWR        | Department of Water Resources                  |
| EAP        | Employee Assistance Program                    |
| EPF        | Emergency Pumping Facility                     |
| EPFP       | Emergency Pumping Facilities Project           |
| EPMC       | Employer Paid Member Contribution              |
| ESRI       | Environmental Systems Research Institute       |
| FEMA       | Federal Emergency Management Agency            |
| FY         | Fiscal Year                                    |
| FYE        | Fiscal Year End                                |

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**LIST OF ACRONYMS AND ABBREVIATIONS**

|        |  |
|--------|--|
| FMP    | Fisheries Monitoring Program                 |
| FRGP   | Fisheries Restoration Grant Program          |
| G & A  | General and Administrative                   |
| GFOA   | Government Finance Officers Association      |
| GIS    | Geographic Information System                |
| GPS    | Global Positioning System                    |
| GWD    | Goleta Water District                        |
| HIP    | Habitat Improvement Plan                     |
| IIP    | Infrastructure Improvement Plan              |
| IRWM   | Integrated Regional Water Management         |
| IRWMP  | Integrated Regional Water Management Program |
| JPA    | Joint Powers Authority                       |
| JPIA   | Joint Power Insurance Authority              |
| MWD    | Montecito Water District                     |
| MOU    | Memorandum of Understanding                  |
| NGO    | Non-Governmental Organizations               |
| NMFS   | National Marine Fisheries Service            |
| O&M    | Operations and Maintenance                   |
| PEPRA  | Public Employees' Pension Reform Act         |
| ROW    | Right of Way                                 |
| SB     | Santa Barbara                                |
| SCADA  | Supervisory Control and Data Acquisition     |
| SCC    | South Coast Conduit                          |
| SOD    | Safety of Dams                               |
| SWP    | State Water Project                          |
| SWRCB  | State Water Resources Control Board          |
| SYR    | Santa Ynez River                             |
| SYRCWD | Santa Ynez River Conservation Water District |

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## **GLOSSARY OF TERMS**

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## GLOSSARY OF TERMS

### A

**Account** - A record used to sort, store and summarize a company's transactions.

**Accounting System** - The total structure of records and procedures which discover, record, classify, summarize and report information on the financial position and results of a government entity.

**Accrual Basis of Accounting** - The method of recording financial transactions in the accounting period in which revenues are earned and expenses are incurred, rather than only after cash is received or paid.

**Acre-Foot of Water** - The volume of water that would cover one acre to a depth of one foot (approximately 325,900 gallons).

**Appropriation** - The act of setting aside money for a specific purpose.

### B

**Biological Opinion** - When a government agency determines, through a biological assessment or other review, that its action is likely to affect adversely a listed endangered species, the agency submits to the appropriate regulatory agency a request for formal consultation. Generally, U.S. Fish and Wildlife Services (USFWS) manages land and freshwater species, while the National Marine Fisheries Services (NMFS) is responsible for marine and anadromous species. During formal consultation, the appropriate regulatory agency and the requesting agency share information about the proposed project and the species or critical habitat likely to be affected. Once the formal consultation is completed, the appropriate regulatory agency will prepare a biological opinion. The conclusion of the biological opinion will state whether the requesting agency has ensured that its action is not likely to jeopardize the continued existence of a listed species and/or result in the destruction or adverse modification of critical habitat.

**Budget** - A report of all anticipated expenditures and the sources of moneys to be used to meet such expenditures.

**Budget Adjustment** - The process of reallocating budgeted funds to an alternate account and does not change the overall approved budget amount.

**Budget Augmentation** - Represents an increase to the approved budget due to an unanticipated expenditure and the need for additional assessments.

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## GLOSSARY OF TERMS

### C

**Calendar Year** – The period from January 1 through December 31.

**California Department of Fish and Wildlife** - Within the California Natural Resources Agency, the Department of Fish and Wildlife manages and protects the state's fish, wildlife, plant and native habitats. It is responsible for related recreational, commercial, scientific and educational uses. <https://wildlife.ca.gov/>

**California Department of Water Resources (DWR)** – The state agency responsible for the State of California’s management and regulation of water usage. <https://water.ca.gov/>

**California Public Employees’ Retirement System** – An agency in the California executive branch that manages pensions and health benefits for more than 1.6 million California public employees, retirees and their families. <https://www.calpers.ca.gov/>

**Capital Expenditures** – Amounts expended which result in the acquisition of, or addition to, fixed assets, including land, buildings, improvements, machinery and equipment.

