

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

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3745 Constellation Road • Vandenberg Village • Lompoc, CA 93436  
Telephone: (805) 733-2475 • Fax: (805) 733-2109 • [info@vvcasd.org](mailto:info@vvcasd.org)



*"Pride in Community Service"*

**NOTICE:** The Board of Directors of the Vandenberg Village Community Services District will meet at the District Office Conference Room, 3745 Constellation Road, Vandenberg Village, in compliance with [California Government Code § 54954](#).

## **Regular Board Meeting**

### **AGENDA**

Tuesday, May 5, 2026

4:30 p.m.

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. ROLL CALL: Directors Cox, Gonzales, Heuring, Lamont, and Stassi
3. ADDITIONS AND DELETIONS TO AGENDA
4. PUBLIC FORUM

The Board will invite public comment on each action item as it is considered during the meeting.

At this time, members of the public wishing to address the Board on other matters that are within the jurisdiction of the District may do so when recognized by the President.

Please begin by stating your name and place of residence.

5. GUEST SPEAKERS: Brian Jensen, Luke Anderson, and Noah Bischof, HydroPro Solutions; Tanya Harvey, Master Meter
6. OPERATIONS REPORT
7. ADMINISTRATION REPORT

8. CONSENT CALENDAR

- A. Minutes of the Regular Meeting on April 7, 2026 ..... page 1
- B. Treasurer Report
  - (1) Pro-forma Financial Statements as of March 31, 2026 .....  
..... page 11
  - (2) Disbursements through April 30, 2026 ..... page 25
  - (3) Schedule of Investments as of March 31, 2026 ..... page 33

9. ACTION ITEMS

- A. **Interfund Loan:** Receive a report from the Finance/Budget Committee and consider approving an interfund loan of \$1,000,000 from the wastewater fund to the water fund ..... page 35
- B. **AMI Project:** Receive a report from the Finance/Budget Committee and consider issuing a purchase order to HydroPro Solutions to purchase AMR-compatible AMI meters ..... page 39
- C. **LRWRP Upgrade:** Receive a report from the Finance/Budget Committee and discuss the collection of the LRWRP Upgrade Charge on the Santa Barbara County Tax Roll and the remaining SRF debt payments ..... page 53
- D. **Capital Budget Increase:** Consider increasing the FY 2025-26 water capital budget by \$13,000 to replace the 25 hp filter pump .... page 61

10. REPORTS

- A. Committees
- B. District Representatives to External Agencies
- C. Board President
- D. General Manager

## 11. INFORMATIONAL CORRESPONDENCE

- A. **US Drought Monitor:** California, April 30, 2026..... page 65
- B. **VVCSD:** Water Pumped vs Sold, 12 months ..... page 67
- C. **VVCSD:** Well Soundings, 12 months ..... page 69
- D. **VVCSD:** Wastewater Treatment Summary ..... page 71
- E. **City of Lompoc:** Appendix B: Lompoc Regional Wastewater System Loading, FY 2024-25 ..... page 73

12. **DIRECTORS FORUM:** Any member of the Board may address the Board on any subject within the jurisdiction of the District.

## 13. CLOSED SESSION

**Public Employee Performance Evaluation (Gov't Code § 54957)**  
Title: General Manager

14. **OPEN SESSION:** Announce or take action resulting from closed session discussions.

## 15. ADJOURN

**Notice Regarding Public Participation:** For those who are unable to attend the meeting in person or electronically, but who wish to provide public comment on matters that are within the jurisdiction of the District, please submit any comments and written materials to the District in person or via electronic mail at [administration@vvcسد.org](mailto:administration@vvcسد.org). All submittals should indicate the board meeting date and agenda item number. Materials received by the District before or during the meeting will become part of the minutes and will be made available to the public under the Public Records Act.

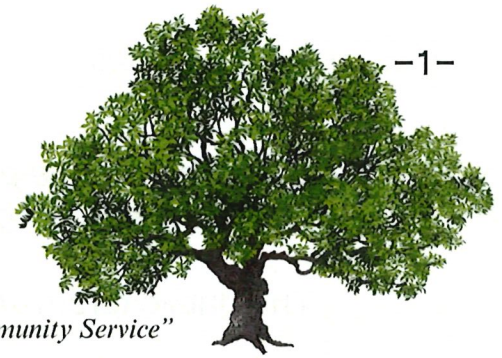
This agenda was posted on the District website at <https://vvcسد.org> and 3745 Constellation Road, Vandenberg Village, California, and notice was delivered under Government Code § 54950 et seq. This Agenda contains a brief general description of each item to be considered. The Board reserves the right to change the order in which items are heard. The full board package with staff reports and other written documentation is available on the District's website at <https://vvcسد.org>. If you need reasonable accommodation due to a disability, please contact the Board Secretary 24 hours before the meeting at (805) 733-2475.

Please silence cell phones during the meeting, as a courtesy to others.

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*"Pride in Community Service"*

## **MINUTES Regular Meeting**

**April 7, 2026**

### **1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

The meeting was called to order at 4:33 p.m. by President Gonzales, who led the Pledge of Allegiance.

2. **ROLL CALL:** Directors Gonzales, Heuring, Lamont, and Stassi were present. Director Cox was absent.

### **OTHERS PRESENT**

Cynthia Allen, General Manager, joined via Zoom video conference; Jeff Cole, Operations and Maintenance Manager; and Patricia LeCavalier, Financial Services Manager.

Two members of the public were also in attendance: Bill Kelly, 4097 Stardust Road; and Mark Jones, 312 Burnham Court.

### **3. ADDITIONS AND DELETIONS TO THE AGENDA: None**

### **4. PUBLIC FORUM**

President Gonzales opened the public forum at 4:35 p.m.

Mr. Kelly stated that he was attending the meeting only as a visitor.

Mr. Jones shared that he was in attendance to discuss his thoughts on lighting the Mission Club signage on Burton Mesa Blvd. and Club House Road. The Board and Mr. Jones discussed various options on

how this might be possible. Directors Gonzales and Lamont expressed interest in speaking with Mr. Jones at a future date regarding this.

The public forum was closed at 4:45 p.m.

## 5. OPERATIONS REPORT

Operations and Maintenance Manager Cole reported that the district pumped 36.7 million gallons, with an average daily demand of 1.2 million gallons. This is 24 percent less than last March.

Vandenberg Village received no rainfall in March, leaving the calendar-year total at 13.85". The district's well levels for February were 1B – 140 feet, 3A – 132 feet, and 3B – 131 feet.

In March, the crew replaced two 1" angle stops, one 2" angle stop, one 8" saddle, one 1" copper service line, two 1" poly-b service lines, and one 3" meter.

Mr. Cole provided a PureFlow update, reporting that their install crew began installing the new tees and laterals and loaded the new media. At this time, gravity backwashing began. At 2500 gallons per minute (gpm), it began to pull a vacuum on the filter vessel. Their solution was to install an orifice plate. PureFlow's lead time on this part was two weeks. Crosno Construction fabricated the orifice plate, and it was installed the next day. The crew then ran the hydraulic test at 2500 gpm and was successful. The crew then backwashed with the pump at 3100 gpm until no "fines" were observed in the backwash water. Filtration began on March 9.

A pre-construction meeting was held on March 9 with Sancon. They are planning to begin their CCTV inspection on April 13. To conclude his report, Mr. Cole stated that there were no sewer overflows in March.

Mr. Jones shared that he appreciated Juan coming out to flush the hydrant near his home after the filtration system upgrade. He stated that this helped clear out any remaining discolored water.

Director Gonzales asked if the Filter Rehabilitation Project was considered complete. Mr. Cole shared that PureFlow will make one

more visit to optimize. PureFlow has not yet reached out with the date for this visit.

## 6. ADMINISTRATION REPORT

Financial Services Manager LeCavalier continued on the subject of the Filter Rehabilitation Project, reporting that we did receive an invoice from Pureflow for the remaining contracted amount of \$233,820.

We are expecting at least two more invoices. One invoice will be from Crosno Construction for the sandblasting and the orifice plate. The other invoice will be for a backup 12" butterfly valve assembly and a 12" actuator.

It is thought that the total project will be within the capital budget of \$675,000; however, Ms. LeCavalier will not have a solid number for the Board until these invoices are received. Director Gonzales asked that Ms. LeCavalier inform the board once the last invoice for this project is paid and the project is considered complete.

To conclude her report, Ms. LeCavalier shared the most recent investment earnings rates. California CLASS is at 3.7 percent, Mechanics Bank is at 3.74 percent, and LAIF is at 3.88 percent.

Director Gonzales referenced page 27 of the board package and had a question regarding the line for "Long Term Debt – LRWRP Upgrade Project". Director Gonzales wanted to know what our outstanding debt to the city still is. Financial Services Manager LeCavalier explained that the lines representing the "Current Portion – Debt – LRWRP Upgrade Project" and the "Long Term Debt – LRWRP Upgrade Project" both reflect the amount still owed.

## 7. CONSENT CALENDAR

A. Minutes of the Regular Meeting on March 3, 2026

B. Treasurer Report

(1) Pro-forma Financial Statements as of February 28, 2026

(2) Disbursements through March 31, 2026

The following motion was made:

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

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

## 8. ACTION ITEMS

### A. LRWRP Upgrade Charge

Director Gonzales felt it was important to bring his concerns regarding this subject to the Board before the June meeting. Director Gonzales referenced page 50 of the board package and discussed portions of the timeline.

Director Gonzales referenced page 81 of the board package, focusing on the "LRWRP Reserves," which is at \$6.6 million. Page 82 of the board package was then referenced, focusing on the paragraph regarding the State Revolving Fund and the balance due to the City of Lompoc, which is \$2.8 million.

All customers in Vandenberg Village currently pay a \$361 Lompoc Regional Wastewater Reclamation Plant (LRWRP) Upgrade charge on their property taxes.

After some discussion between the Board and staff, Director Gonzales recommended that the Finance Officer explore options on how to remove this debt from the City of Lompoc and how to move forward with the property tax roll.

### B. Five-Year Outlook

Director Stassi shared that the Finance/Budget Committee met on March 13 and reviewed the budget. The agenda included the Strategic Plan, Capital Budget, Operating Budget, and

Administrative Overhead Fee. Director Stassi requested to have a Five-Year Outlook before the board considers this year's budget.

