

Board of Directors

Jorge Magana, President
Myron Heavin, Vice President
Matthew Starbuck, Director
Steve Dietrich, Director
Jim Keeling, Director



1550 East Burton Mesa Blvd.
Lompoc, California, 93436-2100
805.733.4366
www.mhcsd.org

Brad Hagemann, General Manager

Mission Hills Community Services District Board of Directors

Regular Meeting

Wednesday, February 21st, 2024

4:30 PM

1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room

1. Call to Order and Pledge of Allegiance

2. Roll Call

3. Public Comment – Members of the public may address the Board on any item within the jurisdiction of the Board not included on this agenda for up to 3 minutes. **If you are unable to attend, you can submit comments in advance of the meeting to admin@mhcsd.org before 1:00 PM, Tuesday, February 20th, 2024.**

4. Closed Session

A. PUBLIC EMPLOYMENT Pursuant to Government Code section 54957(b)
Title: General Manager

RECONVENE

Report out of Closed Session

5. Consent Agenda - Staff recommends Directors approve the Consent Agenda in one motion. Members of the public may comment on a consent item (3-minute maximum per speaker). Directors may pull a consent item for discussion or separate vote.

A. Consideration of Approval of Minutes from:

- i) January 11th, 2024 - Special Meeting Minutes
- ii) January 17th, 2024 – Regular Meeting Minutes

B. Activity Reports for January

- i) General Manager and Administration Reports
- ii) Water and Wastewater
- iii) Goals and Committee Updates

C. Financial Reports

- i) Revenue and Expenses Previous Year Comparison
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

6. Regular Business-

- A. Discuss and Consider California Public Employees' Retirement System (CalPERS) Eligibility and Enrollment Process.

7. Communications - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

- A. General Manager's Comments
- B. Directors' Comments
- C. Public Comments (up to 3 minutes for topics within the District's jurisdiction)

Regular Board Meetings are held on the third Wednesday of each month beginning at 4:30 PM

Copies of the staff reports, or written materials provided for Mission Hills CSD for Open Session agenda items may be obtained upon request and are also available at the Customer Service Counter of the District Office for public inspection and reproduction during regular business hours. Closed Session items are not available for public review.

In compliance with the Americans with Disabilities Act If you need special assistance to participate in this meeting or if you need the agenda or other documents in the agenda packet provided in an alternative format, contact Board Secretary at 805.733.4366 at least 48 hours before the meeting to ensure that reasonable arrangements can be made. (Agenda Prepared under Government Code Section 54954.2)

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**Mission Hills Community Services District Board of Directors
Special Meetings Minutes
Thursday, January 11, 2024**

1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room

The Special Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:05 pm on Thursday, January 11th, 2024, at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

DIRECTORS PRESENT:

By roll call: Steve Dietrich, Myron Heavin, Jim Keeling, Jorge Magana, and Matthew Starbuck

DIRECTORS ABSENT:

STAFF PRESENT:

Brad Hagemann and John D’Ornellas.

OTHERS PRESENT:

1. **Call to Order and Pledge of Allegiance**
2. **Roll Call**
3. **Public Comment-** No public comment received.
4. **Closed Session**
 - A. **Public Employment Pursuant to Government Code Section 54957(b)**
Position: General Manager

Reconvene

Reports out of closed session- No reportable action.

With no further business to come before the Board, the meeting was adjourned at 6:45PM.

Respectfully submitted:

X

Jorge Magana, President

X

Lupe Huitron, Board Secretary

Board of Directors

Jorge Magana, President
Myron Heavin, Vice President
Jim Keeling, Director
Matthew Starbuck, Director
Steve Dietrich, Director



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Brad Hagemann, General Manager

**Mission Hills Community Services District Board of Directors
Regular Meetings Minutes
Wednesday, January 17th, 2024
1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room**

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:30 pm on Wednesday, January 17, 2024, at the District Meeting Room, 1550 East Burton Mesa Boulevard, Lompoc, California.

DIRECTORS PRESENT:

By roll call: Steve Dietrich, Myron Heavin, Jim Keeling, Jorge Magana, and Matthew Starbuck

DIRECTORS ABSENT:

None

STAFF PRESENT:

Brad Hagemann, Angel Diosdado and Javier Rodriguez, Carol Reynolds, and John D’Ornellas

OTHERS PRESENT:

None

1. **Call to Order and Pledge of Allegiance**
2. **Roll Call**
3. **Public Comment-** No public comment received.
4. **Consent Agenda-**
 - A. **Approved Minutes**
 - i.) December 13, 2023, Special Meeting
 - B. **Activity Reports for December**
 - i.) General Manager and Administrative Reports
 - ii.) Water and Wastewater
 - iii.) Goals and Committee Meeting updates

C. Financial Reports

- i) Revenue and Expenses Previous Year Comparison
- ii) Disbursements Journal
- iii) Variation from Projected Income
- iv) Bank Account Summary
- v) Budget to Actual

Approved Consent Items

Motion made by Director Keeling and seconded by Director Heavin, to approve the Consent Agenda as presented **Motion passed 5-0 vote.**

5. Regular Business Items

A. Discuss and Consider Approval of the Summitt Hills Settlement Agreement

Motion made by Director Dietrich to approve the Summitt Hills Settlement Agreement with the updated releases made to the contract. The motion was second by Director Magana. **Motion passed 5-0 vote.**

B. Discuss and consider updating the District's Reserve Policy

Motion made by Director Magana to approve Resolution No. 24-356 updating the Districts Reserve Policy second by Director Starbuck. **Motion passed 5-0 vote.**

C. Discuss and Consider assigning Committee Assignments for 2024 calendar year.

With concurrence and the support of the Directors, Board president Magana made no changes to the 2023 Committee Assignments, all will remain the same for the 2024 Calendar year.

6. Closed Session

- A. Public Employment Pursuant to Government Code Section 54957(b)**
Position: General Manager

Reconvene

Reports out of closed session- No reportable action.

- 7. Communications** - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information, direct staff to place a topic or report on a future committee or regular meeting agenda.

- A. General Manager's Comments-** None
- B. Directors' Comments-** None
- C. Public Comments-** None

With no further business to come before the Board, the meeting was adjourned at 6:30PM.

Respectfully submitted:

Lupe Huitron

X

Jorge Magana, President

X

Lupe Huitron, Board Secretary



General Manager and Administrative Activity Reports for
February 2024

General Manager Report

Operations Truck Purchase – The FY 2023/24 approved Capital Improvement Program Budget included a budget amount of \$65,000 for the purchase of a new ½ ton Operations Department truck. Staff solicited a quote from the State General Services Administration, fleet contractor and received a quote of approximately \$40,000. Purchasing from State Fleet Services contractors is typically the most cost-effective method to purchase District vehicles. If the Board has no objection, staff will move forward with the purchase.

Capacity Fee Study – On February 14, 2024, Tuckfield and Associates provided a preliminary draft Capacity Fee Study for staff review and comment. Mr. Tuckfield also included some additional data requests and data verification. Staff will review the draft report and respond to the data request within the next couple of weeks. Tuckfield will issue a “final draft” of the report by mid-March. Staff will circulate the final draft report to the Finance Committee for review and comments. The full Board will then consider adoption of the final report at the April or May 2024 Regular meeting.

FY 2024/25 Budget Schedule – Staff is in the process of preparing the draft FY 2024/25 Budget. The schedule for the Budget review and adoption is as follows:

Finance Committee Draft Budget Review - March 20, 2024

Full Board Draft Budget Review – April 17, 2024, Regular Board meeting

Board Hearing for Consideration/Adoption on the Budget – May 15, 2024, Regular Board meeting.

Water Tank Rehab Project – The water tank rehab project is complete, except for the installation of the “flex coupler” on the west tank. Unfortunately, we have not been able to get the old valves (circa 1985) to completely seal and isolate the tank so the contractor can install the flex coupler. Staff is going to get a quote from Crosnos to replace the old isolation valves as a change order to their project. We anticipate we’ll have the west tank back online by the middle of March.

Well #6 Status – As noted last month, well #6 has been off-line due to the failure of the control systems. Staff retained a contractor to build a new control systems board and while the well was down, we also brought in a contractor (All American Drilling) to rehab the well. The contractor pulled the pumps and shaft and took a video of the well casing. The video showed that the perforations were clogging with sulfur and iron bacteria. The contractor recommended a bio fouling treatment, brush and swab the casing, drop in a test pump to pump the well clean and then re-video the well casing. If all is good, then the contractor will conduct a draw down test to determine the new specific capacity of the well to design a new pump



General Manager and Administrative Activity Reports for
February 2024

system based on the well's current capacity. Staff has approved the contractor to move forward with this second phase of the well rehab project. Funding for the Well #6 rehab project was approved in the FY 2023/24 Capital Improvement Program Budget.

Board Secretary

Non routine items include gathering, reviewing, and filling out LAFCO nomination forms for submission, assigning mandated courses to staff, drafting committee meeting agenda notices, drafting interview applicant templates for interview notes, and assisting John D'Ornellas with the GM recruitment process. I also initiated the annual project to update the District's Enterprise System Catalog in accordance with Senate Bill 272. This catalog needs to be posted on the District's Webpage and updated annually. The catalog needs to disclose any software systems used by the District that collect and/or store customer data.

