

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

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"Pride in Community Service"

MINUTES Regular Meeting

February 3, 2026

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 4:30 p.m. by President Gonzales, who led the Pledge of Allegiance.

2. ROLL CALL: Directors Cox, Gonzales, Heuring, Lamont, and Stassi were present.

OTHERS PRESENT

Cynthia Allen, General Manager; Jeff Cole, Operations and Maintenance Manager; and Patricia LeCavalier, Financial Services Manager.

3. ADDITIONS AND DELETIONS TO THE AGENDA: None

4. PUBLIC FORUM

President Gonzales invited public comments, and there were none.

5. OPERATIONS REPORT

Mr. Cole reported that the district pumped 26.7 million gallons, with an average daily demand of 0.86 million gallons. This is 15 percent less than last January. Vandenberg Village had 2.77" of rainfall in January, leaving the calendar-year total at 11.06". The district's well levels for January were 1B – 140 feet, 3A – 135 feet, and 3B – 134 feet. In January, the crew replaced one copper service line and replaced two angle stops.

Mr. Cole then provided a PureFlow update. On January 12, the backwash pump was installed. The crew began direct injection of sodium hypochlorite on January 13. On January 13 and 14, the contractor removed the spent media. The old piping, valves, and reaction vessels were removed on January 14 and 15. On January 17, the new valves and tees were installed. The contractor began removing the old laterals and tees on January 19 and 20. Scott Johnson from PureFlow conducted a site visit to inspect the interior damage that was discovered after pressure washing. Joe Debolt and Mr. Cole wired the new valves and pulled the power conductors for the backwash pump. Our SCADA Integrator was on-site on January 23 to work on the programming.

Crosno Construction also made a site visit on January 26 and 27. At this time, they sandblasted the interior of the filter for inspection. The new piping installation was completed on January 27. The filter interior was inspected by Crosno Construction on January 28. During their inspection, they found six pits with up to 1/8" material loss and four pits with 1/16" material loss. Their recommendation was to weld patches over the six pits and fill-weld the others. The welding was completed the same day. They sandblasted for coating and stripe-coat all welds and edges on January 29. The interior of the filter was coated on January 30. They then spark-tested the coating and recoated 7 areas, including all edges and bulkheads, on January 31. After a 10-day cure-time, the project can continue.

There were no sewer overflows in January. To conclude his report, Mr. Cole shared that Garrett Kirkland started with the District on January 5. Ben Quinlan left the District on January 30.

6. ADMINISTRATION REPORT

Financial Services Manager LeCavalier reported that in December, we received \$612,000 for the LRWRP Upgrade Charge. This is billed through the Santa Barbara County property tax roll. It is reflected as a large spike of revenue on the Wastewater operating income charts on pages 21 through 24 of your board package.

To conclude her report, Ms. LeCavalier shared the most recent investment earnings rates. California CLASS is at 3.78 percent, Mechanics Bank is at 3.74 percent, and LAIF is at 3.94 percent.

For fiscal year 2025-26, we conservatively estimated interest income at 3.5 percent, showing that the investments are still performing better than budgeted. Director Gonzales shared that he is proud of what the staff and the Board have done regarding our investments, and that our interest earned was \$296,000.

7. CONSENT CALENDAR

A. Minutes of the Regular Meeting on January 6, 2026

B. Minutes of the Special Meeting on January 16, 2026

C. Treasurer's Report

(1) Pro-forma Financial Statements as of December 31, 2025

(2) Pro-forma Schedule of Investments as of December 31, 2025

(3) Disbursements through January 31, 2026

The following motion was made:

Motion by Director Lamont, seconded by Director Stassi, to accept the consent calendar as presented.

Ayes: Directors Cox, Gonzales, Heuring, Lamont, and Stassi

Noes: None

Abstain: None

Absent: None

8. ACTION ITEMS

A. Mid-Year Budget Review

Director Gonzales addressed the Finance/Budget Committee, asking if they had any concerns about discussing this topic before it is brought to their Committee. Director Cox had no issues with

discussing this as a group. Director Stassi felt the same, as long as the Board covered the forecast for the fiscal year. General Manager Allen noted that forecasting is included in the budget documents available in March, but not in the mid-year budget review.