Director Stassi expressed concern regarding the District's Water Division, stating that it will be significantly underfunded. This is largely due to operating expenses increasing by nearly 4 percent per year. While water sales, both quantity and revenue, have remained flat, stating that rate increases have not kept pace over several years.

The Committee looked at corrective opportunities to help fund the Water Division. These included past performance indicators, interdepartmental loan from the Wastewater Enterprise Fund, and collecting a portion via the Santa Barbara County Tax Roll.

Director Stassi went on to discuss wastewater collections and the Lompoc Regional Wastewater Reclamation Plant (LRWRP). Director Stassi asked the Board to review this report, as they will soon have copies of the Capital and Operating Budgets for next year.

Director Stassi concluded his report by thanking General Manager Allen for her assistance with the Five-Year Outlook.

Director Gonzales thanked everyone for all their work on the Five-Year Outlook.

Director Gonzales then referenced paragraphs regarding the Water Division starting on page 144. He discussed the option of an interdepartmental loan and had questions regarding the meter replacement undertaking referenced in this section, which was discussed between staff members and the Board.

Director Gonzales asked if the Finance/Budget Committee could entertain a one-year spending pause. Director Stassi suggested that when the budget is brought forward, it could be asked that purchases at a certain level require an individual justification statement, or if the purchase is not necessary, ask staff to postpone the purchase.

## 9. REPORTS

### A. Committees

As previously mentioned by Director Stassi, the Finance/Budget Committee met on March 13, along with the three managerial staff members. No members of the public attended the meeting.

### B. District Representatives to External Agencies

Director Stassi reported that he recently signed checks for the GSA. He reported that they have completed one project early, and the other projects, except for one, are staying under budget.

### C. Board President

Director Gonzales reported that he met with General Manager Allen on March 10 and March 24. They discussed an exit interview that was received from Ben Quinlan. LRWRP documents were also discussed.

Director Gonzales thanked everyone for their hard work on the Strategic Plan. He mentioned the possible option of an Ad Hoc Committee with Director Cox involved.

### D. General Manager

General Manager Allen reported that we received one ADU Can and Will Serve request in March. We are waiting for the customer to submit their plans. The property is currently being served by a  $\frac{5}{8} \times \frac{3}{4}$  meter. Staff will need to evaluate the project to determine if the meter needs to be replaced with a 1" meter.

One of our capital budget items this year is new meter-reading software. The software was last installed in 2016 and was no longer working reliably. The new software was installed in March, and the entire staff was trained. Other than a bit of configuration that was needed on meter reading day, our first billing went well, and the staff is very pleased with the upgrade.

Cristos Stoyos has been preparing the plans for the office generator enclosure and carport. In March, he submitted our permit application to the County of Santa Barbara, and he signed off on the carport plans as our engineer. A soils report is required by the county planning department before it will issue the building permit. Cristos is coordinating with a consultant to perform the study. They will be here on April 17<sup>th</sup> to drill holes.

General Manager Allen and Operations Manager Cole had a preconstruction meeting with the project manager from Sancon Technologies, and the paperwork has been completed. The job will be performed in multiple phases, as we will need to coordinate with the Mission Club and work around the Buena Vista Elementary School schedule. The contractor has until August 1 to complete the work.

Our Sewer System Management Plan (SSMP) has been filed with the State Water Resources Control Board and certified. We are on schedule as the due date is May 2.

The new SB 827 Fiscal and Financial Training is now available on demand on the CSDA website, and a link has been sent to all directors. Directors have until January 1, 2028, to complete the training. All of our Form 700 Conflict of Interest forms were filed on time.

General Manager Allen reported that she attended the Santa Barbara LAFCO meeting via Zoom last Thursday. The commission voted to approve the current Spheres of Influence for the cities without any updates. Each city that wishes to change its Sphere of Influence was invited to submit an application at a future date. Laurie Tamura, a planner for the City of Lompoc, spoke about the city's general plan and why they want to expand their Sphere of Influence to include Vandenberg Village, Mission Hills, and the surrounding areas.

The city will hold its first community workshop on April 27. General Manager Allen will not be able to attend because the Santa Barbara County CSDA Chapter meeting is the same night; however, it was

said that we should make sure we know what they're doing and that they don't forget we are here.

To conclude her report, General Manager Allen shared that the Santa Barbara County CSDA Chapter meeting will be held on April 27 at Glen Annie in Goleta.

10. INFORMATIONAL CORRESPONDENCE

A. **US Drought Monitor:** California, April 2, 2026

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

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

11. DIRECTORS FORUM

Director Stassi shared that he went on a ride-along with Operations and Maintenance Manager Cole during meter reading. He shared that he was impressed with how the drive-by reads work, noting he was unaware that the crew doesn't need to drive down each street to pick up the reads.

Director Lamont shared that on Saturday, he and Vandenberg Village resident Bill Kelly met with Supervisor Nelson regarding fire safety. They visited the top of South Village near Moonglow and the Mercury exit. There was a lot of discussion around the Mercury on-ramp. Director Lamont shared that Bob Nelson said they plan to fund a full cumulative evacuation study for Vandenberg Village within the year.

12. CLOSED SESSION

**Public Employee Performance Evaluation (Gov't Code § 54957)**  
Title: General Manager

Director Stassi suggested postponing the General Manager's evaluation to a future date when all five Board members are present.

The following motion was made:

**Motion by Director Stassi, seconded by Director Lamont, to postpone Item 12 of the Agenda, the General Manager's Evaluation.**

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

13. OPEN SESSION: Announce or take action resulting from closed session discussions.

The Closed Session was postponed, so there was nothing to report.

14. ADJOURN

**President Gonzales declared the meeting adjourned at 6:22 p.m.**

**Attest:**

**Signed:**

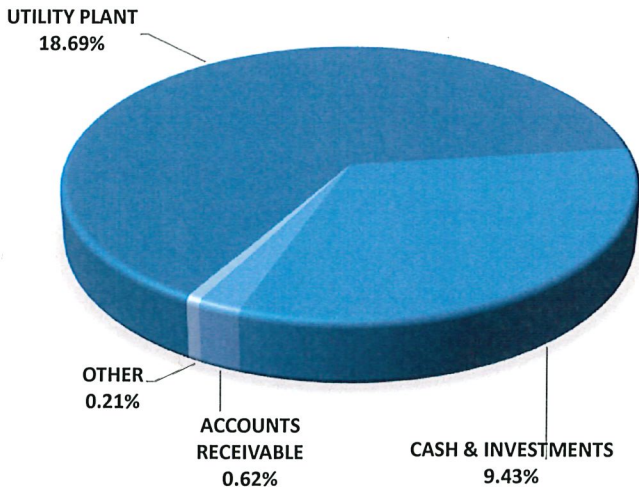
\_\_\_\_\_  
**Brianna Jennings**  
**Secretary, Board of Directors**

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**Richard Gonzales**  
**President, Board of Directors**

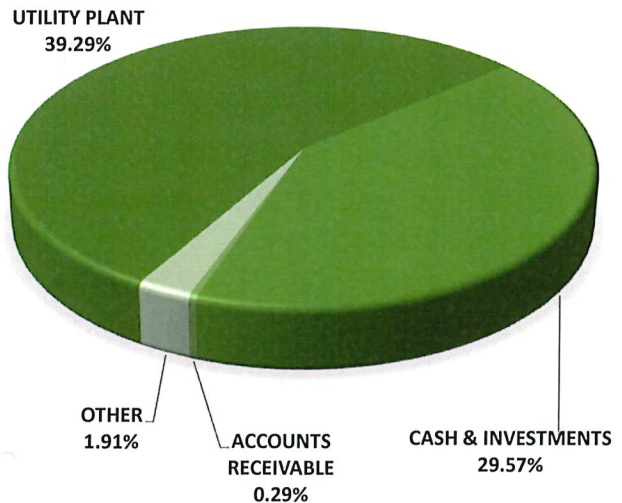
VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
 Statement of Net Position  
 As of March 31, 2026

	Water	Wastewater	2026 FYTD	FYE 2025	CHANGE
<b>ASSETS</b>					
UTILITY PLANT	\$7,272,501	\$15,289,775	\$22,562,277	\$22,736,869	(\$174,592)
CASH & INVESTMENTS	3,670,400	11,507,811	15,178,211	13,967,215	1,210,997
ACCOUNTS RECEIVABLE	241,621	113,202	354,822	345,813	9,009
OTHER	79,921	744,863	824,783	844,007	(19,223)
<b>TOTAL ASSETS</b>	<b>\$11,264,443</b>	<b>\$27,655,651</b>	<b>\$38,920,093</b>	<b>\$37,893,903</b>	<b>\$1,026,190</b>
<b>DEFERRED OUTFLOWS OF RESOURCES-PENSIONS</b>	<b>\$375,165</b>	<b>\$231,913</b>	<b>\$607,078</b>	<b>\$607,078</b>	<b>\$0</b>
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<b>\$11,639,608</b>	<b>\$27,887,564</b>	<b>\$39,527,171</b>	<b>\$38,500,981</b>	<b>\$1,026,190</b>
<b>LIABILITIES</b>					
CURRENT LIABILITIES	\$410,036	\$76,390	\$486,425	\$571,001	(\$84,576)
UNEARNED REVENUE	0	139,001	139,001	139,001	0
CURRENT PORTION - DEBT- LRWRP UPGRADE PROJECT	0	690,379	690,379	690,379	0
LONG TERM DEBT- LRWRP UPGRADE PROJECT	0	2,146,149	2,146,149	2,146,149	0
NET PENSION LIABILITY	1,205,456	745,168	1,950,624	1,950,624	0
<b>TOTAL LIABILITIES</b>	<b>\$1,615,492</b>	<b>\$3,797,087</b>	<b>\$5,412,578</b>	<b>\$5,497,154</b>	<b>(\$84,576)</b>
<b>DEFERRED INFLOWS OF RESOURCES-PENSIONS</b>	<b>\$14,908</b>	<b>\$9,215</b>	<b>\$24,123</b>	<b>\$24,123</b>	<b>\$0</b>
<b>EQUITY</b>					
CONTRIBUTED CAPITAL	\$1,326,712	\$3,880,077	\$5,206,790	\$5,354,241	(\$147,452)
EQUITY	8,438,613	19,405,551	27,844,164	26,238,820	1,605,345
CURRENT EARNINGS	243,883	795,633	1,039,516	1,386,643	(347,127)
<b>TOTAL EQUITY</b>	<b>\$10,009,208</b>	<b>\$24,081,262</b>	<b>\$34,090,470</b>	<b>\$32,979,704</b>	<b>\$1,110,766</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; EQUITY</b>	<b>\$11,639,608</b>	<b>\$27,887,564</b>	<b>\$39,527,171</b>	<b>\$38,500,981</b>	<b>\$1,026,190</b>

