

**GOLETA WEST SANITARY DISTRICT
SPECIAL BOARD MEETING
AGENDA
AUGUST 20, 2026 at 4:00 PM**

**UCSB Campus, Parking Lot 32
Santa Barbara, CA 93106
(District Office)**

Comments in advance of the meeting: Correspondence to the Board regarding items appearing on the agenda should be directed to the Secretary of the Board, at info@goletawest.org or the District Office address. Written comments should be submitted by 12:00 PM on the day of the meeting.

Accessibility: The Board of Directors Hearing Room is wheelchair accessible. Should special assistance be required to participate in this meeting, please contact the District office by phone (805-968-2617) or email (info@goletawest.org).

1. CALL TO ORDER

2. ROLL CALL

Members: Directors Thomas, Geyer, Turenchalk, Zhu, Rosen

3. APPROVE THE ORDER OF THE AGENDA

4. GENERAL MANAGER UPDATES

5. LEGAL COUNSEL UPDATES

6. CONSENT CALENDAR

Items on the Consent Calendar are considered to be routine and are normally approved by a single roll call vote of the Board. Matters listed on the Consent Calendar will be read only on the request of a member of the Board or the public, in which event, at the discretion of the President or a majority vote of the Board, the matter shall be removed from the Consent Calendar and considered as a separate item at the end of the Discussion-Action Agenda items. Members of the public may speak on any item listed on the Consent Calendar.

a. APPROVAL OF THE MINUTES FOR THE REGULAR BOARD MEETING OF JULY 21, 2026

The Board will consider approval of the minutes for the Regular Board Meeting of July 21, 2026.

b. RECEIVE AND FILE GENERAL MANAGER'S OPERATIONS REPORT FOR THE REGULAR BOARD MEETING OF JULY 21, 2026

The Board will consider receiving and filing the General Manager's Operations Report for the Regular Board Meeting of July 21, 2026.

c. RECEIVE AND FILE ALLOWANCE OF CLAIMS FOR THE REGULAR BOARD MEETING OF JULY 21, 2026

The Board will consider receiving and filing the Allowance of Claims for the Regular Board Meeting of July 21, 2026.

d. CONSIDERATION OF THE JUNE 2026 MONTHLY FINANCIAL REPORT

The Board will consider the June 2026 Monthly Financial Report and direct staff to receive and file said report.

DISCUSSION-ACTION ITEMS

The Board will consider and may take action on the following items.

7. AUTHORIZE THE GENERAL MANAGER TO SIGN A WAIVER OF CONFLICT OF INTEREST TO PERMIT BROWNSTEIN HYATT FARBER SCHRECK TO REPRESENT THE UNIVERSITY OF CALIFORNIA FOR UNRELATED REAL ESTATE AND LAND USE DUE DILIGENCE MATTERS

Upon the Management Committee's recommendation, the Board will consider authorizing the General Manager to sign a "Waiver of Conflict of Interest – Consultation, Disclosure, Informed Consent" permitting Brownstein Hyatt Farber Schreck (BHFS), the law firm of District Counsel, to represent the University of California (UC) for the limited purpose of providing advice on unrelated real estate and land use due diligence matters.

8. CONSIDERATION OF AMENDMENTS TO SECTION 21 OF THE BOARD POLICY HANDBOOK

The Board will consider proposed amendments to Section 21 of the Board Policy Handbook to formally establish the position of Vice Treasurer and clarify the Vice Treasurer's authority.

9. CONSIDERATION OF AMENDMENTS TO THE INVESTMENT POLICY AS PART OF THE ANNUAL REVIEW AND ADOPTION OF RESOLUTION NO. 26-851

The Board will consider the annual review of the Goleta West Sanitary District Investment Policy and proposed amendments to incorporate the Vice Treasurer role and align the delegation of investment authority with Section 21 of the District's Board Policy Handbook, and consider adoption of Resolution No. 26-851.

10. CONSIDERATION AND ADOPTION OF THE FY 2026-2027 BUDGET

The Board will consider approval and adoption of the FY 2026-2027 Budget document.

INFORMATION ITEMS

The following agenda items are intended for Board information only.

11. COMMUNICATIONS

12. REPORTS

- A. Operations Report – July 15, 2026 – August 13, 2026**
- B. SBCCSDA Chapter Meeting – July 27, 2026**
- C. GWSD Special Management Committee Meeting – July 31, 2026**

- D. CANCELED - Santa Barbara County Legislative Program Committee – August 3, 2026**
- E. Goleta Sanitary District Board Meeting – August 3 & August 17, 2026**
- F. CANCELED - City of Goleta Council Meeting – August 4, 2026**
- G. SBCCSDA Executive Meeting – August 5, 2026**
- H. Goleta Water District Board Meeting – August 11, 2026**
- I. EMID Board Meeting – August 12, 2026**
- J. GWSD Special Finance Committee Meeting – August 14, 2026**
- K. City of Goleta Council Meeting – August 18, 2026**
- L. Santa Barbara Airport Commission Meeting – August 19, 2026**
- M. Other Reports**

13. FUTURE AGENDA ITEMS

14. CLOSED SESSION

- a. TEMPORARY ADJOURNMENT TO CLOSED SESSION**
- b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant Government Code Section 54956.9(d)(2):
One case
- c. CLOSED SESSION REPORT**

15. ADJOURNMENT

August 2026

August 2026							September 2026						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1			1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12
9	10	11	12	13	14	15	13	14	15	16	17	18	19
16	17	18	19	20	21	22	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28	29	30			
30	31												

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jul 26	27	28	29	30	31	Aug 1
2	3 10:30am CANCELED-Santa 6:30pm GSD Board Meeting	4 5:30pm CANCELED - City of Goleta Council 5:30pm CANCELED - GWSD Regular Board	5 12:00pm SBCCSDA Executive Board Meeting	6	7	8
9	10	11 5:30pm Goleta Water District Board Meeting	12 7:00pm EMID Board Meeting	13	14 10:30am Special Finance Committee Meeting	15
16	17 6:30pm GSD Board Meeting	18 5:30pm City of Goleta Council Meeting	19 6:00pm Santa Barbara Airport Commission Mtg	20	21	22
23	24	25	26	27	28	29
30	31	Sep 1	2	3	4	5

September 2026

September 2026							October 2026						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5				1	2	3	
6	7	8	9	10	11	12	4	5	6	7	8	9	10
13	14	15	16	17	18	19	11	12	13	14	15	16	17
20	21	22	23	24	25	26	18	19	20	21	22	23	24
27	28	29	30				25	26	27	28	29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Aug 30	31	Sep 1 5:30pm City of Goleta Council Meeting 5:30pm GWSD Regular Board Meeting	2 12:00pm SBCCSDA Executive Board Meeting	3	4	5
6	7 8:00am Labor Day Holiday - GWSD 10:30am Santa Barbara County Legislative 6:30pm GSD Board	8 5:30pm Goleta Water District Board Meeting	9 7:00pm EMID Board Meeting	10	11	12
13	14	15 5:30pm GWSD Regular Board Meeting 5:30pm City of Goleta Council Meeting	16 1:30pm County of Santa Barbara Oversight Board Meeting 6:00pm Santa Barbara Airport Commission	17 9:30am Goleta Slough Management Committee Meeting	18	19
20	21 6:30pm GSD Board Meeting	22	23	24	25	26
27	28	29	30	Oct 1	2	3

GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 6a

**AGENDA TITLE: APPROVAL OF THE MINUTES FOR THE REGULAR
BOARD MEETING OF JULY 21, 2026**

**MINUTES OF THE REGULAR BOARD MEETING
OF THE GOLETA WEST SANITARY DISTRICT
UCSB CAMPUS, PARKING LOT 32, SANTA BARBARA, CALIFORNIA
JULY 21, 2026**

In-person meeting

**UCSB Campus, Parking Lot 32
Santa Barbara, CA 93106
(District Office)**

**TELECONFERENCE LOCATION
Director Thomas
21134 US Highway 281 #105
San Antonio, TX 78261**

POSTING OF THE AGENDA

The agenda for this meeting was posted in the display case outside the administrative office of the Goleta West Sanitary District and on the District's website at least 72 hours in advance of this regular meeting.

1. CALL TO ORDER

Director Zhu called the meeting to order at 5:32 PM.

2. ROLL CALL: BOARD MEMBERS PRESENT

Margaret Zhu

Craig Geyer

Eva Turenchalk

Bill Rosen

Robert Thomas (attended remotely at the above location)

BOARD MEMBERS ABSENT

None

STAFF PRESENT

Joseph Hilliard – General Manager

Jena Acos – District Counsel

Kristyn Lopez – Office Manager

OTHERS PRESENT

Dean Nevins – Director, Goleta Sanitary District

3. APPROVE THE ORDER OF THE AGENDA

No changes were made to the order of the agenda.

4. **PUBLIC COMMENT**

There was no public comment presented at this time.

5. **GENERAL MANAGER UPDATES**

General Manager Joseph Hilliard provided a report on the status of the Headquarters Building Improvements Project and other management updates.

6. **LEGAL COUNSEL UPDATES**

Legal Counsel provided an update on AB 1821 and its proposed changes to the California Public Records Act governing public records requests.

7. **CONSENT CALENDAR**

(26-07-41)

Upon a motion by Director Geyer, seconded by Director Turenchalk, the Board approved the Consent Calendar, as presented by the following roll call vote:

AYES: Turenchalk, Thomas, Zhu, Rosen, Geyer

NOES: None

ABSTAIN: None

ABSENT: None

a. **APPROVAL OF THE MINUTES FOR THE REGULAR BOARD MEETING OF JULY 7, 2026**

b. **RECEIVE AND FILE GENERAL MANAGER'S OPERATIONS REPORT FOR THE REGULAR BOARD MEETING OF JULY 7, 2026**

c. **RECEIVE AND FILE ALLOWANCE OF CLAIMS FOR THE REGULAR BOARD MEETING OF JULY 7, 2026**

d. **AUTHORIZATION TO PARTICIPATE IN THE 32nd ANNUAL GOLETA LEMON FESTIVAL**

e. **PARTICIPATION IN THE ANNUAL TOUCH-A-TRUCK EVENT**

DISCUSSION-ACTION ITEMS

8. **CONSIDERATION OF RESOLUTION NO. 26-850 ADOPTING THE SEWER SERVICE CHARGE REPORT, DETERMINING EACH CHARGE DESCRIBED IN SAID REPORT AND DIRECTING THE DELIVERY THEREOF TO THE COUNTY AUDITOR OF THE COUNTY OF SANTA BARBARA**

(26-07-42)

The General Manager introduced this item. Director Zhu opened Public Hearing at 5:43 PM. There being no members of the public, the Hearing closed at 5:44 PM. Upon motion by Director Geyer, seconded by Director Rosen, the Board adopted Resolution No. 26-850 to

place GWSD sewer charges on the FY 2026-27 SB County Tax Roll by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

9. SUPPLEMENTAL ENVIRONMENTAL PROJECT (SEP): SANTA BARBARA COUNTY POINT OF ENTRY (POE)/POINT OF USE (POU) PILOT PROJECT QUARTERLY REPORT NO. 2 (2026Q2)

(26-07-43)

General Manager Joseph Hilliard provided a report. The Ad Hoc Committee reviewed the report on July 14, 2026. Upon a motion by Director Turenchalk, seconded by Director Thomas, the Board approved staff to submit the Supplemental Environmental Project (SEP): Santa Barbara County Point of Entry (POE)/Point of Use (POU) Pilot Project Quarterly Report No. 2 (2026Q2) to the Central Coast Regional Water Quality Control Board by the August 1, 2026, deadline, as presented, by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

10. CONSIDERATION OF CHANGE ORDER NO. 008: CE #011 FOR THE GOLETA WEST SANITARY DISTRICT HEADQUARTERS BUILDING IMPROVEMENTS PROJECT #13-04 PHASE 2 – ADMINISTRATION BUILDING

(26-07-44)

General Manager Joseph Hilliard provided a report. Upon a motion by Director Turenchalk, seconded by Director Zhu, the Board approved the Change Order No. 008: CE #011 – Boardroom Dais & Finishes Changes for the GWSD Headquarters Building Improvement Project #13-04 Phase 2 – New Administration Building, in the amount of \$108,267.00 due to interior construction finish changes, Board Room dais construction, and interior casework in the proposed file storage room as presented, by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

11. CONSIDERATION OF APPROVAL OF OFFICE FURNITURE PURCHASE FOR THE GOLETA WEST SANITARY DISTRICT HEADQUARTERS BUILDING IMPROVEMENTS PROJECT #13-04 PHASE 2 – ADMINISTRATION BUILDING

(26-07-45)

General Manager Joseph Hilliard provided a report. Upon a motion by Director Turenchalk, seconded by Director Geyer, the Board approved the purchase of office furniture for the

Goleta West Sanitary District Headquarters Building Improvements Project #13-04 Phase 2 Administration Building by approving Quote No. 251080 from G/M Business Interiors in the amount of \$67,978.92, as presented, by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

12. CONSIDERATION OF CHANGE ORDERS TOTALING \$96,366.65 FOR THE BIOSOLIDS AND ENERGY STRATEGIC PLAN PROJECT (BESP) SUBMITTED BY GOLETA SANITARY DISTRICT

(26-07-46)

General Manager Joseph Hilliard presented the report. Upon a motion by Director Thomas, seconded by Director Turenchalk, the Board authorized the General Manager to submit a letter to the Goleta Sanitary District (GSD) approving the two change orders for the Biosolids and Energy Strategic Plan (BESP) Project, totaling \$96,366.65. The letter shall include Goleta West Sanitary District's cost share of 40.78%, in the amount of \$39,298.32, for payment to MNS and Gateway Pacific Contractors. The motion was approved as presented by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

13. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER, IN COORDINATION WITH LEGAL COUNSEL AND THE MANAGEMENT COMMITTEE, TO PREPARE AND SUBMIT COMMENTS REGARDING THE CITY OF GOLETA LOCAL COASTAL PROGRAM

(26-07-47)

General Manager Joseph Hilliard presented the report. Upon a motion by Director Turenchalk, seconded by Director Geyer, the Board authorized the General Manager, in coordination with legal counsel and the Management Committee, to prepare and review comments on the draft City of Goleta Local Coastal Program and return to the Board with the proposed comments for review and approval. The motion was approved as presented by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

(26-07-48)

Upon a motion by Director Geyer, seconded by Director Turenchalk, the Board approved reconsideration of the previously approved motion for Item No. 13. The motion was approved by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

(26-07-49)

Upon a motion by Director Geyer, seconded by Director Turenchalk, the Board authorized the General Manager, in coordination with legal counsel and the Management Committee, to prepare and submit comments regarding the draft City of Goleta Local Coastal Program, as presented by the following roll call vote:

AYES: Rosen, Zhu, Geyer, Turenchalk, Thomas
NOES: None
ABSTAIN: None
ABSENT: None

INFORMATION ITEMS

14. COMMUNICATIONS

Received.

15. REPORTS

A. Operations Report – July 1, 2026 – July 14, 2026

No Questions.

B. CANCELED – City of Goleta Council Meeting – July 7, 2026

C. EMID Board Meeting – July 8, 2026

No report provided.

D. CANCELED – Goleta Water District Board Meeting – July 14, 2026

E. Santa Barbara Airport Commission Meeting – July 15, 2026

Director Thomas provided a report.

F. Goleta Slough Management Committee Meeting – July 16, 2026

General Manager Joseph Hilliard provided a report.

G. Goleta Sanitary District Board Meeting – July 20, 2026

Director Geyer provided a report.

H. City of Goleta Council Meeting – July 21, 2026

No report provided.

I. Other Reports

None.

16. FUTURE AGENDA ITEMS

Director Thomas requested that the next agenda include a discussion of GSD capital projects, including current projects, potential future projects such as anticipated phosphorus reduction requirements, and the GWSD Force Main Action Plan. General Manager Joseph Hilliard stated that he intends to present his performance evaluation during Closed Session at the next Board meeting. Director Geyer requested that the performance evaluation first be reviewed by the Personnel Committee prior to being presented to the Board.

17. ADJOURNMENT

There being no further business, Director Zhu adjourned the meeting at 6:32 PM.

APPROVED

Kristyn Lopez, Board Clerk Secretary

Robert Thomas, Board President

GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 6b

**AGENDA TITLE: RECEIVE AND FILE GENERAL MANAGER'S
OPERATIONS REPORT FOR THE REGULAR BOARD
MEETING OF JULY 21, 2026**

Operations Report

June 26 to July 14, 2026

Administration

Newton Construction & Management (NCM) continues progress on the Phase 2 Administration Building. Interior electrical is almost complete and Mission Audio is on site to run wiring for the board room A/V equipment.

The General Manager attended the Santa Barbara City Planning Commission meeting on Thursday, July 9. The commission approved the Emergency Coastal Development Permit the District applied for in 2024 to repair the 24" force main on the airport property.

The annual County Tax Roll billing cycle has begun. The District is using the new MobileMMS software to calculate the charges and produce the required report to submit to the County.

The District had opened the application window for the vacant Operations Technician I/II position and has received numerous applications.

Crescendo Wealth Strategies, who manages the District's 457B deferred compensation plan, presented an annual report to staff.

Availability Letters:

- 7097 Scripps Crescent – Detached ADU

Fee Estimates were issued for the following projects:

- 7097 Scripps Crescent – Detached ADU

Permits Issued:

- 7502 Sea Gull Drive – (2) ADU's
- 6749 Trigo Road - ADU

Collection System

District staff inspected a new lateral connection at 6647 El Colegio Road. This is the new UCSB property where the KITP building will be constructed.

Travis Fisher, Porfirio Avila, and Ty Smith attended the CWEA Tri-Counties section workshop

hosted by Ojai Valley Sanitary District.

Grundfos pumps gave a presentation to operations staff on new pumping technologies. Grundfos is being considered for a pump replacement at the Emily lift station.

Cleaning operations have been completed in Isla Vista, the Timber's Offtract, Bacara gravity line, and the Mountain View neighborhood.

Staff continue to meet with Mobile-MMS consultants and are close to launching the new maintenance software.

Staff continue to inspect the Heritage Ridge Project at Camino Vista, Phase 3 of the Willow Springs Housing Project. Mainline sewer is currently being installed with the intent of dedication to the District upon completion.

Industrial Waste & Environmental Compliance

Staff continued conducting FOG inspections throughout the District and transitioned inspection documentation to the Mobile MSS platform.

Staff received and reviewed Self-Monitoring Reports (SMRs) submitted by Class 4 Industrial Users to verify compliance with permit requirements.

Staff initiated Q3 Pretreatment Program inspections and wastewater sampling in accordance with the annual compliance monitoring schedule.

Staff completed and submitted the Semi-Annual Pretreatment Report. No permit violations were identified during the reporting period.

Training

- Grundfos Pump presentation

Street Sweeping

The street sweeping schedule and holiday makeup dates continue to be published on the District website. The sweeping program remains on schedule and continues to operate safely.

Graffiti: None reported

Abandoned Vehicles: None reported

Miles: 415.7

Hours: 50.4

Water fills: 28
Loads: 16

Maintenance: Routine inspection, maintenance, and replacement of worn or failed parts on the street sweepers were performed per scheduled or as needed.

Table of Treatment Capacity at the GSD Regional Wastewater Treatment Plant

GWSD Average Daily Flow	May 2026	2.2383 MGD - 44.0042%
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GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 6c

**AGENDA TITLE: RECEIVE AND FILE ALLOWANCE OF CLAIMS FOR
THE REGULAR BOARD MEETING OF JULY 21, 2026**

Goleta West Sanitary District

Allowance of Claims

07/01/26 - 07/14/26

Rev_n

Vendor ID	Vendor Name	Transaction Description	Check Date	Document Amount
19SIX001	19six Architects	Construction Services	7/10/2026	5,387.50
ADP01	ADP Inc	Payroll Fees	7/10/2026	709.94
ALL01	Alliant Insurance Services	Insurance	7/10/2026	13,638.00
BAR1	Bartlett Pringle & Wolf LLC	Accounting, IT, & Audit	7/10/2026	11,342.50
BRO01	Brownstein, Hyatt, Farber, Schreck	Legal Services	7/10/2026	28,114.00
CAL03	Public Health Employees HEALTH	Health Insurance	7/10/2026	26,468.19
CAL12	CalPERS Public Employee's Retirement System	CalPERS Underfunded	7/2/2026	16,210.90
CAL12	CalPERS Public Employee's Retirement System	CalPERS Retir Contr	7/9/2026	2,424.07
CAL12	CalPERS Public Employee's Retirement System	CalPERS Retir Contr	7/9/2026	7,659.72
CITIG06	Channel Islands Technology Integrators' Group	Computer Services	7/10/2026	2,552.74
CSR02	CSRMA c/o Alliant Insurance Services, Inc.	Insurance	7/10/2026	39,035.00
CWE01	CWEA CA Water Environmental Association	Membership Renewal	7/10/2026	114.00
DAT01	Datco Service Corp	Quarter 3 Service Fees	7/10/2026	129.00
FGL01	FGL Environmental	Analysis Support	7/10/2026	671.00
FIL01	Filippin Engineering	Construction Services	7/10/2026	4,441.50
HAA01	Haaker Equipment Company	Vehicle Parts	7/10/2026	4,932.31
HOM01	Home Depot Credit Svcs	Repairs	7/10/2026	20.09
JAR001	JarvisFay	Legal Services	7/10/2026	912.50
JVE01	J.V. Enterprises	Smoke Testing	7/10/2026	200.00
LCW01	Liebert Cassidy Whitmore	Membership Renewal	7/10/2026	4,380.00
LIN01	Lincoln National Life Ins	457 Plan Contributions	7/8/2026	3,941.20
MAR01	Marborg Industries	Roll-off Waste	7/10/2026	4,539.71
MIS01	Mission Linen Supply	Uniforms and Towels	7/10/2026	2,033.63
REL01	Reliance Standard Life Insurance	Insurance	7/10/2026	502.24
SIL01	Silvia's Cleaning Company, Inc.	Cleaning	7/10/2026	1,625.00
SOC01	So Cal Pest Control	Rodent Station	7/10/2026	160.00
SOU02	Southern California Edison Co	Electricity	7/8/2026	7,724.20
SPE03	Special District Risk Management Authority	Health Benefits	7/10/2026	1,297.39
TRI002	Tri-County Locksmith	Key Replacement	7/10/2026	1,528.25
WEX01	WEX Bank	Credit Card	7/6/2026	3,559.59

Total Services & Supplies

\$

196,254.17

Payroll - (1) Pay Dates

\$

154,908.67

Total Allowance of Claims

\$

351,162.84

GOLETA WEST SANITARY DISTRICT

AUGUST 21, 2026

AGENDA ITEM 6d

AGENDA TITLE: CONSIDERATION OF THE JUNE 2026 MONTHLY FINANCIAL REPORT

SUMMARY DESCRIPTION:

Bartlett, Pringle & Wolf, LLP (BPW) generated the Monthly Financial Report from Acumatica for June 2026 which includes the Balance Sheet as of June 30, 2026, the Statement of Revenues and Expenses for the month ending June 30, 2026. Also included is a summary of the District's Cash and Investments by Fund for the month of June 2026. The Board will consider the June 2026 Monthly Financial Report and may direct staff to accept and file said report.

SUPPLEMENTARY MATERIAL:

Internal Financials Memo (June 2026)

Statement of Revenues and Expenses (June 2026)

Balance Sheet (June 2026)

Cash and Investments by Fund (June 2026)



Memo

To: Goleta West Sanitary District Board of Directors

Re: June 2026 District Financial Statements

Date: August 4, 2026

The District's financial statements for June 2026 are attached which include the Balance Sheet as of June 30, 2026, the Statement of Revenues and Expenses for the month ending June 30, 2026, and a summary of the District's Cash and Investments by Fund for the month of June 2026.

Balance Sheet:

- The District's total assets at June 30, 2026 are \$99,458,085 which represents an increase of approximately \$4.7M from the end of the prior fiscal year, due to purchases of capital assets (\$4.5M) and capacity rights (\$1.5M) paid to Goleta Sanitary District. The capital purchases primarily consisted of construction on Phase II of the District's building project and the purchase of a new street sweeper. The increase in capital assets was partially offset by a decrease in cash and cash equivalents of \$977K.
- Total liabilities are \$16,701,364 at June 30, 2026 which is a decrease of approximately \$2.7M from the end of the prior fiscal year. This decrease was a result of principal payments made on the District's long term debt (\$811K), payment of the related prior year accrued interest (\$224K), and a decrease in accounts payable related to timing of vendor invoice payments (\$1.6M).
- The net position impact of the changes in total assets and liabilities noted above is a fiscal year-to-date increase of \$7,412,980 for a total net position of \$83,097,451 at June 30, 2026.

Statement of Revenues and Expenses:

- The District's total revenues for the month ending June 30, 2026 were \$935,674, and current fiscal year-to-date revenues were \$15,680,826, which is higher than the prior fiscal year-to-date period by approximately \$3.1M. This large variance in the current year-to-date revenues is due to increases of \$1.7M in sewer user fees and \$1.5M in connection fees which was primarily driven by the Heritage Ridge development.
- Total expenses for the month ending June 30, 2026 were \$459,511, and current fiscal year-to-date expenses were \$8,221,783 which is an increase of \$727K compared to prior fiscal year-to-date. This increase was due to multiple offsetting factors including increases in salaries and employee benefits (\$439K), repairs and maintenance expenses (\$252K), and timing and classification of environmental remediation expenses (\$265K). These increases were partially offset by decreased expenses related to professional services for finance and accounting (\$174K).
- In comparison to budgeted amounts, revenues were higher than year-to-date budgeted amounts by \$2,251,269 primarily due to significant connection fees which were not budgeted for in 25/26, as well as higher than expected receipts of sewer user fees as noted above.

- Expenses were under budget by \$75,542 due to lower than expected repairs and maintenance costs (115K), legal fees (\$150K), contractual services (\$2137K), and miscellaneous expenses (\$149K). These were offset by higher than budgeted salaries and employee benefits (\$190K), and timing and classification of environmental remediation expenses during the year ended June 30, 2026 (\$387K). Additional invoices related to fiscal year 25/26 are expected to be received which will increase the expenses as they are recorded.

GOLETA WEST SANITARY DISTRICT
STATEMENT OF REVENUES AND EXPENSES
For the Period Ended June 30, 2026

	Current Month	Current YTD Actual	Prior YTD Actual	Variance from Prior	Current YTD Budget	Variance from Budget
Revenues						
Sanitation Services	\$ 84,821	\$ 8,286,081	\$ 6,622,338	\$ 1,663,742	\$ 7,500,000	\$ 786,081
Miscellaneous Permits	4,428	42,316	90,081	(47,765)	60,000	(17,684)
Plan Check Fees	6,624	40,917	5,888	35,029	7,000	33,917
Property Tax Revenue	558,379	4,374,958	4,194,121	180,837	4,300,000	74,958
Homeowners Property Tax Relief	1,932	12,878	13,084	(206)	13,000	(122)
Connection Fees	150,220	1,595,257	49,656	1,545,601	100,000	1,495,257
Inspection Fees	4,749	57,068	7,452	49,616	12,000	45,068
Other Services	-	237,557	211,730	25,827	237,557	-
Miscellaneous Revenue	35,086	35,386	3,945	31,442	-	35,386
Interest Income	89,435	999,892	1,300,905	(301,013)	1,200,000	(200,108)
Unrealized Gain/Loss Investments	-	(1,483)	113,465	(114,949)	-	(1,483)
Total Revenues	935,674	15,680,826	12,612,665	3,068,161	13,429,557	2,251,269
Expenses						
Salaries and Employee Benefits	196,760	2,194,789	1,755,771	439,018	2,004,300	190,489
Insurance	2,443	131,818	102,180	29,638	125,200	6,618
Vehicle Repairs & Maintenance	6,256	37,607	71,840	(34,233)	69,100	(31,493)
Repairs & Maintenance	3,509	323,598	71,225	252,373	438,500	(114,902)
Professional Services- Financial/Acctg	-	204,499	378,145	(173,646)	139,000	65,499
Professional Services- Legal	-	490,204	554,477	(64,273)	640,000	(149,796)
Professional Services- Engineering	-	1,710	7,600	(5,890)	22,500	(20,790)
Professional Services - Computer	2,741	61,638	47,910	13,728	65,000	(3,362)
Professional Services - Other	7,500	147,389	201,480	(54,091)	42,000	105,389
Contractual Services	3,671	46,690	49,203	(2,513)	284,000	(237,310)
Licenses & Taxes	365	10,232	14,388	(4,156)	29,000	(18,768)
Office Expense	1,683	11,885	5,568	6,317	15,000	(3,115)
Memberships	-	46,153	23,980	22,173	34,300	11,853
Miscellaneous Expense	-	50,731	-	50,731	200,000	(149,269)
Field & Pump Station Supplies	2,019	8,851	24,673	(15,822)	2,200	6,651
Training, Mtgs, Materials & Travel	-	13,793	20,600	(6,807)	24,900	(11,107)
Gasoline-Oil-Fuel	8,640	39,032	17,645	21,387	43,000	(3,968)
Utilities	9,198	170,273	155,309	14,963	204,300	(34,027)
Election Expense	-	51	-	51	-	51
Other Charges	-	8,934	6,528	2,405	6,000	2,934
Treatment	-	3,177,032	3,190,307	(13,276)	3,252,000	(74,968)
Administration Fees	-	190,622	191,373	(752)	195,120	(4,498)
County Administrative Fee	-	28,194	31,185	(2,990)	32,000	(3,806)
Environmental Remediation Exp	228	387,705	122,638	265,067	-	387,705
Interest Expenses	214,497	438,358	450,671	(12,313)	429,905	8,453
Total Expenses, Excluding Depr/Amort	459,511	8,221,783	7,494,693	727,090	8,297,325	(75,542)
Total Expenses	505,574	8,267,846	10,007,309	(1,739,463)	8,297,325	(29,479)
Net Income (Loss)	\$ 430,100	\$ 7,412,980	\$ 2,605,356	\$ 4,807,624	\$ 5,132,232	\$ 2,280,748

GOLETA WEST SANITARY DISTRICT
BALANCE SHEET
As of June 30, 2026

	<u>Current Month YTD</u>	<u>Beginning of the Year</u>
<u>ASSETS</u>		
Current Assets		
Cash and Cash Equivalents	\$ 28,576,963	\$ 29,554,089
Accounts Receivable	284,083	432,300
Interest Receivable	-	29,965
Other Receivables	5,687	64,901
Total Current Assets	28,866,734	30,081,255
Capital Assets & Capacity Rights		
Structures and Improvements	7,923,807	7,923,807
Infrastructure	52,401,428	52,365,554
Equipment	2,390,696	1,972,244
Office Equipment & Furniture	295,303	259,698
Construction in Progress	4,589,295	575,252
Total Capital Assets	67,600,530	63,096,556
Accumulated Depreciation	(21,811,569)	(21,811,569)
Net Capital Assets	45,788,961	41,284,988
Intangible Assets - Capacity Rights	37,497,124	36,042,030
Accumulated Amortization	(15,836,528)	(15,836,528)
Net Capacity Rights	21,660,597	20,205,502
Subscription Based IT Assets	372,344	372,344
Accumulated Amortization	(61,417)	(15,354)
Net Subscription Based IT Assets	310,927	356,990
Net OPEB Asset	1,163,049	1,163,049
Pension Stabiliation Fund PARS	1,667,818	1,667,818
Total Assets	99,458,085	94,759,602
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred pensions	563,210	563,210
Deferred OPEB	75,328	75,328
Total Deferred Outflows of Resources	638,538	638,538
Total Assets and Deferred Outflows	\$ 100,096,623	\$ 95,398,140

GOLETA WEST SANITARY DISTRICT
BALANCE SHEET
As of June 30, 2026

	<u>Current Month YTD</u>	<u>Beginning of the Year</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 431,983	\$ 2,051,112
Compensated Absenses	307,583	307,583
Accrued Expenses	-	-
Accrued Interest	1,907	224,113
Accrued Payroll	-	57,136
Unearned Revenue	260,898	237,557
Long Term Debt - Truist Governmental Finance	11,873,000	12,684,000
Net Pension Liability	1,846,932	1,846,932
Subscription Liabilities (SBITA's)	217,916	246,282
Environmental Remediation Obligation	1,761,145	1,761,145
Total Liabilities	<u>16,701,364</u>	<u>19,415,860</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Inflows - Pension	55,963	55,963
Deferred Inflows - OPEB	241,845	241,845
Total Deferred Inflows of Resources	<u>297,808</u>	<u>297,808</u>
<u>NET POSITION</u>		
Net Income	7,412,980	2,605,356
Beginning Net Position	75,684,471	73,079,115
Total Net Position	<u>83,097,451</u>	<u>75,684,471</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 100,096,623</u>	<u>\$ 95,398,140</u>

Goleta West Sanitary District
Cash and Investments by Fund
June 30, 2026

		Beg. Bal.	Disbursements	Receipts	Transfers	Balance	Interest Received	Unrealized Gain/Loss	End. Bal.
4900	Unreserved	3,555,163.53	(1,306,078.77)	168,245.20		2,417,329.96	7,589.11	-	2,424,919.07
4910	County - Prop. Taxes	9,704,387.50	(300,955.93)	560,310.45		9,963,742.02	31,280.75	-	9,995,022.77
4930	Operating Reserve	4,849,451.20	-	-		4,849,451.20	15,224.65	-	4,864,675.85
4932	Collec Sys/Plnt Upgrade	3,473,272.63	-	150,220.00		3,623,492.63	11,375.80	-	3,634,868.44
4935	Plant Replacement	1,154,745.08	(116,726.93)	-		1,038,018.15	3,258.81	-	1,041,276.96
4960	Equipment/Vehicle Repl.	854,200.07	-	-		854,200.07	2,681.73	-	856,881.80
4965	Bldg. Replac.	6,261,492.14	(648,468.03)	-		5,613,024.11	17,621.86	-	5,630,645.97
4970	Force Mains Assessment	128,269.86				128,269.86	402.70		128,672.56
Total Cash & Equivalents		29,980,982.02	(2,372,229.66)	878,775.65	-	28,487,528.01	89,435.41	-	28,576,963.42

GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 7

AGENDA TITLE: AUTHORIZE THE GENERAL MANAGER TO SIGN A WAIVER OF CONFLICT OF INTEREST TO PERMIT BROWNSTEIN HYATT FARBER SCHRECK TO REPRESENT THE UNIVERSITY OF CALIFORNIA FOR UNRELATED REAL ESTATE AND LAND USE DUE DILIGENCE MATTERS

SUMMARY DESCRIPTION:

Upon the recommendation of the Management Committee, the Board will consider authorizing the General Manager to sign a “Waiver of Conflict of Interest – Consultation, Disclosure, Informed Consent” permitting Brownstein Hyatt Farber Schreck (BHFS), the law firm of District Counsel, to represent the University of California (UC) for the limited purpose of providing advice on unrelated real estate and land use due diligence matters.