Customer Service/Account Receivables

- Applied 10% late fee non pay Jan: # 128 accounts.
- Past due 60 days/Turned off: 4 accounts Jan.
- 3 accounts off a few months for no payments.
- Funding for 1 Resident in Jan. paid \$ 426 to an account with nothing due. California Low Income water program



General Manager and Administrative Activity Reports for
February 2024

Administrative Services Manager

As is customary, participated in Board Meeting preparation. Continued preliminary work on the FYE Audit. Kept abreast of the District priorities on a weekly basis with both the General Manager and Operations Supervisor. Evaluated the Grant opportunities for applicable options for the District. Initiated process for funds transfer from LAIF/Coast Hills/Class. Was engaged in the review of Capacity Charge Study information. Completed several ACWA JPIA Classes to continue informative and educational direction. Provided requested information as HR Representative to our GM Recruitment Contractor. To maximize our District's footprint, attended the CSDA Dinner and was voted in as a Board Member for the local CSDA organization. Consistently attend VVCSD Board Meetings to garner information affecting our local communities. As the beginning of the calendar year requires, updated the Employee deductions for Medical Insurance. Signers have been updated for our Banking Facilities. The year-end tax forms were prepared and filed. Prepared and distributed W-2's. Prepared and mailed 1099's.



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 Director; Jim Keeling
 Director; Matthew Starbuck
 Director; Steve Dietrich

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General Manager, Brad Hagemann

**MISSION HILLS COMMUNITY SERVICES DISTRICT
 Water and Wastewater Report – February 2024**

<u>Water</u>	<u>Wastewater</u>
Monthly Distributed: 9.22 MG	Total Monthly Influent Flow: 5.45 MG
Daily Average: 0.29 MGD	Daily Average: 0.17 MGD
Monthly Sold: 8.52 MG	Ratio of Daily returned Flow: 58%
Unaccounted Water: 0.70 MG (7%)	(0.17/0.29 = 0.58)

Water

Compliance

- Submitted State Water Resource Control Board (SWRCB) monthly reports.
- Submitted annual Water Rate Survey Report.
- Submitted Quarterly SAFER Report.
- Submitted Semi Annual Santa Ynez River Conservation Report.

Well 6 Rehab

Well 6 pump, column pipe, tube, and shaft were removed to be inspected. Video recording of Well 6 showed plugging on the perforations. Next step would be to treat the well with a bio fouling chemical and run a test pump to clean the well out. After the cleaning of the well, a post video recording will be scheduled.

The district received the JCS Engine Control Panel for Well 6 and was mounted by Pro-3 Automation. JCS Automation will be scheduled to begin the startup service after the Well 6 rehab project is completed.

Distribution System Maintenance/Repair

- Replaced 14 Hersey meters to Kamstrup meters. 700 of 1312 total meters replaced.
- Repaired 1 service line leaks and 0 main line repair.

Preventative Maintenance Program: January

- Hydrant Maintenance: 9 of 9
- Valve exercised: 15 of 15

Wastewater

Compliance

- Collected all weekly settleable solids samples.
- Collected all Quarterly Samples.
- Completed SMR for the month of January.
- Submitted Annual Report.
- Submitted TSO Status Report.
- Submitted Monthly No Spill Report.

Collection System/Lift Station

- Continued monitoring of Wet well Wizard. No further odor complaints.

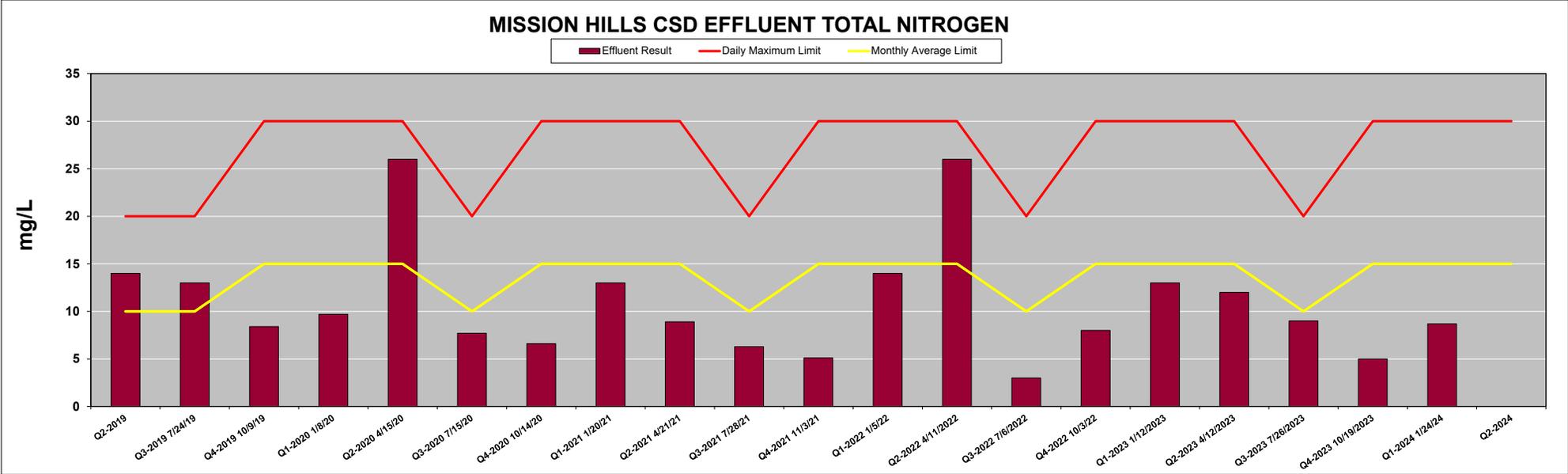
Wastewater Plant

- Blower #1 Quarterly service, air purge on all aerator diffusers

MISSION HILLS CSD EFFLUENT TOTAL NITROGEN (mg/L)

Consent Item 5.B ii

MONTH	7/24/2019	8/20/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	4/12/2023	7/26/2023	10/19/2023	1/24/2024	Q2-2024
Daily Maximum Permit Limit	20	20	30	30	30	20	30	30	30	20	30	30	30	20	30	30	30	20	30	30	30
Monthly Average Limit	10	10	15	15	15	10	15	15	15	10	15	15	15	10	15	15	15	10	15	15	15
Effluent Result	14	13	8	10	26	8	7	13	9	6	5	14	26	3	8	13	12	9	5	9	9



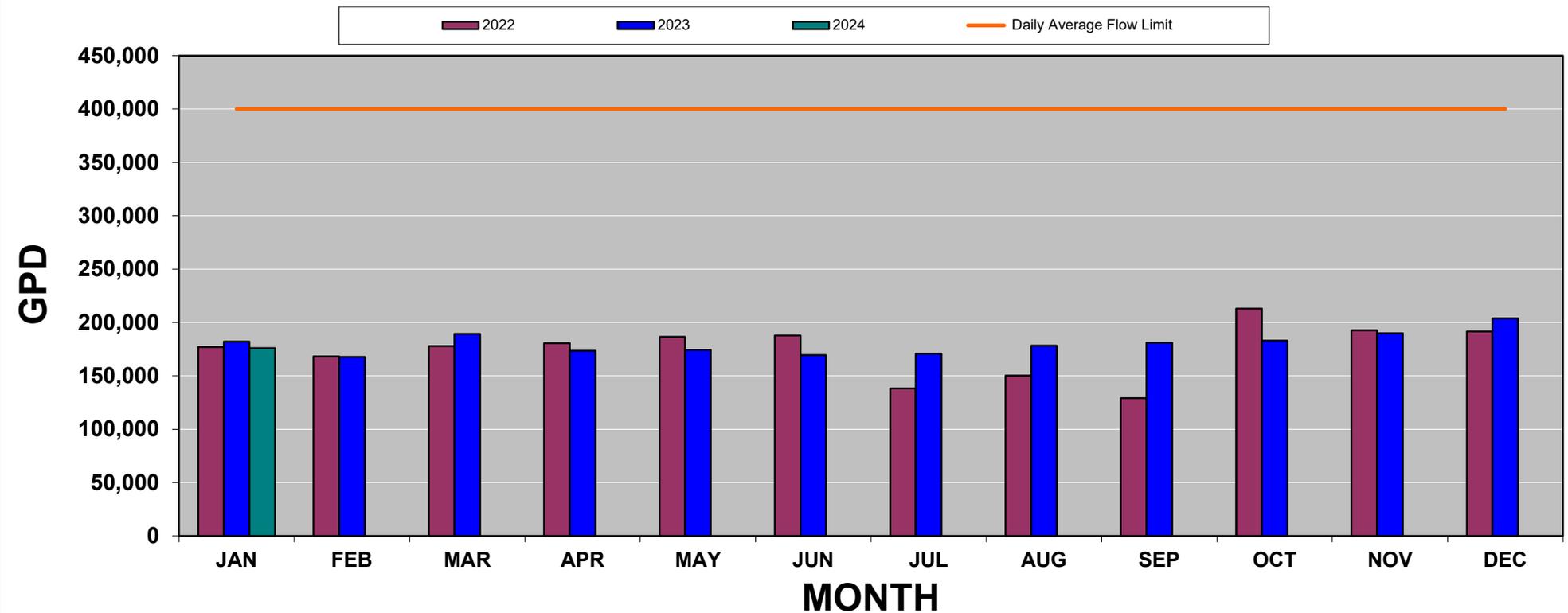
MHCSD AVERAGE DAILY WASTEWATER FLOW (GPD)

MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Daily Average Flow Limit	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
2022	177,041	168,115	177,989	180,560	186,491	187,850	138,217	150,210	129,171	212,966	192,729	191,717
2023	182,227	167,689	189,351	173,446	174,311	169,441	170,812	178,317	181,009	183,039	190,019	203,847
2024	176,039											

July 2021- Sept. 2022 Recycle flow was removed from total effluent flow.