**WATER ASSETS**



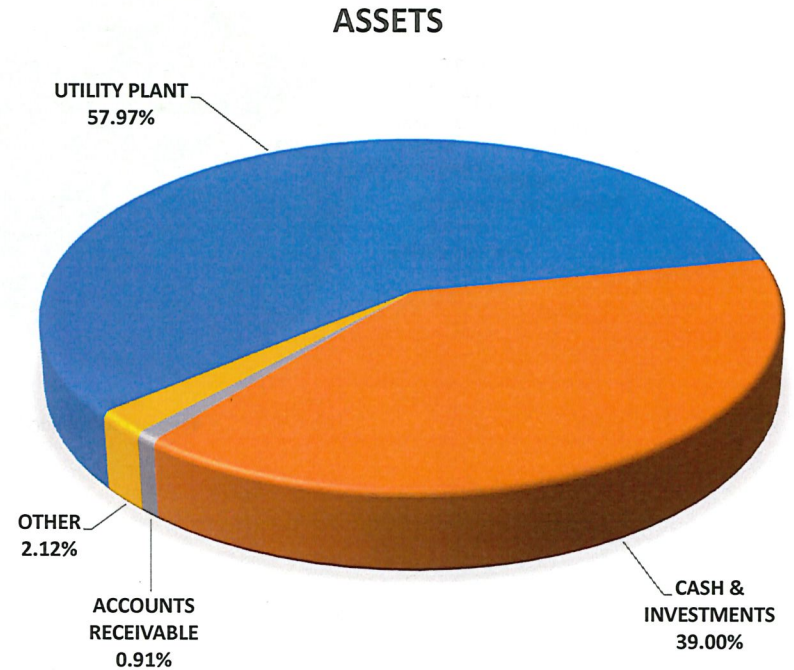
**WASTEWATER ASSETS**



Percentage of Total Assets

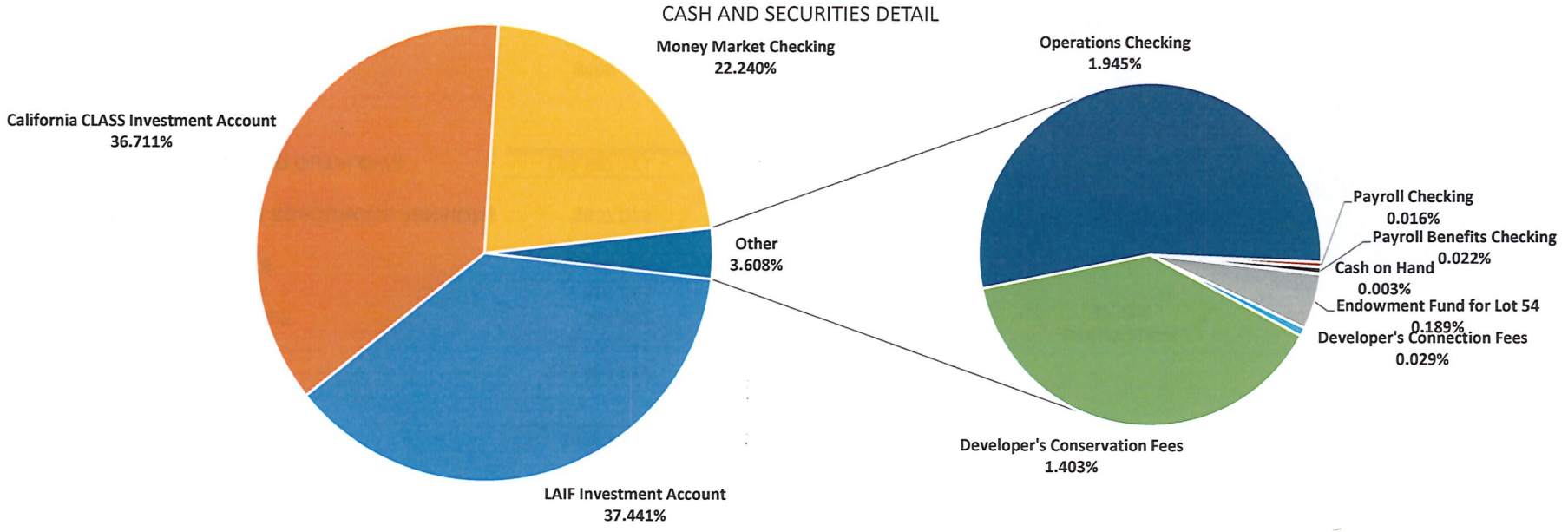
VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
Statement of Net Position  
As of March 31, 2026

	2026 FYTD	FYE 2025	CHANGE
<b>ASSETS</b>			
UTILITY PLANT	\$22,562,277	\$22,736,869	(\$174,592)
CASH & INVESTMENTS	15,178,211	13,967,215	1,210,997
ACCOUNTS RECEIVABLE	354,822	345,813	9,009
OTHER	824,783	844,007	(19,223)
TOTAL ASSETS	<u>\$38,920,093</u>	<u>\$37,893,903</u>	<u>\$1,026,190</u>
DEFERRED OUTFLOWS OF RESOURCES-PENSIONS	\$607,078	\$607,078	\$0
<b>TOTAL ASSETS &amp; DEFERRED OUTFLOWS</b>	<u><u>\$39,527,171</u></u>	<u><u>\$38,500,981</u></u>	<u><u>\$1,026,190</u></u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES	\$486,425	\$571,001	(\$84,576)
UNEARNED REVENUE	139,001	139,001	0
LONG TERM DEBT- LRWRP UPGRADE PROJECT	2,836,528	2,836,528	0
NET PENSION LIABILITY	1,950,624	1,950,624	0
TOTAL LIABILITIES	<u>\$5,412,578</u>	<u>\$5,497,154</u>	<u>(\$84,576)</u>
DEFERRED INFLOWS OF RESOURCES-PENSIONS	\$24,123	\$24,123	\$0
<b>EQUITY</b>			
CONTRIBUTED CAPITAL	\$5,206,790	\$5,354,241	(\$147,452)
EQUITY	27,844,164	26,238,820	1,605,345
CURRENT EARNINGS	1,039,516	1,386,643	(347,127)
TOTAL EQUITY	<u>\$34,090,470</u>	<u>\$32,979,704</u>	<u>\$1,110,766</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS &amp; EQUITY</b>	<u><u>\$39,527,171</u></u>	<u><u>\$38,500,981</u></u>	<u><u>\$1,026,190</u></u>



VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
 Cash Position Statement  
 As of March 31, 2026

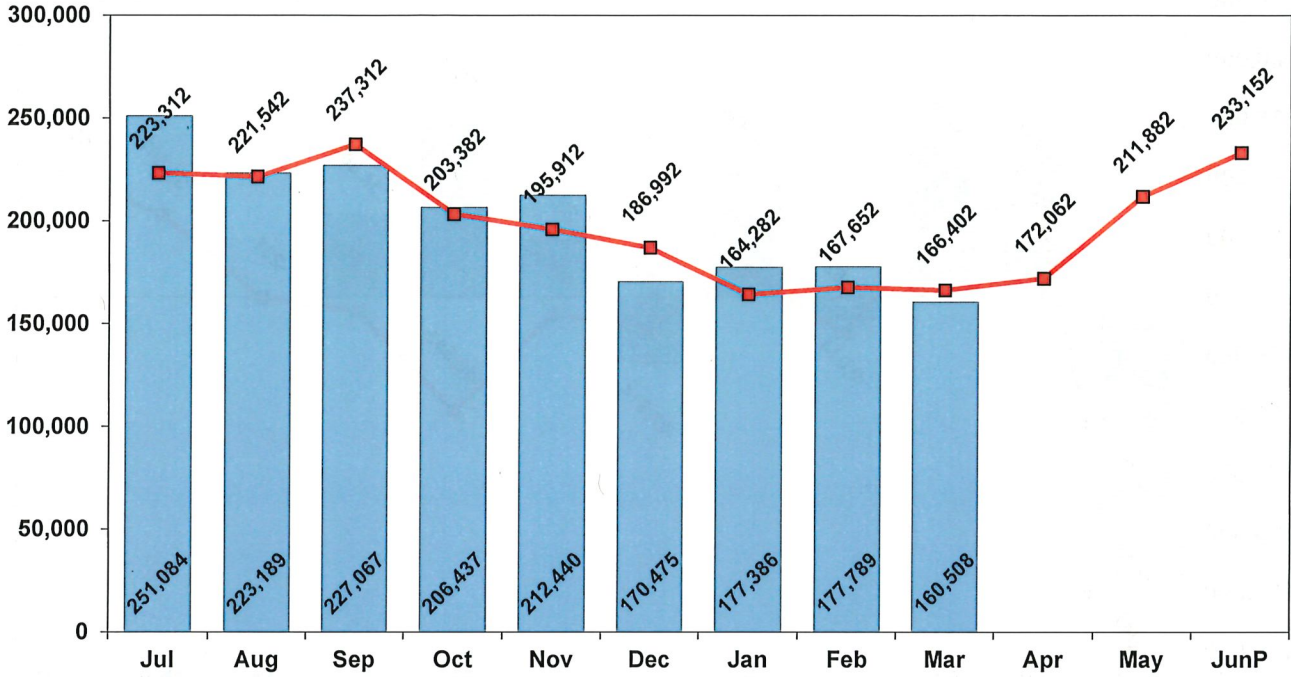
CASH AND SECURITIES DETAIL	2026 FYTD	FYE 2025	CHANGE
LAIF Investment Account	\$5,682,878	\$5,455,676	\$227,202
California CLASS Investment Account	5,572,095	5,406,252	165,843
Endowment Fund for Lot 54	28,653	27,810	843
Money Market Checking	3,375,652	2,552,024	823,628
Developer's Connection Fees	4,471	130,019	(125,548)
Developer's Conservation Fees	212,979	206,614	6,365
<b>SUBTOTAL</b>	<b>\$14,876,727</b>	<b>\$13,778,395</b>	<b>\$1,098,332</b>
Operations Checking	\$295,177	\$184,246	\$110,931
Payroll Checking	2,500	2,500	0
Payroll Benefits Checking	3,408	1,675	1,733
Cash on Hand	400	400	0
<b>SUBTOTAL</b>	<b>\$301,484</b>	<b>\$188,820</b>	<b>\$112,664</b>
<b>TOTAL CASH AND SECURITIES</b>	<b>\$15,178,211</b>	<b>\$13,967,215</b>	<b>\$1,210,997</b>