DISCUSSION:

District Counsel Jena Acos is a Shareholder at the law firm BHFS. BHFS represents the District in a variety of matters, which include agreements with the UC (Santa Barbara campus) related to sewer services. UC has its own in-house counsel, but would like to retain other BHFS attorneys as counsel for real estate and land use due diligence advice (“Due Diligence”). Beth Collins would be the BHFS attorney responsible for representing UC.

In cases of a potential or actual conflict, BHFS would maintain an internal “ethical wall” to ensure that no confidential information of the parties is shared among attorneys on opposite sides of the wall. This is accomplished by prohibiting attorney access to all files (electronic and non-electronic) of the other party as they relate to the relevant matter, and distributing an Ethical Screen Memorandum to the relevant attorneys who are screened off either side of representation. Further, BHFS would not represent UC in any negotiations with the District in connection with the Due Diligence. In other words, BHFS attorneys would not be allowed to contact GWSD staff on behalf of their representation of UC.

UC has also agreed that if a dispute or litigation arises between UC and the District in connection with BHFS’ current and ongoing work for the District, BHFS may continue representing the District in any manner and UC will be represented by separate legal counsel (i.e., not BHFS).

This matter was continued from the February 3, 2026 meeting, where the Board directed that the waiver be reviewed by outside counsel. Alexandra Barnhill, Senior Partner at Jarvis Fay, LLP,

reviewed the Waiver of Conflict of Interest and advises: (i) limit the waiver to the defined Due Diligence engagement for the University of California ("UC"), (ii) clarify Brownstein's ongoing duty of loyalty to GWSD during any concurrent representation, and (iii) require advance notice and, where applicable, written consent for future UC matters.

At the March 17, 2026 meeting, the Board directed staff to incorporate additional suggested revisions and present the final drafts to the Management Committee, which met on April 3, April 7 and again on July 31, 2026. Following the Management Committee's thorough review, they are recommending authorizing the General Manager to sign the waiver as described.

The Board has discretion to approve or deny the waiver. Should the Board approve the conflicts waiver, it is recommended that the Board direct General Manager Joey Hilliard to sign the Waiver of Conflict of Interest provided by BHFS, which is attached.

SUPPLEMENTAL MATERIAL:

- Waiver of Conflict of Interest, UCSB

Via Email
jhilliard@goletawest.org

March 16, 2026

Joey Hilliard
General Manager
Goleta West Sanitary District
P.O. Box 4
Goleta, CA 93116-0004

Re: Waiver of Conflict of Interest

Dear Mr. Hilliard:

The Goleta West Sanitary District ("District") engaged our firm to review a Waiver of Conflict of Interest from its current General Counsel, Brownstein Hyatt Farber Schreck, LLP ("Brownstein"). Brownstein represents both the District and the University of California, Santa Barbara.

Our office has reviewed Brownstein's proposed Waiver and has proposed substantive revisions. Those revisions may be viewed in the attached redline document. A clean version of the Waiver of Conflict of Interest, with the proposed changes accepted, is attached as well.

Please let me know if you have any questions about this review. We appreciate the opportunity to provide legal services to the District.

Very truly yours,

JARVIS FAY LLP

A handwritten signature in blue ink, appearing to read 'Alex Barnhill', with a stylized flourish at the end.

Alexandra Barnhill

Attachments:

Waiver of Conflict of Interest, redline version
Waiver of Conflict of Interest, clean version

March 16, 2026

Jena S. Acos
Attorney at Law
805.882.1427 tel
jacos@bhfs.com

Goleta West Sanitary District
Attn: Joey Hilliard
UCSB Campus
Parking Lot 32
Santa Barbara, CA 93106

RE: Waiver of Conflict of Interest - Consultation, Disclosure, Informed Consent

Dear Mr. Hilliard:

This letter requests a waiver from Goleta West Sanitary District ("**GWSD**") with regard to a conflict of interest involving Brownstein Hyatt Farber Schreck, LLP's ("**Brownstein**") representation of University of California ("**UC**"), as described below.

Brownstein represents GWSD in a variety of legal matters, including agreements with UC related to sewer services (the "**GWSD Matter**"). UC desires to engage us as counsel involving real estate and land use due diligence advice (the "**Due Diligence**") ~~and potentially in future legal and/or government relations matters (unrelated to the GWSD Matter and subject to a new conflict check).~~¹. The Due Diligence is not related to our work for GWSD. Further, Brownstein will not represent UC in any negotiations with GWSD in connection with the Due Diligence, our work is limited to the Due Diligence, as described above, and UC will seek separate legal counsel in any negotiations with GWSD. However, our representation of UC while we represent GWSD in the GWSD Matter ~~arguably constitutes~~ ² represents a reasonably foreseeable conflict of interest under the applicable Rules of Professional Conduct.

Under the Rules of Professional Conduct, we may not represent a client in a manner that is adverse to another client unless both clients agree to the proposed representation after being adequately informed, in writing, of the relevant circumstances and the material, reasonably foreseeable ways that the conflict could have adverse effects on their interests.

GWSD should consider whether there is any material risk that Brownstein will be less zealous or eager on its behalf due to Brownstein's representation of UC, or whether the professional judgment of Brownstein attorneys working on GWSD's matters could be affected by the interests of UC. We do not

believe that there is a material risk of any of the foregoing in our concurrent but separate representation of UC in the Due Diligence ~~or other future matters~~ and GWSD in the GWSD Matter.

While we represent GWSD in the GWSD Matter, all timekeepers representing GWSD in the GWSD Matter will be denied access to all files, attorney work product, and materials concerning the matters in which we represent UC. Similarly, while we represent GWSD in the GWSD Matter, all timekeepers representing UC will be denied access to all files, attorney work product, and materials concerning the GWSD Matter.

There is also a possibility that a dispute or litigation could develop between GWSD and UC regarding the GWSD Matter. In the event of a dispute or litigation between GWSD and UC related to the GWSD Matter, UC consents to our continuing to act for GWSD in any manner whatsoever, including in negotiation or litigation against UC related to the GWSD Matter. ~~In addition,~~ Brownstein further agrees that, while GWSD remains a current client, Brownstein will not represent UC in any matter that is materially adverse to GWSD without GWSD's prior written consent.

Brownstein may continue to accept engagements from both UC and GWSD in matters unrelated to the GWSD Matter, ~~without further notice to either client, so long as those matters do not create any new conflicts of interest between the clients.~~ provided that Brownstein gives prior written notice to GWSD before accepting any such engagement involving UC and obtains GWSD's prior written consent if the engagement presents a reasonably foreseeable conflict of interest with GWSD under the applicable Rules of Professional Conduct.

If you have any questions or concerns about the circumstances described herein, please contact me. We recommend that GWSD seek independent counsel regarding the effect of this waiver. If GWSD determines, based on the advice of its independent counsel or otherwise, that our representation as described herein will be detrimental to its interests, GWSD should not consent to it.

If GWSD wishes to consent to this waiver after such review as you believe appropriate, please sign a copy of it in the space provided and return it to the undersigned. Your execution of this letter will confirm that we have provided you with adequate information and explanation about the material risks of our proposed representation.

Sincerely,

Jena S. Acos

READ AND AGREED TO THIS _____ DAY OF _____, 2026.

GOLETA WEST SANITARY DISTRICT

By: Joey Hilliard
Its: General Manager

March 16, 2026

Goleta West Sanitary District
Attn: Joey Hilliard
UCSB Campus
Parking Lot 32
Santa Barbara, CA 93106

RE: Waiver of Conflict of Interest - Consultation, Disclosure, Informed Consent

Dear Mr. Hilliard:

This letter requests a waiver from Goleta West Sanitary District ("GWSD") with regard to a conflict of interest involving Brownstein Hyatt Farber Schreck, LLP's ("Brownstein") representation of University of California ("UC"), as described below.

Brownstein represents GWSD in a variety of legal matters, including agreements with UC related to sewer services (the "GWSD Matter"). UC desires to engage us as counsel involving real estate and land use due diligence advice (the "Due Diligence"). The Due Diligence is not related to our work for GWSD. Further, Brownstein will not represent UC in any negotiations with GWSD in connection with the Due Diligence, our work is limited to the Due Diligence, as described above, and UC will seek separate legal counsel in any negotiations with GWSD. However, our representation of UC while we represent GWSD in the GWSD Matter presents a reasonably foreseeable conflict of interest under the applicable Rules of Professional Conduct.

Under the Rules of Professional Conduct, we may not represent a client in a manner that is adverse to another client unless both clients agree to the proposed representation after being adequately informed, in writing, of the relevant circumstances and the material, reasonably foreseeable ways that the conflict could have adverse effects on their interests.

GWSD should consider whether there is any material risk that Brownstein will be less zealous or eager on its behalf due to Brownstein's representation of UC, or whether the professional judgment of Brownstein attorneys working on GWSD's matters could be affected by the interests of UC. We do not believe that there is a material risk of any of the foregoing in our concurrent but separate representation of UC in the Due Diligence and GWSD in the GWSD Matter.

While we represent GWSD in the GWSD Matter, all timekeepers representing GWSD in the GWSD Matter will be denied access to all files, attorney work product, and materials concerning the matters in which we represent UC. Similarly, while we represent GWSD in the GWSD Matter, all timekeepers representing UC will be denied access to all files, attorney work product, and materials concerning the GWSD Matter.

There is also a possibility that a dispute or litigation could develop between GWSD and UC regarding the GWSD Matter. In the event of a dispute or litigation between GWSD and UC related to the GWSD Matter, UC consents to our continuing to act for GWSD in any manner whatsoever, including in negotiation or litigation against UC related to the GWSD Matter. Brownstein further agrees that, while GWSD remains a current client, Brownstein will not represent UC in any matter that is materially adverse to GWSD without GWSD's prior written consent.

Brownstein may continue to accept engagements from both UC and GWSD in matters unrelated to the GWSD Matter, provided that Brownstein gives prior written notice to GWSD before accepting any such engagement involving UC and obtains GWSD's prior written consent if the engagement presents a reasonably foreseeable conflict of interest with GWSD under the applicable Rules of Professional Conduct.

If you have any questions or concerns about the circumstances described herein, please contact me. We recommend that GWSD seek independent counsel regarding the effect of this waiver. If GWSD determines, based on the advice of its independent counsel or otherwise, that our representation as described herein will be detrimental to its interests, GWSD should not consent to it.

If GWSD wishes to consent to this waiver after such review as you believe appropriate, please sign a copy of it in the space provided and return it to the undersigned. Your execution of this letter will confirm that we have provided you with adequate information and explanation about the material risks of our proposed representation.

Sincerely,

Jena S. Acos

READ AND AGREED TO THIS ____ DAY OF _____, 2026.

GOLETA WEST SANITARY DISTRICT

By: Joey Hilliard
Its: General Manager

GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 8

AGENDA TITLE: CONSIDERATION OF EDITS TO SECTION 21 OF THE BOARD POLICY HANDBOOK

SUMMARY DESCRIPTION:

The Board will consider edits to Section 21 of the Board Policy Handbook to establish the position of Vice Treasurer and authorize the Vice Treasurer to exercise the same powers, duties and authority and the Treasurer when acting on the Treasurer's behalf or when the Treasurer is unavailable.

DISCUSSION:

Section 21 of the District's Board Policy Handbook establishes the duties and authority of the District Treasurer and governs the authority to make payments and transfer and withdraw District funds. Under the current policy, the Chair of the Finance Committee serves as the District Treasurer, and another member of the Finance Committee serves in the Treasurer's place when the Treasurer is unavailable. However, the existing policy does not formally establish the position of Vice Treasurer or expressly define the authority of the individual serving in the Treasurer's absence.

The proposed amendments were initially presented to the Board at its July 21, 2026 Regular Board Meeting. At that meeting, the Board requested additional revisions and clarification regarding the role and authority of the Vice Treasurer.

Following the Board's direction, District legal counsel prepared additional revisions to Section 21. The revised language was subsequently reviewed by the Finance Committee at its August 14, 2026 meeting.

The proposed amendments formally designate the second Director serving on the Finance Committee as the Vice Treasurer and provide that, when the Treasurer is unavailable, the Vice Treasurer will assume the powers and duties of the Treasurer for the duration of the Treasurer's unavailability. The amendments also clarify the circumstances under which the Treasurer is considered unavailable and provide the Vice Treasurer with the same access to information contemplated under Section 21 as the Treasurer.

The proposed revisions are intended to provide greater clarity regarding the District's governance structure and ensure continuity in the performance of the

Treasurer's duties when the Treasurer is unavailable.

SUPPLEMENTARY MATERIAL:

Section 21 – Draft



GOLETA WEST SANITARY DISTRICT

BOARD POLICY HANDBOOK

ADOPTED: January 21, 1997

REVISED: October 27, 1998
December 28, 1999
August 22, 2000
January 22, 2002
July 20, 2004
January 17, 2006
March 21, 2006
February 6, 2007
September 16, 2008
July 5, 2011
July 3, 2012
September 3, 2013
November 5, 2013
January 7, 2014
March 15, 2016
December 6, 2016
August 1, 2017
August 7, 2018
September 18, 2018
November 17, 2020
December 6, 2022
August 6, 2024
May 6, 2025
November 18, 2025

TABLE OF CONTENTS

SECTION 1. GENERAL EXPECTATIONS	3
SECTION 2. INFORMATION SHEET FOR CANDIDATES	5
SECTION 3. MEETING ATTENDANCE AND CONDUCT; VACANCIES	8
SECTION 4. BOARD MEMBER COMPENSATION AND REIMBURSEMENT OF EXPENSES	9
SECTION 5. EXPENSE REIMBURSEMENT	11
SECTION 6. BOARD OFFICERS	13
SECTION 7. COMMITTEES AND APPOINTMENTS	14
SECTION 8. BASIS OF AUTHORITY	16
SECTION 9. TRAINING AND EDUCATION	17
SECTION 10. BOARD MEETINGS	18
SECTION 11. BOARD MEETING AGENDA	19
SECTION 12. BOARD MEETING CONDUCT	20
SECTION 13. BOARD ACTIONS AND DECISIONS	21
SECTION 14. REVIEW OF ADMINISTRATIVE DECISIONS	22
SECTION 15. BOARD MEETING MINUTES	23
SECTION 16. CONFLICT OF INTEREST CODE	25
SECTION 17. PUBLIC COMPLAINTS	28
SECTION 18. GENERAL INFORMATION	29
SECTION 19. STATEMENTS OF POSITION ON PENDING LEGISLATION OR ADMINISTRATIVE ACTION	30
SECTION 20. PAPERLESS AGENDA AND TABLET USE POLICY	31
SECTION 21. DUTIES OF THE TREASURER AND AUTHORITY TO MAKE PAYMENTS AND TO TRANSFER AND WITHDRAW FUNDS	34
SECTION 22. PURCHASING OF EQUIPMENT AND SUPPLIES AND CONTRACTING FOR SERVICES	38 37
SECTION 23. DISPOSITION OF OBSOLETE PERSONAL PROPERTY	42 41
SECTION 24. ELECTRONIC SIGNATURE USE POLICY	43

SECTION 1. GENERAL EXPECTATIONS

1.1 The Board of Directors of Goleta West Sanitary District is committed to providing excellence in legislative leadership that result in the provision of the highest quality of services to its constituents. In order to assist in the government of the behavior between and among the members of the Board of Directors, the following expectations should be implemented.

- 1.1.1 The opinions of each Director shall be treated with respect by other Directors.
- 1.1.2 Responsiveness and attentive listening and communication are encouraged.
- 1.1.3 The needs of the District's constituents are a top priority of the Board of Directors.
- 1.1.4 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are delegated to professional staff members.
- 1.1.5 Directors should focus on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues should be avoided.
- 1.1.6 Differing viewpoints are healthy in the decision making process. Individuals have the right to disagree, but should try to not be disagreeable. Once the Board of Directors takes action, Directors should commit to supporting said action.
- 1.1.7 Directors should practice the following procedures:
 - i. In seeking clarification on informational items, Directors may directly approach professional staff members.
 - ii. All complaints from residents and property owners of the District should be referred directly to the General Manager.
 - iii. Concerns for safety or hazards should always be reported to the General Manager or to the District office. Emergency situations should be handled immediately by seeking appropriate assistance.
 - iv. Policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances and programming, should be referred directly to the General Manager.

1.1.8 When approached by District personnel concerning specific District policy, Directors should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.

1.2 The work of the District is a team effort. All individuals should collaborate.

1.3 Directors should always be courteous, responding to individual constituents in a positive manner and referring them to appropriate management personnel.

1.4 A working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly is desirable.

1.5 Directors should bring issues to the attention of the Board as a whole.

1.6 Directors are responsible for monitoring the District's progress toward meeting its goals.

SECTION 2. INFORMATION SHEET FOR CANDIDATES

2.1 Every Election year, the General manager/Superintendent shall publish on the District's website an Information Sheet for Candidates which provided information on the District and expectations for Board members. A single hard copy of said Information Sheet shall also be made available at no cost to any individual who requests it, additional copies may be charged at the usual rate for copies of public records.

2.2 The Information shall be in a form substantially as shown in the template below Said template was reviewed and approved by the Board at its July 2, 2024 and July 16, 2024 meetings.

GOLETA WEST SANITARY DISTRICT **Information Sheet for Candidates**

District Background

Goleta West Sanitary District (referred to as the "District") was formed in 1954 under the Sanitary District Act of 1923 (California Health and Safety Code Sections 6400 et seq.). It provides wastewater collection and treatment services to over 6,000 residential and non-residential properties within the District's service area, which encompasses the western Goleta Valley and Isle Vista. The District's wastewater collection system consists of approximately 63 miles of sewer lines and 2 pump stations, which convey customers' wastewater to the regional treatment plant at Goleta Sanitary District (GSD). Several other public agencies – including the City of Santa Barbara (Airport), County of Santa Barbara, and USCB – are also contractual users of the GSD treatment plant, and each has capacity rights in the plant for which they pay a pro rata share of capital improvement costs. Because the District has an approximately 41% capacity right in the GSD plant, it pays for roughly 41% of the capacity improvement costs for GSD's regional treatment plant.

Since 1963, the District has also provided award winning street sweeping services, and has maintained an industrial Waste Pretreatment Program to monitor and control the discharged waste of industrial users to the public sewer system. The Industrial Waste Pretreatment Program, required by the Federal Clean Water Act, ensures the continued effective operation of the collection system, treatment plant, and the protection of collection system workers.

The District operates under the leadership of a general Manager/Superintendent, and six staff, which includes four utility workers, and environmental compliance specialist and an office manager. General Counsel services are provided by an outside firm.

The District is an independent special district, meaning it functions separate and apart from any other local government (i.e., it is not part of the City of Goleta or County of Santa Barbara) and its Board is independently elected by District customers and acts with a relatively high degree of autonomy. As an enterprise agency, the District is funded primarily through fees paid by customers.

Board of Directors

The District is governed by a five-member Board of Directors, each elected to a four-year term. District elections, which are consolidated with the statewide election, are held every two years in November on even numbered years. Terms are staggered, with two terms expiring in one even-numbered year, and three terms expiring the following even-numbered year. Two District terms will expire in 2024 and three expire in 2026.

The November 5, 2024 election will mark the first of two elections that will transition the District from an at-large to a by-district-election system. The seats to be filled will represent new Districts 2 and 4. The remaining board members will continue to represent the District at-large, until their seats are up for election in 2026, at which time they (if re-elected) or their successors will be elected to represent new Districts 1, 3, and 5.

Candidates must be a United States Citizen, at least 18 years of age and reside within the boundaries of the Goleta West Sanitary District. Candidates must also reside within the district that they will represent. Election procedures and deadlines may be obtained from the Santa Barbara County Elections Division located at 4440-A Calle Real, Santa Barbara, California 93110.

As public servants, Board members must file certain financial disclosure forms that are public records such as Fair Political Practices Commission Form 700. Officeholders and candidates for office must also complete a Form 470.

Board member Expectations: Board Meetings and Other Commitments

The primary responsibilities of the Board include the formulation and evaluation of District policy as well as legal and fiduciary oversight of the District and its mission. Staff, on the other hand, is responsible for implementing the Board's general direction. Expectations of Board members include the following:

- **Attend All Regular and Special Board Meetings.** Board Members are expected to attend all regular and special Board meetings unless there is a good cause for absence. The Board meets on the first Tuesday of each month, and the third Tuesday of odd-numbered months. Board meetings begin at 5:30 pm in the District office located at UCSB, Parking Lot 32. Occasionally, these regularly scheduled meetings may be cancelled, while other special meetings may be called, sometimes on days and times that are not Tuesday at 5:30 pm.
- **Participate in District Committee.** In addition to Board meetings, Board Members are expected to serve on one or more of the District's five standing committees, which meet regularly on an as-needed basis (Management Committee, Finance Committee, Public Relations Committee, Engineering Committee, and Personnel Committee). Board Members may also be asked to serve on ad hoc committees that are created from time-to-time, depending on the needs of the District and the Board. Committee assignments are generally, but not always, made based on a Board Member's subject matter expertise. Committees are composed of two Board Members, and review specialty subject matter and make appropriate recommendations to the entire Board. The current committee representative assignments are found here [\[add link\]](#).

- **Familiarity with District Business, Policies and Regulations.** As representatives responsible for making important decisions on behalf of the District's customers, such as ratemaking, Board Members should strive to be informed about the issues facing the District and be prepared to ask relevant questions of staff and other Board members and to provide pragmatic advice and comment. Board members should also be familiar with the District's various ordinances and resolutions, which are available here and serve as a tool for accountability, transparency, and communication with costumers. The bulk of the District's policies and regulations relate to providing and maintaining sewer facilities and service, as well as Board and employee rules.
- **Represent the District at Meetings of Other Local Public Agencies.** Board Members also act as a District representative at the meetings of other local agencies, with alternatives assigned to act as a fill-in when the designated representative cannot attend a meeting. At the District's Board meetings, Board Members must report out on matters of interest to te District that are discussed at the meetings of the other local agencies. The current District representative assignments are found here **[add link]**.
- **Attend Mandatory Trainings.** As public officials, State law mandates Board members receive 2 hours of ethics (AB- 1234) training no later than one year after their first day of service in public office, and biannually thereafter. The training encompasses laws relating to personal financial gain (e.g., prohibition on bribery, conflicts of interest when leaving office), perquisites of office (e.g., limitation on receiving gifts, honoraria ban), government transparency (e.g., Public Records Act), and fair process (e.g., common bias laws, competitive bidding requirements for public contracts). Board Members are also biannually required to attend a two-hour sexual harassment prevention training.
- **Comply with Applicable Laws and Standards.** Board members are expected to combat themselves to the highest ethical standards both in their capacity as office holders and personally. Various state laws, including Brown Act ("sunshine law") and Political Reform Act, are designed to ensure that Board Members act in the best interested of the District and not for personal gain. Board members should also review and be familiar with the Board Policy handbook, which can be found here **[add link]**.

SECTION 3. MEETING ATTENDANCE AND CONDUCT; VACANCIES

3.1 Each Director shall attend all meetings of the Board unless there is a good cause for absence.

3.2 A Director shall be prepared to discuss agenda items at Board meetings. Information may be requested from staff before meetings.

3.3 Directors shall defer to the Chairperson for conduct of meetings of the Board. All comments should be brief and confined to the matter being discussed by the Board.

3.4 Directors may request that the minutes for that meeting include brief comments pertinent to an agenda item (including, if desired, a position on abstention or dissenting vote).

3.5 Requests by individual Directors for information and/or research from the District staff should be made through the General Manager.

3.6 Under California Government Code section 1770, a vacancy occurs if, inter alia, any Director ceases to discharge the duty of his/her office for a period of three (3) consecutive months, except when prevented by sickness or when absent from the state with the permission required by law.

SECTION 4. BOARD MEMBER COMPENSATION AND REIMBURSEMENT OF EXPENSES

4.1 Background

The Board of Directors of the Goleta West Sanitary District recognizes that the individual Directors attend and participate in various meetings to properly perform their duties.

The following guidelines set forth the District's policy relative to payment of compensation and reimbursement of expenditures to the Directors for attendance at those meetings. The Board may deviate from these guidelines within applicable statutory limitations, for specific circumstances when deemed appropriate by the Board of Directors.

4.2 Board and Committee Meetings

Members of the Board of Directors shall receive compensation in accordance with this policy for attendance at regular and special meetings of the Board of Directors and any committee thereof. Directors shall receive no compensation at meetings in which they arrive ten (10) minutes (or more) late, unless advance notice of the late arrival has been provided by the Director.

4.3 Attendance at Other Meetings

4.3.1 Compensation. From time to time, it is appropriate that one or more Directors attend a meeting sponsored by another public agency or organization at which matters that pertain to or may directly affect the District's operations will be discussed. The term "public agency" includes, but is not limited to, the County of Santa Barbara, the City of Santa Barbara, the City of Goleta, the Goleta Sanitary District, the Goleta Water District, Isla Vista Recreation and Park District, Santa Barbara Airport Commission, and the State and Regional Water Quality Control Board. A Director serving as an authorized District representative at such a meeting pursuant to Section 5.3 shall receive compensation in accordance with this policy.

4.3.2 Reimbursement. District Directors, in performing their duties, may elect to become involved in organizations or attend meetings that contribute to their effectiveness. "Organizations" and "meetings" include, but are not limited to, conferences and seminars, such as those sponsored by California Special Districts Association, California Association of Sanitation Agencies, University of California, CaLAFCO, etc.

4.4 A director shall be entitled to receive reimbursement of expenses from the District for attendance at the meetings referenced in this Section 3.3.2 provided (i) the director seeking reimbursement provides a report at a public meeting of the Board concerning the conference or meeting outlining the substance of the conference or meeting, and (ii) the Board has not voted to disallow reimbursement of expenditures related to that meeting.

Maximum compensation shall be as follows:

- 4.4.1 Daily – The maximum number of meetings per day for which a Director may receive compensation is one (1).
- 4.4.2 Monthly – The maximum number of meetings per month for which a Director may receive compensation is six (6).
- 4.4.3 Authorized Expenses – A Director shall be reimbursed for expenses incurred due to attendance at all authorized meetings, conferences, and seminars.

4.5 Amount of Compensation; Record Keeping; Public Disclosure

Each Director shall be compensated per meeting at an amount that shall be established by the Board of Directors in a manner consistent with state statutes governing director compensation, including provisions of setting limits on increases in compensation.