Jan 2021- Jun 2021 inaccurate Flo-dar meter readings

MISSION HILLS CSD AVERAGE DAILY FLOW

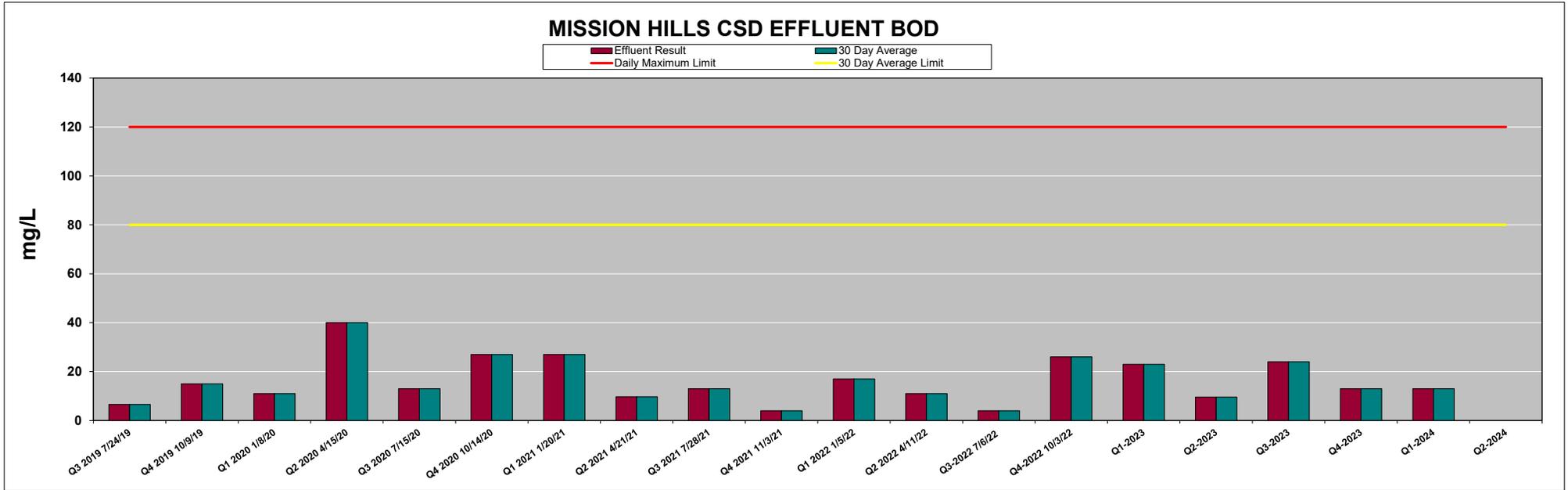


MISSION HILLS CSD EFFLUENT BOD (mg/L)

Consent Item 5.B ii

MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	4/12/2023	7/26/2023	10/19/2023	1/24/2024	Q2-2024	
Daily Maximum Permit Limit	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120
30 Day Average Permit Limit	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Effluent Result	7	15	11	>40	13	27	27	10	13	<4.0	17	11	<4.0	26	23	10	24	13	13		
30 Day Average	7	15	11	>40	13	27	27	10	13	<4.0	17	11	<4.0	26	23	10	24	13	13		

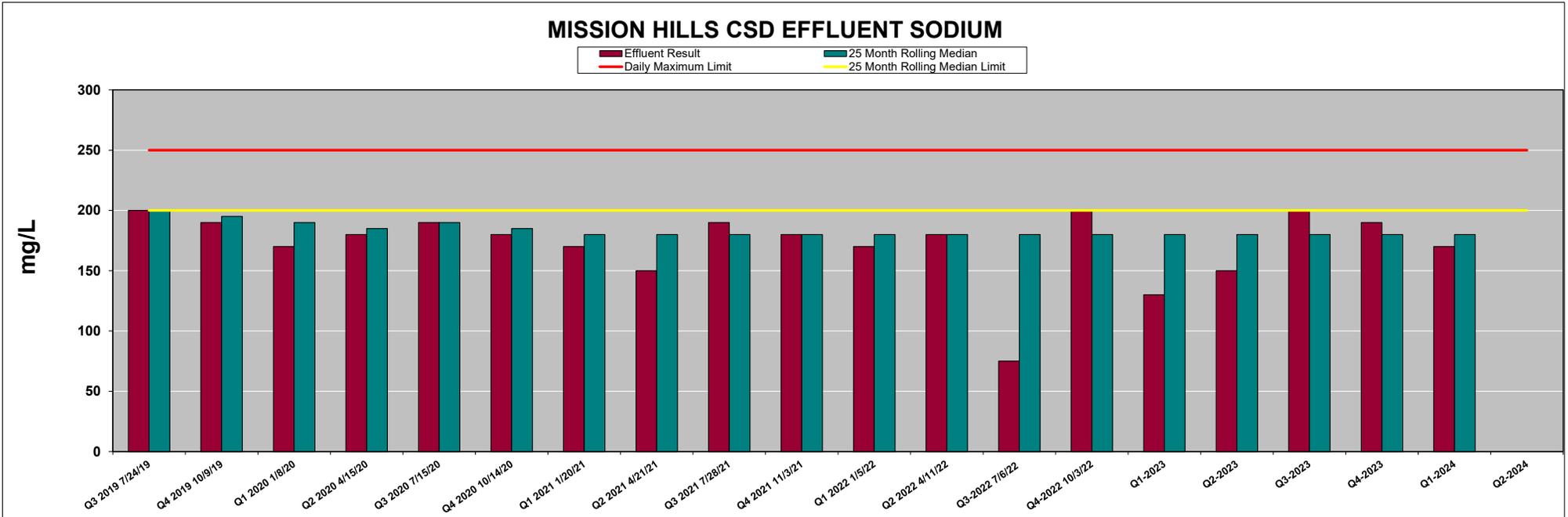
Non-detect, estimated, and greater than (>) results are graphed at their reporting levels or as reported by lab.



MISSION HILLS CSD EFFLUENT SODIUM (mg/L)

Consent Item 5.B ii

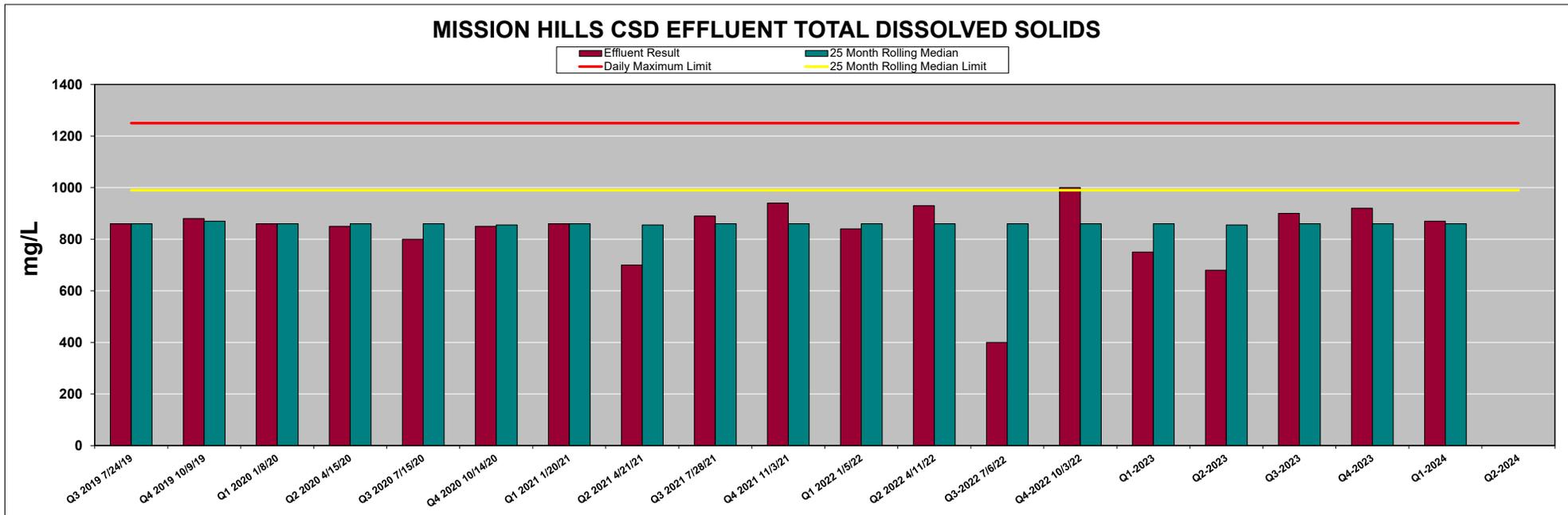
MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	4/12/2023	7/26/2023	10/19/2023	1/24/2024	Q2-2024	
Daily Maximum Permit Limit	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
25 Month Rolling Median Limit	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Effluent Result	200	190	170	180	190	180	170	150	190	180	170	180	75	200	130	150	200	190	170		
25 Month Rolling Median	200	195	190	185	190	185	180	180	180	180	180	180	180	180	180	180	180	180	180		