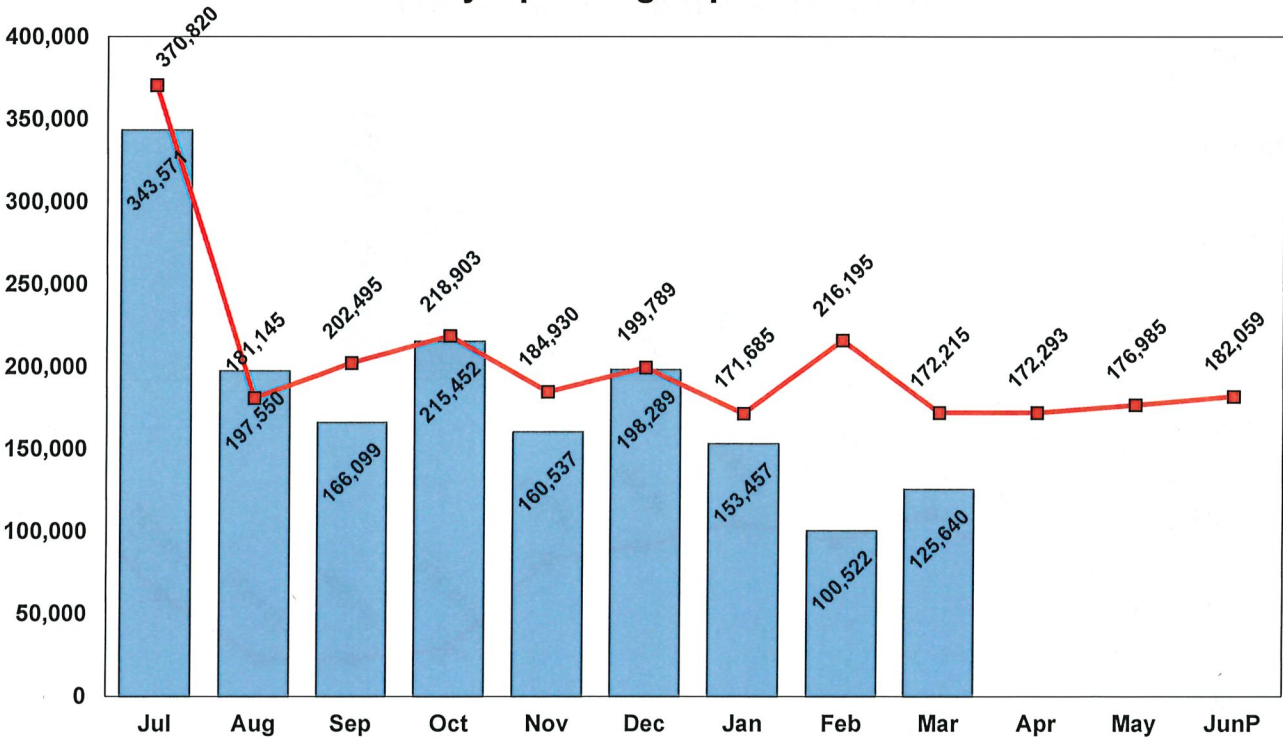
Operating Revenue and Expenses  
 Vandenberg Village Community Services District  
 July 1, 2025 to June 30, 2026

**Monthly Operating Revenue - Water**

Actual Budget



**Monthly Operating Expense - Water**

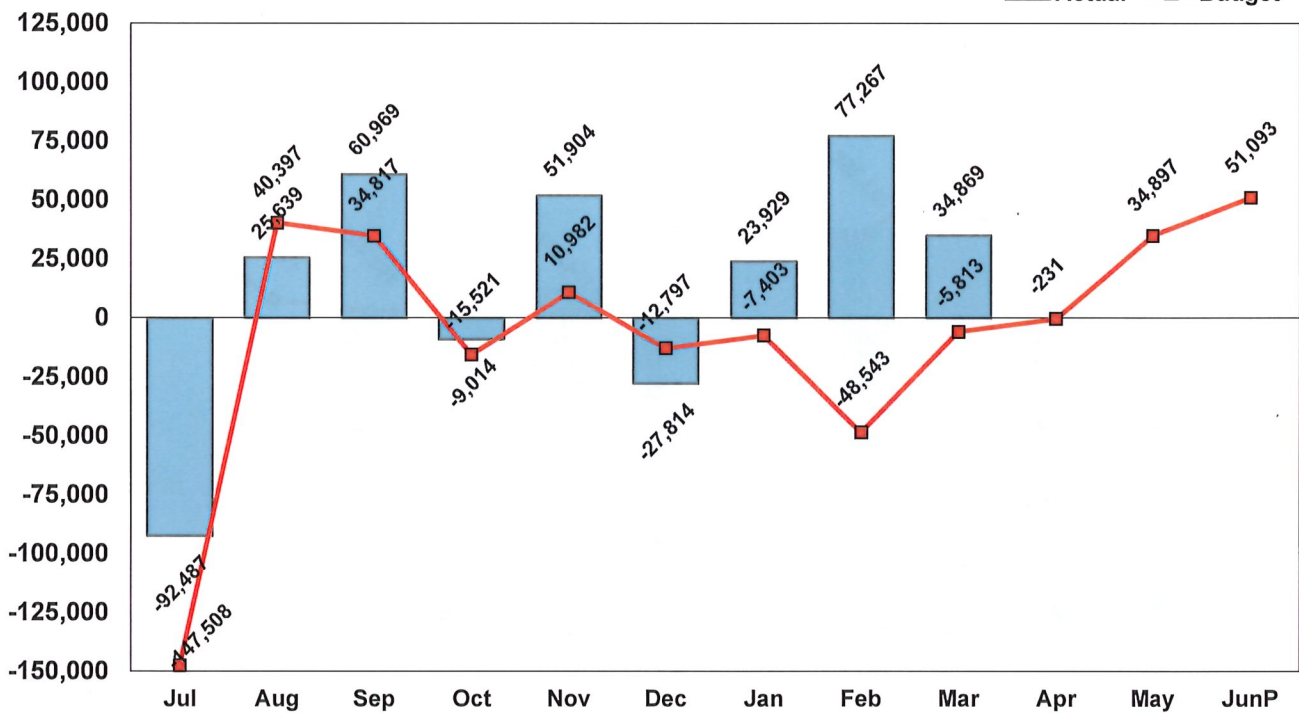


## Operating Income

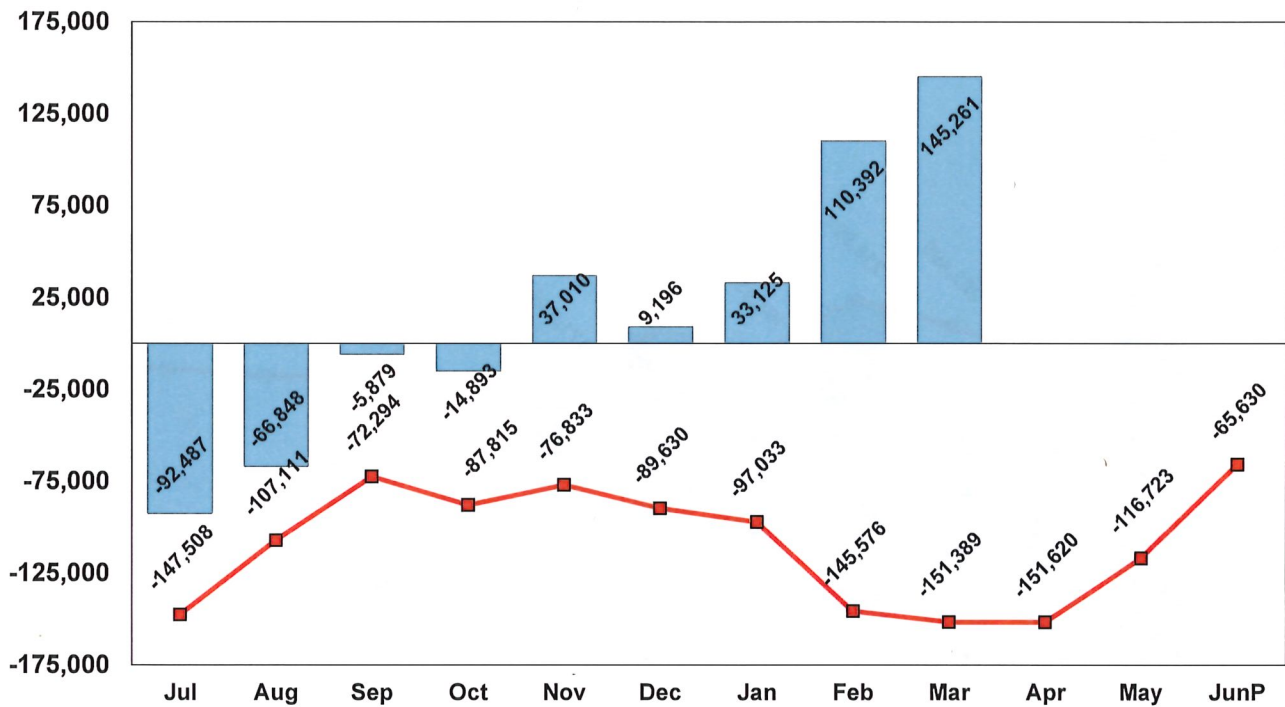
### Vandenberg Village Community Services District