No later than the 15th day of the month, each Director shall submit to the General Manager a list of meetings, conferences and seminars attended by each Director during the preceding month and for which the Director seeks compensation or reimbursement of expenditures. If a Director timely submits such a list, the General Manager is authorized to provide compensation and reimbursement of expenditures in a manner consistent with this policy. If a Director does not timely submit such a list by the 15th day of the month, no compensation shall be paid.

The District shall disclose on its website the appointment of any Director to a committee of the District in accordance with state law and regulations, including regulations of the Fair Political Practices Commission. In addition, while not required by law, the District shall also disclose on its website the appointment of any Director to serve as the District's regular representative at meetings of other public agencies, including the name of the Director who was so appointed, the name of any Director appointed as an alternate, the term of the appointment, and the compensation to be paid to the Director or alternate for that attendance.

SECTION 5. EXPENSE REIMBURSEMENT

5.1 Background

The Board of Directors has determined that it is in the best interest of the District for the Directors to participate from time to time in conferences, seminars and meetings related to the governance and activities of public agencies, particularly those responsible for wastewater collection, treatment, and disposal. It is the policy of the District to reimburse its Directors and staff for travel, lodging and meal expenses incurred while on District business.

5.2 Registration Fees

Registration fees, charges for printed materials, and similar expenses related to an authorized conference, seminar, workshop, or meetings are reimbursable expenses. Whenever possible, arrangements should be made to directly pay such registration fees and expenses in advance by the District.

5.3 Transportation Expenses

Reasonable transportation costs for a Director related to District-authorized travel is a reimbursable expense. Reimbursement for air transportation costs may not exceed the cost of coach class travel. The use of a private vehicle will be compensated at the then current Internal Revenue Service standard mileage rate for business use of a private automobile. Reasonable expenses for train travel, a rental car, taxi, or shuttle service will be reimbursed.

5.4 Lodging Expenses

Reasonable lodging costs for a Director or staff member related to District-authorized travel is a reimbursable expense, to the extent permitted by this policy. Reimbursement for lodging costs may not exceed the available government rate or group rate. If the government or group rate is not available at the time of booking, the person seeking reimbursement shall make reasonable efforts to use comparable lodging that does not exceed the government or group rate available. When a Director or staff member is authorized to travel on behalf of the District and an overnight stay is required, an attempt shall be made to have the District billed in advance for lodging expenses. No reimbursement will be made for extra services or entertainment, including but not limited to movie rentals or use of a hotel exercise facility, spa, room service, or mini-bar, except for a room service meal reimbursed under the provisions of Paragraph 4.5.

5.5 Meal Expenses

Directors shall be entitled to reimbursement of expenses for meals (including tips and excluding alcoholic beverages) while traveling or attending meetings on behalf of the District in an amount not to exceed the amounts established by the Board of Directors. The current meal expense reimbursement limit shall be one hundred dollars (\$100) per day.

The District will not reimburse any expenses for consumption of alcoholic beverages.

5.6 Requests for Reimbursement

All requests for reimbursement shall be made in writing on the District Reimbursement Request Form signed by the person requesting reimbursement within thirty (30) days of completion of travel and shall be accompanied by supporting receipts and records.

Travel costs for spouses or guests will not be reimbursed by the District.

Expense reimbursements shall be processed by the District's Staff in accordance with the provisions of this Policy.

In the event a person seeking reimbursement fails to either request reimbursement within thirty (30) days, or to include receipts or other documentation as required, Staff shall promptly contact the person with a description of the deficiencies. If said deficiencies are not corrected within fourteen (14) days, reimbursement shall be denied.

5.7 Meeting Reports

A Director attending a meeting for which the Director is compensated or receives reimbursement of expenses shall provide a brief report to the Board of Directors at the next regular Board meeting.

5.8 Public Records

All documents submitted to the District in connection with a request for reimbursement, including the District Reimbursement Request Form and supporting receipts and records, are public records under the California Public Records Act.

SECTION 6. BOARD OFFICERS

6.1 The officers of the District are as defined by the Sanitary District Act of 1923, which as of this writing defines “officers” as the five members of the Board.

6.2 At the first meeting in December of each year, the Board shall select one of its members to serve as President for the upcoming calendar year, and shall select one of its members to serve as Vice President for the upcoming calendar year, and shall select a qualified person, who may or may not be a member of the Board of Directors, to serve as Secretary for the upcoming calendar year. It is anticipated that a member who has completed a term as Vice President will be selected to serve as President in the subsequent year, unless the Board otherwise determines.

6.3 The President of the Board of Directors shall serve as chair at all Board meetings. The President shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances and any other discussion of questions that follow such actions.

6.4 In the absence of the President, the Vice President of the Board of Directors shall preside over Board meetings. If the President and Vice President are both absent, the remaining members shall select a member to preside at that meeting.

SECTION 7. COMMITTEES AND APPOINTMENTS

7.1 The following shall be standing committees of the Board, except as the Board shall otherwise determine:

- i. Personnel Committee
- ii. Finance Committee
- iii. Communications Committee
- iv. Engineering Committee
- v. Management Committee

7.2 The Board President shall appoint and publicly announce the members of the standing committees for the ensuing year at the Board's first regular meeting in January.

7.3 Each standing committee shall have the authority, on its own initiative, to review District functions, activities and/or operations within the scope of the committee's designated concerns as stated in Subsections 7.5, 7.6, 7.7, 7.8 and 7.9. In addition, a committee shall undertake such deliberations as may be assigned to the committee by the Board President or a majority vote of the Board. Any recommendations resulting from a committee's deliberations shall be submitted to the Board via a written or oral report.

7.4 Each standing and ad hoc committee shall have a chair appointed by the Board President. A committee chair shall set the agenda and schedule for each committee meeting.

7.5 The Board's standing Personnel Committee shall be concerned with the functions, activities operations, compensation and welfare of District staff and Board of Directors.

7.6 The Board's standing Finance Committee shall be concerned with the financial management of the District, including the development of a Financial Policy, preparation and review of an annual budget and major expenditures and management of the District's investment portfolio.

7.7 The Board's standing Communications Committee shall be concerned with the development and review of the District's newsletter and website prior to final approval by the Board of Directors and other District outreach efforts.

7.8 The Board's standing Engineering Committee shall be concerned with the maintenance, operation and repair of the collection system, pump stations, facilities, street sweeping operations, the regional treatment Plant, and IT infrastructure.

7.9 The Board's standing Management Committee shall be concerned with issues as they relate to the District's association with other agencies or entities such as Goleta Sanitary District, Goleta Water District, UC Santa Barbara, Isla Vista Recreation and Park District, County of Santa Barbara, City of Goleta, or others.

7.10 The Board President shall appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment and the committee shall be considered dissolved when its final report has been made.

7.11 The Board President may appoint Board Members to serve as representatives to other public agencies and similar entities.

7.12 The Board President may be appointed to a committee or to serve as representative to another public agency or similar entity, by majority vote of the Board. When considered for an appointment, the Board President shall not participate in any deliberations or vote on the appointment.

SECTION 8. BASIS OF AUTHORITY

8.1 The Board of Directors is the unit of authority within the District. As individuals, Directors may not commit the District to any policy, act, or expenditure.

8.2 Directors do not represent any fractional segment of the community, but are, rather, a part of the body which represents and acts for the community as a whole.

SECTION 9. TRAINING AND EDUCATION

9.1 It is the policy of the Goleta West Sanitary District to encourage Board development and excellence of performance by facilitating attendance at training and education courses and at local, state, and national conferences associated with the interests of the District.

9.2 District administrative staff shall be responsible for making arrangements for travel, lodging and registration of Directors and staff attending state and national seminars, workshops, and conferences.

9.3 Upon returning from seminars, workshops, or conferences where expenses are reimbursed by the District, Directors will either prepare a written report for distribution to the Board or make a verbal report during the next regular meeting of the Board. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of District personnel.

SECTION 10. BOARD MEETINGS

10.1 Regular Meetings of the Board of Directors shall be held at 5:30 pm on the first Tuesday of each month and the third Tuesday of each odd-numbered month in the District office, UCSB Campus Lot 32, Santa Barbara, California, except as the Board of Directors may otherwise determine.

10.2 Special Meetings of the Board of Directors may be held (Government Code Section 54950 *et seq.*).

10.3 The President and the General Manager shall insure that appropriate information is available for the audience at meetings of the Board of Directors, and that physical facilities for said meetings are functional and appropriate.

SECTION 11. BOARD MEETING AGENDA

11.1 The General Manager, in cooperation with the Board President, shall prepare an agenda for each regular and special meeting of the Board of Directors. Any Director may contact the Board President or General Manager and request any item to be placed on the agenda of a regular meeting no later than 5:00 p.m. on the Wednesday prior to the regular meeting date, and the request shall be granted within a reasonable period of time

11.2 Ex-agenda items may be voted on by the Board of Directors and added to the agenda for discussion and action pursuant to the provisions of state law.

11.3 Any member of the public may request that a matter directly related to District business be placed on the agenda of a regularly scheduled meeting of the Board of Directors, subject to the following conditions:

11.3.1 The request shall be in writing and be submitted to the General Manager or Office Manager together with supporting documents and information, if any, at least five (5) business days prior to the date of the meeting.

11.3.2 The Board of Directors may place limitations on the total time to be devoted to a public request at any meeting and may limit the time allowed for any one person to speak on the issue.

11.4 Members of the public may request mailed or e-mailed copies of agendas for Board and Committee meetings. Pursuant to Government Code section 54954.1, such request shall expire on January 1 of each year unless the person making the request renews the request. The District may require any person requesting a mailed copy of the agenda to bear the costs of mailing.

11.5 The Board may allow public comment on any agenda item at regular and special meetings in accordance with state law. Public comment on any matter within the Board's jurisdiction shall only be permitted at regular meetings.

SECTION 12. BOARD MEETING CONDUCT

12.1 Meetings of the Board of Directors shall be conducted by the President or other presiding officer in a manner consistent with the Rosenberg's Rules of Order (rev. 2011).

12.2 All Board meetings shall commence at the time stated on the agenda and shall be guided by same.

12.3 The public shall be entitled to attend and participate in open sessions to the extent authorized by state law and subject to the following:

12.3.1 No oral presentation shall include complaints against any District employee. Charges or complaints against employees shall be submitted in writing to the Board of Directors.

12.4 Willful disruption of any meeting of the Board of Directors shall not be permitted. If the President or presiding officer finds that there is willful disruption, he/she may order the room cleared and the meeting terminated.

SECTION 13. BOARD ACTIONS AND DECISIONS

13.1 The Board of Directors shall take action by motion, resolution, or ordinance.

13.2 Formal action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business. A member abstaining in a vote is considered as absent for that vote.

13.3 The Board may give direction, which does not constitute formal action. Such direction does not require a motion and vote. Such direction may include instructions to the General Manager, continuances, requests, and employee instructions.

SECTION 14. REVIEW OF ADMINISTRATIVE DECISIONS

14.1 Statute of Limitations; Procedures. The provisions of Section 1094.6 of the California Code of Civil Procedure, including but not limited to the provision therein imposing a ninety (90) day statute of limitations on certain decisions by the Board of Directors, shall be applicable to judicial review of all administrative decisions of the Board of Directors pursuant to the provisions of CCP Section 1094.5. The provisions of Section 1094.6 shall prevail over any conflicting provisions and any otherwise applicable law, rule, policy, or regulation.

14.2 The purpose of this policy is to assist in the efficient administration of the District.

SECTION 15. BOARD MEETING MINUTES

15.1 The Secretary of the Board of Directors shall keep the minutes of all regular and special meetings of the Board.

15.1.1 Minutes shall be distributed to Directors with the agenda for the next regular Board meeting.

15.1.2 The original minutes of all meetings of the Board shall be kept in a fire-proof vault or in fire-resistant, locked cabinets for the period of time required by law.

15.2 A video or audio tape recording of any meeting of the Board of Directors, including closed sessions, shall be made if (i) requested by the Secretary, General Manager, or any Director, and (ii) approved by three or more members of the Board.

15.2.1 The recordings, tapes, discs, or other electronic data/information storage devices shall be kept in a fireproof, locked vault or in fire-resistant, locked cabinets for the period of time required by law.

15.3 Motions shall be recorded as having passed or failed and individual votes shall be recorded unless the action was unanimous.

15.4 Resolutions and/or ordinances shall be recorded as having passed or failed and individual votes shall be recorded.

15.4.1 All resolutions and ordinances adopted by the Board shall be numbered consecutively.

15.5 The minutes of the Board meeting shall be organized in the same manner as the agenda for that meeting and shall include the following information:

15.5.1 Procedures:

15.5.1.1 Date, place, and type of each meeting.

15.5.1.2 Directors present and absent.

15.5.1.3 Call to order.

15.5.1.4 Pre-adjournment departure of Directors by name, or if absence takes place when any agenda items are acted upon.

15.5.1.5 A record of all members of the public appearing before the Board.

15.5.1.6 Adjournment of the meeting.

15.5.1.7 Record of written notice of special meeting.

15.5.1.8 Record of items to be considered at special meetings.

15.5.2 Board activity:

15.5.2.1 Approval of the minutes or amended minutes of preceding meetings.

15.5.2.2 Brief Summary of each agenda item.

15.5.2.3 The record of the vote on each motion unless unanimous.

15.5.2.4 Action taken on each Board resolution and ordinance and the number assigned thereto by the Secretary.

15.5.2.5 A record of all contracts approved by the Board, including bids submitted to and awarded by the Board.

15.5.2.6 A summary of the General Manager's report to the Board including employment and resignations or terminations of employment within the District.

15.5.2.7 Adoption of the annual budget.

15.5.2.8 Approval of all policies and Board-adopted regulations.

SECTION 16. CONFLICT OF INTEREST CODE

16.1 The Political Reform Act, Government Code 81000 et seq., requires each local agency to adopt and promulgate a conflict of interest code. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Sec. 18730, which contains the terms of a standard conflict of interest code that may be adopted by a public agency by reference. Therefore, the terms of 2 Cal. Code of Regs. 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix A in which members of the Board of Directors and employees are designated, and in which disclosure categories are set forth, constitute the conflict of interest code of the Goleta West Sanitary District.

16.2 Designated employees may file their statements of economic interest (Form 700) online, which will be submitted to the Santa Barbara County, Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Gov't. Code Section 81108). Designated employees who file using a paper Form 700 shall file with the District Filing Official (the General Manager/Superintendent). Upon receipt of the statement, the Filing Official shall make and retain a copy and forward the original statement to the Santa Barbara County Clerk, Recorder and Assessor, mailing address: County Elections, PO Box 61510, Santa Barbara, CA 93160-1510.

APPENDIX A

PART I – DESIGNATED EMPLOYEES

Positions	Disclosure Categories
Members of the Board of Directors	1-5
General Manager/ Superintendent	1-5
Consultants ¹	1-5
<u>Operations & Maintenance Superintendent</u>	<u>1-5</u>
Utility Worker IV <u>Engineering Technician</u>	1-5 <u>1-4</u>
Environmental Compliance Specialist	1-4
<u>Operations Supervisor</u>	<u>1-5</u>
<u>Operations Technician I-IV</u>	<u>1-5</u>
Office Manager	3

PART II – DISCLOSURE CATEGORIES

CATEGORY 1

Interests in real property which are located within the jurisdiction² of the District, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

CATEGORY 2

Business positions or investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of, real property within the jurisdiction of the District.

CATEGORY 3

¹ Consultants are considered to be designated employees. However, the General Manager may determine in writing that a particular consultant, although in a designated position, performs a limited range of duties and should not be required to fully comply with the disclosure requirements described in this section. Such written determination shall include a written description of the consultant's duties and, based upon that description, a statement of the extent of the disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

² Real property is located within the jurisdiction of District if any part of the property is located within or not more than two miles outside the boundaries of District or within two miles of any land owned or used by District. For all other purposes, the jurisdiction of District is equivalent to its geographical boundaries.

Business positions or investments in business entities, or income from any sources, if the business entities or sources of income are of the type which might provide services, supplies, materials, machinery or equipment to or for the use of the District.

CATEGORY 4

Business positions or investments in business entities and income from any sources, if the business entities or sources of income are of the type which are subject to the regulation or supervision of the District (including, but not limited to, the issuance or granting of franchises, building permits or other use or business permits or any other land use control or regulation).

CATEGORY 5

Business positions or investments in business entities or income from any sources, if:

- a) The business entities or sources of income have filed a claim, or have a claim pending against the District; and
- b) The designated employee's duties involve the handling or processing of such claim

SECTION 17. PUBLIC COMPLAINTS

17.1 The Board of Directors desires that public complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical and systematic.

17.2 A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, state or federal statute that adversely affects the individual.

17.3 Complaints from the public shall be as follows:

17.3.1 The individual with a complaint shall first discuss the matter with the Office Manager with the objective of resolving the matter informally.

17.3.2 If the individual registering the complaint is not satisfied with the disposition of the complaint by the Office Manager, the complaint may be filed with the General Manager. Within a reasonable time, the General Manager shall meet with the person filing the complaint to resolve the matter. At the option of the General Manager, he/she may conduct conferences and take testimony or written documentation in the resolution of the complaint. A written decision from the General Manager may be requested by the individual filing the complaint.

17.3.3 If the individual filing the complaint is not satisfied with the disposition of the matter by the General Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the General Manager's decision. The Board may consider the matter at the next regular meeting, or call a special meeting. The Board will expeditiously resolve the matter. In making the final decision, the Board may conduct conferences, hear testimony, as well as utilize the transcripts of written documentation. A written decision from the Board may be requested by the individual filing the complaint.

17.4 This policy is not intended, and shall not be applied, to prohibit or discourage a member of the public or District employee from appearing before the Board in regard to actions of the Board or District programs and services.

SECTION 18. GENERAL INFORMATION

18.1 Industry Group Memberships. The District generally maintains memberships in the following groups: California Special Districts Association (CSDA) (both state and Santa Barbara chapters), California Association of Sanitation Agencies (CASA), California Water Environment Association (CWEA), and Southern California Alliance of Publicly Owned Treatment Works (SCAP). The Board of Directors may elect to enroll the District as a member in other groups and organizations.

SECTION 19. STATEMENTS OF POSITION ON PENDING LEGISLATION OR ADMINISTRATIVE ACTION

19.1 Background

The Board of Directors believes that the proper discharge of its duties includes an obligation to be informed of legislative and administrative activities at other levels of government that may affect the District's interests. From time to time, the District may wish to communicate its position on pending legislation or administrative action (on a county, regional, state or federal level). Such a statement of position may be requested by one of the organizations of which the District is a member (e.g., CASA, CSDA) or otherwise. The purpose of this protocol is to establish a procedure for the preparation and communication of that position.

19.2 General Procedure

The General Manager and General Counsel shall provide regular reports on pending legislative or administrative action to the Board of Directors. These reports should be provided on a quarterly basis to the Board's Management Committee, which shall review those reports and forward to the Board those items the Committee deems appropriate for the Board's review and consideration. The reports shall include, insofar as feasible, the positions taken by professional or industry organizations of which the District is a member (e.g., CASA, CSDA). The General Manager and General Counsel shall have the discretion to prepare and provide to the Board a proposed statement of position on any pending legislative or administrative action which, in their judgment, is appropriate under the circumstances.

19.3 Quick Action Procedure

From time to time, the District may be asked for a statement of position on a quick-response basis and with insufficient time for the Management Committee or Board of Directors to review and consider the matter. Under those circumstances, the President and General Manager shall have the authority to prepare and submit a statement of the District's position, provided that position is consistent with any position asserted by either CASA or CSDA. That statement shall be presented to the Management Committee and the Board at their next meetings. The President and General Manager shall also have the authority to convene a special meeting of the Board to consider the matter, if they deem it appropriate to do so.

SECTION 20. PAPERLESS AGENDA AND TABLET USE POLICY

20.1 General Statement

The Board of Directors (the “Board,” individually “Board Member”) for Goleta West Sanitary District (the “District”) finds that the use of paperless agenda packets will significantly reduce printing and delivery costs, save staff time, lessen the environmental effects of paper use and disposal, and allow Board Members and designated staff to more effectively perform their duties. The use of a tablet device will allow for electronic transmission of agenda materials to Board Members and eliminate the need for printed agenda packets.

20.2 Purpose

In order to protect the public’s trust and operate in an open and transparent manner, the use of Tablets must be in accordance with all laws and regulations applicable to public agencies, including the Brown Act, the California Public Records Act, and principles of due process. This Paperless Agenda and Tablet Use Policy (“Policy”) shall provide guidance as to how Tablets may be lawfully and effectively used to implement the District’s shift to paperless agendas.

20.3 Policies and Procedures

20.3.1 General Device Rules:

20.3.1.1 Issuance and Service: Each Board Member is eligible to receive a District-issued tablet device (“the Tablet”) with Wi-Fi connectivity for use during his or her term. During Board and Committee meetings, each Board Member will have access to the Internet through this Tablet via a District WiFi connection. The Board may authorize a District-funded data plan for use on the Tablets. If a Tablet User’s use of the Tablet results in an extra charge to the District, the Tablet User shall be responsible for reimbursing the District. This includes but is not limited to charges for text messaging, roaming charges, overage charges, and multimedia charges. The General Manager shall determine which employees, if any, are required to maintain a Tablet in conjunction with the performance of their job duties and responsibilities.

20.3.1.2 Responsibility for Tablet: Each Board Member or designated employee (“Tablet User”) shall be solely responsible for the Tablet when under his or her control and shall take all reasonable measures to protect the Tablet from loss, damage, theft, and unauthorized use. In the event a Tablet is lost or stolen, the Tablet User shall report the loss or theft to the General Manager immediately (ideally within 24 hours). In the event that malfunction or damage

necessitates the repair or replacement of a Tablet, the Tablet User shall contact the General Manager with a verbal or written description of the problem and deliver the Tablet to the General Manager. A Tablet User may be held responsible for excessive repair or replacement costs incurred by the District resulting from loss, theft, or damage. The District may periodically add or remove applications or software from the Tablet at its discretion.

20.3.1.3 Return: The Tablet User shall return the Tablet to the District prior to the Tablet User's last day of service. If a Tablet User repeatedly violates the terms of this Policy, the Tablet User may be required to return the Tablet to the District.

20.3.2 Acceptable Use: Tablet Users shall use Tablets solely for District business, including review of electronic Board agenda materials, researching relevant topics, obtaining useful information for District business, and conducting District-related communications as appropriate. Tablet Users shall not use Tablets for campaign activities, personal business, or any other personal use. Use of the Tablet shall be in accord with all local, state, and federal laws.

20.3.3 Privacy and District Access

20.3.3.1 District Property: The Tablet is property of the District. The District reserves the right to inspect any and all files stored on the Tablet. Tablet Users do not have any personal privacy right in any matter created, received, stored in, or sent from the Tablet.

20.3.3.2 California Public Records Act: All emails, files, notes, photographs, and other records created, received, stored in, or sent from a Tablet may be subject to disclosure under the California Public Records Act.

20.3.4 Usage During Board Meetings: A Board Member shall not use the Tablet in any manner that constitutes a violation of due process or the Brown Act. During Board meetings, Board Members shall refrain from using the Tablet to exchange information with each other or District staff about District issues or using the Internet to access information concerning a matter on the agenda for that meeting that was not made available in the agenda packet and in other materials distributed prior to the Board meeting. To avoid an appearance of impropriety, Board Members shall not use the Tablet to send any emails or text messages during Board meetings.

- 20.3.5 Security Precautions: A Tablet User shall not download files to the Tablet from sources which he or she has any reason to believe may be untrustworthy. Downloaded files and attachments may contain viruses or hostile applications that could damage the District's systems. Tablet Users shall make all necessary and reasonable efforts to protect the security of any confidential information which is placed in their control or care to avoid the likelihood of transmission of confidential information to unauthorized recipients.
- 20.3.6 District Liability: By providing a Tablet for District business, the District assumes no financial or legal obligations related to the Tablet User's use of the Tablet. The District does not accept responsibility for loss of any information or data stored on the Tablet.

SECTION 21. DUTIES OF THE TREASURER AND AUTHORITY TO MAKE PAYMENTS AND TO TRANSFER AND WITHDRAW FUNDS

21.1 General Statement

~~In order to enhance the effective functioning of the Goleta West Sanitary District ("District"), the~~ The Board of Directors ("Board") has created a Treasurer position and authorized the Treasurer to exercise certain powers to enhance the effective functioning of the Goleta West Sanitary District ("District"). The Board has also authorized the establishment of deposit accounts and allowed for the transfer of funds between, and withdrawal of funds from, those accounts. This ~~Section 21~~ section ("Policy") ~~shall govern~~ s the authority of the Treasurer, Vice Treasurer, ~~Board of Directors~~, General Manager, and Office Manager ~~relating as it relates~~ to the transfer and withdrawal of funds and the making of payments on the District's behalf.

21.2 Treasurer

21.2.1 Treasurer Position: The District has established the position of District Treasurer with all of the powers and duties authorized by state law and this section.

21.2.2 Designation of Treasurer: The Chair of the District Finance Committee shall serve as the Treasurer for the District. ~~The second Director serving on the District Finance Committee shall serve as Treasurer during times that the Committee Chair is unavailable. In the event the District Finance Committee is composed of more than two Directors, the President shall designate the Director who shall serve as Treasurer during times that the Committee Chair is unavailable.~~

21.2.3 Treasurer's Powers and Duties: ~~The~~ Without limiting the generality of the foregoing, the Treasurer's powers and duties shall include, without limitation, the following:

21.2.3.1 Oversight of all District accounting and bookkeeping.

21.2.3.2 Review of the District's financial statements and investment reports at meetings of the District Finance Committee.

21.2.3.3 At least four times a year, receive unopened bank statements related to District accounts and review all cancelled checks therein, and provide a report to the District Finance Committee ~~of the Board~~.

21.3 Vice Treasurer: The second Director serving on the District Finance Committee shall serve as the Vice Treasurer. If and when the Treasurer is unavailable, the Vice Treasurer shall step into the role of the Treasurer and shall assume all of the powers and duties set forth in this Section for the duration of the Treasurer's unavailability. For purposes of this Section, the Treasurer shall be considered to be unavailable as a result of travel outside of the District's

jurisdiction, notified medical procedures or other illness, and/or failing to respond within 36 hours to at least two attempts at contact by the General Manager during times that the Committee Chair is unavailable. In the event the District Finance Committee is composed of more than two Directors, the Board President shall designate the Director who shall serve as Vice Treasurer during times that the Committee Chair is unavailable. Notwithstanding the foregoing, the Vice Treasurer shall have the same right to information as the Treasurer and the General Manager shall endeavor to provide all information contemplated under this Section to the Vice Treasurer at the same time as the Treasurer.

21.3.21.4 General Manager

21.3.1.21.4.1 Authorized Payments: The General Manager is authorized to make payments for any of the following, provided the procedure in subsection 20.6 is followed:

21.3.1.1.21.4.1.1 Expenses related to a capital project approved by the Board.

21.3.1.221.4.1.2 Expenses related to a maintenance project approved by the Board.

21.3.1.321.4.1.3 Expenses related to services provided by the Goleta Sanitary District for operation of the wastewater treatment plant, services provided by District counsel or accountants/auditors pursuant to an agreement with the District, and insurance premiums.

21.3.1.421.4.1.4 Invoices received from utility providers (for example, water, gas, electric, telephone).

21.3.1.521.4.1.5 Invoices received from Santa Barbara County for accounting and auditing services and expenses related to District elections.

21.3.1.621.4.1.6 Payroll.

21.3.1.721.4.1.7 All other invoices for supplies or services reflected in the Board-approved budget.

21.3.221.4.2 Duty to Report: The General Manager shall advise the Board of all contracts executed and payments made pursuant to Sections 20 or 21 as part of the operations report at the Board meeting following the execution of a contract or making of a payment.

21.3.321.4.3 Authorized Persons: For purposes of this subsection 20.3, the term "General Manager" shall include any person authorized in writing by the Board.

21.421.5 Bank Accounts

~~21.4.1~~21.5.1 Deposit Accounts: The President of the Board and the Treasurer ~~of the District~~ are hereby authorized to establish the following deposit accounts with Montecito Bank and Trust ("Bank"). The accounts shall be known as the "Money Market Account," the "Operating Account," and the "Payroll Account," and all such accounts shall be subject to such terms and conditions as may be agreed upon between the Bank and the District.

~~21.4.2~~21.5.2 Custodial and Investment Accounts: The President of the Board and the Treasurer ~~of the District~~ are hereby authorized to establish one or more custodial or investment accounts, subject to the District's investment policy.

21.521.6 Transfers of Funds

~~21.5.1~~21.6.1 Transfers of Funds Between Accounts: Funds may be transferred among the authorized accounts within the same financial institution described in Section ~~21.420.4~~ with approval of any of the following persons:

~~21.5.1.1~~21.6.1.1 General Manager and Office Manager, or

~~21.5.1.2~~21.6.1.2 Treasurer or ~~Assistant Vice~~ Treasurer

~~21.5.2~~21.6.2 ~~Inter bank~~Inter-Bank Transfers: The General Manager is authorized to transfer funds between financial institutions, with the Treasurer's prior written approval.

21.621.7 Withdrawal of Funds

~~21.6.1~~21.7.1 Authority to Withdraw Funds of \$25,000 or Less, or Otherwise Authorized: Funds may be withdrawn from the Operating Account ~~by on a~~ check or draft of the Goleta West Sanitary District signed by any two of the following persons if the ~~amount~~check or draft is either (i) twenty-five thousand dollars (\$25,000) or less, or (ii) within the General Manager's authority to make payments as set forth in Sections ~~21.20~~ and ~~21.3~~: the General Manager, the Office Manager, or any Director.

~~21.6.2~~21.7.2 Authority to Withdraw Funds Outside General Manager's Authority: Funds may be withdrawn from the Operating Account ~~by on a~~ check or draft of the Goleta West Sanitary District signed by (i) the General Manager or the Office Manager, and (ii) any Director, if the amount exceeds one of the Directors, if the check or draft is outside the General Manager's authority to make payments as set forth in Sections ~~21.20~~ and ~~21.3~~.

~~21.6.3~~21.7.3 Bank Authorized to Honor Signatures Authorized in Section 21.6:

~~The two-signature~~Honor: The requirements of Sections 21.6.1~~Section 20.6.1 and 21.6.2~~are for the District's ~~herein for two signatures are~~ for internal control purposes only of the District. The Bank is hereby authorized to honor and pay any check~~and all checks~~ drafted and signed by a manager or director, including those drawn or endorsed to the individual order of any ~~such authorized signer as set forth in this Policy.~~officer or other person authorized to sign the same.