MISSION HILLS CSD EFFLUENT TOTAL DISSOLVED SOLIDS (mg/L)

Consent Item 5.B ii

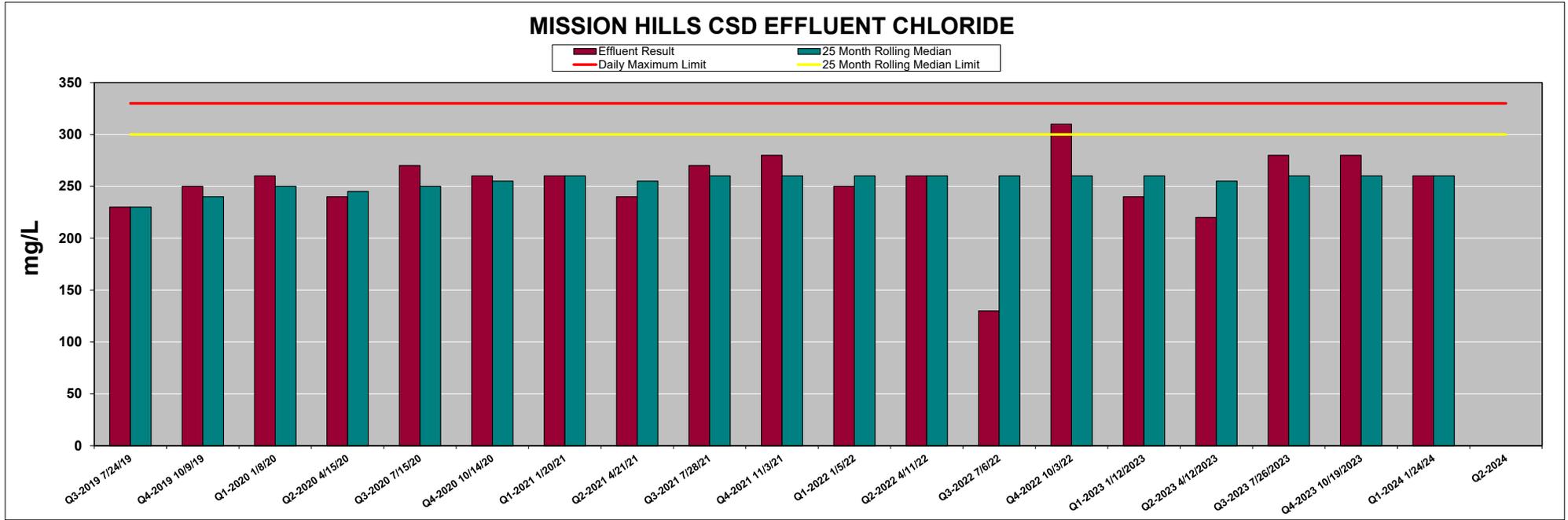
MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	4/12/2023	7/26/2023	10/19/2023	1/24/2024	Q2-2024	
Daily Maximum Permit Limit	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
25 Month Rolling Median Limit	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990
Effluent Result	860	880	860	850	800	850	860	700	890	940	840	930	400	1,000	750	680	900	920	870		
25 Month Rolling Median	860	870	860	860	860	855	860	855	860	860	860	860	860	860	860	855	860	860	860		



MISSION HILLS CSD EFFLUENT CHLORIDE (mg/L)

Consent Item 5.B ii

MONTH	7/24/2019	10/9/2019	1/8/2020	4/15/2020	7/15/2020	10/14/2020	1/20/2021	4/21/2021	7/28/2021	11/3/2021	1/5/2022	4/11/2022	7/6/2022	10/3/2022	1/12/2023	4/12/2023	7/26/2023	10/19/2023	1/24/2024	Q2-2024	
Daily Maximum Permit Limit	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
25 Month Rolling Median Limit	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Effluent Result	230	250	260	240	270	260	260	240	270	280	250	260	130	310	240	220	280	280	260		
25 Month Rolling Median	230	240	250	245	250	255	260	255	260	260	260	260	260	260	260	255	260	260	260		



Top Goals

Established by Board of Directors

(Staff recommends the Board of Directors consider updating the Top Goals on an annual or by-annual basis)

1. Wastewater TN (Total Nitrogen), Na (Sodium) & Chloride concentration reduction plan and compliance with RWQCB Time Schedule Order.

Staff continues to carefully monitor the treatment system to keep the effluent total Nitrogen levels in compliance with the TSO and WDR standards. The most recent compliance monitoring results and process control monitoring results have remained below the permit limits. Staff continues to work on isolating the pond valves so we can perform maintenance and repair as needed and we are working on implementing chloride reduction measures by inspecting areas that have the highest level of chlorides in their wastewater. The Wastewater Committee met on November 1st to discuss potential compliance issues and salt reduction strategies. RWQCB conducted an inspection on July 19, 2023. [No changes]

2. General Manager Recruitment

The Board met in Closed Session at a Special Meeting and the Regular Meeting in January 2024. Board staff and consultant are working to get a draft employment agreement completed with the District's candidate for consideration at the February 21, 2024, Regular Board meeting.

3. Cost Reduction – Energy usage and other applicable initiatives

Please refer to the Energy Committee Update. [No Changes]

4. Public Outreach – Implement regular on-line communications to the community.

Staff continues to post content on the Districts Facebook page, Facebook Forums, District's Bulletin Board, District's website, and the Next-Door local Neighborhood website. A variety of Topics have been posted via social media. Staff has been posting a new item about every three weeks. Our recent post was information pertaining to the Santa Ynez River Valley Groundwater Basin GSAs' \$5.5 million grant award.

5. Pursue Grant Funding Opportunities for Capital Projects

Staff continue to review electronic notices regarding grant funding and low interest loan opportunities. Staff receive weekly notices on grant opportunities, but to date the grants are only available for certain types of projects or Agencies and they are not applicable to the District. We will continue to monitor grant opportunities.

Updated February 15, 2024

MHCSD COMMITTEE MEETING UPDATES**February 21, 2024, Board Meeting**

(Updated February 15, 2024)

Committee	Summary Discussion	Completed Meeting Date
Water Starbuck & Dietrich Alt-Heavin	Committee members met on January 24, 2024, to discuss the status of the design of the Burton Ranch projects and the status of the water tank rehab project and Well #6. The Committee will schedule a Special Committee meeting as needed.	January 24, 2024
Wastewater Starbuck & Dietrich Alt-Heavin	The Committee met on January 24, 2024, and discussed potential WWTP compliance issues and next steps for the District's salts management program. Committee members and staff will provide an oral summary of their November 1st meeting at the November 15 th Board meeting. The next meeting will be scheduled as needed.	January 24, 2024
Finance Dietrich & Keeling Alt-Starbuck	The Committee members met on January 8, 2024. The Committee discussed the proposed revisions to the Summit Hills Settlement Agreement and the draft Reserve Policy. Both items were included and adopted at the January 17, 2024, meeting agenda. The Finance Committee will meet in March to review the draft Capacity Fee Study report. No specific date has been set for the meeting.	January 8, 2024
Energy Heavin & Starbuck Alt-Magana	On August 2 nd , Director Heavin and GM Hagemann met with a representative from Rare Electric to discuss a battery option for the WWTP and the sewage lift station. Staff provided the Rare representative with the last since months of PG&E data. Rare agreed to work up an estimate for installing batteries. On Sept 19 th , Mr. Chris Wolf, Owner of Rare Electric provided an estimate to install a solar panel and battery system for the Mesa Oaks Lift Station. His email and budget estimate is attached to this staff report. I asked Mr. Wolf to prepare a "battery only" proposal for the WWTP. I have not yet received a "battery only" proposal from Mr. Wolf. [No Changes]	August 2, 2023
Personnel Keeling & Magana Alt-Dietrich	Committee Members met on January 5, 2024, to discuss the status of the GM recruitment process. The Committee recommended a short list of applicants for the full Board to interview at an upcoming Special Meeting. The next meeting will be scheduled as needed. [No Changes]	January 5, 2024

<p>GSA for WMA Heavin Alt-Jim Keeling</p>	<p>The WMA GSA last met on January 5, 2024, as a combined meeting with the ESA, CSA and WMA. The meeting agenda notice is provided as an attachment to this report. In addition, the WMA sent a letter to the Department of Water Resources, advising them of a change in governance (to a Joint Powers Agency). The letter is provided as an attachment to this report. The next WMA GSA meeting has not been scheduled.</p>	<p>January 5, 2024</p>
<p>Community Engagement Heavin & Keeling Alt-Magana</p>	<p>Staff continues to post content on social media, the District's Bulletin Board, the District's website, and the Next-door Neighborhood website. Our recent post was information pertaining to the Santa Ynez River Valley Groundwater Basin GSAs' 5.5 Mil Grant award. The Committee scheduled a meeting for January 31, but needed to cancel the meeting due to a schedule conflict. The Committee has not re-scheduled the meeting.</p>	<p>December, 2023</p>
<p>Development Dietrich & Keeling Alt-Starbuck</p>	<p>Development Committee did not meet. Next meeting TBD.</p>	<p>TBD</p>

**NOTICE AND AGENDA OF JOINT SPECIAL MEETING OF THE GSA COMMITTEES
FOR THE FOLLOWING AGENCIES**

GROUNDWATER SUSTAINABILITY AGENCY FOR THE **CENTRAL MANAGEMENT AREA**
IN THE SANTA YNEZ RIVER GROUNDWATER BASIN

AND

GROUNDWATER SUSTAINABILITY AGENCY FOR THE **EASTERN MANAGEMENT AREA**
IN THE SANTA YNEZ RIVER GROUNDWATER BASIN

AND

GROUNDWATER SUSTAINABILITY AGENCY FOR THE **WESTERN MANAGEMENT AREA**
IN THE SANTA YNEZ RIVER GROUNDWATER BASIN

**WILL BE HELD AT
BUELLTON CITY COUNCIL CHAMBERS
140 WEST HIGHWAY 246, BUELLTON, CALIFORNIA**

AT 10:00 A.M., FRIDAY, JANUARY 5, 2024

WMA GSA Committee Member and EMA GSA Alternate Committee Member Steve Jordan will be attending the meeting via teleconference from the following location: 46250 East El Dorado, Indian Wells, CA 92210. Members of the public may join Director Jordan at that location.