July 1, 2025 to June 30, 2026

### Monthly Net Operating Income - Water



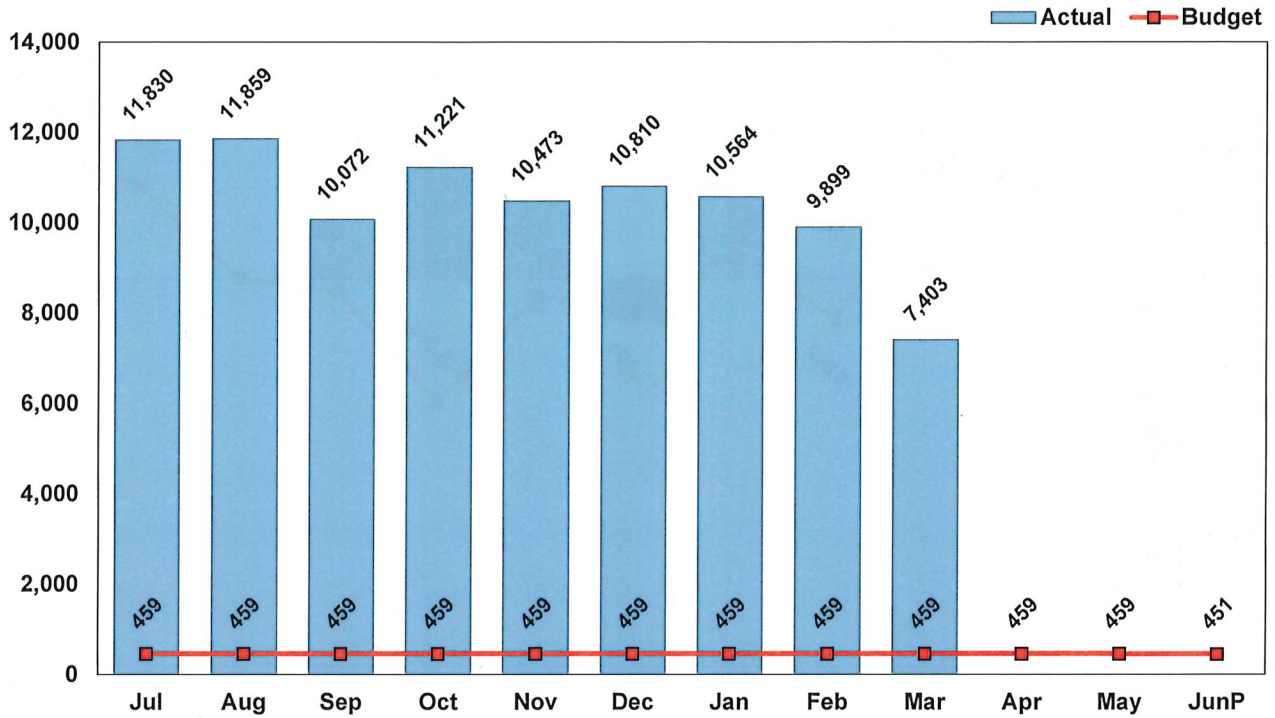
### YTD Net Operating Income - Water



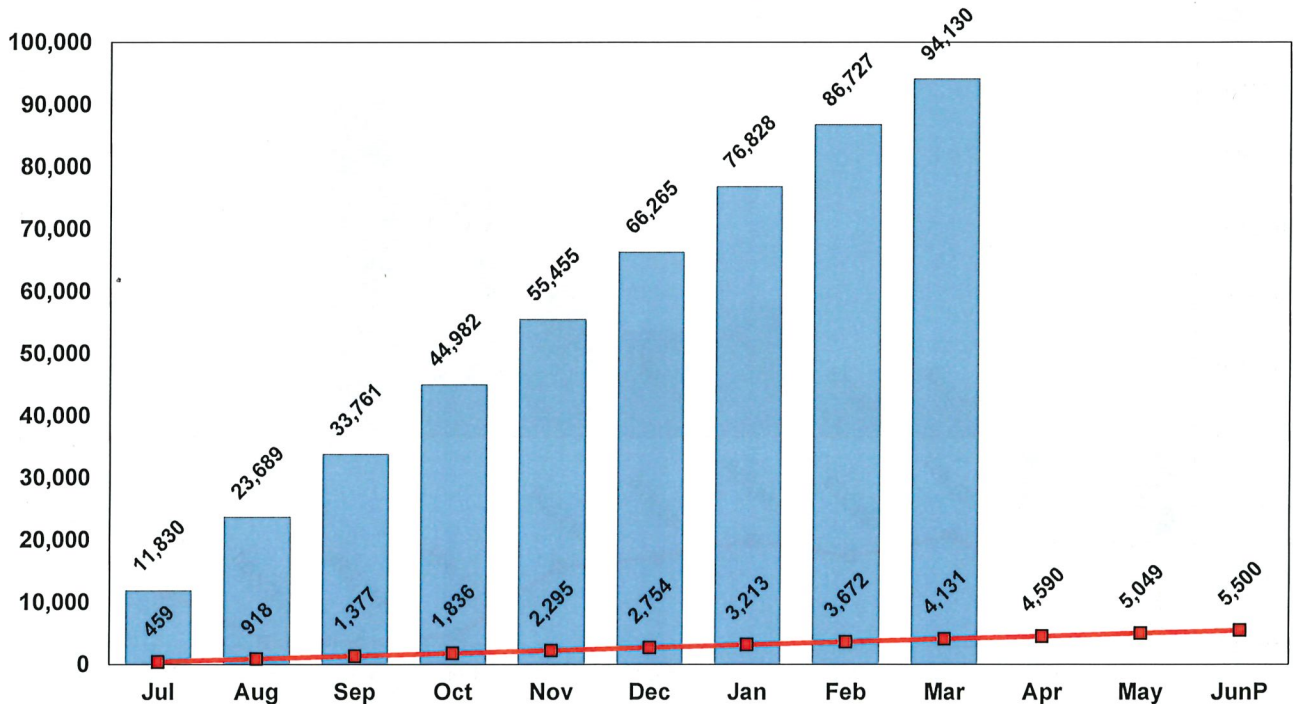
# Non-Operating Income

Vandenberg Village Community Services District  
July 1, 2025 to June 30, 2026

## Monthly Net Non-Operating Income - Water



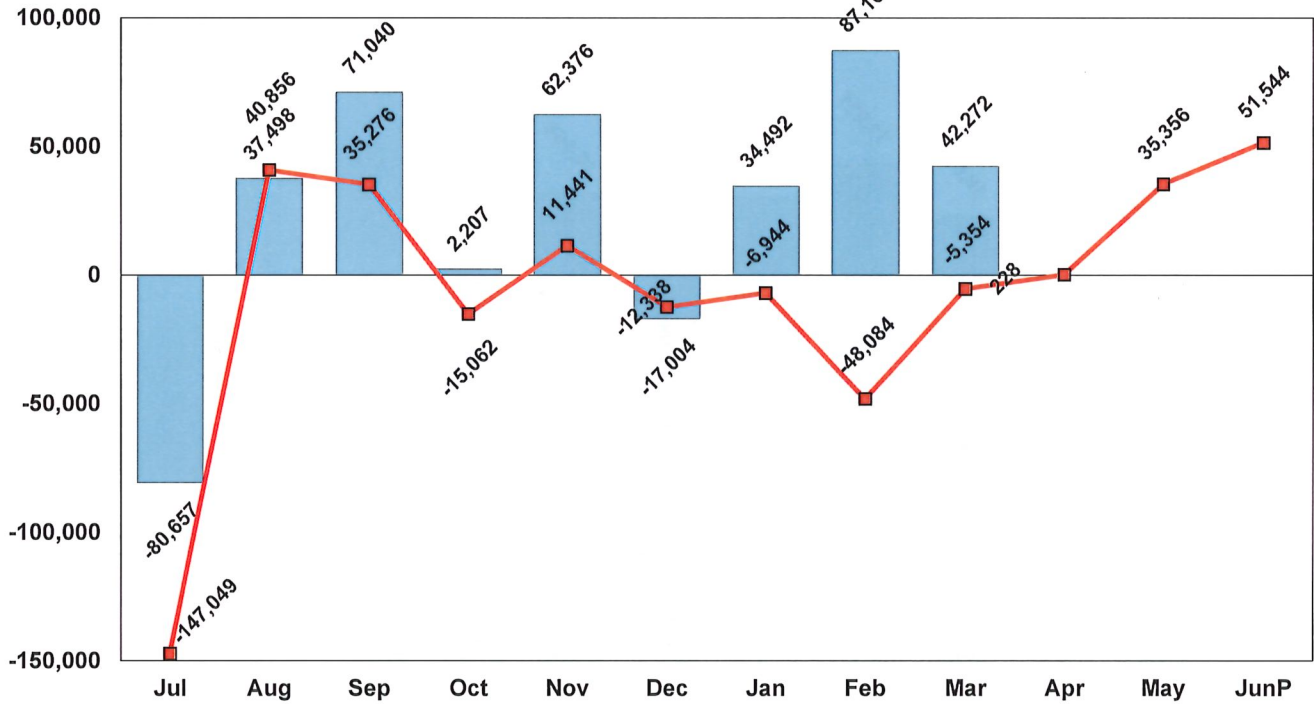
## YTD Net Non-Operating Income - Water



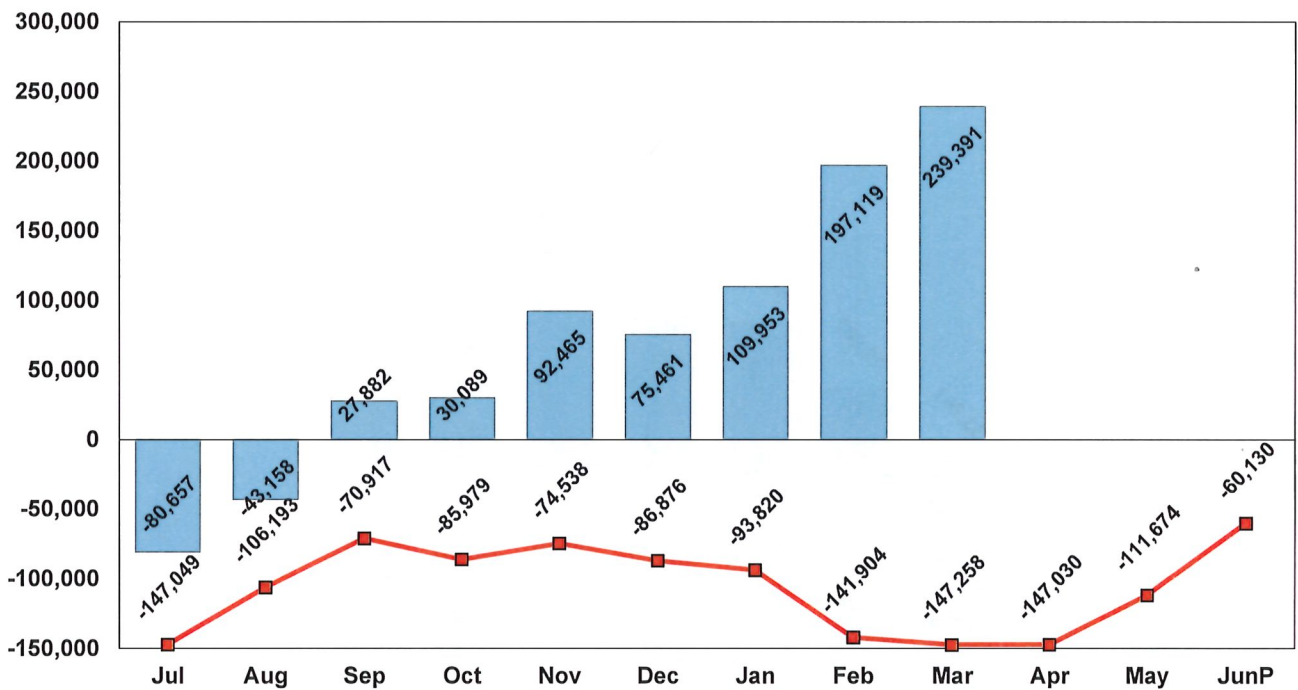
## Change in Net Assets Vandenberg Village Community Services District July 1, 2025 to June 30, 2026