~~21.6.4~~21.7.4 Effectiveness and Revocation:~~of this Policy:~~ The authority hereby conferred by this Section 21 shall remain in force until written notice of the revocation~~hereof~~, signed by the President of the Board or the General Manager on behalf of the District, has been received and acknowledged~~officers of this District thereunto duly authorized by its governing body, shall have been accepted~~ by an officer of the Bank at the branch where~~office at which~~ such account is maintained. The Secretary's certification kept, and that the Certification of the Secretary of this District as to the signatures of authorized signer~~the above-named persons~~ shall be binding on the District.

SECTION 22. PURCHASING OF EQUIPMENT AND SUPPLIES AND CONTRACTING FOR SERVICES

22.1 General Statement

State law governing procurement practices of the Goleta West Sanitary District (“District”) gives discretion to the Board of Directors (“Board”) to establish policies and regulations for purchasing supplies, services and equipment. This purchasing and contracting policy (“Policy”) is adopted in order to establish efficient procedures for the purchase of supplies and equipment, to secure supplies and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases and to define authority for the purchasing and contracting function.

22.2 General Manager Authority

- 22.2.1 **Personal Property:** The General Manager is authorized, in his or her sole and absolute discretion, to (i) purchase or lease (“purchase”) materials, supplies, furnishings, equipment and other personal property (hereafter “equipment and supplies”) and (ii) contract for the provision of services to the District, provided such purchases and contracts are consistent with California law and the policies, rules and regulations of the District.
- 22.2.2 **Equipment and Supply Contracts of \$75,000 or Less:** The General Manager is authorized, in his or her sole and absolute discretion, to purchase equipment and supplies in an amount not to exceed Seventy Five Thousand Dollars (\$75,000), provided the purchase is at or below the amounts contained within the Board-approved budget. The General Manager is authorized, in his or her sole and absolute discretion, to purchase equipment and supplies in amounts exceeding Seventy Five Thousand Dollars (\$75,000) following approval by the Board of Directors, and in compliance with the bidding procedures set forth in Section 21.3.
- 22.2.3 **Professional Service Contracts of \$75,000 or Less:** The General Manager is authorized to execute contracts for professional services in an amount not to exceed Seventy Five Thousand Dollars (\$75,000), provided the purchase is for a District purpose, and at or below the amounts contained within the Board-approved budget. The General Manager is authorized but not required to solicit and evaluate requests for proposals and statements of qualifications prior to entering into a contract for such services. The General Manager is authorized to execute contracts in amounts exceeding Seventy Five Thousand Dollars (\$75,000) following approval by the Board of Directors.
- 22.2.4 **General Manager Diligence:** The General Manager shall exercise diligence in consolidating and scheduling orders. No order or requisition shall be broken into smaller units to evade any requirement of this Policy, except

that unrelated items may be separated to provide different lists to vendors dealing in different commodity classes.

22.2.5 Authorized Persons: For purposes of this section, the term “General Manager” shall include any person authorized in writing by the Board.

22.3 Bidding Regulations for Supplies and Equipment

22.3.1 General Policy: All purchases of supplies or equipment shall be through the Bidding Procedures as provided herein, subject to the following exceptions:

22.3.1.1 Cooperative Purchasing: The General Manager elects, in his or her sole and absolute discretion, to purchase supplies or equipment through the National Joint Powers Alliance (NJPA).

22.3.1.2 Emergency: An emergency requires that an order be placed with the nearest available source of supply.

22.3.1.3 Single Source: The General Manager determines, in his or her sole and absolute discretion, that the required supplies or equipment are available only from a single source, in which case the General Manager shall document the basis for that determination and proceed without soliciting bids.

22.3.1.4 Purchases Not Exceeding \$75,000: The purchase price does not exceed \$75,000, in which case the General Manager shall obtain a price quotation from a vendor through any means appropriate prior to completing the purchase.

22.3.1.5 Supplies for a Public Work: The purchase of supplies is for a “District Project” subject to Public Contract Code section 20800 et seq.³

22.3.2 Bidding Procedures: Purchases of supplies and equipment greater than \$75,000 shall be through the following process:

22.3.2.1 Notice Contents: The General Manager shall prepare a notice (“Notice”) inviting bids. The Notice shall include a general description of the article to be purchased and shall state where bid blanks and specifications may be secured and the time and place for opening bids.

³ The Public Contract Code defines a “District Project” as “any construction, reconstruction, alteration, enlargement, renewal, or replacement of sewer facilities which the [D]istrict is authorized to do, including, but not limited to, the furnishing of supplies or materials for any such work.”

- 22.3.2.2 Notice Distribution: The General Manager shall solicit bids by either: (i) publishing the Notice once in a newspaper of general circulation, printed and published within the boundaries of the District, at least 7 calendar days before the opening of the bids; or (ii) mailing, faxing, or emailing the Notice to at least three vendors, in addition to any vendors who have requested in writing that they be notified.
- 22.3.2.3 Bid Contents: The General Manager shall require that all bids and proposals (i) be in writing and (ii) be sealed in an envelope labeled according to the instructions in the Notice.
- 22.3.2.4 Bid Opening: The General Manager shall publicly open the bids at the District Office at the time and place stated in the Notice. The General Manager shall tabulate the bids.
- 22.3.2.5 Bid Evaluation and Acceptance: The General Manager has sole and absolute discretion to reject any bid due to non-compliance with the procedures set forth herein, to waive any irregularity in a bid, or to reject all bids and re-advertise.
- 22.3.2.6 Bid Award: The contract shall be awarded to the responsive bidder who submits the bid presenting the best value to the District. The General Manager shall make a recommendation to the Board regarding the bid award and the Board shall award the contract.
- 22.3.2.7 Tie Bids: If two or more bids received are of the same amount and are better value than the other bids received, the Board may select any one of the tied bids or direct the General Manager to undertake negotiations with the bidders.
- 22.3.2.8 No Responsive Bids: If no bids are received from responsible bidders, or if all bids received are either too high or non-responsive, the Board may complete the contemplated purchase without further bidding procedures.
- 22.3.2.9 Best Value Determination: The Board has sole and absolute discretion to make a determination of best value, based on the following elements, in addition to price:

- 22.3.2.9.1 That the products offered provide the quality, fitness, and capacity for the required usage;
- 22.3.2.9.2 That the bidder has the ability and capacity to deliver the equipment or supplies within the time required; and
- 22.3.2.9.3 That the bidder's experience(s) regarding past purchases by the District or other public agencies demonstrates the reliability of the bidder to perform the contract.

22.4 Encumbrance of Funds

Except in case of an emergency, the General Manager may not issue a purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

22.5 Unauthorized Purchases

Any purchase made that is not in compliance with this Policy is void and not considered an obligation of the District.

22.6 Inspection and Testing

The General Manager shall have authority to inspect supplies and equipment delivered to determine their conformance with the specifications set forth in the order. The General Manager shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries that are necessary to determine their quality and conformance with specifications.

22.7 Contracts for Professional Services

22.7.1 Definition: "Professional services" are services involving the provision of a report, study, plan, design, specification, document, program, advice, recommendation, analysis, review, opinion, inspection, investigation, audit, brokering or representation of the District before or in dealings with another party, or any other services which require a special skill or expertise of a professional, scientific or technical nature.

22.7.2 Requirements: All contracts for professional services shall be engaged on the basis of demonstrated competence and qualifications for the types of services to be performed and at fair and reasonable prices to the District.

SECTION 23. DISPOSITION OF OBSOLETE PERSONAL PROPERTY

23.1 Definitions.

23.1.1 “General Manager” means the General Manager of the Goleta West Sanitary District or his or her authorized representative.

23.1.2 “Obsolete Personal Property” means any and all equipment, materials, supplies, vehicles, fixtures and other personal Property of the District which is obsolete, worn-out, scrap, surplus, or no longer useful to the District.

23.2 Authority to Dispose of Obsolete Personal Property.

23.2.1 Obsolete Personal Property Valued at less than \$2,500. The General Manager is authorized to dispose of Obsolete Personal Property that the General Manager determined has a value of less than \$2,500.

23.2.2 Obsolete Personal Property Valued at \$2,500 or More. The Board of Directors is authorized to dispose of Obsolete Personal Property that has a value of \$2,500 or more.

23.3 Methods of Disposition of Obsolete Personal Property.

23.3.1 Abandonment, destruction or donation. Obsolete Personal Property which has no commercial value or of which the estimated cost of continued care, handling, maintenance or storage would exceed the estimated proceeds of sale, may be abandoned, destroyed or donated. The determination to dispose of Obsolete Personal Property of no commercial value must be made in writing signed by the General Manager and countersigned by the District’s President.

23.3.2 Formal Bidding. Obsolete Personal Property may be offered for sale by formal, sealed bidding, in the manner provided by law.

23.3.3 Informal Price Quotations. Obsolete Personal Property with a value of less than \$2,500 may be offered for sale by means of informal telephone price quotations, in the manner provided by law.

23.3.4 Public Auction. Obsolete Personal Property may be sold at auction. When appropriate, an experienced auctioneer should be used to conduct the sale and assist in preparation of the sale.

23.3.5 Trade-ins. Obsolete Personal Property may be traded-in for credit to a vendor of new goods, provided one of the following conditions is met:

23.3.5.1 The General Manager determines that the trade-in value is equal to or exceeds the value estimated to be obtained by an auction of the Obsolete Personal Property, or

23.3.5.2 The General Manager determines that the trade-in value is equal to or exceeds the price offered by the lowest responsive and responsible bidder in the solicitation of bids.

23.3.6 Retail Sales. Obsolete Personal Property that has an estimated value of less than \$2,500 may be offered for sale to the public, either at advertised one- time sales, or by offering the personal property for sale in a joint venture with an established retail sales establishment, provided all of the following conditions are met:

23.3.6.1 The value and asking price for the goods are established at current market value of like goods in the market;

23.3.6.2 The goods are offered for sale openly to the general public; and

23.3.6.3 No licensed motor vehicle may be sold in this manner.

23.3.7 Transfer to a Public Agency or a Charitable, Civic or Non-profit Organization. The District may authorize the sale, lease or donation of Obsolete Personal Property to the federal government or one of its agencies; to the State of California; to any county, city, school district, special district; other governmental agency, or to any charitable, civic or non-profit organization. The price and terms of transfer must be established by the District, but may be made without advertisement for or receipt of bids.

23.4 Restrictions Applicable to Disposition of Personal Property

23.4.1 Government Grant Funds. Disposal of Obsolete Personal Property purchased with federal or state grant money is subject to the conditions of the grant.

23.4.2 Conflicts of Interest. District officers, employees and agents may not be purchasers at any sale, nor may they obtain or receive any District-owned personal property by any other means, while serving in their official capacity.

SECTION 24. ELECTRONIC SIGNATURE USE POLICY

24.1 Purpose

The Board of Directors (Board) of the Goleta West Sanitary District (GWSD or District) authorized the use of electronic signatures to facilitate efficient administration of the District consistent with applicable law through Resolution No. 25-836. The District seeks in this Electronic Signature Use Policy (Policy) to implement guidelines for the use and acceptance of electronic signatures to conduct official business of the District. This Policy allows, but does not require, the use of electronic signatures in lieu of manual or wet-ink signatures, when permitted by law, and establishes when an electronic signature may replace a manual or wet-ink signature.

24.2 Legal Background

24.2.1 California has adopted statutes to regulate the use of electronic signatures, including California Civil Code section 1633.1 et seq., commonly referred to as the “Uniform Electronic Transactions Act” (UETA), and California Government Code section 16.5. The California Secretary of State further adopted regulations governing the use of digital signatures by public entities in Sections 22000 through 22005 of Title 2 of the California Code of Regulations (Digital Signature Regulations). Federal law also provides for the use of electronic signatures for certain documents in the Electronic Signatures in Global and National Commerce Act (E-Sign Act).

24.2.2 This Policy is intended to comply entirely with applicable laws and regulations, including but not limited to, the aforementioned statutes and regulations. To the extent that provisions of this Policy conflict with applicable law, District staff, officials and agents are expected to comply with the requirements of the applicable laws and regulations. The District’s General Counsel is available to advise on compliance with applicable laws and regulations related to electronic signatures and this Policy.

24.3 Definitions

24.3.1 “Digital signature” means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as a manual or wet-ink signature in accordance with Government Code section 16.5. A digital signature is a type of “electronic signature.”

24.3.2 “Electronic record” means a record created, generated, sent, communicated, received, or stored by electronic means in accordance with Civil Code section 1633.2(g).

24.3.3 “Approved list of digital Certification Authorities” means the list of Certification Authorities approved by the California Secretary of State,

under applicable regulations, to issue certifications for digital signature transactions involving public entities in California.

24.3.4 “Electronic signature” means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with intent to sign the electronic record in accordance with Civil Code section 1633.2(h). For this Policy, a digital signature is a type of electronic signature.

24.3.5 “General Manager” means the person holding the position of General Manager of the District or his or her designee.

24.3.6 “Transaction” means an action or set of actions occurring between two or more persons related to the conduct or affairs of the District.

24.4 General Policy Rules

24.4.1 California has adopted statutes to regulate the use of electronic signatures, including California Civil Code section 1633.1 et seq., commonly referred to as the “Uniform Electronic Transactions Act” (UETA), and California Government Code section 16.5. The California Secretary of State further adopted regulations governing the use of digital signatures by public entities in Sections 22000 through 22005 of Title 2 of the California Code of Regulations (Digital Signature Regulations). Federal law also provides for the use of electronic signatures for certain documents in the Electronic Signatures in Global and National Commerce Act (E-Sign Act). This Policy is intended to comply entirely with applicable laws and regulations, including but not limited to, the aforementioned statutes and regulations. To the extent that provisions of this Policy conflict with applicable law, District staff, officials and agents are expected to comply with the requirements of the applicable laws and regulations. The District’s General Counsel is available to advise on compliance with applicable laws and regulations related to electronic signatures and this Policy.

24.5 Definitions

24.5.1 “Approved list of digital Certification Authorities” means the list of Certification Authorities approved by the California Secretary of State, under applicable regulations, to issue certifications for digital signature transactions involving public entities in California. “Digital signature” means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as a manual or wet-ink signature in accordance with Government Code section 16.5. A digital signature is a type of “electronic signature.”

24.5.2 “Electronic record” means a record created, generated, sent, communicated, received, or stored by electronic means in accordance with Civil Code section 1633.2(g).

24.5.3 “Electronic signature” means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with intent to sign the electronic record in accordance with Civil Code section 1633.2(h). For this Policy, a digital signature is a type of electronic signature.

24.5.4 “General Manager” means the person holding the position of General Manager of the District or his or her designee.

24.5.5 “Transaction” means an action or set of actions occurring between two or more persons related to the conduct or affairs of the District.

24.6 General Policy Rules

24.6.1 Compliance with Law; Policy. To the extent permitted by the law and this Policy, the General Manager may authorize the use of an electronic signature as legally binding.

24.6.2 Use Optional. The use or acceptance of electronic signatures shall be at the option of the non-District signatory. Nothing in this Policy shall require the District to use or permit the use of electronic signatures.

24.6.3 Consent Required. All parties that wish to use electronic signatures shall agree to follow this Policy, shall provide written or electronic consent as to the use of electronic signatures, and shall agree to indemnify the District against any liability associated with transmitting an electronic signature or an electronically signed record by electronic transmission. A party’s consent to this Policy may be kept on file with the District or may be included in the electronic record as evidence that the party signing has accepted this Policy.

24.6.4 Valid Signatures

1. Valid Electronic Signatures. When a signature is required, the parties may agree that an electronic signature satisfies said requirement if:

- i. The signature is in accordance with the requirements of the UETA;
- ii. The signature is created using an electronic signature technology that has been approved by the General Manager under this Policy; and
- iii. The signature is in accordance with any and all other applicable laws and regulations.

2. Valid Digital Signatures. Digital signatures shall have the same force and effect as a manual or ink signature if it has all the following attributes:

- i. It is unique to the person using it;
- ii. It is capable of verification;
- iii. It is under the sole control of the person using it;
- iv. It is linked to data in such a manner that the data are changed, the digital signature is invalidated;
- v. It conforms to the California Secretary of State's Digital Signature Regulations;
- vi. The Certification Authority for issuing the certification for the digital signature transactions appears on the "Approved List of Digital Signature Certification Authorities" authorized by the California Secretary of State under the Digital Signature Regulations; and
- vii. District staff have ensured that the level of security used to identify the signer of the electronic record is sufficient for the transaction being conducted, that the level of security used to transmit the signature is sufficient for the transaction being conducted, and that the certificate format used by the signed is sufficient for the security and interoperability needs of the District.

24.6.5 Documents for Which Electronic Signatures are Prohibited. Electronic signatures are prohibited for:

1. Transactions for which electronic signatures are unavailable as described in Civil Code section 1633.3;
2. Signatures that must be made in the presence of a notary public; and
3. Recorded documents unless otherwise allowed by the County where the document is recorded.

24.6.6 Design professionals Electronic Seals and Signatures. Design professionals, such as architects, geologists and engineers, that wish to use an electronic seal and signature may do so as allowed by the California Business and Professions Code. Non-design professionals may sign plans via use of any valid electronic signature technology that complies with the requirements of this Policy and applicable law.

- 24.6.7 Signature Use. Unless otherwise prohibited by Policy or applicable law, the General Manager may require the use of a electronic, digital or wet-ink signature at his or her discretion.
- 24.6.8 Further Acts. Nothing in this Policy shall prevent the General Manager from adopting additional guidelines or taking further actions to implement this Policy, including but not limited to selecting vendors and technology to implement secure procedures for electronic and digital signatures and adding other permissible forms and documents that may be signed by electronic signature to Section V of this Policy.
- 24.6.9 Sanctions. Any person that makes inappropriate, illegal, or fraudulent use of electronic signatures, digital signatures, or electronic records in violation of this Policy or of any applicable law or regulation is subject to sanctions up to and including dismissal, suspension, and criminal prosecution as specified in published District policies, and State and federal law, regardless of whether such sanctions are directly referenced in this Policy. All inappropriate, illegal, or fraudulent uses of any electronic means of transmission shall be prosecuted to the fullest extent permitted by law, including the recovery of attorneys' fees and administrative costs.
- 24.7 Classes of Documents Permitted by the General Manager for Electronic Signature
- 24.7.1 The following are classes of documents permitted for electronic signature and the District staff, official or agent that may use an electronic signature on behalf of the District. This list is not intended to be an exhaustive list, nor does it impose an electronic signature as a requirement for a particular transaction.
- 24.7.2 Contracts and Amendments by the appropriate representative of the District in accordance with its "Rules and Regulations Governing the Policy and Procedures for the Purchase of Services, Supplies or Equipment" or the Board's action authorizing the contract or amendment;
- 24.7.3 Grant Documents by the appropriate representative of the District as specified in the Grant Document or the Board's action approving the document;
- 24.7.4 Resolutions by the Chair or the Vice Chair of the Board in the absence of the Chair;
- 24.7.5 California Environmental Quality Act Documents, including but not limited to Environmental Impact Reports, Negative Declarations, Notices of Decisions and Notices of Exemptions, by the General Manager when authorized by the Board;
- 24.7.6 Invoices by the appropriate representative of the District;

24.7.7 Correspondence approved by the Board for signature by the Chair of the Board or by the General Manager

24.7.8 Other forms or documents as approved by the General Manager.

GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 9

AGENDA TITLE: CONSIDERATION OF AMENDMENTS TO THE INVESTMENT POLICY AS PART OF THE ANNUAL REVIEW AND ADOPTION OF RESOLUTION NO. 26-851

SUMMARY DESCRIPTION:

The Board will consider proposed amendments to the Goleta West Sanitary District Investment Policy as part of its annual review and consider adoption of Resolution No. 26-851.

DISCUSSION:

Section 13.0 of the District's Investment Policy requires the Treasurer to annually report to the Board regarding compliance with the Policy and recommend any modifications deemed appropriate. Any modifications to the Investment Policy must be approved by resolution of the Board of Directors.

As part of the annual review process, the Finance Committee reviewed the Investment Policy at its June 25, 2026, meeting and recommended proposed amendments for the Board's consideration. The proposed amendments were presented to the Board at its July 21, 2026, Regular Board Meeting, at which time the Board requested additional revisions.

Following the Board's direction, legal counsel prepared a revised draft incorporating the requested changes. The revised Investment Policy was subsequently presented to the Finance Committee at its August 14, 2026, meeting for further review. The Finance Committee reviewed the revisions and recommends that the Board approve the proposed amendments and adopt Resolution No. 26-851.

The proposed amendments incorporate the Vice Treasurer role and align the delegation of investment authority with Section 21 of the District's Board Policy Handbook.

SUPPLEMENTARY MATERIAL:

Goleta West Sanitary District Investment Policy – Draft
Resolution No. 26-851

1.0 STATEMENT OF POLICY

The Goleta West Sanitary District (“District”) shall invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of District funds, and that this policy shall be implemented by means of the following implementation provisions.

2.0 SCOPE

This Investment Policy applies to the District’s unrestricted, restricted or dedicated funds.

3.0 PRUDENCE

The standard of prudence to be used by the District’s investment officials shall be the “prudent investor” standard (California Government Code Section 53600.3). When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

4.0 OBJECTIVES

As specified in California Government Code Section 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

4.1 Safety: Safety of principal is the foremost objective of the investment program. Investment of District funds shall be undertaken in a manner that seeks to ensure the preservation of principal. To attain this objective, the investments shall be diversified by sector and maturity.

4.2 Liquidity: The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

4.3 Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

The District’s investment strategy will not prohibit the District from selling a security prior to its maturity and recording a gain or loss in order to improve the quality, liquidity,

or yield of the portfolio in response to market conditions or the District's needs. However, the District's philosophy prohibits speculation, i.e., the purchase of securities with the intent to profit from favorable changes in market prices or market conditions. Leveraging or borrowing money for the purpose of investing is specifically prohibited.

5.0 DELEGATION OF AUTHORITY

The Board hereby delegates its authority to invest funds of the District for a one-year period to the Treasurer, who shall thereafter assume full responsibility for the portfolio until the delegation expires or the authorization is revoked. For purposes on this Investment Policy, any reference to the Treasurer shall be interpreted to include the Vice Treasurer consistent with Section 21 of the District's Board Policy Handbook. Subject to review, the Board may renew the delegation of authority each year. The Treasurer may delegate the day-to-day management and transactions to a registered investment advisor, via written agreement with the District. The investment advisor shall make investment decisions and execute transactions in accordance with state law and this Policy.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

If the District has engaged the services of a registered investment advisory firm, the firm is authorized to conduct investment transactions on the District's behalf with their own list of approved broker/dealers and financial institutions. The investment advisor's approved list must be made available to the District upon request.

For any investment transactions conducted by the Treasurer, the Treasurer shall comply with the following requirements:

- The Treasurer shall maintain a list of at least five authorized broker/dealers and financial institutions that are approved for investment purposes, and it shall be the policy of the District to purchase securities only from authorized institutions or firms.
- On a rotating basis among the authorized firms, the Treasurer shall obtain at least three offers, as reasonably comparable as possible, on each investment. Records of offers shall be retained during the period of time the District owns the investment. The record shall include an explanation if the lowest offer was not selected.

For any investment transactions conducted by the Treasurer, the District requires each firm that will be used to be evaluated by the Treasurer prior to any investments. The firms shall submit current financial statements and annual audited financial statements each year thereafter, which shall be evaluated by the Treasurer. At a minimum, the authorized firms must meet the following criteria:

- The institution must be financially sound.
- The institution must have been in business at least five years.
- The institution must provide proof of Financial Industry Regulatory Authority (FINRA) certification.
- The institution must show proof of state registration or exemption.
- The institution must provide a written acknowledgment of having received and read the District's Investment Policy and assert that it will only present to the District securities which the District is allowed by its Investment Policy to buy.

8.0 AUTHORIZED AND SUITABLE INVESTMENTS

8.1. Authorized Investments. The District is empowered by California Government Code Section 53601 et seq. to invest in the following instruments, and the District hereby authorizes the Treasurer to invest in the following securities. Unless stated differently, the maximum maturity is five years from date of purchase. Investment in the securities of any non-governmental issuer shall be limited to 5% of the District's portfolio.

Credit criteria listed in this section refers to the credit rating at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the Treasurer will perform a timely review and decide whether to sell or hold the investment. Where this section specifies a percentage limitation for a particular security type, the percentage is measured on the date of purchase. If the percentage for a particular security exceeds the limitation due to withdrawals from the portfolio, no additional purchases of that security may be made until such a purchase will be in conformance with the Investment Policy.

- A. Bonds issued by Goleta West Sanitary District.
- B. United States Treasury Bills, Notes and Bonds.
- C. Registered state warrants or Treasury Notes or Bonds issued by the State of California or the other 49 states.
- D. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies.
- E. Obligations issued by agencies or government-sponsored enterprises of the United States Government.
- F. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or

Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States (Government Code 53601(q)). Investments under this section shall be rated in a rating category of “AA” or its equivalent or better by nationally recognized statistical rating organization and shall not exceed 30% of the District’s surplus funds.

- G. Bankers Acceptances with a term not to exceed 180 days. Not more than 40% of surplus funds shall be invested in Bankers Acceptances and no more than 30% of surplus funds shall be invested in the Bankers Acceptances of any single commercial bank.
- H. Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):
 - (a) The entity meets the following criteria: (i) is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated in a rating category of “A” or higher, or the equivalent, by a nationally recognized statistical rating organization.
 - (b) The entity meets the following criteria: (i) is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated “A-1” or higher, or the equivalent, by a nationally recognized statistical rating organization.

Eligible commercial paper shall have a maximum maturity of 270 days or less. A maximum of 25% of the District’s portfolio may be invested in this category.

- I. Negotiable certificates of deposit issued by a nationally or state-chartered bank or a state or federal association, or by a federally-licensed or state-licensed branch of a foreign bank. Purchases are limited to institutions which have long term debt rated in the “A” category or higher, or the equivalent, by a nationally recognized statistical rating organization. A maximum of 30% of the District’s surplus funds may be invested in negotiable certificates of deposit.

- J. Repurchase/Reverse Repurchase Agreements of any securities authorized by this Section. Securities purchased under these agreements shall be no less than 102% of market value. (See special limits in California Government Code Section 53601.i.)
- K. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. The District may invest in medium term corporate notes rated in a rating category of “A” or higher, or the equivalent, by a nationally recognized statistical rating organization. A maximum of 30% of the District’s portfolio may be invested in this category.
- L. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 and following). The company shall have met either of the following criteria:
- (a) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.
- (b) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).
- A maximum of 20% of the District’s portfolio may be invested in this category.
- M. Collateralized bank deposits with a perfected security interest in accordance with the Uniform Commercial Code (UCC) or applicable federal security regulations.
- N. Any mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable backed bond of a maximum maturity of five years. Securities in this category shall be rated in a rating category of “AA” or its equivalent or better by a nationally

recognized rating service. No more than 20% of surplus funds shall be invested in this category of securities.

O. State of California Local Agency Investment Fund (LAIF).

P. Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

8.2 Prohibited Investments. Under the provisions of California Government Code Sections 53601.6, the District shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools or any investment that may result in a zero interest accrual if held to maturity. Notwithstanding the prohibition in the preceding paragraph, the District may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. The District may hold these instruments until their maturity dates.

9.0 MAXIMUM MATURITY

Maturities will be based on an analysis of the receipt of revenues and maturity of investments. Maturities will be scheduled to permit the District to meet all disbursement requirements. The District may not invest in a security whose maturity exceeds five years from the date of purchase unless the Board of Directors has provided approval for a specific purpose at least three months before the investment is made.

10.0 SAFEKEEPING AND CUSTODY

All security transactions entered into by the District shall be conducted on delivery-versus-payment (DVP) basis. All securities purchased or acquired shall be delivered to the

District by book entry, physical delivery or by third party custodial agreement as required by California Government Code Section 53601.

11.0 DIVERSIFICATION

The District will diversify its investments by security type and institution. It is the policy of the District to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of the loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities.

12.0 REPORTING

The Treasurer shall submit to each member of the District Board of Directors a quarterly investment report. The report shall include a complete description of the portfolio, the type of investments, the issuers, maturity dates, par values and the current market values of each investment, including funds managed for the District by third party contracted managers. The report shall also include the source of the portfolio valuation. If all funds are invested in LAIF, FDIC-insured accounts and/or in a county investment pool, the quarterly investment report may be replaced by copies of the latest statements from such institutions. The report must also include a certification that (1) all investment actions executed since the last report have been made in full compliance with the Investment Policy and (2) the District will meet its expenditure obligations for the next six months the Treasurer shall maintain a complete and timely record of all investment transactions. If investment management authority has been delegated to a registered investment adviser, the Treasurer shall render a monthly report of investment transactions to the District Board of Directors.

13.0 INVESTMENT POLICY ADOPTION AND ANNUAL REVIEW

The Investment Policy shall be adopted by resolution. The Treasurer shall annually render to the Board a report concerning compliance with this Policy and recommendations, if any, concerning modifications to the Policy. Any modification to the Policy shall be approved by Resolution of the Board.

RESOLUTION NO. 26-851

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GOLETA WEST SANITARY DISTRICT APPROVING AMENDMENTS TO THE DISTRICT'S INVESTMENT POLICY TO INCORPORATE THE VICE TREASURER ROLE AND ALIGN THE DELEGATION OF INVESTMENT AUTHORITY WITH SECTION 21 OF THE DISTRICT'S BOARD POLICY HANDBOOK

WHEREAS, the Goleta West Sanitary District ("District") has adopted an Investment Policy pursuant to California Government Code Sections 53600 et seq.; and

WHEREAS, Section 13.0 of the District's Investment Policy provides that the Investment Policy shall be adopted by resolution, reviewed annually, and that any modification to the Investment Policy shall be approved by resolution of the Board of Directors; and

WHEREAS, the Board of Directors has reviewed the District's Investment Policy as part of its annual review and desires to amend the Policy to incorporate the role of Vice Treasurer and to clarify the delegation of investment authority; and

WHEREAS, Section 21 of the District's Board Policy Handbook establishes the position of Vice Treasurer and provides that, when the Treasurer is unavailable, the Vice Treasurer shall assume the powers and duties of the Treasurer for the duration of the Treasurer's unavailability; and

WHEREAS, the Board desires for the Investment Policy to be consistent with Section 21 of the District's Board Policy Handbook by providing that references to the Treasurer under the Investment Policy include the Vice Treasurer consistent with the authority established in Section 21; and

WHEREAS, the Board further desires to continue its delegation of authority to invest District funds to the Treasurer for a one-year period, subject to annual review and renewal by the Board, as provided in Section 5.0 of the Investment Policy.

NOW, THEREFORE, the Board of Directors of the Goleta West Sanitary District hereby resolve as follows:

SECTION 1. The Board hereby approves the amendments to the District's Investment Policy presented to the Board and incorporated herein by reference.