Optional remote public participation is available via Telephone or ZOOM

To access the meeting via telephone, please dial: 1-669-900-6833
or via the Web at: <http://join.zoom.us>

“Join a Meeting” - Meeting ID: 878 3628 1693 Meeting Passcode: 538074

***** Please Note *****

The above teleconference option for public participation is being offered as a convenience only and may limit or otherwise prevent your access to and participation in the meeting due to disruption or unavailability of the teleconference line. If any such disruption of unavailability occurs for any reason the meeting will not be suspended, terminated, or continued.

Therefore in-person attendance of the meeting is strongly encouraged.

AGENDA OF JOINT SPECIAL MEETING

1. **Call to Order**
2. **Roll Call**
3. **Consider Appointment of Moderator to Facilitate Joint GSA Meeting**
4. **Public Comment** (Any member of the public may address the Committees relating to any non-agenda matter within the Committees’ jurisdictions. The total time for all public comment shall not exceed fifteen minutes and the time allotted for each individual shall not exceed five minutes. No action will be taken by the Committees at this meeting on any public comment item.)

5. **Review and endorse the Action Plan for Management of All Well Production Along the Lower Santa Ynez River, Above the Lompoc Narrows, as response to SWRCB staff comments received on CMA, EMA, and WMA GSPs for posting on SGMA Portal.**
 - a. Central Management Area GSA
 - b. Eastern Management Area GSA
 - c. Western Management Area GSA
6. **Update Proposition 68 Grant Award Presentation**
7. **Next GSA Tentative Special Meetings**
 - a. CMA: Monday, January 22, 2024, at 10:00 a.m. at Buellton City Council Chambers, 140 West Highway 246, Buellton, California
 - b. WMA: Wednesday, January 24, 2024, at 10:00 a.m. at Village Community Services District, Meeting Room, 3745 Constellation Rd, Lompoc, California
 - c. EMA: Thursday, January 25, 2024, at 6:30 p.m. at Santa Ynez Community Services District Meeting Room, 1070 Faraday Street, Santa Ynez, California
8. **GSA Committee Comments**
9. **Adjournment**

[This agenda was posted 24 hours prior to the scheduled regular meeting at 3669 Sagunto Street, Suite 101, Santa Ynez, California, and SantaYnezWater.org in accordance with Government Code Section 54954. In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Santa Ynez River Water Conservation District at (805) 693-1156. Advanced notification as far as practicable prior to the meeting will enable the GSA to make reasonable arrangements to ensure accessibility to this meeting.]

**SANTA YNEZ RIVER VALLEY BASIN
WESTERN MANAGEMENT AREA
GROUNDWATER SUSTAINABILITY AGENCY**

CITY OF LOMPOC,
VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT,
MISSION HILLS COMMUNITY SERVICES DISTRICT
SANTA BARBARA COUNTY WATER AGENCY AND
SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

January 26, 2024

Department of Water Resources
Sustainable Groundwater Management Office
Mr. Mark S. Nordberg, P.G.
Senior Engineering Geologist
GSA Program Manager
P.O. Box 942836
Sacramento, CA 94236-0001

**Re: Notice of Change in Form of Governance Agreement - Santa Ynez River Valley
Basin, Western Management Area**

Dear Mr. Nordberg:

Per Section 10723.8(a) of the California Water Code, the Santa Ynez River Water Conservation District (SYRWCD), the City of Lompoc (City), Vandenberg Village Community Services District, Mission Hills Community Services District and the Santa Barbara County Water Agency (County Water Agency) (“WMA Agencies”) formed the Western Management Area Groundwater Sustainability Agency (GSA) for the Western Portion of the Santa Ynez River Valley Basin (Basin Number 3-015, DWR Bulletin 118) which includes the Lompoc Upland, Lompoc Plain, Santa Rita Upland, and all reaches of the Santa Ynez River within the Western Portion of the Santa Ynez River Valley Basin. The GSA was formed under a Memorandum of Agreement on January 11, 2017.

The WMA Agencies are the only public agencies in the WMA GSA, as defined by SGMA, eligible to form a GSA. The WMA GSA is a multi-agency GSA with boundaries that follow the entire Western Portion of the Santa Ynez River Valley Basin, as defined by the 2016 version of DWR Bulletin 118.

On November 28, 2023, the WMA Agencies entered into a Joint Powers Agreement for the Western Management Area. A copy of the signed agreement is provided in Exhibit 1. This Joint Powers Agency (“JPA”) shall hereinafter be known as the Santa Ynez River Valley Groundwater Basin Western Management Area Groundwater Sustainability Agency (“WMA GSA” or “GSA”). This JPA replaces the agency formed under Memorandum of Agreement dated January

Mr. Mark Nordberg
January 26, 2024
Page 2

11, 2017. There are no material changes, as defined by SGMA, to the boundaries of the WMA GSA with the formation of the JPA.

The Notice of Joint Powers Agreement (Government Code section 6503.5) was filed with the Secretary of State, State of California on December 20, 2023. The notice is provided as Exhibit 2.

Except for the JPA itself providing for the rights and duties of the parties, no bylaws, ordinances, or authorities have been adopted by the SYRWCD, City, Community Services Districts or County Water Agency relating to the Santa Ynez River Valley Basin, WMA GSA (Water Code §10723.8(a)(3)).

If you have any further questions or require any clarification regarding the information provided in this GSA Notification submittal, please do not hesitate to contact me at the Santa Ynez River Water Conservation District at 805-693-1156 or by email at bbuelow@syrwcd.com. I will serve as the primary point of contact for the WMA GSA JPA.

Sincerely,



William J. Buelow, P.G.
General Manager
Santa Ynez River Water Conservation District

cc: Kristin Worthley, City of Lompoc
Cynthia Allen, Vandenberg Village CSD
Brad Hageman, Mission Hills CSD
Matt Young, Santa Barbara County Water Agency
Anita Regmi, DWR Southern Regional Office

Mission Hills Community Services District
Revenue and Expense Prev Year Comparison
January 2024

				Jan 24	Jan 23	\$ Change	Explanation
Ordinary Income/Expense							
Income							
	4005	· 48 hour notice fees		375.00	330.00	45.00	
	4025	· Construction hydrant meter		0.00	250.00	-250.00	
	4045	· Late fees		2,680.30	1,824.10	856.20	
	4050	· Miscellaneous income		0.00	25.00	-25.00	
	4060	· Reconnection fees		350.00	475.00	-125.00	
	4075	· Returned check fees		50.00	50.00	0.00	
	4085	· Sewer basic charges		98,254.43	90,524.64	7,729.79	Rate Increase
	4095	· Street sweeping charges		1,503.48	1,504.80	-1.32	
	4105	· Water basic charges		59,149.94	56,040.06	3,109.88	Rate Increase
	4115	· Water usage charges		35,868.11	28,389.46	7,478.65	Useage Increase
	Total Income			198,231.26	179,413.06	18,818.20	
Gross Profit				198,231.26	179,413.06	18,818.20	
Expense							
	6000	· Salaries and wages					
	6005	· Wage expense		60,727.20	52,432.33	8,294.87	Steps/Fully Staffed
	6010	· Payroll tax expense		5,176.29	4,338.86	837.43	Steps/Fully Staffed
	Total 6000 · Salaries and wages			65,903.49	56,771.19	9,132.30	
	6050	· Employee benefits					
	6060	· Disability insurance		276.09	272.87	3.22	
	6065	· Health insurance		-976.25	11,608.31	-12,584.56	Timing of Payment
	6071	· Tuition Reimbursement		0.00	905.00	-905.00	
	6075	· Retirement expenses		1,759.54	1,411.14	348.40	
	6085	· Workers compensation expe		3,878.10	3,484.79	393.31	
	6090	· Vacation & Sick Leave		5,942.07	3,696.47	2,245.60	More Scheduled Vacation
	6095	· Benefit Administration		0.00	89.82	-89.82	
	Total 6050 · Employee benefits			10,879.55	21,468.40	-10,588.85	
	6100	· Director fees		1,250.00	0.00	1,250.00	Timing of Payment
	6110	· Depreciation expense		26,784.66	28,189.70	-1,405.04	Slight Decrease
	6140	· Vehicle expenses					
	6145	· Tractor and equipment		329.39	1,731.69	-1,402.30	Less Maintenance
	6150	· Vehicle fuel		1,137.54	1,368.73	-231.19	
	6155	· Vehicle maintenance		2,114.12	1,707.95	406.17	
	Total 6140 · Vehicle expenses			3,581.05	4,808.37	-1,227.32	
	6190	· Dues and memberships		0.00	300.00	-300.00	
	6200	· Office expenses					
	6220	· Licenses and fees		0.00	185.00	-185.00	
	6230	· Office supplies		151.73	277.14	-125.41	
	6235	· Postage expense		700.00	708.33	-8.33	
	6245	· Office Equipment		242.03	169.17	72.86	
	Total 6200 · Office expenses			1,093.76	1,339.64	-245.88	
	6300	· Operating supplies and expenses					
	6310	· Miscellaneous supplies		95.91	255.08	-159.17	
	6325	· Portable equipment		44.01	0.00	44.01	
	6330	· Shop supplies		487.09	990.10	-503.01	
	6335	· Small tools and appliances		771.85	1,206.44	-434.59	
	6340	· Chemicals					
	6344	· Chlorine		1,164.22	0.00	1,164.22	Timing of Payment
	6345	· Corrosion inhibitor		4,405.42	0.00	4,405.42	Timing of Payment
	Total 6340 · Chemicals			5,569.64	0.00	5,569.64	
	Total 6300 · Operating supplies and ex			6,968.50	2,451.62	4,516.88	
	6350	· Safety expenses					
	6355	· Fire extinguishers		915.10	381.35	533.75	
	6360	· Protective Clothing/Uniforms		0.00	627.10	-627.10	
	6375	· Other safety expenses		1,144.69	0.00	1,144.69	USA Bluebook
	Total 6350 · Safety expenses			2,059.79	1,008.45	1,051.34	
	6410	· Contractual services					