### Monthly Change in Net Assets - Water

Actual Budget



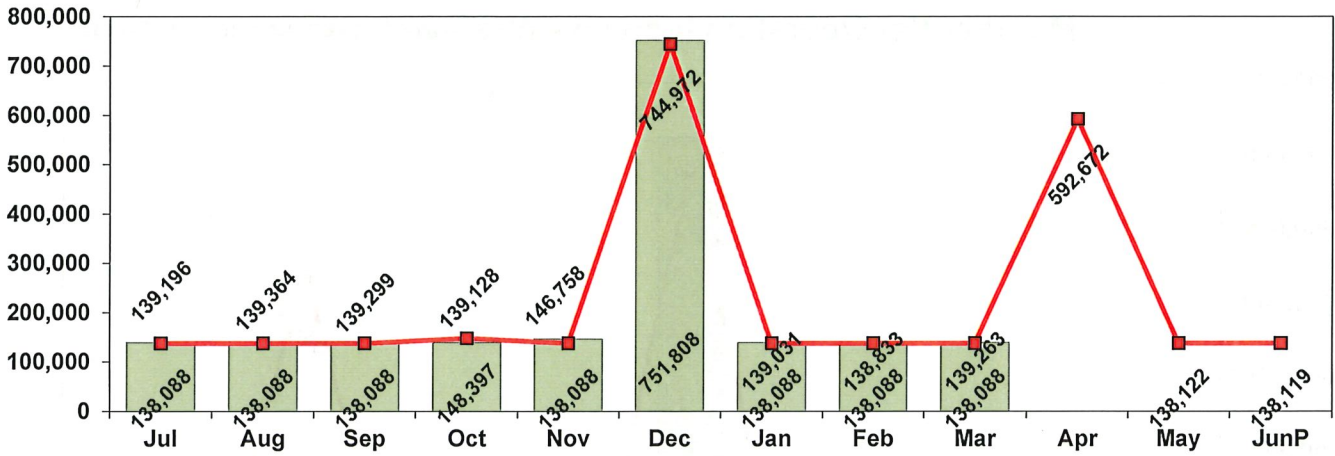
### YTD Change in Net Assets - Water



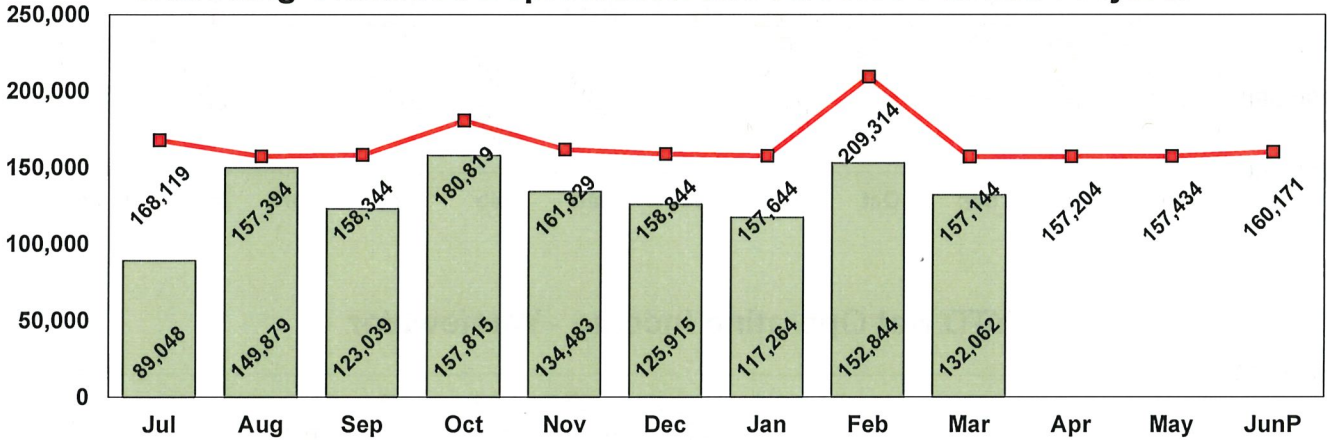
## Operating Revenue and Expenses Vandenberg Village Community Services District July 1, 2025 to June 30, 2026