General Manager Allen will add a Finance/Budget Committee meeting to the January schedule, allowing the Committee to review the mid-year budget review before it is brought to the Board.

Director Stassi referenced the YTD Net Operating Income – Water graph on page 18 and the YTD Net Non-Operating Income – Water graph on page 19. Director Stassi asked that this be included on the Finance/Budget Committee agenda for a more detailed review.

Director Gonzales shared that he supports the Finance/Budget Committee meeting in January to review the mid-year budget review, before bringing it to the Board.

Director Gonzales referenced the water and wastewater reserves shown on page 40. Director Gonzales asked whether we should put money into the wastewater fund instead of the water fund. General Manager Allen said that, based on our Capital Improvement Plan, the funds for wastewater will not last much longer. We do have big projects coming up and scheduled maintenance that will take money from the wastewater side.

The following motion was made:

Motion by Director Lamont, seconded by Director Heuring, to accept the mid-year budget review.

Ayes: Directors Cox, Gonzales, Heuring, Lamont, and Stassi

Noes: None

Abstain: None

Absent: None

B. Filter Project

General Manager Allen shared that, to get our filtration system back online, she made the emergency decision to have the repairs completed as soon as possible. The Government Code requires this

to be brought to the Board for their review at the next regular meeting. Since the job is essentially done, there is no need to continue any emergency action past this meeting, and Dr. Allen has asked that the board also determine that.

Dr. Allen went on to explain that more money is needed for this project. It was known that, depending on the vessel's condition, the project could cost 10-15 percent over budget. At the moment, it looks like we are just over 11 percent over budget on the vessel repairs. Staff suggests deferring the \$100,000 Water Valve Project to next year and reallocating \$75,000 of that money to the Filter project to make up the difference.

Director Gonzales had a question regarding the Contractor Budget dollar amount shown on page 61. Director Gonzales asked if it was possible to see any indication from PureFlow that they might be raising their estimated costs, as he only has their original contract from a previous board package. General Manager Allen said she would look for any correspondence about this from PureFlow.

The following motion was made:

Motion by Director Heuring, seconded by Director Lamont, to accept the emergency action taken by the General Manager, accept that there is no need to continue the emergency action taken, and consider the second recommendation to defer the \$100,000 Water Valve Project, that's in this fiscal year and budget, to a future budget and reallocate \$75,000 of the funds to the Filter Rehabilitation Project.

Ayes: Directors Cox, Gonzales, Heuring, Lamont, and Stassi
Noes: None
Abstain: None
Absent: None

C. Financial Policies

The board reviewed the revised check-signing policies on page 77, as requested at our previous meeting.

Director Stassi referenced section 4.6, Mid-Year Budget Review, which states that the District's adopted budget, which is twelve months, shall be reviewed at the midpoint of the fiscal year, which is at six months, by the Board. Director Stassi felt that when the other six months are added, the Board should look at those as well. Director Stassi would like to have the six months of actual and six months projected at the mid-year budget review. Director Stassi let staff know he believes the right place to have that information would be at the mid-year budget review. General Manager Allen said this would not be a problem.

Director Gonzales referenced page 4 of the Financial Policies under section 4.5, Budget Control, paragraph 4. Director Stassi showed concern over the wording of this section. It was suggested by Director Lamont to put a dollar cap in this paragraph as a guardrail. Director Gonzales suggested a \$25,000 cap, and anything over that amount must come to the Board.

The following motion was made:

Motion by Director Stassi, seconded by Director Lamont, to adopt the revised Financial Policies in addition to approving that the General Manager has authority to approve budget transfers up to \$25,000 between operating categories, and to approve budget transfers up to \$25,000 between capital projects, and to hire employees per the Organizational Chart.

Ayes: Directors Cox, Gonzales, Heuring, Lamont, and Stassi

Noes: None

Abstain: None

Absent: None

D. LAFCo Election

After some discussion, the Board agreed to vote for Robert Dunlap with the Santa Ynez River Water Conservation District.

9. REPORTS

A. Committees

Water/Wastewater will meet on February 13 at 10 a.m., Legal/Personnel will meet on February 27 at 3 p.m., and Finance/Budget will meet in March.

B. District Representatives to External Agencies

The SBCCSDA Chapter Meeting was held last week. Five Star Bank gave a presentation.

SGMA will meet on February 25 at 2 p.m. They have not met since our previous board meeting.