**Carry-Over** - The term used to denote amounts, which are to be expended during one fiscal year on a contract or obligation but are not expended for various reasons. Amounts are “carried over” into the subsequent fiscal year.

**COMB Member Agency** - On January 1, 1957, the Cachuma Operation and Maintenance Board (COMB) was formed as a Joint Powers Authority (JPA) through an agreement organized by the Cachuma Project Member Units pursuant to the provisions of Articles 1, 2 and 4 of Chapter 5, Division 7, Title 1 of the California Government Code. The resulting JPA agreement was entered into by the Cachuma Project Member Units, who, in doing so, became Member Agencies of COMB, in order to provide for the joint exercise of powers by those Member Agencies for the rights to, the facilities of, and the operation, maintenance and use of the Reclamation’s project known as the “Cachuma Project.” The organization is comprised of four Cachuma Project Member Units, known collectively as COMB’s Member Agencies. They are the Carpinteria Valley Water District, the Goleta Water District, the Montecito Water District and the City of Santa Barbara.

**Cachuma Project Member Unit** – The Cachuma Project Member Units are the Carpinteria Valley Water District, Goleta Water District, Montecito Water District, City of Santa Barbara and the Santa Ynez River Water Conservation District, Improvement District No. 1. The Member Units entered into contracts with the Santa Barbara County Water Agency for the purpose of receiving water from the Cachuma Project for the use and benefit of the Member Units.

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## GLOSSARY OF TERMS

### C

**COMB Joint Powers Agreement** -The original contract was executed on January 1, 1957, and subsequently amended and restated for the establishment of a Board of Control to operate and maintain the Cachuma Project and exercise the powers of the Agreement pursuant to the provisions of Articles 1, 2 and 4 of Chapter 5, Division 7, Title 1 of the California Government Code (§6500 et seq.)

**Consumer Price Index (CPI)** - CPI is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. Indexes are available for the U.S. and various geographic areas.

<https://www.bls.gov/regions/west/cpi-summary/>

**Conveyance** — A conveyance system provides for the movement of water, either natural or manmade. Conveyance infrastructures include natural watercourses, such as streams, rivers and groundwater aquifers. They also include constructed facilities, such as canals and pipelines, including control structures such as weirs. Conveyance facilities range in size from small, local, end-user distribution systems to large systems that deliver water to or drain areas as large as multiple hydrologic regions. Conveyance facilities also require associated infrastructure, such as pumping plants and power supply, diversion structures, fish ladders and fish screens.

**Comprehensive Annual Financial Report** - The annual audited financial report of COMB, which includes financial statements, statistical information and extensive narration, which goes beyond the minimum financial reporting requirements of an audited financial statement.

**Coverage Ratio** - The margin of safety for payment of debt service, reflecting the number of times by which earnings for a period of time exceed debt service payable in such a period.

### D

**Debt** - An obligation resulting from the borrowing of money or from the purchase of goods and services. These include bonds and accounts payable.

**Deficiency** - A general term indicating the amount by which anything falls short of some requirement of expectation.

**Deficit** - The excess of expenditures over revenues during an accounting period.

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## GLOSSARY OF TERMS

### D

**Depreciation** - An element of cost resulting from the service of long-lived assets in an economic organization and represents the loss in asset value because of wear, deterioration, obsolescence or action of the physical elements. In this budget, no specific depreciation schedule or funding of depreciated assets is provided.

### E

**Endangered Species Act** - An act of the federal government enacted in 1973 that provides for the conservation of species that are endangered or threatened and the conservation of the ecosystems on which they depend. A species is considered endangered if it is in danger of extinction throughout all or a significant portion of its range. A species is considered threatened if it is likely to become an endangered species within the foreseeable future.

**Enterprise Fund** - A fund established to account for the financing of self-supporting enterprises, such as a utility fund, which render services primarily to the public.

**Entity** - The basic unit upon which accounting and/or financial reporting activities focus.

**Expenditures** - A decrease in net financial resources, or funds paid or to be paid for an asset obtained, or goods and services obtained regardless of when the expense is actually paid.

### F

**Fiscal Year** - A twelve-month period of time to which the annual budget applies and, at the end of which, a governmental unit determines its financial position and the results of its operations.

**Fixed Asset** - Assets of a long-term character that are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

**Fund Balance** - Also known as financial position, fund balance is the excess of fund assets over liabilities and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses. COMB operates under one fund for financial statement and budgetary purposes. Because COMB is a pass-through agency, all revenues are equal to the expenditures included in the budget. As such, the overall Fund Balance excluding the Warren Act Trust Fund and Renewal Fund is expected to be zero.