Mission Hills Community Services District
Revenue and Expense Prev Year Comparison
January 2024

	Jan 24	Jan 23	\$ Change	Explanation
6420 · Cleaning service	200.00	200.00	0.00	
6425 · Office equip maintenance	94.82	123.02	-28.20	
6430 · Internet access	171.58	168.35	3.23	
6435 · Landscaping services	298.40	295.57	2.83	
6437 · Pest Control	110.00	220.00	-110.00	
6445 · Security expense	112.50	112.50	0.00	
6450 · Software support	1,452.50	1,350.50	102.00	
6452 · Credit Card Processing	1,204.40	411.16	793.24	
6453 · Software Subscriptions	0.00	687.92	-687.92	
6455 · Street sweeping services	0.00	1,471.18	-1,471.18	Timing of Payment
6470 · Other contractual services	43.75	162.25	-118.50	
Total 6410 · Contractual services	3,687.95	5,202.45	-1,514.50	
6475 · Professional services				
6476 · Financial Management Fees	878.00	847.00	31.00	
6480 · Accounting services	0.00	70.00	-70.00	
6485 · Engineering services	12,600.00	14,601.09	-2,001.09	Tuckfield 2024/Stantec 2023
6490 · Legal services	472.36	3,638.08	-3,165.72	
6495 · Human Resources services	5,662.72	0.00	5,662.72	GM Recruitment
Total 6475 · Professional services	19,613.08	19,156.17	456.91	
6500 · Printing and publication	0.00	48.94	-48.94	
6505 · Equipment lease and rentals	185.30	598.43	-413.13	
6525 · Research and monitoring				
6530 · Lab & Testing Expenses	121.00	0.00	121.00	
6535 · Monitoring expense	353.00	723.20	-370.20	
Total 6525 · Research and monitoring	474.00	723.20	-249.20	
6600 · Travel and meetings				
6610 · Meals	200.00	301.91	-101.91	
Total 6600 · Travel and meetings	200.00	301.91	-101.91	
6650 · Utilities				
6655 · Cell phones	193.92	204.00	-10.08	
6660 · Dump fees	34.00	0.00	34.00	
6665 · Electrical	15,199.71	9,124.68	6,075.03	Timing of Payment
6670 · Natural gas	111.86	4,320.80	-4,208.94	Timing of Payment
6685 · Telephone	82.49	199.69	-117.20	
6691 · Trash & Recycling	336.89	292.02	44.87	
Total 6650 · Utilities	15,958.87	14,141.19	1,817.68	
6700 · Government fees and charges	4,277.84	5,022.35	-744.51	
6720 · Repairs and maintenance				
6745 · Lift station expenses	7,951.31	0.00	7,951.31	Pro3 & Pacific Petroleum
6750 · Collection expense	0.00	8,656.49	-8,656.49	Mainline, Pro3, Surface Pumps
6760 · Shop and equip repairs	135.75	91.53	44.22	
6775 · Filtration Plant	286.39	0.00	286.39	
6785 · Wells and pumping	455.40	0.00	455.40	
6790 · Waste water plant	90.88	1,262.09	-1,171.21	Flo Dar Meter
Total 6720 · Repairs and maintenance	8,919.73	10,010.11	-1,090.38	
Total Expense	171,837.57	171,542.12	295.45	
Net Ordinary Income	26,393.69	7,870.94	18,522.75	
Other Income/Expense				
Other Income				
7006 · Market Appreciation/(Depr)	1,116.53	2,394.08	-1,277.55	Better Return
7010 · Interest income	20,698.68	11,452.51	9,246.17	Better Return
Total Other Income	21,815.21	13,846.59	7,968.62	
Net Other Income	21,815.21	13,846.59	7,968.62	
Net Income	48,208.90	21,717.53	26,491.37	

Mission Hills Community Services District
Disbursements Journal
January 2024

	Date	Num	Name	Amount	Explanation
1000 - FSB - Operating 1535412					
	01/04/2024	33707	American Industrial Supply	-226.15	
	01/04/2024	33708	Famcon Pipe & Supply Inc.	-4,839.82	Various Items
	01/04/2024	33709	Frontier Communications	-82.53	
	01/04/2024	33710	Jon's Lawn Mowing	-308.43	
	01/04/2024	33711	O'Connor Pest Control	-110.00	
	01/04/2024	33712	Pro3 Automation Inc	-2,740.00	SCADA Calibrate Turbidity
	01/04/2024	33713	SoCalGas	-62.86	
	01/04/2024	33714	Standard Insurance Company	-276.09	
	01/04/2024	33715	State Water Resources Control Bd	-868.00	
	01/04/2024	33716	State Water Resources Control Bd	-8,431.00	Waste Discharge Requirement
	01/04/2024	33717	State Water Resources Control Bd	-3,746.00	Waste Discharge Requirement - Threat Complexity 3C
	01/04/2024	33718	Tuckfield & Associates	-5,337.50	Capacity Fee Study
	01/04/2024	33719	Underground Service Alert of SC	-8.75	
	01/04/2024	33720	Valley Rock Ready Mix, Inc.	-1,593.63	Sand Slurry
	01/11/2024	33721	ACWA Joint Powers Insurance Au	-3,878.10	Work Comp Audit
	01/11/2024	33722	ACWA/JPIA *Medical Insurance	-14,410.07	Monthly Health, Dental, Vision Ins
	01/11/2024	33723	Advantage Technical Services, Inc	-11,180.00	Tank Rehabilitation Project
	01/11/2024	33724	Carmel & Naccasha LLP	-472.36	
	01/11/2024	33725	Clinical Labs of San Bernardino In	-450.00	
	01/11/2024	33726	Comcast	-171.58	
	01/11/2024	33727	De Lage Landen Financial Service	-231.57	
	01/11/2024	33728	County of Santa Barbara- Gen Sv	-1,238.55	Vehicle Maintenance & Fuel
	01/11/2024	33729	JOHN D'ORNELLAS	-3,018.86	GM Recruitment Assistance
	01/11/2024	33730	Quadient Leasing USA, Inc.	-396.14	
	01/11/2024	33731	Staples Business Credit	-93.59	
	01/11/2024	33732	Ultrex Inc	-94.82	
	01/11/2024	33733	USA BlueBook	-408.78	
	01/11/2024	33734	Waste Management	-336.89	
	01/11/2024	33735	ERS Industrial Services	-6,820.00	Filter Surveillance
	01/17/2024	33736	Santa Barbara Co Special District	-200.00	
	01/23/2024	33737	Advantage Technical Services, Inc	-25,424.00	Tank Rehabilitation Project
	01/23/2024	33738	American Industrial Supply	-1,129.87	Various Items
	01/23/2024	33739	Brenntag Pacific, Inc	-5,569.64	Chemicals
	01/23/2024	33740	City of Lompoc	-34.00	
	01/23/2024	33741	Compuvision	-1,452.50	IT Services
	01/23/2024	33742	Home Depot	-603.48	
	01/23/2024	33743	JOHN D'ORNELLAS	-2,643.86	GM Recruitment Assistance
	01/23/2024	33744	Juana Garcia Rodriguez	-200.00	Janitorial Service
	01/23/2024	33745	Linde Gas & Equipment Inc	-44.01	
	01/23/2024	33746	Lompoc Fire Equipment Service In	-915.10	Fire Extinguisher Service/Replacement
	01/23/2024	33747	Pacific Brake & Tire	-1,211.72	Tires - 2019 Ford F150
	01/23/2024	33748	Pro3 Automation Inc	-5,283.76	SCADA, Lift Station
	01/23/2024	33749	Pacific Petroleum California	-3,162.77	Sewer Leak Assistance
	01/23/2024	33750	Stantec	-11,837.50	Conceptual Water Supply Study
	01/23/2024	33751	Smith Alarms & Electronics, Inc.	-112.50	
	01/23/2024	33752	USA BlueBook	-242.64	
	01/31/2024	33753	American Industrial Supply	-319.09	
	01/31/2024	33754	Clinical Labs of San Bernardino In	-353.00	
	01/31/2024	33755	De Lage Landen Financial Service	-242.03	
	01/31/2024	33756	Energy Link	-455.40	
	01/31/2024	33757	Frontier Communications	-82.49	
	01/31/2024	33758	Jon's Lawn Mowing	-298.40	