SECTION 2. Section 5.0 of the Investment Policy shall provide that, for purposes of the Investment Policy, references to the Treasurer shall be interpreted to include the Vice Treasurer consistent with Section 21 of the District's Board Policy Handbook.

SECTION 3. Consistent with Section 5.0 of the Investment Policy, the Board hereby delegates its authority to invest funds of the District to the Treasurer for a one-year period, subject to the terms and limitations of the Investment Policy and Section 21 of the District's Board Policy Handbook. The Board may renew such delegation annually following review.

SECTION 4. The authority of the Vice Treasurer under the Investment Policy shall be exercised consistent with the powers, duties, circumstances, and limitations applicable to the Vice Treasurer under Section 21 of the District's Board Policy Handbook.

SECTION 5. Except as expressly amended by this Resolution, all other provisions of the District's Investment Policy shall remain in full force and effect.

PASSED AND ADOPTED by the Board of Directors of the Goleta West Sanitary District, Santa Barbara County, California at a regular meeting held on the 20th day of August, 2026.

I HEREBY CERTIFY that the foregoing Resolution was adopted by the Board of Directors of Directors of Goleta West Sanitary District, Santa Barbara County, California, at a regular meeting thereof held on August 20, 2026, by the following vote of the members thereof:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____

Kristyn Lopez, Secretary of the Board

Robert Thomas, Board President

GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 10

**AGENDA TITLE: CONSIDERATION AND ADOPTION OF THE FY 2026-2027
BUDGET**

SUMMARY DESCRIPTION:

The Board will consider adopting the FY 2026-2027 Budget.

DISCUSSION:

Staff and the Finance Committee met to review and discuss the draft FY 2026-2027 Budget. Staff worked with Ms. Laura Copple of Bartlett, Pringle & Wolf, LLP to prepare the draft budget. The Finance Committee and staff recommend that the Board adopt the FY 2026-2027 Budget as presented.

SUPPLEMENTARY MATERIAL:

Draft FY 2026-2027 Budget

GOLETA WEST SANITARY DISTRICT



DRAFT BUDGET

FISCAL YEAR 2026-2027

**Adopted by the Governing Board
August 20, 2026**

TABLE OF CONTENTS
FISCAL YEAR 2026–2027 BUDGET

<u>Description</u>	<u>Page</u>
Introduction	1
Budget Goals	2
Revenues Description	2
Fiscal Year 2026-2027 Total Revenues	4
Fiscal Year 2026-2027 Operating Revenues (O&M)	4
Fiscal Year 2026-2027 Non-Operating Revenues	4
Revenues Summary	5
District Operating & Reserve Funds Summary	6
Fund Activity	8
Projected Fund Balance Chart- June 30, 2026	9
Total Expenditures	10
Wastewater Operations & Maintenance Expenditures	11
Wastewater Operations & Maintenance Expenditures Summary	12
Other Services Expenditures	13
Other Services Expenditures Summary	14
Capital Improvement Expenditures by Service Category	15
Capital Improvement Expenditures Summary	16
Appendices	17
District Organization Chart	A1
Wastewater O&M by Category Chart	A2
Wastewater O&M – Pump Station	A3
O&M – Collection System	A4
Wastewater O&M – Administration	A5
Wastewater O&M – Treatment	A6

INTRODUCTION

The Goleta West Sanitary District (GWSD) mission is to protect the environment and public health and safety while providing efficient, responsible service.

GWSD was first established in 1954 under the Sanitary District Act of 1923 as the Isla Vista Sanitary District to serve the community of Isla Vista and the Western Goleta Valley. In 1990, the name of the District was changed to Goleta West Sanitary District in an effort to describe the service area more accurately. GWSD currently serves a population of approximately 41,575 (2020 SBCAG Census).

GWSD provides wastewater collection, treatment and street sweeping for its constituents. The District owns 40.78% treatment capacity rights in the regional wastewater treatment plant at Goleta Sanitary District. As a contractual user of the plant, GWSD pays GSD a proportional share of the total treatment plant operation and maintenance based on flow with an additional 6% administration charge. The District also funds 40.78% of GSD treatment plant capital improvement costs, GWSD owns, operates, and maintains two sewage pump stations and approximately seventy (70) miles of sewer pipes ranging in size from 6" to 42" diameter.

GWSD is currently governed by a five-member Board of Directors; each serves a four-year term. The District is in the process of transitioning from Directors being elected at large to by-district elections. In November 2026, the District will have fully transitioned from at-large to by-district elections. The Board conducts meetings on the first and third Tuesday of each odd month and on the first Tuesday of each even month in the District's Administrative Offices located in Parking Lot 32 on the UCSB Campus.

GWSD headquarter buildings are currently undergoing much needed improvements. This project was initially considered in 2009. In 2012, the District began the process of planning and building reserves for a three-phased Headquarter Buildings Improvements Project. Phase 1 of this project was completed in FY 2023-24 and Phase 2, a new Administration Building, is currently under construction and is slated to be complete in the Fall of 2026. The final phase of the project is to convert the existing administration building into shop space and vehicle storage, which is currently in the design phase.

GWSD was informed by Goleta Sanitary District in early 2022 that the timeline was being accelerated for projects associated with their Biosolids and Energy Sustainability Plan (BESP). The initial estimate from GSD of GWSD's first year share of the costs was in excess of \$6-million. In August of 2022, GWSD secured a loan for \$14-million to help fund its share of these multi-year, multi-million-dollar projects.

In 2024, the 24-inch force main that conveys sewage from the District's main pump station to the GSD regional treatment plant experienced a failure and a significant spill occurred. Efforts to assess the best long-term solution and prevent future pipe failure and spill reoccurrence are ongoing. In February of 2026 the District reached a settlement with the Regional Water Quality Control Board which includes funding a Supplemental Environmental Project for Point of Entry/Point of Use domestic drinking water well rehabilitation and treatment within disadvantaged communities within Santa Barbara

County. This project is currently underway and is expected to be completed within 48 months.

GWSD's fiscal year runs for a twelve (12) month period beginning July 1 through June 30 of the following year. The District's budget consists of three separate and distinct secondary expenditure accounts: (i) Wastewater Operation & Maintenance Expenditures, (ii) Other Services Expenditures, (iii) Capital Improvement Expenditures. A draft budget is typically prepared during the fourth quarter for adoption by the Board of Directors in June of the same year. Capital Improvement Projects are tracked as Construction in Progress and paid for from a corresponding reserve fund.

GWSD currently employs eight (8) full-time employees. The employees work in the following budgeted categories: Administration; Collection System; Pump Stations; and Other Services/Street Sweeping.

The District's Organization Chart is provided in Appendix A1.

BUDGET GOALS

The primary goals of Goleta West Sanitary District are the basis for establishing the annual operating and capital improvement budgets. The goals include:

- Professionally manage, operate and maintain all parts of the wastewater collection system to protect public health and the environment.
- Ensure that the system is operated in a manner that meets, or exceeds, all regulatory requirements.
- Ensure that the sewage collection system has adequate hydraulic capacity to convey peak flows for current users and future needs.
- Ensure that the District's street sweeping program operates efficiently and effectively.
- Strategically implement critical capital facility upgrades and improvements to ensure the system will perform well on a long-term basis.
- Ensure that the District financial and capital planning supports the ability to provide for the future needs of our community.
- Employ a highly qualified, professional staff that diligently operate and maintain District facilities and equipment to the highest standards.

REVENUES DESCRIPTION

The District receives revenue from several sources. Operating revenues are comprised primarily of sewer service charges, permit fees, inspection fees, plan check fees, and interest earned from those sources. Property taxes fund the District's other services

expenditures (including street sweeping) and Capital Improvement Program (CIP). Nonoperating revenues are comprised primarily of property taxes, connection fees and interest earned from those sources.

The following spreadsheet outlines the District revenue sources to include:

- FY 2026- 2027 Total Revenues
- FY 2026- 2027 Operating Revenues
- FY 2026- 2027 Non-Operating Revenues.

FISCAL YEAR 2026-2027 TOTAL REVENUES

Account	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
4000 Sewer User Fees	\$ 5,913,222	\$ 7,500,000	\$ 8,408,776	\$ 9,500,000	
4010 Misc Permits and Industrial Waste	\$ 159,679	\$ 60,000	\$ 50,300	\$ 60,000	
4020 Planning and Check Fees	\$ 4,416	\$ 7,000	\$ 40,917	\$ 7,000	
4030 Inspection Fees	\$ 5,744	\$ 12,000	\$ 57,068	\$ 12,000	
4040 Insurance Refunds	\$ -	\$ -	\$ -	\$ -	
4050 Other Services	\$ 254,076	\$ 237,557	\$ 260,898	\$ 286,988	
4060 Miscellaneous Revenue	\$ -	\$ -	\$ 35,386	\$ -	
4100 Property Taxes	\$ 3,859,288	\$ 4,300,000	\$ 4,374,957	\$ 4,600,000	
4110 Homeowners Property Tax Relief	\$ 13,084	\$ 13,000	\$ 12,877	\$ 13,000	
4200 Connection Fees	\$ (2,489)	\$ 100,000	\$ 1,823,206	\$ 100,000	
4300 Interest Income	\$ 1,116,985	\$ 1,200,000	\$ 999,891	\$ 950,000	
4310 Gain/Loss on Investments	\$ 4,281	\$ -	\$ -	\$ -	
4400 Gain/Loss on Disposal of Capital Assets	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 11,328,286	\$ 13,429,557	\$ 16,064,276	\$ 15,528,988	16%

Note: The Total Revenues table above is the total of the Operating Revenues and Non-Operating Revenues tables shown below.

FISCAL YEAR 2026-27 OPERATING REVENUES (O&M Unrestricted)

Account	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
4000 Sewer User Fees	\$ 5,913,222	\$ 7,500,000	\$ 8,408,776	\$ 9,500,000	
4010 Misc Permits and Industrial Waste	\$ 159,679	\$ 60,000	\$ 50,300	\$ 60,000	
4020 Planning and Check Fees	\$ 4,416	\$ 7,000	\$ 40,917	\$ 7,000	
4030 Inspection Fees	\$ 5,744	\$ 12,000	\$ 57,068	\$ 12,000	
4040 Insurance Refunds	\$ -	\$ -	\$ -	\$ -	
4050 Other Services	\$ 254,076	\$ 237,557	\$ 260,898	\$ 286,988	
4060 Miscellaneous Revenue	\$ -	\$ -	\$ 35,386	\$ -	
Total Operating Revenues	\$ 6,337,137	\$ 7,816,557	\$ 8,853,345	\$ 9,865,988	26%

FISCAL YEAR 2026-27 NON-OPERATING REVENUES

Account	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
4100 Property Taxes	\$ 3,859,288	\$ 4,300,000	\$ 4,374,957	\$ 4,600,000	
4110 Homeowners Property Tax Relief	\$ 13,084	\$ 13,000	\$ 12,877	\$ 13,000	
4200 Connection Fees	\$ (2,489)	\$ 100,000	\$ 1,823,206	\$ 100,000	
4300 Interest Income	\$ 1,116,985	\$ 1,200,000	\$ 999,891	\$ 950,000	
4310 Gain/Loss on Investments	\$ 4,281	\$ -	\$ -	\$ -	
4400 Gain/Loss on Disposal of Capital Assets	\$ -	\$ -	\$ -	\$ -	
Total Non-Operating Revenues	\$ 4,991,149	\$ 5,613,000	\$ 7,210,931	\$ 5,663,000	1%

REVENUES SUMMARY

The 2025-2026 projected actual column on the preceding spreadsheet represents the projected revenues through June 30, 2026. The last column is a comparison of the 2025-2026 budget and the 2026-2027 budget.

Total revenues are projected to increase by 12% compared to the 2025-2026 fiscal year due to a 12% increase in sewer user fees from the final rate increase described in Ordinance 23-97. Operating revenues are expected to increase 26% and non-operating revenues are expected to increase by 1% as compared to prior year budget primarily due to a low estimated projected increase in revenue last year. The FY2025-26 budget takes into consideration the scheduled sewer rate increase as of July 1, 2026.

Major components of total revenues and/or significant changes in total revenues consist primarily of the following:

- The County of Santa Barbara has provided the District with the estimated property tax revenue for 2026-2027 fiscal year.
- Interest Income is earned on all District funds, which are included in the District's investment portfolio. The 2026-2027 budget is estimated based on projected returns on current and future investments. The projected amount is a result of predicted market conditions and current reserve balances.
- Unrealized Gain/Loss Investments represent the unrealized short-term investment earnings or losses in the District's portfolio or, the increased/decreased market value of a security that is still being held compared with its original cost. Revenues are not budgeted for this item as it is difficult to estimate.
- Miscellaneous Permits includes fees for connection permits and permits to industries for the Industrial Waste Pretreatment Program.
- Sanitation Service/Sewer User Fees are collected for the District by the County of Santa Barbara as reported on the tax rolls. Residential users are charged a flat fee per year for a single-family dwelling. Commercial users are charged according to prior year's water usage and the type of wastewater discharged. Sewer User revenues are expected to increase compared to the prior year.
- Other Services income is primarily the Capital Fund Charge for UCSB properties and is expected to increase by approximately 10%.

DISTRICT OPERATING & RESERVE FUNDS

In FY 2011-12 the Governing Board revised the District's Reserve Fund Policy by District Resolution No. 12-732. District Revenues are deposited into District Operating and Reserve Funds. The funds are sources for District expenditures including Capital Improvement Projects. The objective of maintaining these funds is to take a fiscally responsible approach to ensuring that funds are available to meet the District's long term needs and goals. Certain reserve funds are mandated by law or legal requirement; other funds are dedicated by the Board of Directors. The following is a description of each of the District's funds.

UNRESTRICTED FUNDS

4900 Running Expense Fund

The Running Expense fund receives monies from all unrestricted revenue streams. Operation & Maintenance expenses are paid directly from this fund.

4930 Operations Reserve Fund

The Operations Reserve fund is used to meet ongoing cash flow requirements as well as unanticipated increases in operating costs. This fund shall also be used to ensure sufficient funding for District purposes in the event of an unanticipated increase in operations costs, such as those caused by large unexpected fluctuations in energy costs, or reduction in wastewater revenues. Unrestricted reserve funds may be used for any proper District purpose. The Operations Reserve Fund shall be funded by income from sources other than property tax and connection fees. Target for this fund is to maintain a minimum balance of one-hundred percent (100%) of annual wastewater O & M costs (\$6,827,793 projected actual for FY 2025-26).

RESTRICTED RESERVE FUNDS

4932 Collection System/Plant Upgrade Reserve Fund

The Collection System/Plant Upgrade Reserve fund is an encumbered reserve fund for capital costs related to increasing system capacity or capital improvements. This fund may be used to finance the expansion or upgrade of existing facilities that will benefit customers that have paid fees to the fund. Pursuant to Government Code §66000 *et seq.*, the fees generated for this fund are accounted for separately and are used only for the specific purposes authorized by law. This fund is funded by capacity charges, developer fees and interest earned thereon.

DEDICATED RESERVE FUNDS

4910 Property Tax Reserve Fund

The Property Tax Reserve Fund is used to fund the other services budget including street sweeping operations and to replenish the capital upgrades and replacement reserve funds. Monies posted to this fund are the sum of all property tax revenues collected during the current fiscal year and any accrued interest.

4935 Capital and Treatment Plant Upgrade Reserve Fund

The Capital and Treatment Plant Upgrade Reserve fund may be used to replace, upgrade, and improve the existing system. This fund is designated for ongoing needs for financing capital projects and the replacement or upgrade of the existing treatment plant facilities.

4960 Equipment/Vehicle Replacement Reserve Fund

The Equipment/Vehicle Replacement Reserve fund is dedicated for replacement of District sewer cleaning equipment, street sweeping equipment and other vehicles at the end of their life cycles.

4965 Building Replacement Reserve Fund

The Building Replacement Reserve fund is dedicated for the upgrade of the buildings at the District headquarters.

4970 Force Mains Assessment Reserve Fund

The Force Mains Assessment Reserve fund is dedicated for the assessment of the District's force mains utilizing Best Available Technology (BAT) at a recommended frequency of once every five years by the District's consulting engineering firm.

SECTION 115 TRUST

In Fiscal Year 2017-2018 the District entered into a Section 115 trust agreement with Public Agency Retirement Services (PARS) as the Trust Administrator. US Bank National Association serves as Trustee. The Section 115 Trust was established to set aside monies to fund the District's pension and other post-employment benefits (OPEB). The assets in the trust are dedicated to provide benefits to plan members.

Section 115 PARS Pension Rate Stabilization Fund

These funds are restricted for use in funding the District's CalPERS pension plan. The trust was created to address the District's pension obligations by accumulating assets to reduce the net pension liability.

Section 115 PARS OPEB Fund

These funds are restricted for use in funding the District's Other Post-Employment Benefits. OPEB benefits are paid directly from this fund.

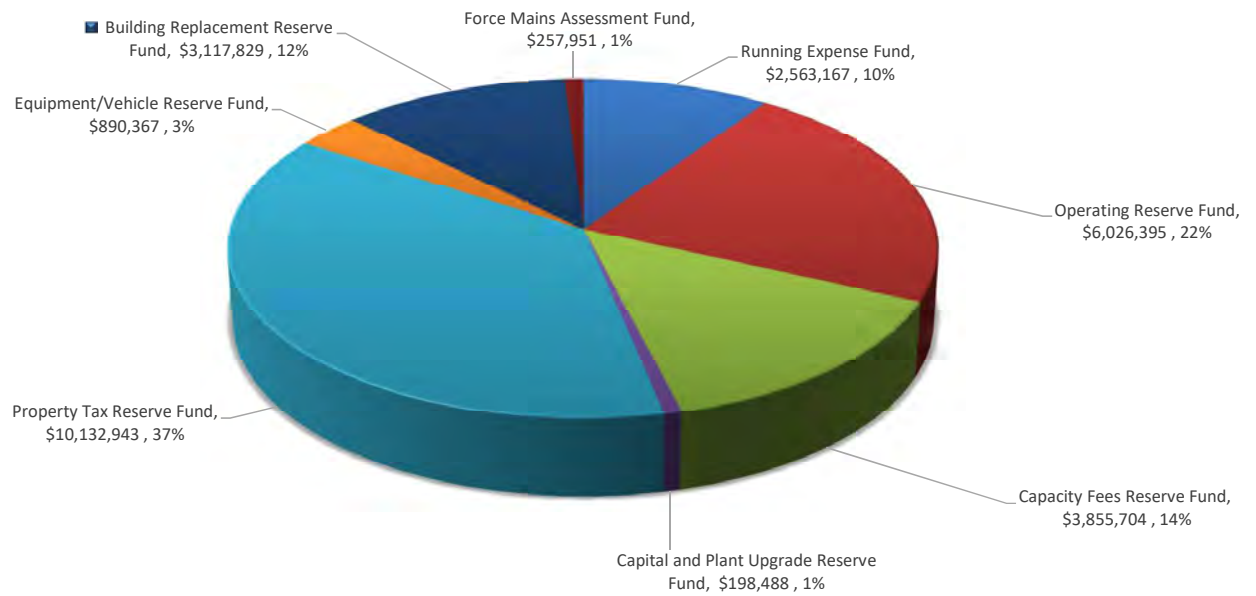
FUND ACTIVITY

Fund & Description		Estimated Fund Balance 06/30/26	Estimated Revenue FY 2026-2027				Estimated Expenditures FY 2026-2027				Planned Transfers FY 2025-2026	Estimated Fund Balance 06/30/27
			Service Revenue	Property Taxes	Connection Fees	Interest Income	Wastewater Operating	Other Services	Capital Outlay	Debt Service/Long- Term Liabilities		
<u>Unreserved Funds</u>												
4900 - Running Expense	1	\$ 2,638,176	\$ 9,865,988		\$ 87,702	\$ (8,010,232)		\$ (400,000)	\$ (618,468)	\$ (1,000,000)	\$ 2,563,167	
4930 - Operating Reserve		\$ 4,864,676		\$ 161,719				\$ 1,000,000	\$ 6,026,395			
<u>Restricted Funds</u>												
4932 - Capacity Fees for Collection System/Plant Reserve	2	\$ 3,634,868		\$ 100,000	\$ 120,836		\$ -				\$ 3,855,704	
<u>Dedicated Funds</u>												
4910 - Property Taxes		\$ 9,781,765		\$ 4,613,000	\$ 325,181		\$ (622,098)	\$ (120,000)	\$ (994,905)	\$ (2,850,000)	\$ 10,132,943	
4935 - Capital and Treatment Plant Upgrade Reserve	3	\$ 1,041,277			\$ 34,616			\$ (3,377,405)		\$ 2,500,000	\$ 198,488	
4960 - Equipment/Vehicle Replacement Reserve	4	\$ 856,881			\$ 28,486			\$ (220,000)		\$ 225,000	\$ 890,367	
4965 - Building Replacement Reserve	5	\$ 5,630,646			\$ 187,183			\$ (2,700,000)			\$ 3,117,829	
4970 - Force Mains Assessment Reserve	6	\$ 128,673			\$ 4,278					\$ 125,000	\$ 257,951	
Totals		\$ 28,576,962	\$ 9,865,988	\$ 4,613,000	\$ 100,000	\$ 950,000	\$ (8,010,232)	\$ (622,098)	\$ (6,817,405)	\$ (1,613,373)	\$ -	\$ 27,042,843

Footnotes:

- 1 Funds to meet cash flow requirements and unanticipated increases in O&M costs (transfer from Fund 4900)
- 2 By law Connection Fees are deposited into this reserve fund.
- 3 To fund capital projects and replace or upgrade treatment facilities
- 4 Accumulate annually to repair and replace District vehicles
- 5 Accumulate annually to replace or upgrade District buildings
- 6 Accumulate annually for force mains assessments to be performed every five years

Projected Fund Balances - June 30, 2026



FISCAL YEAR 2026-27 TOTAL EXPENDITURES

		2024-2025	2025-2026	2025-2026	2026-2027	% Change 25/26
		Actual	Budget	Projected Actual	Budget	Budget to 26/27 Budget
Description						
Personnel Expenses						
6000	Salaries	\$ 981,979	\$ 1,216,000	\$ 1,238,270	\$ 1,045,026	
6010	Stand-By Pay	\$ 51,088	\$ 53,000	\$ 50,675	\$ 55,000	
6020	Overtime	\$ 24,975	\$ 29,500	\$ 19,533	\$ 26,500	
6030	Retirement	\$ 257,537	\$ 286,600	\$ 338,176	\$ 358,600	
6040	Deferred Comp	\$ 29,928	\$ 28,500	\$ 38,406	\$ 26,500	
6050	FICA	\$ 59,750	\$ 80,507	\$ 70,089	\$ 79,890	
6060	Medicare	\$ 15,270	\$ 18,828	\$ 18,817	\$ 20,498	
6070	Health Insurance	\$ 139,617	\$ 238,000	\$ 243,304	\$ 238,000	
6080	Life/Dental & Long Term Disability	\$ 20,431	\$ 29,785	\$ 11,508	\$ 23,935	
6100	SUI	\$ 1,613	\$ 2,800	\$ 4,938	\$ 2,800	
6110	Workers Comp	\$ 17,613	\$ 22,780	\$ 22,813	\$ 23,200	
Subtotal Personnel Expenses		\$ 1,599,801	\$ 2,006,300	\$ 2,056,531	\$ 1,899,949	-5%
Operating Expenses						
7090	Insurance	\$ 112,999	\$ 125,200	\$ 131,240	\$ 139,000	
7120	Vehicles R&M	\$ 71,039	\$ 69,100	\$ 37,607	\$ 99,100	
7121	Repairs & Maint	\$ 71,886	\$ 438,500	\$ 320,139	\$ 312,000	
7122	Operating Supplies	\$ 3,465	\$ 2,200	\$ 8,145	\$ 5,500	
7200	Prof Svcs Accounting/Auditing	\$ 351,646	\$ 139,000	\$ 203,533	\$ 226,500	
7210	Prof Svcs Legal Fees	\$ 554,127	\$ 640,000	\$ 473,974	\$ 640,000	
7220	Prof Svcs Engineering	\$ 7,600	\$ 22,500	\$ 1,710	\$ 30,000	
7230	Prof Svcs Computer	\$ 47,911	\$ 65,000	\$ 61,257	\$ 53,500	
7240	Prof Svcs Other	\$ 181,811	\$ 42,000	\$ 142,539	\$ 162,000	
7300	Contractual Services	\$ 48,508	\$ 284,000	\$ 44,967	\$ 65,500	
7383	Permits/Licences/Fees	\$ 14,387	\$ 29,000	\$ 9,964	\$ 23,000	
7450	Office Supplies	\$ 2,991	\$ 15,000	\$ 10,529	\$ 18,000	
7490	Memberships	\$ 32,178	\$ 34,300	\$ 45,818	\$ 56,500	
7500	Miscellaneous	\$ -	\$ 200,000	\$ 50,524	\$ 200,000	
7540	Rents/Leases	\$ -	\$ 650	\$ -	\$ 1,350	
7653	Training, Meetings, Materials & Travel	\$ 17,719	\$ 24,900	\$ 13,793	\$ 24,900	
7731	Gasoline/Oil/Fuel	\$ 16,384	\$ 43,000	\$ 39,032	\$ 47,500	
7760	Utilities	\$ 155,309	\$ 204,300	\$ 169,227	\$ 186,000	
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	
7860	Contribution to Other Agencies	\$ 6,164	\$ 6,000	\$ 8,934	\$ 6,000	
7900	GSD/Treatment	\$ 3,157,015	\$ 3,252,000	\$ 3,177,032	\$ 4,154,746	
7920	GSD/Administrative Fee	\$ 165,376	\$ 195,120	\$ 190,622	\$ 249,285	
7930	County Administrative Fee	\$ 31,185	\$ 32,000	\$ 28,194	\$ 32,000	
Subtotal Operating Expenses		\$ 5,049,700	\$ 5,863,770	\$ 5,168,778	\$ 6,732,381	15%
Capital Outlay						
	General Equipment/Capital	\$ 18,584	\$ 620,000	\$ 118,300	\$ 240,000	
	GSD - Capacity Rights	\$ 2,698,967	\$ 1,500,000	\$ 3,377,405	\$ 3,377,405	
	Construction in Progress/Capital	\$ 1,030,767	\$ 4,600,000	\$ 512,937	\$ 3,200,000	
Subtotal Capital Outlay		\$ 3,748,318	\$ 6,720,000	\$ 4,008,642	\$ 6,817,405	1%
Debt Service and Long-Term Liabilities						
	Installment Purchase Contract Principal	\$ 527,000	\$ 545,000	\$ 545,000	\$ 565,000	
8600	Interest Expense	\$ 450,671	\$ 429,905	\$ 430,022	\$ 429,905	
	Subtotal Debt Service	\$ 977,671	\$ 974,905	\$ 975,022	\$ 994,905	
	Subscription Based IT Asset Payments	\$ 30,473	\$ 36,939	\$ 36,939	\$ 38,047	
	Environmental Remediation Obligation	\$ 1,488,544	\$ 1,000,000	\$ 386,987	\$ 580,421	
Debt Service and Long-Term Liabilities		\$ 2,496,688	\$ 2,011,844	\$ 1,398,948	\$ 1,613,373	100%
Total Expenses, Capital Outlay & Debt Service		\$ 12,894,507	\$ 16,601,914	\$ 12,632,899	\$ 17,063,107	3%

FISCAL YEAR 2026-27 TOTAL WASTEWATER OPERATIONS & MAINTENANCE EXPENDITURES

Code	Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
Personnel Expenses						
6000	Salaries	\$ 874,806	\$ 1,106,000	\$ 1,131,155	\$ 930,026	
6010	Stand-By Pay	\$ 51,088	\$ 53,000	\$ 50,675	\$ 55,000	
6020	Overtime	\$ 24,975	\$ 29,500	\$ 19,533	\$ 26,500	
6030	Retirement	\$ 227,879	\$ 256,600	\$ 330,346	\$ 348,600	
6040	Deferred Comp	\$ 29,928	\$ 26,500	\$ 36,466	\$ 26,500	
6050	FICA	\$ 53,626	\$ 73,687	\$ 64,547	\$ 72,760	
6060	Medicare	\$ 13,725	\$ 17,233	\$ 17,282	\$ 18,831	
6070	Health Insurance	\$ 129,462	\$ 224,000	\$ 230,865	\$ 224,000	
6080	Life & Dental Insurance	\$ 17,415	\$ 26,435	\$ 10,550	\$ 22,435	
6100	SUI	\$ 1,613	\$ 2,800	\$ 4,938	\$ 2,800	
6110	Workers Comp	\$ 15,852	\$ 20,500	\$ 20,532	\$ 20,800	
Subtotal Personnel Expenses		\$ 1,440,369	\$ 1,836,255	\$ 1,916,890	\$ 1,748,251	-5%
Operating Expenses						
7090	Insurance	\$ 101,820	\$ 115,200	\$ 118,661	\$ 125,000	
7120	Vehicles R&M	\$ 47,583	\$ 29,100	\$ 20,652	\$ 59,100	
7121	Repairs & Maint	\$ 71,886	\$ 438,500	\$ 320,139	\$ 312,000	
7122	Operating Supplies	\$ 3,402	\$ 2,200	\$ 8,145	\$ 5,500	
7200	Prof Svcs Accounting/Auditing	\$ 351,646	\$ 130,000	\$ 187,423	\$ 223,000	
7210	Prof Svcs Legal Fees	\$ 554,127	\$ 580,000	\$ 435,729	\$ 580,000	
7220	Prof Svcs Engineering	\$ 7,600	\$ 22,500	\$ 1,710	\$ 30,000	
7230	Prof Svcs Computer	\$ 47,911	\$ 65,000	\$ 56,184	\$ 53,500	
7240	Prof Svcs Other	\$ 181,811	\$ 20,000	\$ 132,191	\$ 150,000	
7300	Contractual Services	\$ 48,208	\$ 124,000	\$ 44,764	\$ 60,500	
7383	Permits/Licences/Fees	\$ 8,214	\$ 21,000	\$ 3,775	\$ 15,000	
7450	Office supplies, Printing, Postage	\$ 2,991	\$ 15,000	\$ 10,529	\$ 18,000	
7490	Memberships	\$ 23,105	\$ 25,300	\$ 45,818	\$ 46,500	
7500	Miscellaneous	\$ -	\$ -	\$ 924	\$ -	
7540	Rents/Leases	\$ -	\$ 650	\$ -	\$ 1,350	
7653	Training, Meetings, Materials & Travel	\$ 17,719	\$ 23,000	\$ 13,470	\$ 23,000	
7731	Gasoline/Oil/Fuel	\$ 9,985	\$ 28,000	\$ 16,587	\$ 24,500	
7760	Utilities	\$ 105,600	\$ 114,300	\$ 89,801	\$ 96,000	
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	
7860	Contribution to Other Agencies	\$ 5,000	\$ 3,000	\$ 8,554	\$ 3,000	
7900	GSD/Treatment	\$ 3,157,015	\$ 3,252,000	\$ 3,177,032	\$ 4,154,746	
7920	GSD/Administrative Fee	\$ 165,376	\$ 195,120	\$ 190,622	\$ 249,285	
7930	County Administrative Fee	\$ 31,185	\$ 32,000	\$ 28,194	\$ 32,000	
Subtotal Operating Expenses		\$ 4,942,184	\$ 5,235,870	\$ 4,910,902	\$ 6,261,981	20%
Total Operating and Personnel Expenses		\$ 6,382,553	\$ 7,072,125	\$ 6,827,793	\$ 8,010,232	13%

Appendix 'A' includes separate spreadsheets for the four (4) service categories, which comprise the Wastewater O&M Budget.