### Monthly Operating Revenue - Wastewater

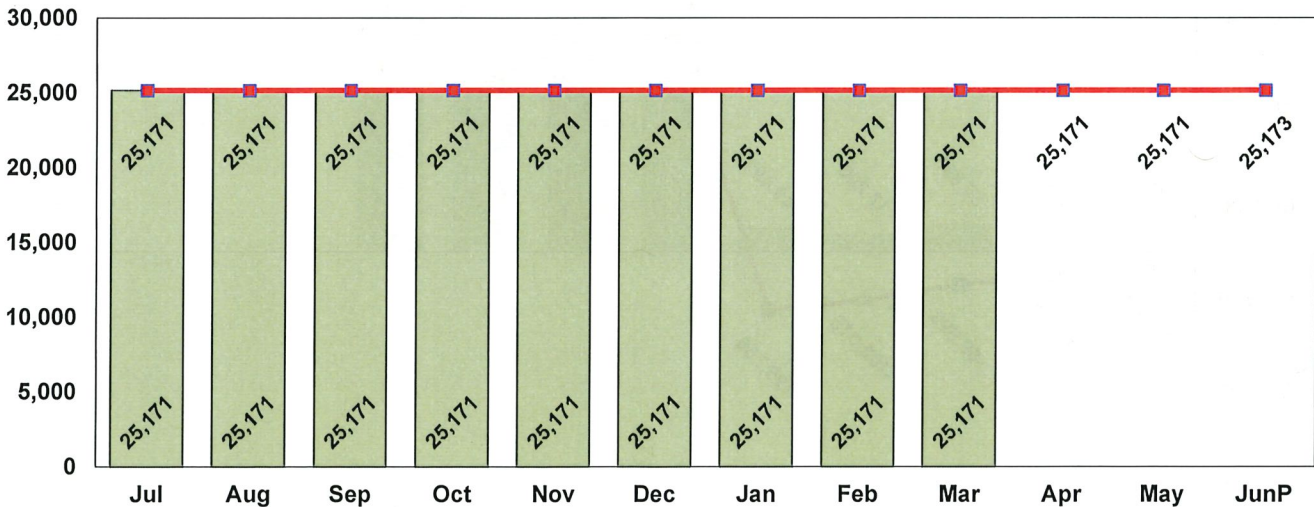
Actual ■ Budget



### Monthly Operating Expense excluding Unfunded Depreciation and Reserve-Funded Projects



### Monthly Operating Expense Unfunded Depreciation and Reserve-Funded Projects

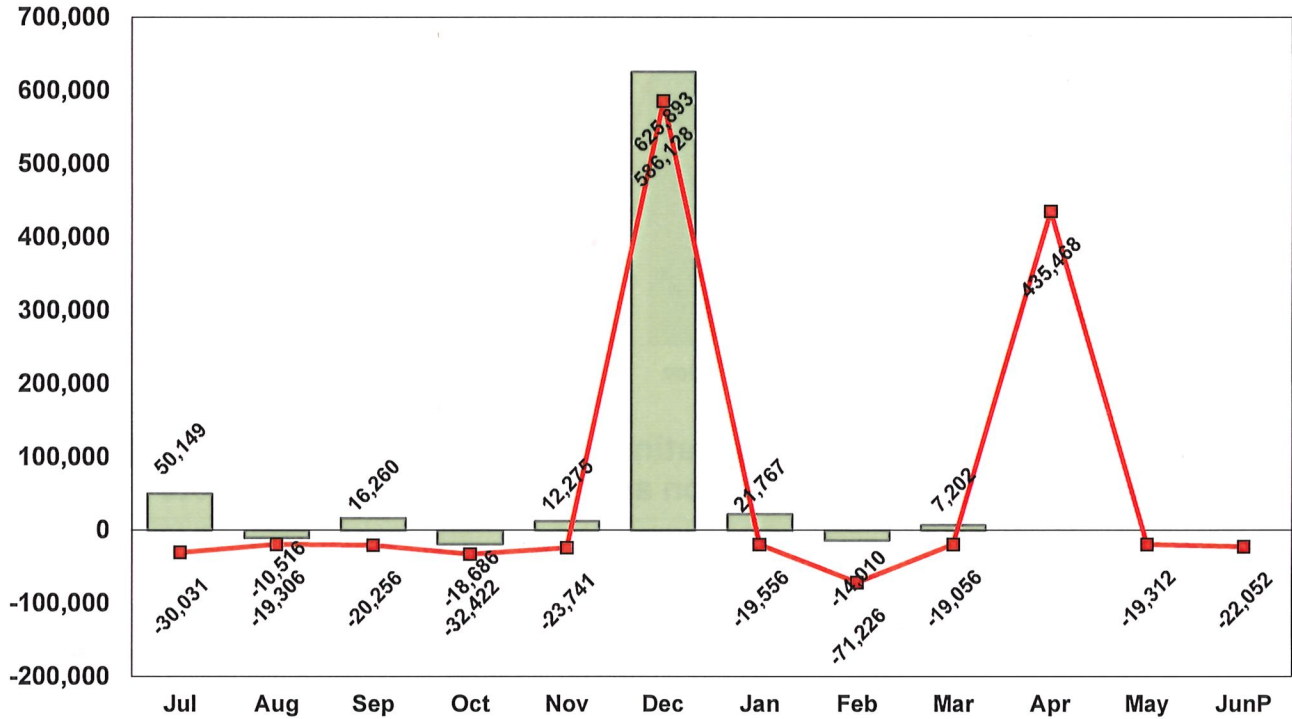


## Operating Income

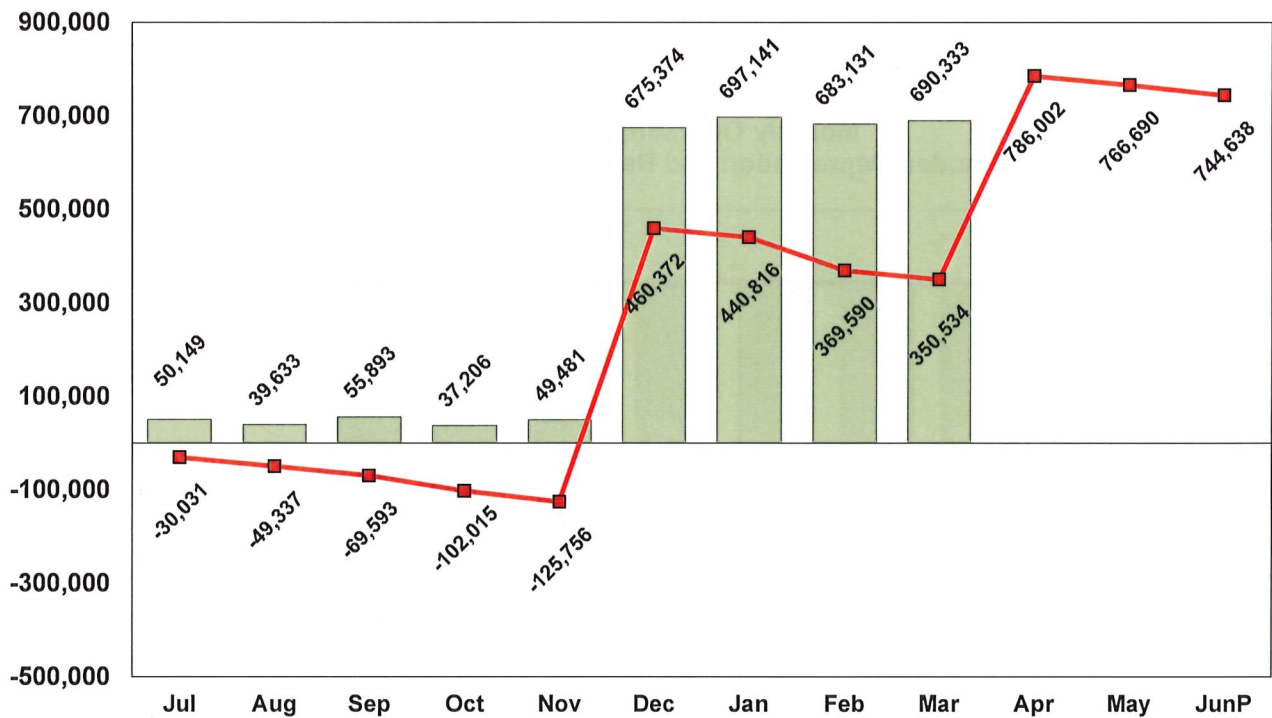
### Vandenberg Village Community Services District