Mission Hills Community Services District
Disbursements Journal
January 2024

	Date	Num	Name	Amount	Explanation
	01/31/2024	33759	Pro3 Automation Inc	-1,595.00	Install Relays Lift Station
	01/31/2024	33760	Santa Ynez River Water Conserv	-4,277.84	Semi Annual Groundwater Production Report
	01/31/2024	33761	Standard Insurance Company	-281.40	
Total 1000 · FSB - Operating 1535412				-139,804.07	
1060 · CHCU - General 4163					
	01/02/2024	EFT	PG&E	-10.90	Utility Bill - Street Light
	01/05/2024	EFT	PG&E	-3,200.52	Utility Bill - WWTP
	01/23/2024	EFT	PG&E	-11.30	Utility Bill - Street Light
	01/23/2024	EFT	PG&E	-45.61	Utility Bill - Well #6
	01/23/2024	EFT	PG&E	-4,173.40	Utility Bill - Well #7
	01/23/2024	EFT	PG&E	-2,105.12	Utility Bill - Lift Station
	01/23/2024	EFT	PG&E	-560.02	Utility Bill - Shop
	01/23/2024	EFT	PG&E	-264.92	Utility Bill - Office
	01/23/2024	EFT	PG&E	-3,801.15	Utility Bill - Well #5
Total 1060 · CHCU - General 4163				-14,172.94	
1070 · CHCU - Payroll 4155					
	01/03/2024		Payroll	-22,913.10	
	01/04/2024	1387	Matrix Trust Company	-4,865.31	401K/457
	01/05/2024	E-pay	EDD	-1,872.87	
	01/05/2024	E-pay	IRS USATAXPYMT	-6,554.84	
	01/05/2024	EFT	Expertpay	-299.07	
	01/17/2024		Payroll	-21,970.51	
	01/17/2024		BOD Payroll	-912.48	
	01/18/2024	1388	BOD Payroll	-228.12	
	01/19/2024	E-pay	EDD	-1,970.11	
	01/19/2024	E-pay	IRS USATAXPYMT	-6,247.12	
	01/19/2024	EFT	Expertpay	-299.07	
	01/23/2024	1389	Matrix Trust Company	-5,188.83	401K/457
	01/26/2024	EFT	AFLAC	-557.42	
	01/31/2024		Payroll	-20,823.16	
	01/31/2024	1390	Matrix Trust Company	-4,983.28	401K/457
Total 1070 · CHCU - Payroll 4155				-99,685.29	
1075 · CHCU - ACH 4130					
	01/31/2024	EFT	Bluefin Payment Systems	-71.85	Credit Card Charges
	01/31/2024	EFT	Bluefin Payment Systems	-1,132.55	Credit Card Charges
Total 1075 · CHCU - ACH 4130				-1,204.40	
TOTAL				-254,866.70	

Variation From Projected Income

Fiscal Year Ending 6-30-2024

Billing Month	Water			Wastewater			Total (Loss) / Gain	Current Year Units Sold	Last Year Units Sold	Previous 5 Year Average Units Sold
	Budgeted Income*	Actual Income	Variation	Budgeted Income	Actual Income	Variation				
Jul-23	\$ 140,380	\$ 115,544	\$ (24,836)	\$ 97,799	\$ 97,994	\$ 195	\$ (24,641)	26,994	22,621	22,851
Aug-23	\$ 128,800	\$ 144,772	\$ 15,972	\$ 97,799	\$ 98,416	\$ 617	\$ 16,589	18,520	25,390	23,682
Sep-23	\$ 120,220	\$ 115,141	\$ (5,079)	\$ 97,799	\$ 98,232	\$ 433	\$ (4,646)	19,235	20,829	21,326
Oct-23	\$ 119,125	\$ 117,268	\$ (1,857)	\$ 97,799	\$ 97,928	\$ 129	\$ (1,728)	21,161	16,842	20,671
Nov-23	\$ 115,125	\$ 123,896	\$ 8,771	\$ 97,799	\$ 98,285	\$ 486	\$ 9,257	15,372	15,567	18,751
Dec-23	\$ 117,390	\$ 103,631	\$ (13,759)	\$ 97,799	\$ 98,258	\$ 459	\$ (13,300)	12,792	10,999	13,996
Jan-24	\$ 100,250	\$ 95,018	\$ (5,232)	\$ 97,799	\$ 98,254	\$ 455	\$ (4,777)	11,388	9,757	11,280
Feb-24	\$ 101,640			\$ 97,799			\$ -		9,472	13,761
Mar-24	\$ 105,370			\$ 97,799			\$ -		9,024	12,444
Apr-24	\$ 90,060			\$ 97,799			\$ -		13,645	14,081
May-24	\$ 103,220			\$ 97,799			\$ -		19,652	19,099
Jun-24	\$ 116,454			\$ 97,801			\$ -		19,089	19,758
Total	\$ 1,358,034	\$ 815,271	\$ (26,019)	\$ 1,173,590	\$ 687,367	\$ 2,774	\$ (23,245)	125,462	192,887	211,699
YTD avg	100%	60%		100%	59%			Year to Date Monthly Averages		
								17,923	16,074	17,642
								Yearly Average	16,074	17,642
* Projected Income is calculated by using current year and previous 5 year average monthly units sold.										
Units Sold by Calendar Year (1 Unit = 1 HCF = 748 Gallons)										

Bank Account Summary							
	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	12/31/2023	1/31/2024
LAIF	\$1,781,631	\$1,781,631	\$1,781,631	\$1,797,697	\$1,797,697	\$297,697	\$313,625
California Class	\$502,970	\$505,297	\$507,572	\$509,949	\$512,273	\$514,684	\$517,080
TD Ameritrade/RNC Center	\$682,155	\$687,771	\$688,798	\$690,069	\$695,482	\$699,625	\$701,161
Coast Hills FCU							
Checking	\$321,621	\$462,170	\$601,773	\$339,147	\$376,474	\$1,862,666	\$1,889,802
Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Investment Checking	\$202	\$202	\$202	\$202	\$202	\$202	\$202
Savings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll	\$44,515	\$30,715	\$13,210	\$9,860	\$12,703	\$53,773	\$39,159
ACH (Sweep Account)	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total Coast Hill FCU	\$367,338	\$494,087	\$616,185	\$350,209	\$390,379	\$1,917,642	\$1,930,163
Five Star Bank							
Operating	\$277,073	\$109,094	\$107,214	\$293,484	\$347,481	\$175,312	\$142,796
Development	\$111,671	\$111,680	\$111,689	\$111,699	\$111,708	\$111,718	\$111,727
Money Market	\$173,535	\$174,021	\$124,416	\$124,788	\$125,162	\$125,565	\$125,982
ACH (Sweep Account)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Five Star Bank	\$562,279	\$394,795	\$343,319	\$529,971	\$584,351	\$412,594	\$380,505
Combined Balance	\$3,896,373	\$3,863,582	\$3,937,505	\$3,877,895	\$3,980,182	\$3,842,241	\$3,842,534
Monthly Change	-\$53,866	-\$32,791	\$73,923	-\$59,610	\$102,287	-\$137,940	\$293
Fiscal Year Monthly Change To Date							
-\$107,704							
INVESTMENT STRATEGY	<p>Along with resuming active management, the Finance Committee and Staff recommend a balanced distribution of monies as stated below between TD Ameritrade, LAIF and Coast Hills Credit Union/Five Star Bank. This distribution will allow the District to maximize yields on investments, while meeting operating and capital cash needs</p>						
Recommended Investment Strategy:	<p>Current Percentage</p> <ul style="list-style-type: none"> LAIF/CA Class: 22% TD Ameritrade/RNC Center: 19% Total CH FSB Less Development: 59% 						
01. Coast Hills CU/Five Star Bank: \$300,000	Goal of about 10%						
02. TD Ameritrade: 50% of balance of unrestricted cash	Goal of about 45%						
03. LAIF: 50% of the balance of unrestricted cash	Goal of about 45%						