WASTEWATER OPERATIONS & MAINTENANCE EXPENDITURES SUMMARY

Total wastewater operating and personnel expenses are projected to increase by 13% as compared to 2025-2026 fiscal year budget. Overall operating expenses increased significantly due to the February Spill response activities, investigations, repairs, and improvements. The following describes significant operating and maintenance expenses as well as any significant changes as compared to the prior year budget:

- Personnel expenses include all District wastewater operations labor costs. The FY 2026-27 budget projects a 5% decrease in total personnel costs as compared to prior year budget. This is due to two employees retiring in the previous year. Projected personnel expenses include COLA increases for regular employees, CalPERS retirement costs (unfunded liability payment increase), and health insurance.
- Insurance costs include both primary and property insurance. The projected estimate is provided by the District's pooled insurance program.
- Repairs & Maintenance includes costs associated with the routine maintenance and repair of the District's wastewater facilities such as manhole rings and covers, manhole raising, certain small pipeline and manhole repairs, easement maintenance, pump station maintenance, and consumable parts and equipment. Ongoing investigation and improvements to the wastewater force mains are expensed to O&M.
- Professional Services Accounting /Auditing includes the annual audit and ongoing administrative support. The District's accounting firm has been involved in detailed bookkeeping cleanups and the transition from MS Great Plains software to Acumatica.
- Professional Services Legal Fees include consulting and oversight of ongoing routine business and special counsel services required for employment matters, negotiating service agreements, and organizing reports in regards to the supplemental environmental project.
- Professional Services Engineering includes service provided to perform assessments, provide recommendations, and draft plans for improvements to, and replacement of District facilities and equipment.
- Professional Services Other includes public relations activities and consulting.
- Contractual Services includes emergency generator service contract, pest control services, uniforms, alarm service, computer services, and underground service alert.
- Memberships are fees paid to organizations in which the District belongs such as: California Association of Sanitation Agencies (CASA), California Special District Association (CSDA), California Water Environment Association (CWEA), CALAFCO etc.
- GSD/Treatment consists of treatment and disposal services at the regional wastewater treatment plant operated by Goleta Sanitary District (GSD).
- GSD/Administrative Fee includes the 6% administrative charge required per the District's agreement with GSD.

FISCAL YEAR 2026-27 OTHER SERVICES EXPENDITURES

Code	Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
44	Other Services					
	Personnel Expenses					
6000	Salaries	\$ 107,173	\$ 110,000	\$ 107,115	\$ 115,000	
6010	Stand-By Pay	\$ -	\$ -	\$ -	\$ -	
6020	Overtime	\$ -	\$ -	\$ -	\$ -	
6030	Retirement	\$ 29,658	\$ 30,000	\$ 7,830	\$ 10,000	
6040	Deferred Comp	\$ -	\$ 2,000	\$ 1,940	\$ -	
6050	FICA	\$ 6,124	\$ 6,820	\$ 5,542	\$ 7,130	
6060	Medicare	\$ 1,545	\$ 1,595	\$ 1,535	\$ 1,668	
6070	Health Insurance	\$ 10,155	\$ 14,000	\$ 12,439	\$ 14,000	
6080	Life & Dental Insurance	\$ 3,016	\$ 3,350	\$ 958	\$ 1,500	
6100	SUI	\$ -	\$ -	\$ -	\$ -	
6110	Workers Comp	\$ 1,761	\$ 2,280	\$ 2,281	\$ 2,400	
Subtotal Personnel Expenses		\$ 159,432	\$ 170,045	\$ 139,640	\$ 151,698	-11%
	Operating Expenses					
7090	Insurance	\$ 11,179	\$ 10,000	\$ 12,579	\$ 14,000	
7120	Vehicles R&M	\$ 23,456	\$ 40,000	\$ 16,955	\$ 40,000	
7121	Repairs & Maint	\$ -	\$ -	\$ -	\$ -	
7122	Operating Supplies	\$ 63	\$ -	\$ -	\$ -	
7200	Prof Svcs Accounting/Auditing	\$ -	\$ 9,000	\$ 16,110	\$ 3,500	
7210	Prof Svcs Legal Fees	\$ -	\$ 60,000	\$ 38,245	\$ 60,000	
7220	Prof Svcs Engineering	\$ -	\$ -	\$ -	\$ -	
7230	Prof Svcs Computer	\$ -	\$ -	\$ 5,073	\$ -	
7240	Prof Svcs Other	\$ -	\$ 22,000	\$ 10,348	\$ 12,000	
7300	Contractual Svcs	\$ 300	\$ 160,000	\$ 203	\$ 5,000	
7383	Permits/Licences/Fees	\$ 6,173	\$ 8,000	\$ 6,189	\$ 8,000	
7450	Office supplies, Printing, Postage	\$ -	\$ -	\$ -	\$ -	
7490	Memberships	\$ 9,073	\$ 9,000		\$ 10,000	
7500	Miscellaneous	\$ -	\$ 200,000	\$ 49,600	\$ 200,000	
7540	Rents/Leases	\$ -	\$ -	\$ -	\$ -	
7653	Training, Meetings, Materials & Travel	\$ -	\$ 1,900	\$ 323	\$ 1,900	
7731	Gasoline/Oil/Fuel	\$ 6,399	\$ 15,000	\$ 22,445	\$ 23,000	
7760	Utilities	\$ 49,709	\$ 90,000	\$ 79,426	\$ 90,000	
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	
7860	Contribution to Other Agencies	\$ 1,164	\$ 3,000	\$ 380	\$ 3,000	
7900	GSD/Treatment	\$ -	\$ -	\$ -	\$ -	
7920	GSD/Administrative Fee	\$ -	\$ -	\$ -	\$ -	
7930	County Administrative Fee	\$ -	\$ -	\$ -	\$ -	
Subtotal Operating Expenses		\$ 107,516	\$ 627,900	\$ 257,876	\$ 470,400	-25%
Total Operating and Personnel Expenses		\$ 266,948	\$ 797,945	\$ 397,516	\$ 622,098	-22%

OTHER SERVICES EXPENDITURES SUMMARY

Total Other Services operating and personnel expenses are projected to decrease by approximately 22% as compared to prior year budget primarily due to prior year spill expenses and a reduction in street sweeping salaries.

The following are descriptions of significant other services operation and maintenance expenses.

- Personnel expenses include all District street sweeping operation and maintenance labor costs and a portion of Board salaries and Administration staff time.
- Vehicles R&M includes all street sweeper repair and maintenance.
- Professional Services Legal Fees include legal fees related to both property tax and legislative or governance issues.
- Professional Services Other includes public relations activities and consulting.
- Contractual Services includes proportionate share of uniforms and ADP payroll services.
- Miscellaneous line-item expenses are monies set aside for potential funding of environmental projects.
- Utilities primarily consist of charges associated with hauling sweeping debris.
- Election Expense – an election will be held for two Director’s seats in the coming fiscal year.
- Contribution to Other Agencies includes the District’s share of the LAFCO budget, Green Business Program, Integrated Regional Water Management Plan etc.
- County Administrative Fee is the fee charged by the County of Santa Barbara for the collection and distribution of the District’s property tax revenues.

FISCAL YEAR 2026-27 TOTAL CAPITAL IMPROVEMENT EXPENDITURES

Description	2024-2025 Actual	2025-2026 Budget	2026-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
General Equipment/Capital	\$18,584	\$620,000	\$118,300	\$240,000	
GSD - Capacity Rights	\$2,698,967	\$1,500,000	\$3,377,405	\$3,377,405	
Construction in Progress/Capital	\$1,030,767	\$4,600,000	\$512,937	\$3,200,000	
Total Capital Outlay	\$3,748,318	\$6,720,000	\$4,008,642	\$6,817,405	1%

FISCAL YEAR 2023-24 CAPITAL IMPROVEMENT EXPENDITURES BY SERVICE CATEGORY

Fiscal Year 2026-27 Capital - Pump Station

Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
41 Pump Station					
General Equipment/Capital	\$12,679	\$300,000	\$73,535	\$0	
Construction in Progress/Capital	\$1,006,294	\$4,500,000	\$512,937	\$2,800,000	
Subtotal Pump Station Capital	\$1,018,973	\$4,800,000	\$586,472	\$2,800,000	-42%

Fiscal Year 2026-27 Capital - Collection System

42 Collection System					
General Equipment/Capital	\$5,905	\$300,000	\$44,765	\$220,000	
Construction in Progress/Capital	\$24,473	\$100,000	\$0	\$400,000	
Subtotal Collection System Capital	\$30,378	\$400,000	\$44,765	\$620,000	55%

Fiscal Year 2026-27 Capital - Other Services

44 Other Services					
General Equipment/Capital	\$0	\$0	\$0	\$0	
Construction in Progress/Capital	\$0	\$0	\$0	\$0	
Subtotal Street Sweeping Capital	\$0	\$0	\$0	\$0	0%

Fiscal Year 2026-27 Capital - Administration

45 Administration					
General Equipment/Capital	\$0	\$20,000	\$0	\$20,000	
Construction in Progress/Capital	\$0	\$0	\$0	\$0	
Subtotal Administration Capital	\$0	\$20,000	\$0	\$20,000	100%

Fiscal Year 2026-27 Capital - Treatment

46 Treatment					
GSD - Capacity Rights	\$2,698,967	\$1,500,000	\$3,377,405	\$3,377,405	
Subtotal Treatment Capital	\$2,698,967	\$1,500,000	\$3,377,405	\$3,377,405	125%

CAPITAL IMPROVEMENT EXPENDITURES

The District's Capital Improvement Expenditures are required for improvements and replacement of District facilities and equipment. Capital Expenditures also account for the District's pro-rated share of ongoing repair and maintenance, improvements, and replacement of treatment facilities and equipment at the Goleta Sanitary District Regional Wastewater Treatment Plant.

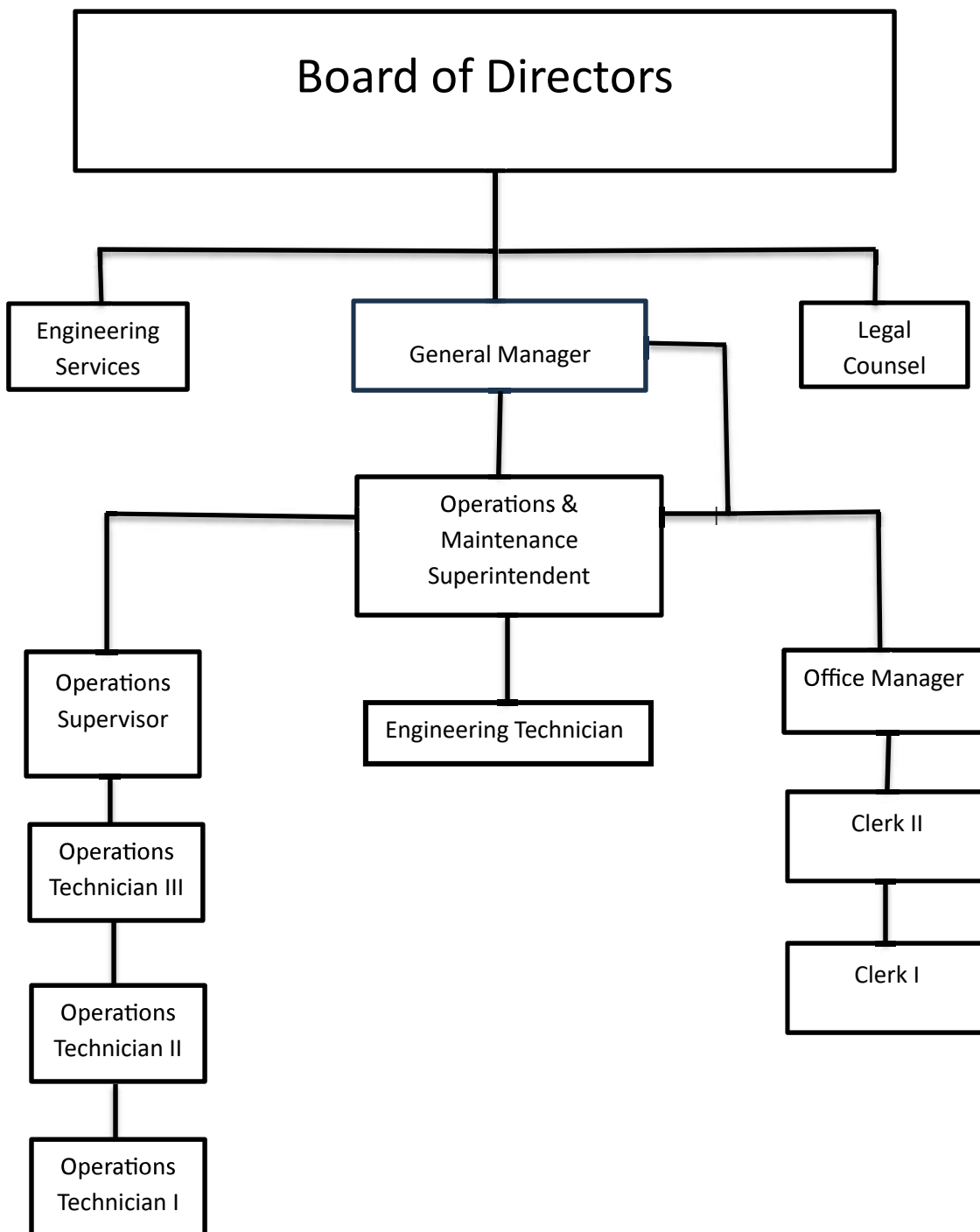
In September 2021 the District's ten-year Capital Improvement Plan (CIP) was adopted by the Board of Directors. The CIP outlines the capital facility needs of the District and serves as guidance to operate and maintain facilities and equipment in a cost-effective manner over the long term. The CIP is intended to be flexible and reviewed regularly.

In 2024 an extensive assessment of the District's parallel force mains that convey wastewater to the regional treatment plant was completed after a failure of the 24" ductile iron pipe. The assessment concluded that both pipeline should be replaced as soon as possible despite being well within their expected service life. This capital project will require restructuring the District's 10-year CIP.

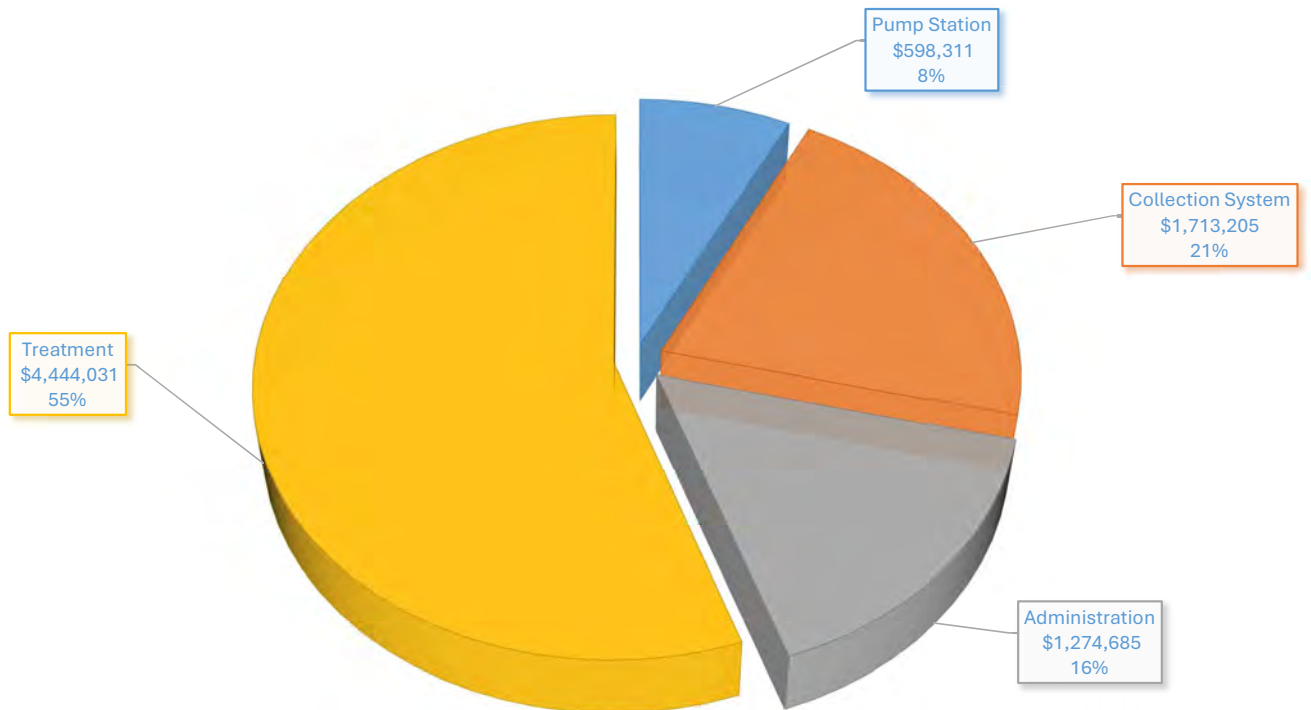
Capital Improvement Expenditures are typically funded from restricted or designated reserve funds earmarked for specific purposes. The Capital Improvement Expenditures are depicted on the following page broken down on a spreadsheet by service category. In addition, there is a brief description of each specific proposed capital expenditure on succeeding pages.

APPENDICES

- A1. GWSD Organization Chart
- A2. Wastewater O&M by Service Category Chart
- A3. Fiscal Year 2026-2027 Wastewater O&M – Pump Station
- A4. Fiscal Year 2026-2027 Wastewater O&M – Collection System
- A5. Fiscal Year 2026-2027 Wastewater O&M – Administration
- A6. Fiscal Year 2026-2027 Wastewater O&M – Treatment



WASTEWATER O&M BY SERVICE CATEGORY
THE FOLLOWING CHART DISPLAYS THE PROJECTED O&M
EXPENSES
BY SERVICE CATEGORY FOR FY 2026 - 2027



FISCAL YEAR 2026-27 WASTEWATER O&M - PUMP STATION

Code	Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
41	PUMP STATION					
	Personnel Expenses					
6000	Salaries	\$ 33,702	\$ 95,600	\$ 63,055	\$ 84,952	
6010	Stand-By Pay	\$ 51,088	\$ 53,000	\$ 50,675	\$ 55,000	
6020	Overtime	\$ 15,288	\$ 19,000	\$ 18,066	\$ 19,000	
6030	Retirement	\$ -	\$ -	\$ -	\$ -	
6040	Deferred Comp	\$ -	\$ -	\$ -	\$ -	
6050	FICA	\$ 5,764	\$ 10,391	\$ 7,305	\$ 9,855	
6060	Medicare	\$ 1,348	\$ 2,430	\$ 1,708	\$ 2,305	
6070	Health Insurance	\$ -	\$ -	\$ -	\$ -	
6080	Life & Dental Insurance	\$ -	\$ -	\$ -	\$ -	
6100	SUI	\$ -	\$ -	\$ -	\$ -	
6110	Workers Comp	\$ 4,403	\$ 5,700	\$ 5,703	\$ 5,700	
	Subtotal Personnel Expenses	\$ 111,593	\$ 186,121	\$ 146,512	\$ 176,811	-5%
	Operating Expenses					
7090	Insurance	\$ 27,947	\$ 32,700	\$ 30,807	\$ 35,000	
7120	Vehicles R&M	\$ 744	\$ 7,500	\$ 355	\$ 7,500	
7121	Repairs & Maint	\$ 51,148	\$ 63,000	\$ 83,442	\$ 85,000	
7122	Operating Supplies	\$ 838	\$ 1,200	\$ 7,646	\$ 5,500	
7200	Prof Svcs Accounting/Auditing	\$ -	\$ -	\$ 40,276	\$ 50,000	
7210	Prof Svcs Legal Fees	\$ -	\$ 150,000	\$ 95,613	\$ 150,000	
7220	Prof Svcs Engineering	\$ -	\$ -	\$ -	\$ -	
7230	Prof Svcs Computer	\$ 1,036	\$ -	\$ 12,681	\$ 13,500	
7240	Prof Svcs Other	\$ -	\$ -	\$ 27,062	\$ 30,000	
7300	Contractual Services	\$ 1,265	\$ 20,000	\$ 6,565	\$ 6,500	
7383	Permits/Licences/Fees	\$ 1,138	\$ 4,500	\$ 1,642	\$ 2,000	
7450	Office supplies, Printing, Postage	\$ -	\$ -	\$ 183	\$ -	
7490	Memberships	\$ -	\$ -	\$ 2,500	\$ 2,500	
7500	Miscellaneous	\$ -	\$ -	\$ -	\$ -	
7540	Rents/Leases	\$ -	\$ -	\$ -	\$ -	
7653	Training, Meetings, Materials & Travel	\$ 1,587	\$ 2,000	\$ -	\$ 2,000	
7731	Gasoline/Oil/Fuel	\$ -	\$ 6,000	\$ -	\$ 6,000	
7760	Utilities	\$ 97,325	\$ 93,000	\$ 24,841	\$ 26,000	
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	
7860	Contribution to Other Agencies	\$ -	\$ -	\$ -	\$ -	
7900	GSD/Treatment	\$ -	\$ -	\$ -	\$ -	
7920	GSD/Administrative Fee	\$ -	\$ -	\$ -	\$ -	
7930	County Administrative Fee	\$ -	\$ -	\$ -	\$ -	
	Subtotal Operating Expenses	\$ 183,028	\$ 379,900	\$ 333,613	\$ 421,500	11%
	Total Operating and Personnel Expenses	\$ 294,621	\$ 566,021	\$ 480,125	\$ 598,311	6%

FISCAL YEAR 2026-27 WASTEWATER O&M - COLLECTION SYSTEM

Code	Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
42	COLLECTION SYSTEM					
	Personnel Expenses					
6000	Salaries	\$ 427,282	\$ 387,600	\$ 389,464	\$ 445,074	
6010	Stand-By Pay	\$ -	\$ -	\$ -	\$ -	
6020	Overtime	\$ 9,547	\$ 8,000	\$ 1,184	\$ 5,000	
6030	Retirement	\$ 118,855	\$ 23,000	\$ 104,157	\$ 115,000	
6040	Deferred Comp	\$ 7,740	\$ 8,500	\$ 5,375	\$ 8,500	
6050	FICA	\$ 27,248	\$ 24,527	\$ 24,465	\$ 27,905	
6060	Medicare	\$ 6,373	\$ 5,736	\$ 5,722	\$ 6,526	
6070	Health Insurance	\$ 82,716	\$ 120,000	\$ 91,850	\$ 120,000	
6080	Life & Dental Insurance	\$ 8,161	\$ 14,000	\$ 5,824	\$ 10,000	
6100	SUI	\$ -	\$ -	\$ -	\$ -	
6110	Workers Comp	\$ 8,807	\$ 11,400	\$ 11,407	\$ 11,700	
	Subtotal Personnel Expenses	\$ 696,729	\$ 602,763	\$ 639,448	\$ 749,705	24%
	Operating Expenses					
7090	Insurance	\$ 55,894	\$ 61,500	\$ 63,737	\$ 65,000	
7120	Vehicles R&M	\$ 45,282	\$ 20,000	\$ 20,062	\$ 50,000	
7121	Repairs & Maint	\$ 18,738	\$ 375,000	\$ 235,109	\$ 225,000	
7122	Operating Supplies	\$ 2,564	\$ -	\$ 499	\$ -	
7200	Prof Svcs Accounting/Auditing	\$ -	\$ -	\$ 80,552	\$ 98,000	
7210	Prof Svcs Legal Fees	\$ -	\$ 300,000	\$ 270,035	\$ 300,000	
7220	Prof Svcs Engineering	\$ 3,325	\$ 7,500	\$ -	\$ 35,000	
7230	Prof Svcs Computer	\$ -	\$ -	\$ 27,463	\$ -	
7240	Prof Svcs Other	\$ 34,144	\$ -	\$ 56,669	\$ 70,000	
7300	Contractual Svcs	\$ 31,398	\$ 80,000	\$ 28,628	\$ 30,000	
7383	Permits/Licences/Fees	\$ 2,792	\$ 1,500	\$ 2,950	\$ 3,000	
7450	Office supplies, Printing, Postage	\$ 394	\$ -	\$ 3,281	\$ 3,000	
7490	Memberships	\$ 1,410	\$ 1,300	\$ 1,721	\$ 2,000	
7500	Miscellaneous	\$ -	\$ -	\$ 924	\$ -	
7540	Rents/Leases	\$ -	\$ 300	\$ -	\$ 1,000	
7653	Training, Meetings, Materials & Travel	\$ 3,994	\$ 9,000	\$ 2,207	\$ 9,000	
7731	Gasoline/Oil/Fuel	\$ 9,123	\$ 21,000	\$ 15,129	\$ 17,500	
7760	Utilities	\$ 2,104	\$ 15,000	\$ 50,171	\$ 55,000	
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	
7860	Contribution to Other Agencies	\$ -	\$ -	\$ 1,750	\$ -	
7900	GSD/Treatment	\$ -	\$ -	\$ -	\$ -	
7920	GSD/Administrative Fee	\$ -	\$ -	\$ -	\$ -	
7930	County Administrative Fee	\$ -	\$ -	\$ -	\$ -	
	Subtotal Operating Expenses	\$ 211,162	\$ 892,100	\$ 860,888	\$ 963,500	8%
	Total Operating and Personnel Expenses	\$907,891	\$1,494,863	\$1,500,335	\$1,713,205	15%

FISCAL YEAR 2026-27 WASTEWATER O&M - ADMINISTRATION

Code	Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
45	ADMINISTRATION					
	Personnel Expenses					
6000	Salaries	\$ 413,822	\$ 622,800	\$ 678,636	\$ 400,000	
6010	Stand-By Pay	\$ -	\$ -	\$ -	\$ -	
6020	Overtime	\$ 140	\$ 2,500	\$ 283	\$ 2,500	
6030	Retirement	\$ 109,024	\$ 233,600	\$ 226,189	\$ 233,600	
6040	Deferred Comp	\$ 22,188	\$ 18,000	\$ 31,091	\$ 18,000	
6050	FICA	\$ 20,614	\$ 38,769	\$ 32,777	\$ 35,000	
6060	Medicare	\$ 6,004	\$ 9,067	\$ 9,852	\$ 10,000	
6070	Health Insurance	\$ 46,746	\$ 104,000	\$ 139,015	\$ 104,000	
6080	Life & Dental Insurance	\$ 9,254	\$ 12,435	\$ 4,726	\$ 12,435	
6100	SUI	\$ 1,613	\$ 2,800	\$ 4,938	\$ 2,800	
6110	Workers Comp	\$ 2,642	\$ 3,400	\$ 3,422	\$ 3,400	
	Subtotal Personnel Expenses	\$ 632,047	\$ 1,047,371	\$ 1,130,931	\$ 821,735	-22%
	Operating Expenses					
7090	Insurance	\$ 17,979	\$ 21,000	\$ 24,117	\$ 25,000	
7120	Vehicles R&M	\$ 1,557	\$ 1,600	\$ 235	\$ 1,600	
7121	Repairs & Maint	\$ 2,000	\$ 500	\$ 1,588	\$ 2,000	
7122	Operating Supplies	\$ -	\$ 1,000	\$ -	\$ -	
7200	Prof Svcs Accounting/Auditing	\$ 351,646	\$ 130,000	\$ 66,595	\$ 75,000	
7210	Prof Svcs Legal Fees	\$ 546,466	\$ 90,000	\$ 54,184	\$ 90,000	
7220	Prof Svcs Engineering	\$ 4,275	\$ 15,000	\$ 1,710	\$ 15,000	
7230	Prof Svcs Computer	\$ 46,875	\$ 65,000	\$ 16,040	\$ 40,000	
7240	Prof Svcs Other	\$ 147,667	\$ 20,000	\$ 48,460	\$ 50,000	
7300	Contractual Svcs	\$ 15,545	\$ 24,000	\$ 9,571	\$ 24,000	
7383	Permits/Licences/Fees	\$ 4,284	\$ 15,000	\$ (817)	\$ 10,000	
7450	Office supplies, Printing, Postage	\$ 2,597	\$ 15,000	\$ 7,065	\$ 15,000	
7490	Memberships	\$ 21,695	\$ 24,000	\$ 41,597	\$ 42,000	
7500	Miscellaneous	\$ -	\$ -	\$ -	\$ -	
7540	Rents/Leases	\$ -	\$ 350	\$ -	\$ 350	
7653	Training, Meetings, Materials & Travel	\$ 12,018	\$ 12,000	\$ 11,263	\$ 12,000	
7731	Gasoline/Oil/Fuel	\$ 862	\$ 1,000	\$ 1,458	\$ 1,000	
7760	Utilities	\$ 6,171	\$ 6,300	\$ 14,789	\$ 15,000	
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	
7860	Contribution to Other Agencies	\$ 5,000	\$ 3,000	\$ 6,804	\$ 3,000	
7900	GSD/Treatment	\$ -	\$ -	\$ -	\$ -	
7920	GSD/Administrative Fee	\$ -	\$ -	\$ -	\$ -	
7930	County Administrative Fee	\$ 31,185	\$ 32,000	\$ 28,194	\$ 32,000	
	Subtotal Operating Expenses	\$ 1,217,822	\$ 476,750	\$ 332,851	\$ 452,950	-5%
	Total Operating and Personnel Expenses	\$ 1,849,869	\$ 1,524,121	\$ 1,463,782	\$ 1,274,685	-16%

FISCAL YEAR 2026-27 WASTEWATER O&M - TREATMENT

Code	Description	2024-2025 Actual	2025-2026 Budget	2025-2026 Projected Actual	2026-2027 Budget	% Change 25/26 Budget to 26/27 Budget
46	TREATMENT					
	Personnel Expenses					
6000	Salaries	\$ -	\$ -	\$ -	\$ -	-
6010	Stand-By Pay	\$ -	\$ -	\$ -	\$ -	-
6020	Overtime	\$ -	\$ -	\$ -	\$ -	-
6030	Retirement	\$ -	\$ -	\$ -	\$ -	-
6040	Deferred Comp	\$ -	\$ -	\$ -	\$ -	-
6050	FICA	\$ -	\$ -	\$ -	\$ -	-
6060	Medicare	\$ -	\$ -	\$ -	\$ -	-
6070	Health Insurance	\$ -	\$ -	\$ -	\$ -	-
6080	Life & Dental Insurance	\$ -	\$ -	\$ -	\$ -	-
6100	SUI	\$ -	\$ -	\$ -	\$ -	-
6110	Workers Comp	\$ -	\$ -	\$ -	\$ -	-
Subtotal Personnel Expenses		\$ -	\$ -	\$ -	\$ -	0%
	Operating Expenses					
7090	Insurance	\$ -	\$ -	\$ -	\$ -	-
7120	Vehicles R&M	\$ -	\$ -	\$ -	\$ -	-
7121	Repairs & Maint	\$ -	\$ -	\$ -	\$ -	-
7122	Operating Supplies	\$ -	\$ -	\$ -	\$ -	-
7200	Prof Svcs Accounting/Auditing	\$ -	\$ -	\$ -	\$ -	-
7210	Prof Svcs Legal Fees	\$ 7,661	\$ 40,000	\$ 15,897	\$ 40,000	-
7220	Prof Svcs Engineering	\$ -	\$ -	\$ -	\$ -	-
7230	Prof Svcs Computer	\$ -	\$ -	\$ -	\$ -	-
7240	Prof Svcs Other	\$ -	\$ -	\$ -	\$ -	-
7300	Contractual Svcs	\$ -	\$ -	\$ -	\$ -	-
7383	Permits/Licences/Fees	\$ -	\$ -	\$ -	\$ -	-
7450	Office supplies, Printing, Postage	\$ -	\$ -	\$ -	\$ -	-
7490	Memberships	\$ -	\$ -	\$ -	\$ -	-
7500	Miscellaneous	\$ -	\$ -	\$ -	\$ -	-
7540	Rents/Leases	\$ -	\$ -	\$ -	\$ -	-
7653	Training, Meetings, Materials & Travel	\$ 120	\$ -	\$ -	\$ -	-
7731	Gasoline/Oil/Fuel	\$ -	\$ -	\$ -	\$ -	-
7760	Utilities	\$ -	\$ -	\$ -	\$ -	-
7800	Election Expense	\$ -	\$ -	\$ -	\$ -	-
7860	Contribution to Other Agencies	\$ -	\$ -	\$ -	\$ -	-
7900	GSD/Treatment	\$ 3,157,015	\$ 3,252,000	\$ 3,177,032	\$ 4,154,746	-
7920	GSD/Administrative Fee	\$ 165,376	\$ 195,120	\$ 190,622	\$ 249,285	-
7930	County Administrative Fee	\$ -	\$ -	\$ -	\$ -	-
7940	Environmental Remediation	\$ -	\$ -	\$ -	\$ -	-
Subtotal Operating Expenses		\$ 3,330,172	\$ 3,487,120	\$ 3,383,550	\$ 4,444,031	27%
Total Operating and Personnel Expenses		\$ 3,330,172	\$ 3,487,120	\$ 3,383,550	\$ 4,444,031	27%

GOLETA WEST SANITARY DISTRICT

**AUGUST 20, 2026
AGENDA ITEM 11**

COMMUNICATIONS

CORRESPONDENCE SENT:

Availability Letters:

- None

Fee Estimates were issued for the following projects:

- 939 Embarcadero Del Mar – IV Market Tenant Improvement
- 6530A Pardall Road – Tenant Improvement

Permits Issued:

- 410 Vereda Leyenda – Detached ADU
- 7097 Scripps Crescent – Detached ADU
- 6868 Cortona Drive – Tenant Improvement

CORRESPONDENCE RECEIVED:

CAMP Current Rate Yield as of 08/17/2026 (attached)

LAIF Performance Report as of 08/12/2026 (attached)

Monthly Market Review PFM August 2026 (attached)

PARS OPEB and Pension Trust Program dated June 30, 2026 (attached)

CALAFCO Sponsorship Opportunities Flyer (attached)

CALAFCO A Guide to Contributing to The Sphere (attached)



Current Rate

Name	Date	Current Seven-Day Yield
California Asset Management Program	8/17/2026	3.79%

[Connect](#) users can find current CAMP Term rates on their account dashboard. Alternatively, please contact the Client Services Group at 800.729.7665 or CSGMWW@pfmam.com.