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## GLOSSARY OF TERMS

### G

**GASB** – The Government Accounting Standards Board is the source of generally accepted accounting principles (GAAP) used by state and local governments. As with most of the entities involved in creating GAAP in the United States, it is a private, nongovernmental organization. <https://www.gasb.org>

**Generally Accepted Accounting Principles** - The uniform accounting principles, standards and procedures for the presentation of financial reports. For local governments, GAAP is set by the Government Accounting Standards Board (GASB).

**Geographical Information System (GIS)** – An information system that integrates maps with electronic data.

**Groundwater** — Water that occurs beneath the land surface and fills the pore spaces of the alluvium, soil, or rock formation in which it is situated.

**Groundwater Basin** — An alluvial aquifer or a stacked series of alluvial aquifers with reasonably well-defined boundaries in a lateral direction and having a definable bottom.

### I

**Infrastructure Improvement Project** - A project that results in a new asset (e.g. a facility, betterment, replacement, equipment, etc.) that has a total cost of at least \$50,000 and a useful life of at least five years. The US Bureau of Reclamation has title to certain assets of the Cachuma Project. Improvements made to those assets are treated as expenditures on COMB's financial statements.

**Irrigation Water** - Water made available from the Cachuma Project which is used primarily in the production of agricultural crops or livestock.

### J

**Joint Powers Agreement** - An agreement entered into by two or more public agencies that allows them to jointly exercise any power common to the contracting parties. JPA is defined in California Government Code Title 1, Division 7, Chapter 5 (commencing with Section 6500).

**Joint Powers Authority** - A public authority created by a joint exercise of powers agreement between two or more governmental agencies. The authority may be given power to perform any function that all parties to the agreement are empowered to perform and that will be of benefit to all parties.

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## GLOSSARY OF TERMS

### L

**Line Item** - Expenditure classifications established to account for and budget the appropriations approved.

### M

**Maintenance** - The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.

**Master Contract** - *Contract Between the United States and Santa Barbara County Water Agency Providing for Water from the Project (Contract No. 175r-1802R)* is between the U.S. Bureau of Reclamation and the Santa Barbara County Water Agency and provides for the diversion, storage, carriage and distribution of waters from the Santa Ynez River and its tributaries for irrigation, municipal, domestic and industrial uses for the Cachuma Project Member Units.

**Modified Accrual Basis** - The accrual basis of accounting adapted to the governmental fund type. Revenues are recognized when they become both “measurable” and “available to finance expenditures of the current period.” Expenditures are recognized when the liability is incurred.

### M

**Municipal and Industrial Water (M&I Water)** - Water made available from the Cachuma Project other than Irrigation Water, M&I water includes water used for municipal, industrial and domestic purposes and water used for purposes incidental to domestic uses such as the water of landscaping or pasture for animals (i.e. horses) which are kept for personal enjoyment.

### N

**National Marine Fisheries Services (NMFS)** - The federal agency responsible for the stewardship of national marine resources. <https://www.fisheries.noaa.gov/>

### O

**Obligation** - Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

**Other Post-Employment Benefits (OPEB)** - Benefits provided to retirees other than pension, such as retiree health insurance.

**Operating Expenses**- All costs associated with the day-to-day business of COMB that are not considered capital improvements or debt repayments.

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## GLOSSARY OF TERMS

### P

**Pass-Through Charges** - Charges from the United States Bureau of Reclamation and other state agencies which are paid by the Cachuma Project Member Units. These charges are not expenses of COMB but are charged and paid by the agency.

**Project Water** – Water that is developed, diverted, stored, or delivered by the United States pursuant to the Project Water Rights, including accretions to the Tecolote Tunnel.

**Projected** - An estimate of revenues and expenditures based on past trends, the present economic situation and future financial forecasts.

**Proprietary Fund** - A method of accounting for a government's ongoing organizations and activities that are similar to those often found in the private sector.

### R

**Resolution** - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

**Revenue** - An inflow of assets, not necessarily in cash, in exchange for services rendered.

**Right of Way (ROW)** - The legal right, established by usage or grant, to pass along a specific route through grounds or property belonging to another.