Mission Hills Community Services District								7
Budget to Actual Comparison								0.58
Thru 01/31/2024								5
	Budgeted	Prorated Budget	Actual Thru		Remainder	% of Budget	Explanation	
Income	Fiscal Year 23-24	Jan-24	Jan-24	Difference	Budgeted Amount	58%		
Late Fees/Charges	\$ 40,000	\$ 23,333	\$ 22,095	\$ (1,238)	\$ 17,905	55%	Slightly Lower Than Budgeted	
Water Service	\$ 1,358,034	\$ 792,187	\$ 815,272	\$ 23,086	\$ 542,762	60%	Slightly Higher than Budgeted	
Sewer Service	\$ 1,173,590	\$ 684,594	\$ 687,367	\$ 2,773	\$ 486,223	59%	On Track With Budget	
Street Sweeping	\$ 18,000	\$ 10,500	\$ 10,520	\$ 20	\$ 7,480	58%	On Track With Budget	
	\$ 2,589,624	\$ 1,510,614	\$ 1,535,255	\$ 24,641	\$ 1,054,369	59%	Revenue is 1% Above Budget	
	Budgeted	Prorated Budget	Actual Thru		Remainder			
Expense	Fiscal Year 23-24	Jan-24	Jan-24	Difference	Budgeted Amount			
Salaries & Wages	\$ 787,873	\$ 459,593	\$ 471,788	\$ (12,196)	\$ 316,085	60%	Slightly Higher Than Budgeted	
Employee Benefits	\$ 285,000	\$ 166,250	\$ 136,163	\$ 30,087	\$ 148,837	48%	Lower Than Budgeted	
Director Fees	\$ 15,000	\$ 8,750	\$ 9,250	\$ (500)	\$ 5,750	62%	Slightly Higher Than Budgeted - Committee & Special Meetings	
Depreciation	\$ 372,648	\$ 217,378	\$ 187,493	\$ 29,885	\$ 185,155	50%	Slightly Lower Than Budgeted	
Election Expense	\$ -	\$ -	\$ -	\$ -	\$ -	0%	No Election Expense	
Vehicle Expense	\$ 30,000	\$ 17,500	\$ 23,489	\$ (5,989)	\$ 6,511	78%	Higher Than Budgeted - Addl Vehicles	
Insurance	\$ 40,000	\$ 23,333	\$ 14,808	\$ 8,525	\$ 25,192	37%	Lower Than Budgeted	
Memberships	\$ 40,000	\$ 23,333	\$ 21,842	\$ 1,492	\$ 18,158	55%	Slightly Lower Than Budgeted	
Office Expenses	\$ 25,000	\$ 14,583	\$ 9,966	\$ 4,617	\$ 15,034	40%	Lower Than Budgeted	
Operating Supplies	\$ 20,000	\$ 11,667	\$ 13,753	\$ (2,086)	\$ 6,247	69%	Famcon, Uline, USA BlueBook Payment Timing	
Chemicals	\$ 75,000	\$ 43,750	\$ 41,170	\$ 2,580	\$ 33,830	55%	Slightly Lower Than Budgeted	
Safety	\$ 5,000	\$ 2,917	\$ 4,187	\$ (1,270)	\$ 813	84%	Timing of Payments	
Contractual Services	\$ 125,000	\$ 72,917	\$ 55,503	\$ 17,413	\$ 69,497	44%	Lower Than Budgeted	
Professional Services	\$ 70,000	\$ 40,833	\$ 63,365	\$ (22,531)	\$ 6,635	91%	Higher Than Budgeted - Legal, CPA, GM Recruitment	
Printing & Publication	\$ 5,000	\$ 2,917	\$ 131	\$ 2,786	\$ 4,869	3%	Lower Than Budgeted	
Equipment Lease	\$ 7,500	\$ 4,375	\$ 1,925	\$ 2,450	\$ 5,575	26%	Lower Than Budgeted	
Monitoring	\$ 25,000	\$ 14,583	\$ 8,883	\$ 5,701	\$ 16,117	36%	Lower Than Budgeted	
Travel/Meetings/Meals	\$ 20,000	\$ 11,667	\$ 1,742	\$ 9,924	\$ 18,258	9%	Lower Than Budgeted	
Utilities	\$ 225,000	\$ 131,250	\$ 122,429	\$ 8,821	\$ 102,571	54%	Slightly Lower Than Budgeted	
Government Fees	\$ 100,000	\$ 58,333	\$ 19,839	\$ 38,494	\$ 80,161	20%	Lower Than Budgeted	
Repairs & Maintenance	\$ 80,000	\$ 46,667	\$ 151,102	\$ (104,436)	\$ (71,102)	189%	Several Leaks	
Ratepayer Write Offs	\$ 25,000	\$ 14,583	\$ -	\$ 14,583	\$ 25,000	0%	Minimal Write Offs	
	\$ 2,378,021	\$ 1,387,179	\$ 1,358,827	\$ 28,351	\$ 1,019,194	57%	Expenses Are 1% Below Budget	
Resolution 15-229 - Budget Preparation and Approval Process								
C.3. - Whenever a budgeted expense line item has circumstances where a projected expense exceeds a 5% variance of the total budget, the GM will be required to seek a super majority approval from the BoD before the expense is finalized, when possible.								
				5% =	\$ 118,901.05			



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Brad Hagemann, General Manager
John D'Ornellas

DATE: February 21, 2024

SUBJECT: CalPERS Eligibility Application

Recommendation

Recommendation: Direct staff to submit an application to the California Public Employment Retirement System (CalPERS) to determine the District's eligibility for membership.

Policy Reference

Sections 20000 through 22970.89 of the California Government Code contains the laws that govern CalPERS. Government Code sections 7522 through 7522.74 provides that the Public Employee Pension Reform Act shall apply to all specified public retirement systems in California, including CalPERS.

Budget Resource

The District currently contributes 6.2% of payroll into either the Federal retirement system (Social Security) or a 457(b) plan per employee. Additionally, the District will match an additional 3% of an employee's elective contribution to their 457(b) plan. Thus, the District's total maximum pension cost is 9.2% of payroll.

Alternatives Considered

Do nothing and continue with the current retirement system of providing staff with the pension choice of either Social Security or the 457(b) plan.

Background

CalPERS is the largest public pension fund in the U.S. with \$463 billion of market value. There are 2 million members in CalPERS including all State agencies, 1,156 public agencies, and 1,335 school districts. CalPERS is a defined benefit plan where retirement benefits are based on a formula; service credit (years) multiplied by benefit factor (% per year) multiplied by final three-year average compensation. The District's current 457(b) plan is a defined contribution plan where the employer and employee contribute to a retirement account. The employee, in coordination with the Company that manages the District accounts, decides the structure of the investment portfolio based on the employee's investment goals and risk tolerance.

The 2012 Public Employee Pension Reform Act (PEPRA) changed everything for CalPERS. All employees of a CalPERS agency that were hired after January 1, 2013, are PEPRA members. PEPRA generally reduced benefit formulas, increased retirement ages and requires shared pension costs between the employer and the employees.

Discussion

The District membership into CalPERS may have several benefits including recruitment and retention of employees. CalPERS is the industry standard for local government agencies. PEPRA has made CalPERS less costly for agencies due to the required shared cost between employees and employers and less generous pension formulas. Under the PEPRA provisions, the District's CalPERS pension formula would be the Miscellaneous 2% at 62 plan.

The District's CalPERS membership costs will not be known until after an actuarial valuation is completed. However, most agencies under the Miscellaneous 2% at 62 plan have a FY 2023-24 cost of around 7.68%. The employees would also pay approximately this same percentage of the cost for their share of their pension.

Example of the 2% at 62 formula pension calculation for an employee with 25 years in the CalPERS system that retires at 62 with a final average salary of \$75,000:

$$25 \text{ yrs.} \times 2\% = 50\% \times \$75,000 = \$37,500 \text{ annual pension}$$

The employee in the above example could retire at 50 years old with less of a pension or work until 67 with more of a pension.

There are several administrative steps required for the District to enter CalPERS. The first of these is the submittal of a questionnaire to determine eligibility. If the District meets eligibility requirements, CalPERS will forward us a new agency contract package. If we decide to continue, CalPERS will provide us access to the employer's online section of the CalPERS website ([myCalPERS](#)) to process our application. Depending upon the complexity of the contract, the process typically takes 9 to 12 months to complete.

If we choose to contract for CalPERS retirement coverage, we must request an actuarial valuation online via the myCalPERS. The fees for an actuarial valuation are \$900 for each new agency actuarial valuation, per scenario.

There are advantages, disadvantages and unknowns for the District entering CalPERS:

- **Advantages:** The CalPERS pension plan is the standard for most public agencies. Enrolling in the plan may help in recruiting and retention; it could also lower pension costs, simplify pension options, and provide better pension for employees.
- **Disadvantages:** CalPERS is a complex bureaucracy and once a district is enrolled you essentially lose control over pension investment decisions. As a defined benefit plan, CalPERS is responsible for retirees' payments, regardless of the market performance. The district is responsible for covering any shortfalls. This can lead to an "unfunded liability" for the district. Getting out of CalPERS is an expensive and time-consuming task.
- **Unknowns that may not be answered until the CalPERS application stage include:** Are there any impacts to the District's current Social Security membership; is a transfer of an employee's current 457 assets allowed or desired to provide service credit, and is a vote by employees required by CalPERS.

Management held a meeting with all employees to provide them with the information above. CalPERS membership updates will be provided if your Board decides to move forward with the application process.



MISSION HILLS COMMUNITY SERVICES DISTRICT

7. COMMUNICATIONS- The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information, request the Board President consider placing an item on a future committee meeting or regular meeting.

- A. General Manager Comments
- B. Director's Comments
- C. Public Comments

LAST PAGE OF BOARD PACKET