A summary of the CAMP Pool holdings as of the most recent month end is available upon request by calling CAMP at 800.729.7665 or under the [Investor/Participant Resources](#) Section on this website.

Historical Performance

For more information on the historical performance of the CAMP Cash Reserve Portfolio, refer to the [Monthly Distribution Yields](#) and [Historical Seven-Day Yields](#) reports.

Current Annualized Yield

Past performance does not guarantee future results. The “current annualized yield” of the Pool may, from time to time, be quoted in reports, literature and advertisements published by the Trust. Current annualized yield represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a balance of one share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7.

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This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Trust’s investment objectives, risks, charges and expenses before investing in the Trust. This and other information about the Trust is available in the Trust’s current Information Statement, which should be read carefully before investing. A copy of the Trust’s Information Statement may be obtained by calling 1-800-729-7665 or is available on the Trust’s website at www.camponline.com. While the Cash Reserve Portfolio seeks to maintain a stable net asset value of \$1.00 per share and the CAMP Term Portfolio seeks to achieve a net asset value of \$1.00 per share at the stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Trust are distributed by U.S. Bancorp Investments, Inc., member FINRA (www.finra.org) and SIPC (www.sipc.org). PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc., which serves as administrator and investment adviser to the Trust. U.S. Bancorp Asset Management, Inc. is a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bancorp Investments, Inc. is a subsidiary of U.S. Bancorp and affiliate of U.S. Bank N.A.



PMIA/LAIF Performance Report as of 08/12/26



Quarterly Performance Quarter Ended 06/30/26

LAIF Apportionment Rate ⁽²⁾ :	3.92
LAIF Earnings Ratio ⁽²⁾ :	0.00010743238142967
LAIF Administrative Cost ^{(1)*} :	0.22
LAIF Fair Value Factor ⁽¹⁾ :	0.998872382
PMIA Daily ⁽¹⁾ :	3.83
PMIA Quarter to Date ⁽¹⁾ :	3.81
PMIA Average Life ⁽¹⁾ :	269

PMIA Average Monthly Effective Yields⁽¹⁾

July	3.84
June	3.816
May	3.810
April	3.811
March	3.826
February	3.871

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 06/30/26 \$193.1 billion

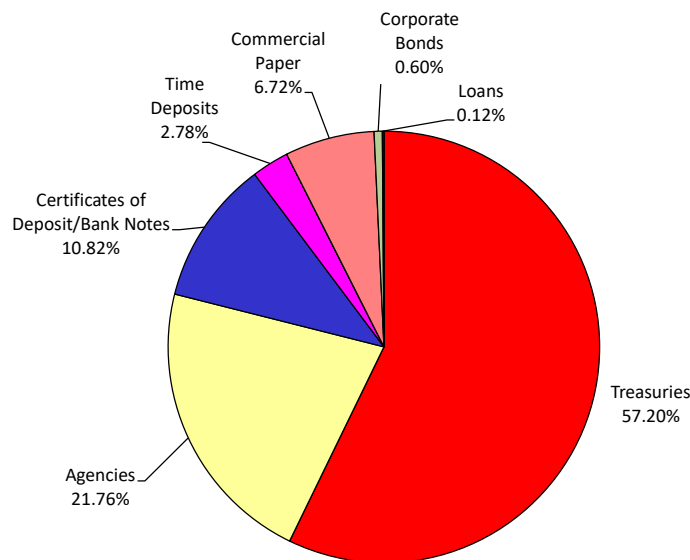


Chart does not include \$749,000.00 in mortgages, which equates to 0.0004%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

U.S. Equity

- U.S. equities retreated slightly in July after two months of recovery. The S&P 500 Index declined 0.1%, while the Russell 3000 Index declined 0.5% for the month.¹ Although broad index moves were relatively muted, underlying performance was more varied as investors reassessed technology exposure amid shifting rate expectations and renewed geopolitical uncertainty.
- In July, 7 of the 11 sectors posted positive returns. Energy was the strongest sector, returning 12.6%, buoyed by a sharp rise in crude oil prices as conflict in the Middle East reignited after earlier hopes of a resolution. Financials followed with a gain of 6.2%. Information Technology was the weakest sector, declining 3.4%, while Industrials and Utilities also declined, falling 3.0% and 2.2%, respectively.
- Performance was negative across market capitalizations. Large-caps, (Russell 1000 Index), declined 0.4%, and mid-caps (Russell Midcap Index), declined 0.6% while small-caps (Russell 2000 Index) saw a sharper decline of 3.0%. Value stocks continued to outperform growth stocks across all market capitalizations.
- According to FactSet Earnings Insight as of July 31, 2026, the blended earnings growth estimate for the S&P 500 for Q2 is 47.4%. Eight sectors are reporting double-digit earnings growth or higher, led by Energy (135.3%), Communication Services (109.8%), Consumer Discretionary (90.7%), and Information Technology (69.4%). Concentration of growth within the index remains relevant as just two companies (Alphabet and Amazon.com) account for 18.6% estimate; however, excluding them, the S&P 500 would still be reporting its second consecutive quarter of YoY earnings growth above 20%.

Non-U.S. Equity

- Non-U.S. equities were mixed in July. The MSCI ACWI ex-U.S. Index returned 0.3% for the month, reflecting the offsetting effect of market dispersion. Developed markets, represented by the MSCI EAFE Index, gained 2.0%. Within developed markets, a larger exposure to financials and industrials helped offset weakness in technology, leading Europe (MSCI Europe Index) to return 1.6%, while Japan (MSCI Japan Index) rose 1.0%.
- Emerging markets declined 3.1% in July, with results sharply divided on a country level. China (MSCI China Index) led the way higher, returning 9.0% for the month. In contrast, Korea (MSCI Korea Index) declined 17.1%, and Taiwan (MSCI Taiwan Index) declined 5.4%, as weakness in the technology sector weighed on these tech-heavy markets.
- Within the MSCI ACWI ex-U.S. Index, 10 of the 11 sectors posted positive returns in July. As in the US, Energy was the leading sector, returning 12.0%. Information Technology, the only sector with a negative return for the month, returned -13.0%, due to steep losses in semiconductors and technology hardware stocks.

Fixed Income

- Treasury yields rose meaningfully across the longer end of the curve in July. Hawkish Federal Reserve (Fed) commentary and a resilient labor market pushed market expectations toward a higher-for-

longer rate path. The 2-year yield rose 11 basis points (bps), the 5-year yield rose 22 bps and the 10-year yield rose 27 bps to 4.7%, its highest level since January 2025. At the long end of the curve, the 30-year yield rose 32 bps to 5.3%, a new 19-year high and the sharpest one-month increase since 2024.

- Fixed income returns were broadly negative in July as rising yields weighed on performance. The U.S. Treasury Index and Bloomberg U.S. Aggregate Index declined 1.2% and 1.3%, respectively, for the month. Investment-grade (IG) credit returned -1.6%, while high-yield returned -0.3%. Credit spreads widened modestly, with IG spreads increasing 4 bps and high-yield spreads widening 9 bps.

Listed Real Assets

- Real estate investment trusts (REITs) delivered positive returns in July, with the FTSE NAREIT All Equity REITs Index returning 2.4% for the month. Industrials was the best performing sector, while the residential and data centers REITs declined.
- Listed infrastructure saw modest gains in July, as the FTSE Global Core Infrastructure 50/50 Index returned 0.5%. Rising treasury yields reduced the relative appeal of the utility sector's dividends; however, company earnings reports pointed to strong electricity demand from AI data center buildout.

Items to Watch

- Tariffs remain a significant component of U.S. trade policy, as the Trump administration enacted a new set of tariffs under Section 301 of the Trade Act of 1974. These measures effectively replaced the temporary duties enacted under Section 122, with the new duties taking effect as the previous duties expired. The new framework allows the administration to maintain a tariff floor on U.S. imports while including numerous product exemptions. Overall, the new tariffs are estimated to increase the average effective tariff rate by 10 bps to 10.7%, according to Bloomberg Economics.
- Manufacturing continued to rebound in July, as the ISM Manufacturing PMI increased to 55.6, marking the highest reading in four years. New orders ticked up to 56.7 from 56.0, while employment returned to expansion territory, improving to 52.8 from 49.7. The Prices Paid Index reading remained elevated and relatively unchanged at 71.1.
- The Federal Open Market Committee (FOMC) remained on hold in July, voting to maintain the target range at 3.5%–3.75%. The statement emphasized that economic activity remains solid, the labor market is broadly stable, while inflation remains “elevated”. With Chair Kevin Warsh offering limited forward guidance and three policymakers favoring a rate hike, investors now see a meaningful chance of higher rates later in 2026. Upcoming inflation and labor market data will remain key drivers of expectations for the September Fed meeting.

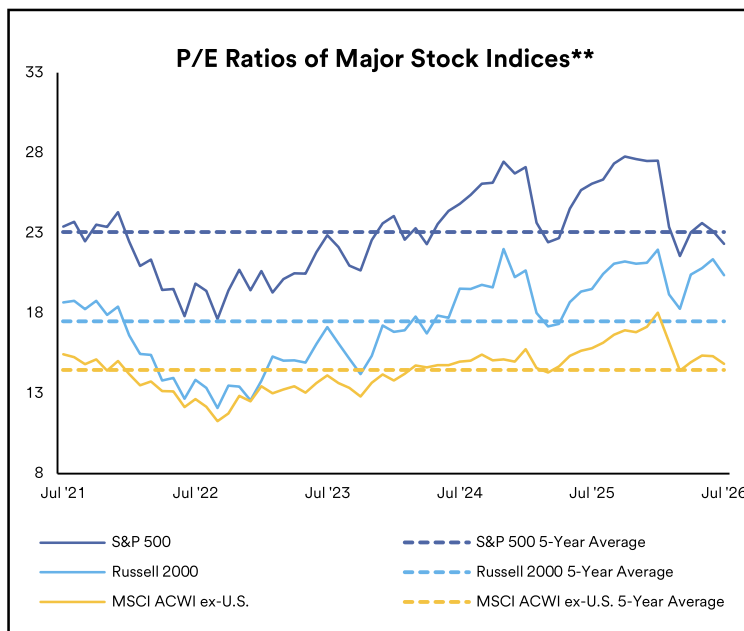
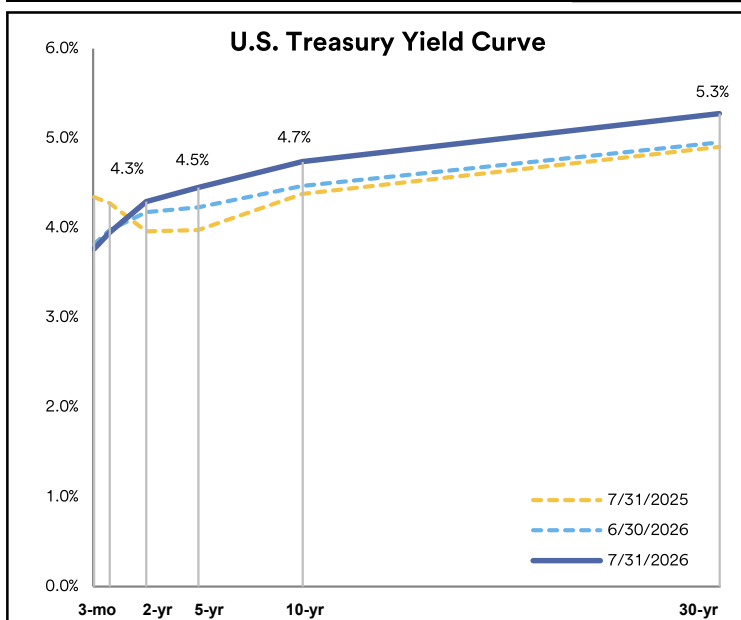
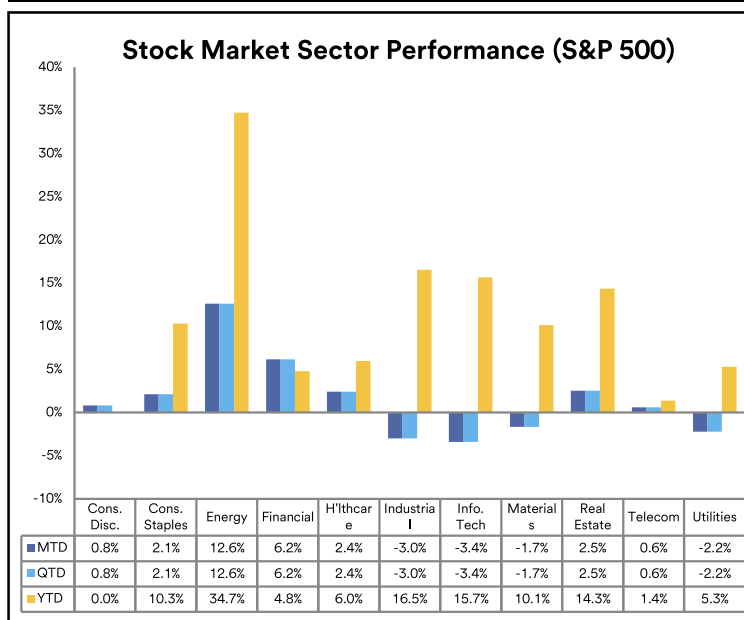
Sources

- Bloomberg
- FactSet

1 - All returns are expressed as total returns (price returns net of dividends).

Total Return of Major Indices				
Domestic Equity		MTD	QTD	YTD 1 YR
S&P 500		-0.1%	-0.1%	10.1% 19.5%
Russell 3000		-0.5%	-0.5%	10.3% 19.6%
Russell 2000		-3.0%	-3.0%	19.0% 34.3%
Russell 1000		-0.4%	-0.4%	9.9% 18.9%
International Equity		MTD	QTD	YTD 1 YR
MSCI ACWI ex-U.S.		0.3%	0.3%	14.1% 28.5%
MSCI EAFE		2.0%	2.0%	11.6% 24.3%
MSCI Emerging Markets		-3.1%	-3.1%	20.0% 36.4%
Fixed Income		MTD	QTD	YTD 1 YR
Bloomberg U.S. Agg		-1.3%	-1.3%	-0.7% 2.7%
Bloomberg Global Agg		-0.5%	-0.5%	-0.7% 1.6%
ICE BofA U.S. HY		-0.3%	-0.3%	1.6% 5.0%
Listed Real Assets		MTD	QTD	YTD 1 YR
MSCI U.S. REIT		2.3%	2.3%	19.5% 23.4%
FTSE NAREIT All Equity REITs		2.4%	2.4%	17.7% 19.5%
MSCI World Core Infrastructure		1.8%	1.8%	10.9% 13.7%
FTSE Global Core Infrastructure 50/50		0.5%	0.5%	11.3% 16.0%

Economic Indicators		
Domestic	Current	Previous Month
Unemployment Rate (%)	4.2%	4.3%
Initial Jobless Claims (four week average)	202.8 K	207.8 K
CB Leading Economic Indicators	-0.2	0.1
Capacity Utilization	76.1%	76.1%
GDP (annualized growth rate)	1.5%	2.1%
University of Michigan Consumer Confidence	55.2	49.5
New Home Starts	628 K	618 K
Existing Home Sales	4.1 MM	4.2 MM
Retail Sales (YoY)	6.7%	7.3%
U.S. Durable Goods (MoM)	0.3%	-4.0%
Consumer Price Index (YoY)	3.5%	4.2%
Producer Price Index (MoM)	-1.4%	2.4%
Developed International*		
EAFE GDP (annualized growth rate)	0.8%	1.1%
EAFE Unemployment	4.7%	4.7%
EAFE Inflation	2.5%	2.7%



Source: Bloomberg, FactSet. Data as of July 31, 2026, unless otherwise noted.

*Developed market data excluding the U.S. and Canada. Aggregate figure calculated by FactSet Economics.

**P/E ratios are calculated based on one-year-forward estimates and adjusted to include only positive earning results for consistency.

Indices shown are not available for investment. The index data reference herein is the property of the index provider and/or its licensors. The index provider assumes no liability in connections with its use and does not sponsor, endorse or recommend the products or services contained herein. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of U.S. Bancorp Asset Management, Inc. at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. No representation is made as to its accuracy or completeness.

PFM Asset Management serves clients in the public sector and is a division of U.S. Bancorp Asset Management, Inc., which is the legal entity providing investment advisory services. U.S. Bancorp Asset Management, Inc. is a registered investment adviser, a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bank N.A. is not responsible for and does not guarantee the products, services, or performance of U.S. Bancorp Asset Management, Inc.

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

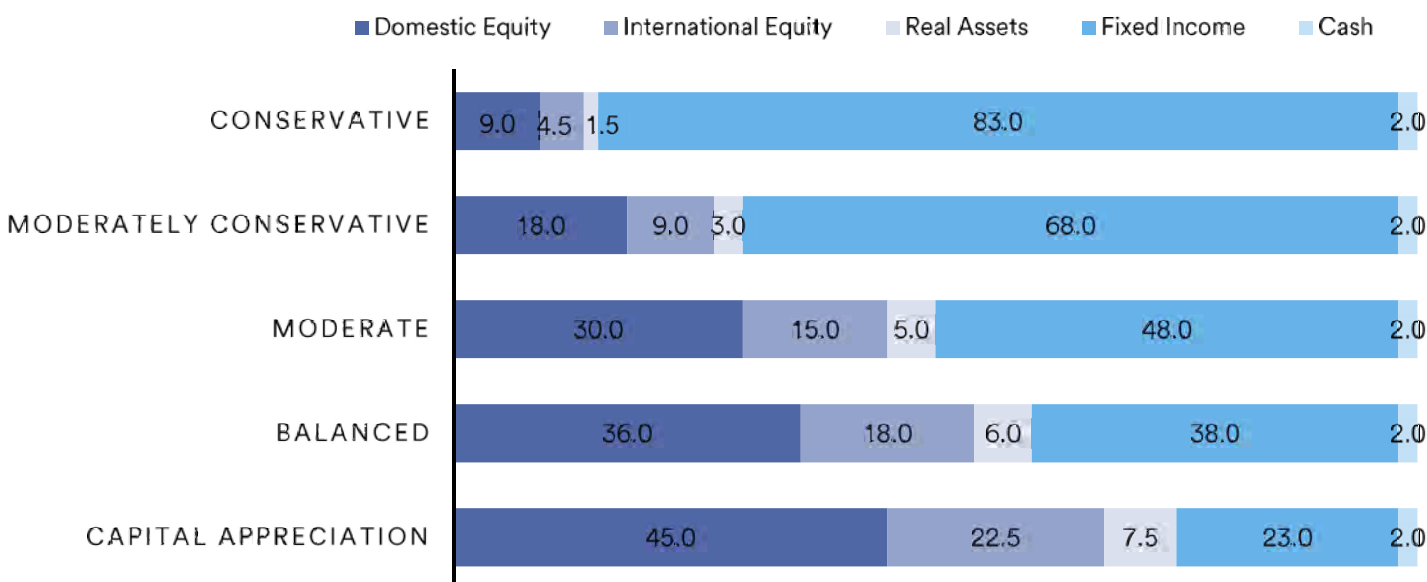
PARS OPEB and Pension Trust Program

Strategy	Asset Class	Strategic Range	Policy	Tactical	Gross Annualized Total Rate of Return						
					Portfolio	2Q26*	YTD	1-Yr	3-Yr	5-Yr	ITD
Conservative	Equity	5-20%	15%	15%	Strategic Blend	2.90	2.64	6.85	6.95	2.31	3.76
	Fixed Income	60-95%	83%	83%	Benchmark	2.78	2.46	6.80	6.66	2.54	3.62
	Cash	0-20%	2%	2%	Index	2.75	2.58	6.83	6.56	2.17	3.74
					Benchmark	2.78	2.46	6.80	6.66	2.54	3.79
Moderately Conservative	Equity	20-40%	30%	30%	Strategic Blend	4.69	4.23	9.62	9.01	3.74	5.07
	Fixed Income	50-80%	68%	68%	Benchmark	4.78	4.16	9.69	8.73	3.87	5.13
	Cash	0-20%	2%	2%	Index	4.68	4.30	9.65	8.77	3.68	4.88
					Benchmark	4.78	4.16	9.69	8.73	3.87	5.11
Moderate	Equity	40-60%	50%	50%	Strategic Blend	7.20	6.28	13.02	11.59	5.40	7.71
	Fixed Income	40-60%	48%	48%	Benchmark	7.45	6.45	13.63	11.62	5.91	7.99
	Cash	0-20%	2%	2%	Index	7.13	6.42	13.39	11.66	5.72	7.19
					Benchmark	7.45	6.45	13.63	11.62	5.91	7.51
Balanced	Equity	50-70%	60%	60%	Strategic Blend	8.61	7.54	14.97	12.96	6.35	8.51
	Fixed Income	30-50%	38%	38%	Benchmark	8.80	7.59	15.62	13.05	6.87	8.84
	Cash	0-20%	2%	2%	Index	8.32	7.53	15.37	13.30	6.77	8.29
					Benchmark	8.80	7.59	15.62	13.05	6.87	8.52
Capital Appreciation	Equity	65-85%	75%	77%	Strategic Blend	10.63	9.09	17.79	15.02	7.68	9.01
	Fixed Income	10-30%	23%	23%	Benchmark	10.83	9.29	18.64	15.24	8.35	9.90
	Cash	0-20%	2%	2%	Index	10.62	8.92	18.01	15.28	8.44	9.88
					Benchmark	10.83	9.29	18.64	15.24	8.35	10.42

*Returns for periods under one year are not annualized. Returns are gross of investment management fees and net of fund embedded fees.

Please see important disclosures on the following page and your U.S. Bank fee schedule for investment management fees applied to your specific portfolio, as net of fee performance will differ.

Strategy	Portfolio	Gross Calendar Year Returns								
		2025	2024	2023	2022	2021	2020	2019	2018	2017
Conservative	Strategic Blend	8.99	4.54	8.99	-12.51	2.12	8.91	10.47	-1.52	7.06
	Index	9.00	4.25	7.77	-12.06	1.97	8.27	10.34	0.44	N/A
	Blended Benchmark	8.53	4.77	7.82	-10.59	2.24	7.81	10.12	-0.60	5.25
Moderately Conservative	Strategic Blend	10.66	6.61	11.32	-13.32	5.27	10.64	13.64	-2.83	9.44
	Index	10.76	6.67	9.84	-12.92	5.19	9.84	13.44	-2.58	7.96
	Blended Benchmark	10.30	6.79	10.29	-12.35	5.50	9.89	13.55	-1.87	8.13
Moderate	Strategic Blend	12.55	9.48	14.07	-14.61	9.29	12.52	17.70	-4.01	13.38
	Index	12.92	9.99	12.72	-14.02	10.16	11.32	17.51	-4.04	11.31
	Blended Benchmark	12.38	10.03	13.56	-13.74	10.21	12.02	17.66	-3.37	11.66
Balanced	Strategic Blend	13.48	11.04	15.14	-14.89	11.36	13.46	18.61	-4.50	15.22
	Index	14.10	11.86	14.52	-14.95	12.53	12.12	19.62	-5.00	13.38
	Blended Benchmark	13.46	11.61	15.19	-14.58	12.54	13.07	19.78	-4.18	13.54
Capital Appreciation	Strategic Blend	15.50	13.04	17.63	-16.09	14.34	14.62	22.10	-7.94	N/A
	Index	16.15	13.75	16.57	-14.70	16.05	12.17	20.68	-6.45	15.62
	Blended Benchmark	15.40	13.82	17.60	-15.64	15.93	14.37	22.81	-5.53	16.57



Strategic Blend -

Holdings: Portfolios are invested in a strategic mix of actively managed and passive index-based investment vehicles.

Baird Aggregate Bond Fund
Cohen & Steers Institutional Realty Fund
Columbia Contrarian Core Fund
Columbia Small Cap Growth Fund
Dodge Cox Income Fund
Emerald Growth Fund
Fidelity International Index Fund
First American Government Obligations Fund
Fidelity Emerging Markets Index Fund
Hartford Schroders International Multi-Cap Value Fund
iShares Core U.S. Aggregate ETF
Lazard Global Infrastructure Fund

NYLI CBRE Global Infrastructure Fund
NYLI MacKay High Yield Corporate Bond Fund
MFS International Growth Fund
PGIM Total Return Bond Fund
PIMCO RAE US Small Cap Fund
Putnam Core Equity Fund
Schwab US Large CAP ETF
Voya Intermediate Bond Fund

Index - Holdings:

Portfolios are invested in passive index-based investment vehicles.

Fidelity Total Stock Market Index Fund
First American Government Obligations Fund
iShares Core MSCI Total International Stock ETF
iShares Core US Aggregate Bond ETF
iShares Global Infrastructure ETF
SPDR High Yield Bond ETF
Vanguard Real Estate ETF

For illustrative purposes only and subject to change at PFMAM's discretion. Individual portfolio allocations and holdings will vary based on many factors, including each portfolio's specific investment policy and market conditions.

Benchmark Definitions

		Conservative	Moderately Conservative	Moderate	Balanced	Capital Appreciation
7/1/2025 - Current:	Russell 3000 Index	9.00%	18.00%	30.00%	36.00%	45.00%
	MSCI AC World ex USA (Net)	4.50%	9.00%	15.00%	18.00%	22.50%
	MSCI US REIT Index	0.75%	1.50%	2.50%	3.00%	3.75%
	MSCI World Core Infra Index (Net)	0.75%	1.50%	2.50%	3.00%	3.75%
	Blmbg. U.S. Aggregate	76.50%	62.50%	44.25%	35.00%	21.25%
	ICE EofA US High Yield Index	6.50%	5.50%	3.75%	3.00%	1.75%
	ICE EofA 3 Month U.S. T-Bill	2.00%	2.00%	2.00%	2.00%	2.00%



Historical Benchmark Definitions

		Conservative	Moderately Conservative	Moderate	Balanced		Capital Appreciation
10/1/2012 – 6/30/2025:	S&P 500	7.50%	15.50%	26.50%	32.00%	Since Inception:	39.50%
	Russell Mid Cap	1.50%	3.00%	5.00%	6.00%		16.00%
	Russell 2000	2.50%	4.50%	7.50%	9.00%		10.50%
	Wilshire REIT	0.50%	1.00%	1.75%	2.00%		10.25%
	MSCI EM Free (Net USD)	1.00%	2.00%	3.25%	4.00%		7.50%
	MSCI EAFE (Net USD)	2.00%	4.00%	6.00%	7.00%		5.25%
	Bloomberg US Aggregate Bond	52.25%	49.25%	33.50%	27.00%		5.00%
	ICE EofA 1-10 Yr US Corp/Govt	25.75%	14.00%	10.00%	6.75%		3.00%
	ICE EofA US High Yield Master II	2.00%	1.75%	1.50%	1.25%		2.00%
	FTSE 1 Month T-Bill	5.00%	5.00%	5.00%	5.00%		1.00%

About the Adviser: PFM Asset Management (PFMAM)

PFM Asset Management is the division of U.S. Bancorp Asset Management, Inc. that provides investment services to the public sector. We have more than 40 years of experience working with public sector clients. Our solutions include local government investment pools (LGIPs), fixed income strategies, outsourced chief investment officer (OCIO), and other specialized solutions.