C. Board President

Director Gonzales shared that he met with General Manager Allen and Operations & Maintenance Manager Cole on January 23 to view the progress on the Filter Project.

Director Gonzales mentioned he had seen online conversations regarding the Filter Project. He went on to say that, looking at the situation, staff handled the situation well by putting the message out to the community. He thanked staff for how this was handled.

Director Gonzales went on to ask that we get an exit interview from Ben Quinlan. Ideally, this would be something that could be presented to Legal and Personnel at their upcoming meeting.

It was asked that General Manager Allen look into a Hydrologist to take a look at the area at the maintenance yard where we received debris and a damaged fence from recent rains.

Director Gonzales thanked everyone who was present for the January 16 Strategic Plan workshop.

D. General Manager

General Manager Allen reported that we received one ADU Can and Will Serve request in January. This project had already received a

Can and Will Serve letter, but some modifications were made, which required a new letter.

The Lompoc Hospital has returned the signed agreement to add a 3” meter to their property at 3890 Constellation Road. The 2” meter that currently provides service to both 3880 and 3890 Constellation will remain and will be replumbed to service only 3880. Part of this project will be awarded to a contractor since they have the tools to hot tap the water line.

Wicks Roofing has repaired our roof. In addition, they completed preventive maintenance throughout the roof, and seams were resealed to stop any additional leaking. Dr. Allen reached out to the inspection company to see when they recommend sealing the entire roof.

It was reported that we have received the first reimbursement check for our cybersecurity grant in the amount of \$6,580.

The Sewer Rehab RFP has been posted, and invitations have been sent to lining contractors. The County’s paving schedule was reviewed by General Manager Allen and Operations & Maintenance Manager Cole before finalizing the rehabilitation locations. This is to make sure we weren’t going to spend money on manholes that were going to be raised in a year. The sewer main recordings were also checked to pinpoint the locations with the greatest need. The initial project consisted of lining 14,000 linear feet of main and 60 manholes. The new project description consists of 10,000 linear feet of main and manholes. Remaining funds to convert cleanouts and manholes are being used.

Directors should have received an email from Santa Barbara County via South Tech Hosting regarding your annual Form 700 Conflict of Interest filing. General manager Allen asked that Directors please log in as soon as possible to electronically file your form. It was noted that fines for late filings are \$10 per day. If you need any assistance, you can reach out to Dr. Allen or Brianna.

General Manager Allen reiterated that the Water/Wastewater Committee meeting is scheduled for February 13 at 10:00 a.m., and

the Legal/Personnel Committee is scheduled to meet on February 27 at 3:00 p.m. It was noted that if dates or times need to be adjusted, we still have time to do so before the required posting date.

Dr. Allen shared that she is working on a lease to State Lands for the maintenance of Davis Creek. The County of Santa Barbara's lease expired in October.

To conclude her report, it was shared that the SBCCSDA Chapter Meeting will be on April 27 in Goleta. It is sponsored by the Goleta West Sanitary District, so there will be no charge for the attendees.

10. INFORMATIONAL CORRESPONDENCE

A. **US Drought Monitor:** California, January 29, 2026

B. **VCSD:** Water Pumped vs Sold, 12 months

C. **VCSD:** Well Soundings, 12 months

11. DIRECTORS FORUM

Director Cox shared that this June, she will be attending an in-person training in Fresno on Financial Aspects for Board Members.

Director Stassi reported that he visited the District office to audit the petty cash. Director Stassi shared that a presenter at the SBCCSDA dinner recommended not dealing with checks or cash. There are financial gatekeepers you can sign up with that work similarly to PayPal. They verify where the money is going and coming from.

Director Lamont has notified the Providence Landing HOA and park about the upcoming Europa project. Their only concern was that they were planning to seal the streets this summer. The HOA would like to time their street sealing with our project. The park is mainly concerned about its grass and certain leagues that have rented out the area to practice. Director Lamont thanked Dr. Allen for sending him the documents and pictures relating to this project. Operations

and Maintenance Manager Cole said that the project should be completed between August and October.

12. ADJOURN

President Gonzales declared the meeting adjourned at 6:05 p.m.

Attest:

Signed:

Brianna Jennings
Secretary, Board of Directors

Richard Gonzales
President, Board of Directors