### S

**Santa Ynez Exchange Agreement** - An agreement between Central Coast Water Authority, Carpinteria Valley Water District, Goleta Water District, La Cumbre Mutual Water Company, Montecito Water District, Santa Ynez River Water Conservation District, Improvement District No. 1 (SYRWCD ID No.1) and the City of Santa Barbara. Among other things, this agreement provides for the exchange of SYRWCD ID No.1's Cachuma Project entitlement for a like amount of State water that would otherwise be delivered to the other South Coast project participants which are signatory to the agreement.

**SCADA System** – The Supervisory Control and Data Acquisition (SCADA) System is a computer system that collects data, processes the data and corrects and/or instructs the operators on corrective actions to take.

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## GLOSSARY OF TERMS

### S

**State Water Project (SWP)** – SWP, under the supervision of the California Department of Water Resources, is a water storage and delivery system of reservoirs, aqueducts, power plants and pumping plants extending more than 700 miles and serves urban and agricultural agencies from the San Francisco Bay area to Southern California.

<https://water.ca.gov/Programs/State-Water-Project>

**State Water Resources Control Board (SWRCB)** – The SWRCB oversees the allocation of the state's water resources to various entities and for diverse uses, from agricultural irrigation to hydro electrical power generation to municipal water supplies and for safeguarding the cleanliness and purity of Californians' water. The State Water Board also provides financial assistance to local governments and non-profit agencies to help build or rejuvenate wastewater treatment plants and protect, restore and monitor water quality, wetlands and estuaries. <https://www.waterboards.ca.gov/>

**Surface Water** - As defined under the California Surface Water Treatment Rule, California Code of Regulations Title 22, Section 64651.83, surface water means “all water open to the atmosphere and subject to surface runoff” and hence would include all lakes, rivers, streams and other water bodies. Surface water includes all groundwater sources that are deemed to be under the influence of surface water (i.e., springs, shallow wells, wells close to rivers, etc.), which must comply with the same level of treatment as surface water.

### T

**Table A** — Table A is an exhibit that corresponds to the contracts between the California Department of Water Resources and the 29 State Water Project (SWP) water contractors, in which are defined the terms and conditions governing the water delivery and cost repayment for the SWP. All water-supply-related costs of the SWP are paid by the contractors and Table A serves as a basis for allocating some of the costs among the contractors. In addition, Table A plays a key role in the annual allocation of available supply among contractors. Table A is simply contractual language for apportioning available supply and cost obligations under the contract.

**Table A Water** — The maximum amount of State Water Project (SWP) water that the State agreed to make available to an SWP contractor for delivery during the year. Table A amounts determine the maximum water a contractor may request each year from the California Department of Water Resources. The State and SWP contractors also use Table A amounts to serve as a basis for allocation of some SWP costs among the contractors.

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## GLOSSARY OF TERMS

### T

**Transferred Project Works Contract** - *Transfer Agreement for the Operation and Maintenance of the Cachuma Project Transferred Works – Cachuma Project, California (Contract No. 14-06-200-5222R)* - An agreement between the U.S. Bureau of Reclamation and the Cachuma Operation and Maintenance Board. The purpose of the agreement is to transfer the responsibility of operating and maintaining the Cachuma Project Works to the Cachuma Member Units.

### U

**U.S. Department of the Interior, Bureau of Reclamation (USBR)** – USBR is a federal agency under the U.S. Department of the Interior, which oversees water resource management, specifically as it applies to the oversight and operation of the diversion, delivery and storage projects that it has built throughout the western United States for irrigation, water supply and attendant hydroelectric power generation.

<https://www.usbr.gov/>

### W

**Warren Act Contract (Contract No. 5-07-20-W1281)** – A contract between the U.S. Bureau of Reclamation and the Central Coast Water Authority and provides for the delivery and storage of non-project State Water in the federal facility referred to as the Cachuma Project.

**Warren Act MOU Trust Fund** - A trust fund established under a memorandum of understanding by and between the U.S. Bureau of Reclamation and the Cachuma Project Authority for the purposes of defining the Warren Act Trust Fund and use of funds, affiliated committees and responsibilities of parties. COMB and the Cachuma Project Authority merged in 1996, with COMB as the successor agency.

**Water Rights** – The legal right of a user to use water from a water source (i.e., a lake, river, stream, creek, pond, or source of groundwater).

**Water Year** – A continuous 12-month period for which hydrologic records are compiled and summarized. Different agencies may use different calendar periods for their water years. For the California Department of Water Resources, a water year is October 1 through September 30.

**Watershed** — A land area from which water drains into a stream, river, or reservoir. The watershed for a major river may encompass a number of smaller watersheds that ultimately combine at a common point.

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