Inception Date Information

Conservative Strategic Blend	07/01/2016
Conservative Index	02/01/2017

Moderately Conservative Strategic Blend	07/01/2015
Moderately Conservative Index	08/01/2015

Moderate Strategic Blend	02/01/2016
Moderate Index	09/01/2016

Balanced Strategic Blend	10/01/2015
Balanced Index	12/01/2015

Capital Appreciation Strategic Blend	10/1/2017
Capital Appreciation Index	04/01/2016

Gross returns are time weighted and are calculated based on trade-date accounting. Actual returns for each agency's participation within the portfolio may vary from returns shown based on each agency's own cash flows as well as the specific portfolio in which they are invested. The advisor to the PARS portfolios is U.S. Bank N.A., and PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc., serves as sub-advisor to U.S. Bank N.A. to manage these portfolios.

PFM Asset Management serves clients in the public sector and is a division of U.S. Bancorp Asset Management, Inc., which is the legal entity providing investment advisory services. U.S. Bancorp Asset Management, Inc. is a registered investment adviser, a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bank N.A. is not responsible for and does not guarantee the products, services, or performance of U.S. Bancorp Asset Management, Inc.

U.S. Bank N.A. pays PFMAM up to 67% of the annual management fee for assets sub-advised by PFMAM under its sub-advisory agreement with U.S. Bank N.A. Refer to your U.S. Bank N.A. fee schedule for investment management fees applied to your specific portfolio. U.S. Bank N.A. compensates PFMAM for these services from its own fees.

Public Agency Retirement Services ("PARS") is a third-party and not affiliated with PFMAM, USBAM or U.S. Bank. PARS serves as the trust administrator to the Public Agencies Post-Employment Benefits Trust, Public Agencies Post-Retirement Health Care Plan Trust, and the Public Agency Retirement System Trust (the "Trusts"). U.S. Bank N.A. serves as the discretionary trustee to the Trusts. In its capacity as discretionary trustee, U.S. Bank N.A. delegates the investment management of the Trusts to its affiliate USBAM through a sub-advisory agreement. PARS is serviced by PFMAM, a division of USBAM.

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SPONSORSHIP OPPORTUNITIES

FOR THE 2026 CALAFCO ANNUAL CONFERENCE

The CALAFCO Annual Conference is where California's LAFCO community comes together each year to reconnect with colleagues, exchange ideas, and prepare for the opportunities and challenges ahead. LAFCO commissioners and staff, attorneys, consultants, Associate Members, and public agency partners gather from throughout the state to discuss emerging issues, share practical solutions, and learn from one another.

This year's conference will feature timely educational sessions, engaging keynote speakers, and opportunities for meaningful conversations about the future of LAFCOs and the communities they serve. From general sessions and breakouts to networking events and informal discussions between sessions, attendees leave with new ideas, stronger professional relationships, and practical tools they can take back to their own organizations.



Conference Partners play an important role in making that experience possible. Your support helps CALAFCO deliver high-quality educational programs, bring together respected speakers and statewide experts, and create opportunities for attendees to connect, collaborate, and learn from one another. In return, your organization receives valuable visibility and direct interaction with LAFCO Commissioners, Executive Officers, attorneys, and other local government professionals from across California. As a 501(c)(3) charitable organization, CALAFCO sponsorships may also provide tax benefits. We invite you to explore the Conference Partnership opportunities in this prospectus and join us in making the 2026 CALAFCO Annual Conference another outstanding event for California's LAFCO community.

Partnership levels for the 2026 Conference include

- » Supporting Sponsor (\$500)
- » Innovative (\$2,500)
- » Conference Lanyard Partner (\$2,500)
- » Horizon (\$1,500)
- » Visionary (\$6,000)
- » Welcome Reception Partner (\$3,500)
- » Trailblazing (\$2,000)

FEATURED CONFERENCE ENHANCEMENTS (NEW FOR 2026)

- » Visionary Conference Partner (\$6,000)
Limited to Two
- » Professional Portrait Studio & Conference Photography Partner (\$4,500)
- » LAFCO Showcase Gallery Partner (\$2,000)

For custom conference partnership opportunities, please email info@calafco.org

Featuring
Keynote
Speaker:
**SENATOR
ANGELIQUE
ASHBY**

MAJORITY LEADER
CA State Senate
8th District



SPONSORSHIP DEADLINE: FRIDAY, OCTOBER 2, 2026

Thank you for your partnership with CALAFCO. We appreciate your support and look forward to seeing you at the 2026 CALAFCO Conference!

REGISTRATION IS NOW OPEN. Scan the code or visit <https://qrco.de/bgBkrL>



PRIORITY SELECTION

Tier 1 – Presenting Conference Partner

Tier 2 – Visionary Conference Partners

Note: All remaining Conference Partner opportunities are on a first-come, first-served basis.



Supporting Conference Partner – \$500

- Recognition on conference signage and in the conference program
- Business card advertisement in the conference program



Horizon Conference Partner – \$1,500

- Recognition on conference signage and in the conference program
- Exhibit table in the Conference Partner area
- Quarter-page advertisement in the conference program



Trailblazing Conference Partner – \$2,000

- Recognition on conference signage and in the conference program
- Exhibit table in the Conference Partner area
- Half-page advertisement in the conference program
- One complimentary conference registration



Innovative Conference Partner – \$2,500

- Recognition on conference signage and in the conference program
- Exhibit table in the Conference Partner area
- Full-page advertisement in the conference program
- One complimentary conference registration
- Opportunity to include one branded promotional item in the conference tote bag

FEATURED CONFERENCE ENHANCEMENTS & OPPORTUNITIES



LAFCO Showcase Gallery Partner – \$2,000 (Exclusive)

- Recognition throughout the LAFCO Showcase Gallery
- Recognition in the conference program
- Recognition during conference announcements introducing the Showcase Gallery



Conference Lanyard Partner – \$2,500 (Exclusive)

- Company logo displayed on conference lanyards
- Conference program recognition



Welcome Reception Partner – \$3,500 (Exclusive)

- Recognition during the Welcome Reception
- Event signage
- Conference program recognition



Professional Portrait Studio & Conference Photography Partner – \$4,500 (Exclusive)

- Professional conference photography throughout the conference
- Recognition in the conference program and conference photo gallery
- Recognition in *The Sphere* and future CALAFCO publications utilizing conference photography
- Opportunity to reserve up to two portrait appointments (subject to availability)
- Six complimentary portrait sessions awarded to conference attendees through a random drawing at the Welcome Reception



Visionary Conference Partner – \$6,000 (Limited to Two)

- Recognition on conference signage and in the conference program
- Premium exhibit location
- Full-page advertisement in the conference program
- Two complimentary conference registrations
- Second priority selection of Featured Conference Enhancements and Conference Partnership Opportunities



Presenting Conference Partner – \$12,500 (Exclusive)

- Exclusive designation as the Presenting Conference Partner
- Conference-wide recognition throughout the conference
- Premium exhibit location
- Premium full-page advertisement in the conference program
- Three complimentary conference registrations
- Exclusive company logo displayed on the official conference tote bag alongside the CALAFCO and Host LAFCO logos
- Priority selection of Featured Conference Enhancements and Conference Partnership Opportunities

CUSTOM CONFERENCE PARTNERSHIP OPPORTUNITIES

Organizations interested in supporting another aspect of the conference or creating a customized attendee experience are encouraged to contact CALAFCO to discuss additional Conference Partnership opportunities.

**SPONSORSHIP DEADLINE:
FRIDAY, OCTOBER 2, 2026**

**Deadline for Priority Partners:
Wednesday, September 16, 2026**

SPONSORSHIP CATEGORIES

Sponsorships are allotted on a first come, first served basis. **Please check your desired sponsorship:**

- | | | |
|--|---|---|
| ☐ Supporting ♦ \$500 | ☐ LAFCO Showcase Gallery
Partner ♦ \$2,000 | ☐ Professional Photography
Partner ♦ \$4,500 |
| ☐ Horizon ♦ \$1,500 | ☐ Conference Lanyard
Partner ♦ \$2,500 | ☐ Visionary Conference
Partner ♦ \$6,000 |
| ☐ Trailblazing ♦ \$2,000 | ☐ Welcome Reception
Partner ♦ \$3,500 | ☐ Presenting Conference
Partner ♦ \$12,500 |
| ☐ Innovative ♦ \$2,500 | | |

New sponsors, please email your logo to info@CALAFCO.org.

Total Sponsorship enclosed: \$ _____

Firm Name (as you would like it listed in the program): _____

Contact Person: _____

Title: _____

Mailing Address: _____

City, State, Zip: _____

Email: _____

Contact Phone: _____

Payment must accompany sponsorship form. Please make checks payable to **CALAFCO**.

Mail form and remittance to:

CALAFCO
1451 River Park Drive, Suite 185, Sacramento, CA 95815-4520
EIN: 94-3312376

**WE ARE GRATEFUL
FOR YOUR SUPPORT!**

Conference Registration

Registration is now open! Visit www.calafco.org to register today.
Program details are also available on the CALAFCO website.

Hotel Reservations

Sheraton Grand Sacramento Hotel, Located at 11230 J Street, Sacramento, CA 95814

Please scan the QR code or visit: <https://qrco.de/bg9u9A> to make your hotel reservations and receive the discounted event group rate of \$259 per night. For questions, you may call the Hotel at (916) 447-1700 and reference **CALAFCO Annual Conference**. Price includes in-room Wi-Fi. Price excludes parking, taxes and fees. Hotel reservation cutoff date is Wednesday, September 23, 2026. For more details, contact CALAFCO at (916) 442-6536.

Scan For Hotel
Reservations



Highlight your organization in the conference materials.

SPONSORSHIP DEADLINE: FRIDAY, OCTOBER 2, 2026 *All priority partners
must register by **WEDNESDAY, SEPTEMBER 16, 2026**, to secure your spot.



JOIN US FOR THE 2026

CALAFCO

ANNUAL CONFERENCE

WEDNESDAY – FRIDAY, OCTOBER 21 – 23, 2026
Sheraton Grand Sacramento Hotel ♦ 1230 J St., Sacramento

THURSDAY KEYNOTE LUNCHEON

SENATE MAJORITY LEADER

ANGELIQUE ASHBY

CA STATE SENATOR • 8TH DISTRICT



Don't miss this opportunity to hear from California State Senate Majority Leader Angelique Ashby. With experience at both the local and state levels, Senator Ashby will discuss the issues shaping California's future, the priorities emerging from the Capitol, and what they mean for local governments and LAFCOs.

CALIFORNIA'S PREMIER CONFERENCE FOR LAFCO AND LOCAL GOVERNMENT LEADERS The challenges facing California's communities are evolving, and so is the role of local government. Join colleagues from across the state to exchange ideas, share experiences, and prepare for what's next.

FEATURED SESSIONS

Hear from respected practitioners and subject matter experts on the issues that matter most to LAFCOs and the communities they serve.



AI and Local Government – Artificial intelligence is rapidly entering local government. Discover practical applications, emerging risks, and the governance questions every public agency should be prepared to answer.



Fire Services Under Pressure – Fire protection continues to evolve in communities across California. Examine the trends shaping the future of fire service and how LAFCOs can help communities evaluate options before challenges become crises.



Legislative Update – Hear directly from legislative leaders about the issues shaping local government in Sacramento and what they could mean for LAFCOs and the communities they serve.



Beyond Growth: What's Next for LAFCO? – California's communities are changing. Explore how shifting demographics, aging infrastructure, and evolving service needs are reshaping LAFCO's role in the years ahead.



What Your Reports Are Really Saying – Every report tells a story. Learn how to recognize emerging issues, ask better questions, and turn technical reports into better-informed decisions.



Housing, Agriculture & Infrastructure – When communities face competing priorities, there are rarely easy answers. Hear how LAFCOs and local agencies balance housing needs, agricultural preservation, infrastructure, and long-term community goals.

PRE-CONFERENCE ACTIVITIES

MOBILE WORKSHOP: Beneath the Streets of Old Sacramento: How Flood Protection Shaped a Capital City. Go beneath the streets of historic Old Sacramento to discover the city's hidden history, then explore how reclamation districts, levees, and regional flood management continue to shape land use, development, and community resilience throughout the Sacramento region. This unique behind-the-scenes experience offers a fascinating look at how history, infrastructure, and planning continue to influence California's Capital City.

Space is limited to 50 participants. The tour includes approximately one-half mile of walking over uneven surfaces, stairs, darkly lit areas, tight spaces, and low doorways, and may not be suitable for individuals with mobility limitations.



LAFCO 101 GAME SHOW: Whether you're new to LAFCO or looking for a refresher, test your knowledge in this interactive and entertaining introduction to LAFCO fundamentals.

REGISTRATION IS NOW OPEN! To register, please scan the code or visit <https://qrco.de/bgBkrL>

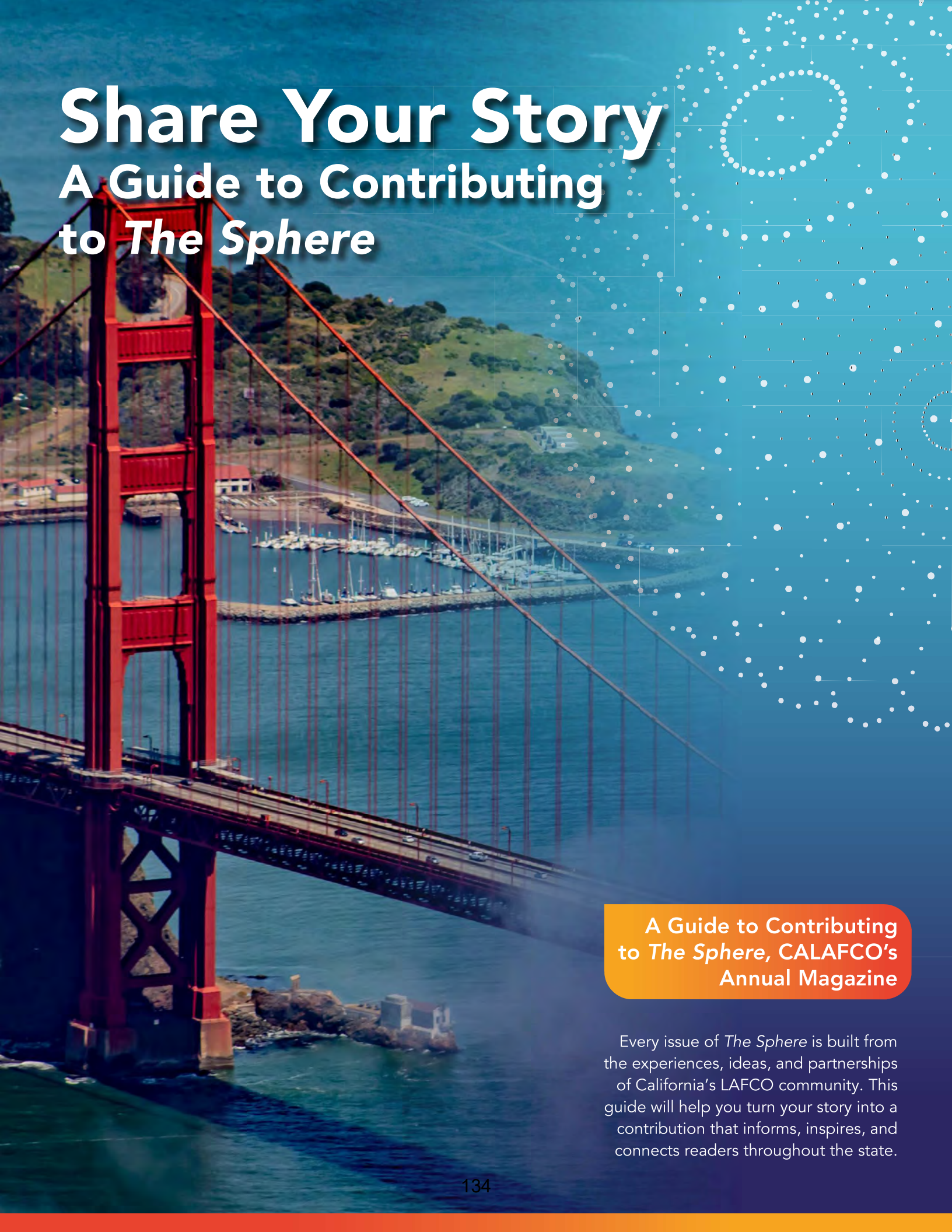
CALAFCO, 1451 River Park Drive, Suite 185, Sacramento, CA 95815-4520
Phone: (916) 442-6536 | Email: info@calafco.org | www.calafco.org



For hotel reservations, scan the QR code or visit: <https://qrco.de/bguu9A> and receive the discounted event group rate of **\$259 per night**. (excludes taxes, fees and parking).



BOOK BEFORE SEPTEMBER 23, 2026

The background of the page is a photograph of the Golden Gate Bridge in San Francisco, viewed from a low angle looking up at the tower and across the water. In the upper right corner, there is a logo for 'LAFCO' consisting of the letters 'LAFCO' in a bold, sans-serif font, with a stylized globe made of dots to its right.

Share Your Story

A Guide to Contributing to *The Sphere*

A Guide to Contributing
to *The Sphere*, CALAFCO's
Annual Magazine

Every issue of *The Sphere* is built from the experiences, ideas, and partnerships of California's LAFCO community. This guide will help you turn your story into a contribution that informs, inspires, and connects readers throughout the state.

Every Community Has a Story to Tell



Behind every successful project, partnership, and public service is a story of collaboration, thoughtful planning, and a shared commitment to strengthening communities. LAFCOs play a unique role in shaping these efforts, and their work deserves to be recognized.

The Sphere is CALAFCO's annual magazine, published each year and distributed electronically throughout California, with printed copies provided to every attendee at the CALAFCO Annual Conference. The publication highlights the ideas, innovations, partnerships, and people shaping California's LAFCO community while showcasing the work and accomplishments that make a lasting impact across the state.

Our goal is simple:



Share knowledge to learn from one another



Celebrate accomplishments



Inspire new ways of thinking



Strengthen the LAFCO community

We welcome contributions from commissioners, executive officers, analysts, clerks, consultants, Associate Members, and representatives from cities, counties, special districts, tribes, and other public agencies. Every perspective enriches the conversation.

Together, we're telling the story of California's LAFCO community.

Why We Publish *The Sphere*

Every year, LAFCOs across California navigate complex challenges, build meaningful connections, make informed decisions, and develop inventive solutions that strengthen their regions. Yet the knowledge gained through those experiences often remains local.

The Sphere exists to ensure those insights have a broader impact.

By preserving and sharing institutional practices from across the state, the magazine helps LAFCOs learn from one another, adapt proven ideas to their own communities, and drive thoughtful, effective local governance throughout California.

Before You Begin

Great articles often start with a simple idea. A successful contribution does not have to be perfectly written. It might begin with a note-worthy initiative, a lesson learned, a new approach worth exploring, or a project that could benefit other LAFCOs.

If you have a topic in mind but are not sure how to shape it into an article, we are here to help. Sometimes a brief conversation is all it takes to develop an idea into a compelling story. *The Sphere* is not seeking academic papers or technical reports. Instead, it features practical insights, real-world challenges and solutions, and personal experiences that are celebrated, advance the profession, bridge ideas across county lines, and inspire California's LAFCO community.

Who Can Contribute?

We welcome contributions from:

- CALAFCO Member LAFCOs – staff and commissioners
- CALAFCO Associate Members
- Counties, cities, special districts, and public agencies working with Member LAFCOs
- Other invited public-sector partners

Collaborative submissions are especially encouraged. Some of the most valuable articles are written from multiple perspectives and highlight successful collaboration between LAFCOs and their partner agencies.



Finding Your Story

There is no single “right” type of contribution.

Consider:

- What project taught your organization something valuable?
- What challenge did your team overcome?
- What would you do differently if you started over?
- What partnership made a project more successful?
- What innovative idea should others know about?
- What issue do you think will shape the future of your community?
- What accomplishment are you most proud of?
- What advice would you give someone new to LAFCO?

Keep in mind: The best stories go beyond recounting events. They explain why the experience mattered and how it can inform others.



Ideas to Inspire You

Examples include:

- Lessons learned
- Best practices
- Innovative projects
- Creative solutions
- Community partnerships
- Service reviews and sphere updates
- Governance studies
- Public engagement
- Emerging issues
- Historical perspectives
- Staff and commissioner profiles and accomplishments
- New programs or initiatives
- Technology and beneficial tools
- Looking ahead
- Community success stories

If your experience could help another community, it's probably worth sharing.



A Note to Our Associate Members



CALAFCO's Associate Members are an important part of our professional community. Through their expertise, technical knowledge, and long-standing partnerships with LAFCOs throughout California, they help advance meaningful planning, sound governance, and effective public service.

We encourage Associate Members to share practical insights, emerging trends, challenges and solutions, innovative ideas, and experiences that will benefit the broader LAFCO community. Collaborative articles with Member LAFCOs are especially encouraged.

Contributions should be educational, informative, and relevant to the work of LAFCOs and the communities they serve. Articles intended primarily to promote a product, service, or firm are generally not appropriate.

Many Ways to Contribute

A great contribution may come in different forms, not only a feature article.

We also welcome:

- Project spotlights
- Partner perspectives
- Historical features
- Photo essays
- Interviews
- Maps
- Graphics
- Timelines
- Historic photographs
- Before-and-after photos
- "Lessons Learned" features
- Staff and commissioner news
- Other creative ideas

Sometimes a single photograph or one-page story can inspire another community.



What Readers Enjoy Most

Readers consistently appreciate stories that:

- Share practical experiences.
- Offer ideas they can apply.
- Explain how a challenge was addressed.
- Celebrate successful partnerships.
- Include photographs and visuals.
- Tell an engaging story.

Leave them with something new to consider.

Writing for *The Sphere*

- Tell a story—not just a sequence of events.
- Share practical ideas others can use.
- Write in a conversational, professional style.
- Include examples whenever possible.
- Explain why the topic matters.
- Leave readers with a lesson, insight, or idea they can apply.

Remember, you're writing for colleagues who want to learn from your experience.

First-Time Contributors Welcome

New to *The Sphere*? You're in good company.

Many of our contributors are first-time authors. If you have an idea but are not sure how to develop it, we are happy to help.

For questions or assistance, please contact **Michelle McIntyre** at mmcintyre@calafco.org



Join the Conversation

The Sphere is more than CALAFCO's annual magazine. It is a reflection of the people, connections, and expertise that enhance regional planning and governance across California.

Every feature article, project spotlight, photograph, and lesson learned helps others discover new ideas, navigate common challenges, and innovate.

Thank you for helping advance the conversations that shape California's LAFCO community.

Share your experience. Inspire a colleague. Shape what's next.

Editorial Calendar

The 2026 edition of *The Sphere* follows the editorial calendar below.

Date	Milestone
July–August 2026	Editorial Season Rolling submissions accepted
Friday, August 28, 2026	Contribution Deadline
September 2026	Editorial review, revisions, magazine design, and production
October 2026	Publication of the 2026 edition of <i>The Sphere</i> and distribution at the CALAFCO Annual Conference

Rolling submissions are encouraged. Early submissions are appreciated and provide additional time for editorial review, collaboration, and magazine design.

Editorial Guidelines

Suggested Length

Feature Articles:
800–1,500 words

Project Spotlights:
300–800 words

Short Features:
200–500 words

Photos & Graphics

- ✓ High-quality photographs, maps, graphics, and other visuals are strongly encouraged.
- ✓ Please submit images as separate files whenever possible and include captions and photo credits, if applicable.

File Format

- ✓ Microsoft Word (.docx) is preferred.

Editorial Review

All submissions will be reviewed by CALAFCO staff for clarity, grammar, style, consistency, length, and overall fit with the magazine. Authors may be contacted to discuss suggested revisions before publication.



GOLETA WEST SANITARY DISTRICT

AUGUST 20, 2026

AGENDA ITEM 12

REPORTS

Operations Report

July 15 to August 13, 2026

Administration

Newton Construction & Management (NCM) continues progress on the Phase 2 Administration Building. Interior drywall, mudding and paint continue through this week.

The annual County Tax Roll billing has been completed and submitted to the County of Santa Barbara.

The hiring window for the Operations Technician I/II position has closed and interviews are being conducted the week of August 17.

The shop building was fumigated for termites discovered earlier this year.

Availability Letters:

- None

Fee Estimates were issued for the following projects:

- 939 Embarcadero Del Mar – IV Market Tenant Improvement
- 6530A Pardall Road – Tenant Improvement

Permits Issued:

- 410 Vereda Leyenda – Detached ADU
- 7097 Scripps Crescent – Detached ADU
- 6868 Cortona Drive – Tenant Improvement

Collection System

District staff inspected a new lateral connection at 6647 El Colegio Road. This is the new UCSB property where the KITP building will be constructed.

Juan Ramirez and Peter Estrada attended the CWEA Tri-State Annual Conference in Las Vegas, NV. This conference provides valuable continued education hours for staff and showcases the latest technology in wastewater management.

After a successful demonstration period with Consibio Flow Monitor manhole covers, staff placed an order for 6 additional flow monitors to install through out the District. These will be used for emergency alarming and to gather flow data during the wet season.

Cleaning operations have been completed on Los Carneros and continue to clean the 60-2 offtract area.

City staff reached out to the District regarding a sinkhole on Hollister Avenue near Entrance Road. District operations staff conducted a CCTV inspection of the sewer mainline in this area and confirmed the sinkhole was not a result of faulty wastewater infrastructure.

The operations staff received a demonstration on a new Vac-Con sewer cleaning combination truck.

Staff continue to meet with Mobile-MMS consultants and are close to launching the new maintenance software.

Staff continue to inspect the Heritage Ridge Project at Camino Vista, Phase 3 of the Willow Springs Housing Project. Mainline sewer is currently being installed with the intent of dedication to the District upon completion.

Industrial Waste & Environmental Compliance

Staff continued Q3 Pretreatment inspections and wastewater sampling at permitted industrial users.

Staff continued FOG inspections at food service establishments throughout the District.

Staff continued work on the Oasis Industrial Wastewater Discharge Permit.

Staff conducted business inspections to determine if facilities generate industrial wastewater requiring Pretreatment Program oversight.

Staff continued routine Pretreatment Program activities, including permit administration and maintaining compliance records.

Training

- Gas Monitor safety training

Street Sweeping

The street sweeping schedule and holiday makeup dates continue to be published on the District website. The sweeping program remains on schedule and continues to operate safely.

Graffiti: None reported

Abandoned Vehicles: None reported

Miles: 476.1

Hours: 67.2

Water fills: 32

Loads: 26

Maintenance: Routine inspection, maintenance, and replacement of worn or failed parts on the street sweepers were performed per scheduled or as needed.

Table of Treatment Capacity at the GSD Regional Wastewater Treatment Plant

GWSD Average Daily Flow	May 2026	2.2383 MGD - 44.0042%
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Goleta West Sanitary District

Allowance of Claims

07/15/26 - 07/28/26

Rev_n

Vendor ID	Vendor Name	Transaction Description	Check Date	Document Amount
CAL12	CalPERS Public Employee's Retirement System	CalPERS Unfunded	7/15/2026	172,025.08
CAL12	CalPERS Public Employee's Retirement System	CalPERS Retir Contr	7/27/2026	7,449.81
CAL12	CalPERS Public Employee's Retirement System	CalPERS Retir Contr	7/27/2026	2,424.07
CAN01	Cannon Corp	SIM Card Testing	7/27/2026	84.32
CIN01	Cintas Corporation	Office Supplies	7/27/2026	1,355.98
COA01	Coastal Copy	Contract Charge	7/27/2026	390.44
DAL01	Dal Pozzo Tire Corp	Vehicle Parts	7/27/2026	1,124.13
FIR01	First Bankcard	Credit Card	7/15/2026	3,892.80
FIR02	FirstNet	Phones	7/24/2026	477.95
GOL04	Goleta Water District	Water	7/27/2026	145.07
HOM01	Home Depot Credit Svcs	Building Materials	7/27/2026	26.38
IND02	Industrial Scientific Corp.	Operating Supplies	7/27/2026	428.42
KEL01	Keller Equipment Hose and Repair	Vehicle Parts	7/27/2026	3,993.39
LIN01	Lincoln National Life Ins	457 Plan Contributions	7/24/2026	3,189.37
LIN01	Lincoln National Life Ins	457 Plan Contributions	7/24/2026	33,656.97
MCC02	McCormix Corporation	Fuel	7/27/2026	1,857.14
MSW01	Mountain Spring Water	Water Delivery	7/27/2026	129.80
NTN01	Newton Construction	Construction Services	7/27/2026	310,395.31
PLU001	Plumbers Depot Inc.	Repairs	7/27/2026	8,331.61
PML01	Pacific Materials Laboratory	Construction Materials	7/27/2026	4,932.50
RIN001	Rincon Consultants, Inc	District-HQ Upgrade	7/27/2026	3,569.43
SCC01	SB South Coast Chamber of Commerce	Agency Contribution	7/27/2026	5,750.00
SOU02	Southern California Edison Co	Electricity	7/28/2026	6,283.56
TIE01	Tierra Contracting Inc	Repairs	7/27/2026	5,985.00
UND01	Underground Service Alert	Digi Alerts	7/27/2026	106.75
UND01	Underground Service Alert	Digi Alerts	7/27/2026	34.55
VEN02	Venco Controls, Inc.	Pump Installation	7/27/2026	12,829.50
Total Services & Supplies				\$ 590,869.33
Payroll - (1) Pay Dates				\$ 40,953.97
Total Allowance of Claims				\$ 631,823.30

GOLETA WEST SANITARY DISTRICT

**AUGUST 20, 2026
AGENDA ITEM 14**

AGENDA TITLE: CLOSED SESSION

SUMMARY DESCRIPTION:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant Government Code Section 54956.9(d)(2): One case

SUPPLEMENTARY MATERIAL:

None.