July 1, 2025 to June 30, 2026

**Monthly Net Operating Income - Wastewater** ■ Actual ■ Budget

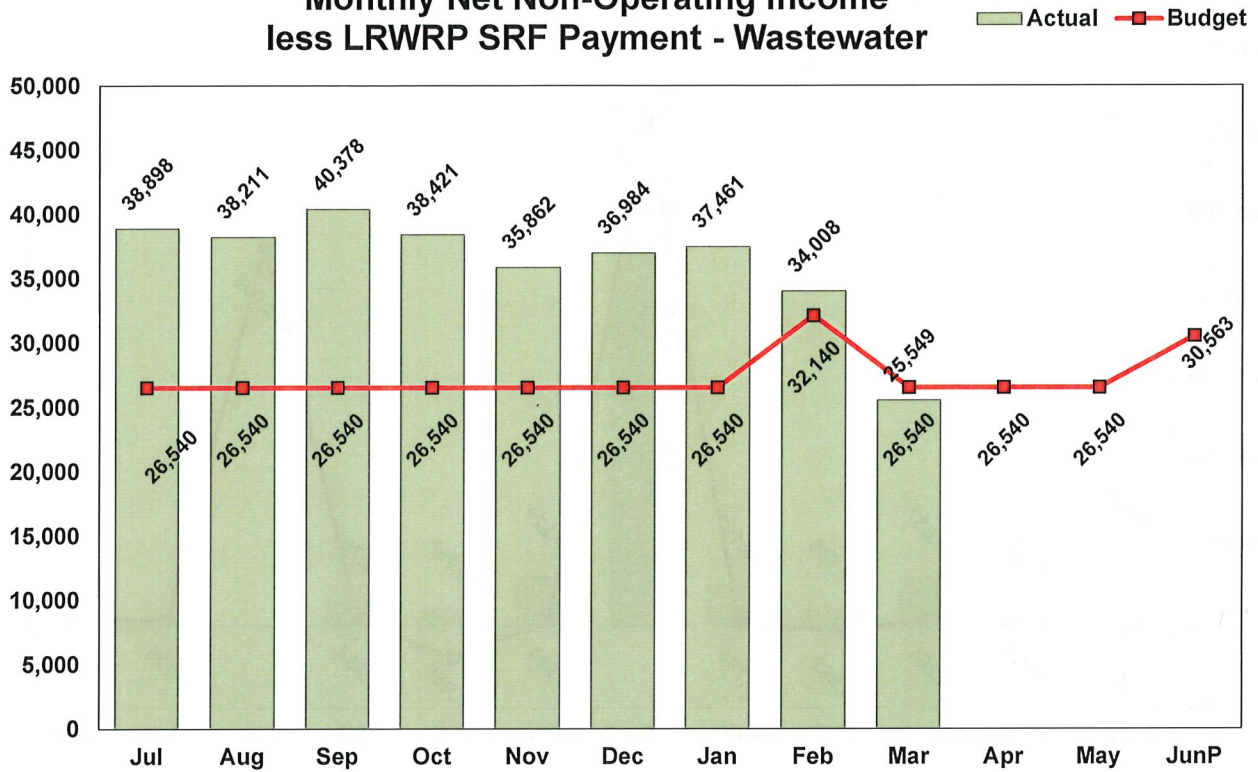


**YTD Net Operating Income - Wastewater**

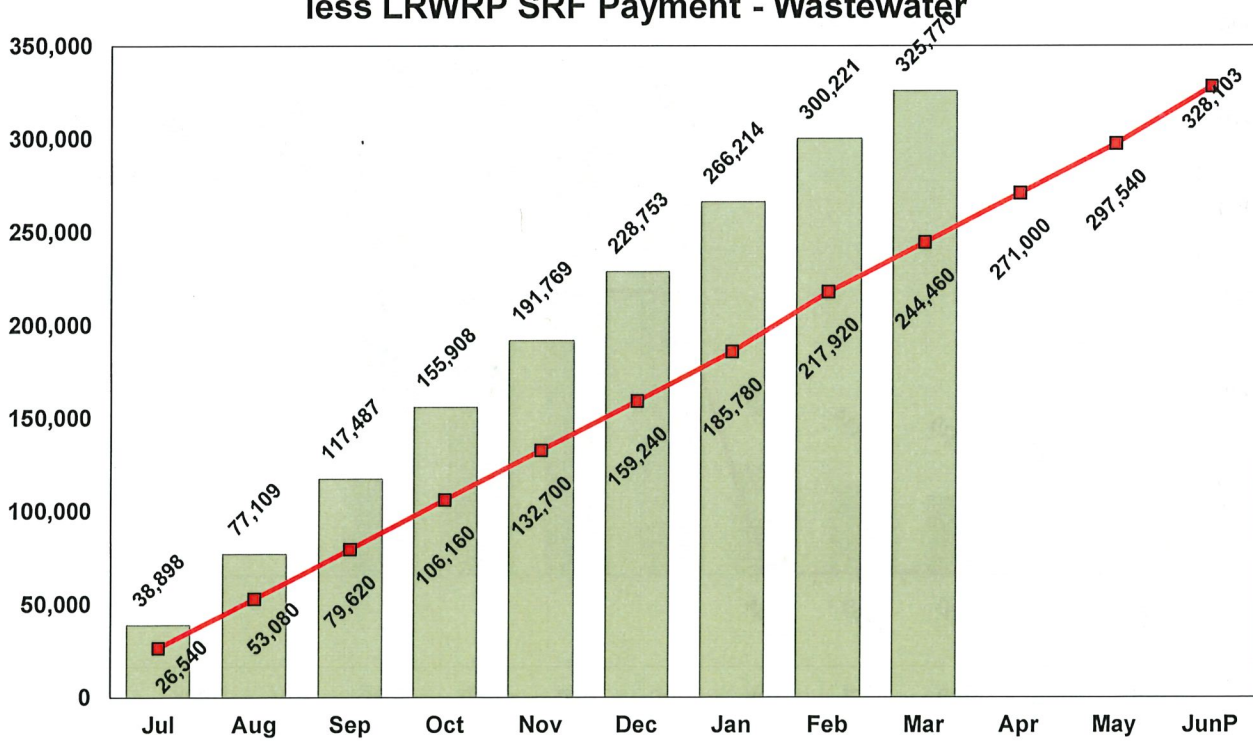


### Non-Operating Income Vandenberg Village Community Services District July 1, 2025 to June 30, 2026

#### Monthly Net Non-Operating Income less LRWRP SRF Payment - Wastewater

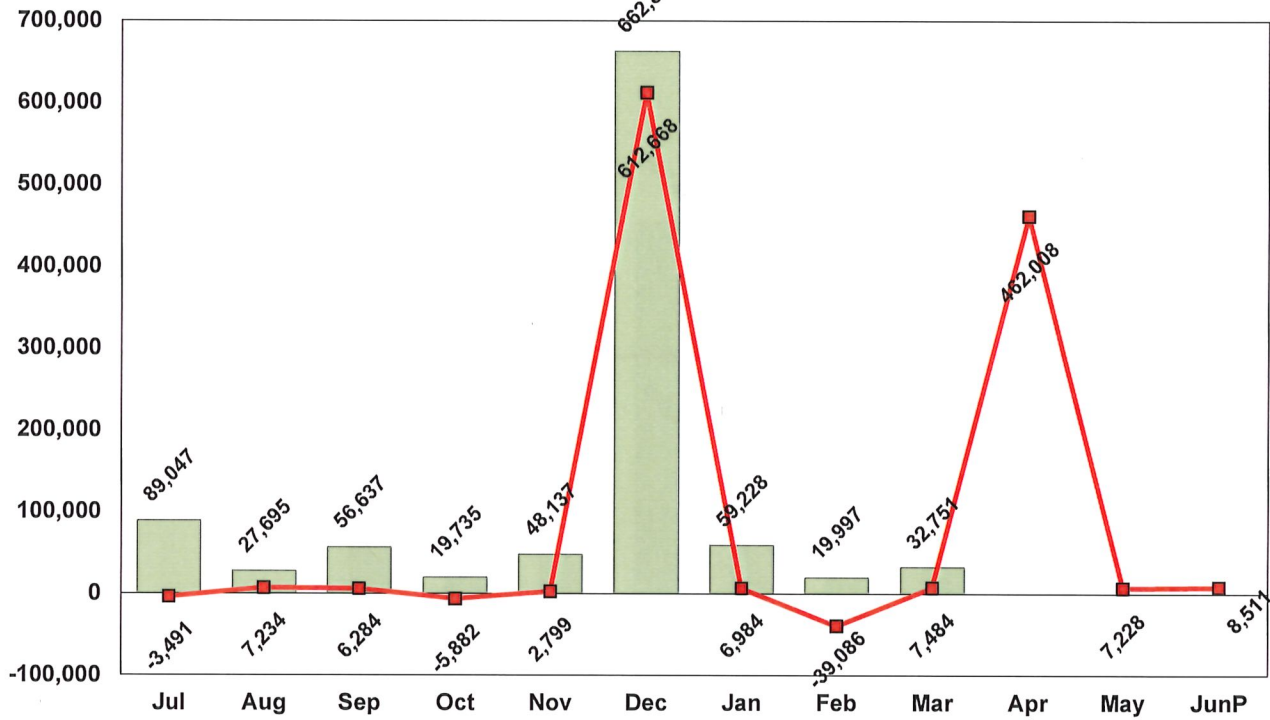


#### YTD Net Non-Operating Income less LRWRP SRF Payment - Wastewater

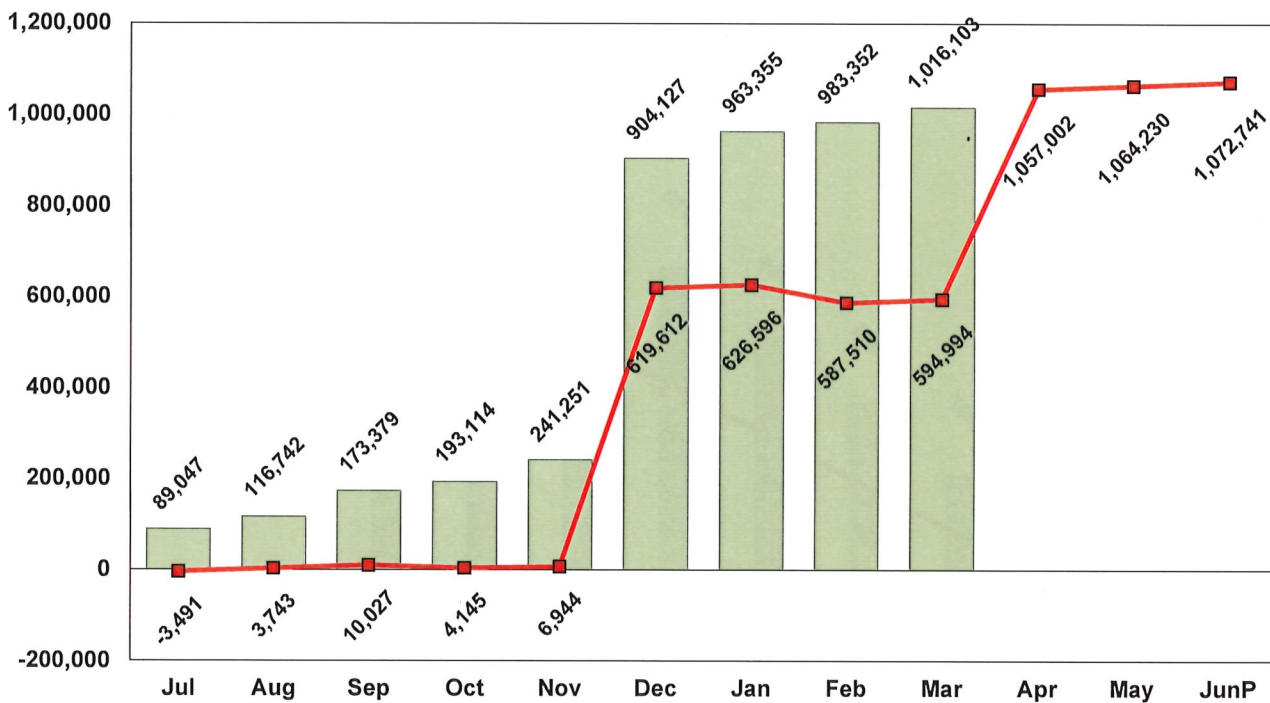


### Change in Net Assets Vandenberg Village Community Services District July 1, 2025 to June 30, 2026

**Monthly Change in Net Assets - Wastewater**    ■ Actual    ■ Budget



**YTD Change in Net Assets - Wastewater**



Statement of Cash Flow  
Vandenberg Village Community Services District  
For the Period from July 1, 2025 to March 31, 2026

	Water Fund	WW Fund	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers and users	\$ 1,815,866	\$ 1,874,714	
Cash payments for goods and services	(1,152,781)	(649,536)	
Cash payments to employees	(368,769)	(238,139)	
Net Cash Provided by Operating Activities	\$ 294,316	\$ 987,040	\$ 1,281,356
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>			
Cybersecurity Grant expenditures	(836)	(771)	
Connection fees collected	4,492	6,069	
Sale of capital assets	309	0	
Purchase of capital assets	(270,931)	(289,718)	
Net Cash Used - Capital & Related Financing Activities	(266,967)	(284,421)	(551,387)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	155,258	325,770	
Net Cash Provided by Investing Activities	155,258	325,770	481,028
Net Increase (Decrease) in Cash & Cash Equivalents	182,608	1,028,389	1,210,997
Cash and cash equivalents, beginning of year	3,487,792	10,479,422	13,967,215
Cash and cash equivalents, year-to-date	3,670,400	11,507,811	\$ 15,178,211
Reconciliation to the Statement of Net Assets:			
Cash on hand	\$ 400		\$ 400
Cash and short term investments	3,670,000	11,507,811	15,177,811
			\$ 15,178,211
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>			
Operating Income (excluding Connection fees)	\$ 145,260	\$ 463,794	
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	174,537	560,577	
<b>Change in operating assets and liabilities:</b>			
(Increase) decrease in accounts receivable	34,226	2,033	
(Increase) decrease in other receivables	(33,718)		
Increase (decrease) in accounts payable	(21,598)	(27,289)	
Increase (decrease) in accrued payroll	(28,031)	(14,115)	
Increase (decrease) in customer deposits	8,982	0	
Increase (decrease) in compensated absences	(2,525)	0	
Net Cash Provided by Operating Activities	\$ 294,316	\$ 987,040	\$ 1,281,356
<b>Reconciliation to other financial statements</b>			
Net operating income/(loss)	\$ 145,260	\$ 463,794	
Connection Fees received from developers	4,492	6,069	
Non-operating income ( <i>Interest Revenue/Fair Market Value Offset</i> )	95,558	325,770	
Non-operating expenses ( <i>Asset retirement/Interest expense</i> )	(1,427)	0	
Total YTD Net Income ( <i>Current Earnings on Statement of Net Position</i> )	\$ 243,883	\$ 795,633	\$ 1,039,516
Add back YTD Unfunded Depreciation		226,539	
Less Connection Fees received from developers	(4,492)	(6,069)	
YTD Change in Net Assets on Revenue and Expense charts	\$ 239,391	\$ 1,016,103	\$ 1,255,494

# VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

Disbursement # 05-26 From 4/1/2026 To 4/30/2026  
 Board Meeting Date 5/5/2026 Item: 8B.2

Accounts Payable Amount \$199,812.17

Check Numbers 30586-30621, 30623-30641

Void Checks 30583, 30622

Electronic Vendor Payment Amount \$236,934.03

Confirmation Numbers 41726, 80936, 190430,  
314800, 355713, 641912,  
803151, 809697

A/P Hand Check Amount \_\_\_\_\_

Check Numbers \_\_\_\_\_

Payroll Amount \$80,869.12

Check Numbers electronically transferred,  
10147, 10148

Investment Transfers \_\_\_\_\_

Confirmation Numbers \_\_\_\_\_

**Disbursements/Investments**

A/P Checks 199,812.17

Electronic Vendor Payments 236,934.03

A/P Hand Checks 0.00

Payroll 80,869.12

Investments 0.00

TOTAL \$517,615.32

REPORT.: Apr 30 26 Thursday  
 RUN....: Apr 30 26 Time: 15:01  
 Run By.: PATTY LECAVALIER

VANDENBERG VILLAGE CSD  
 Cash Disbursement Detail Report  
 Check Listing for 04-26 thru 04-26 Bank Account.: 13100

PAGE: 001  
 ID #: PY-DP  
 CTL.: VAN

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
030583	04/03/26	UBE01	UBEO WEST LLC	-534.08	5192993u	Ck# 030583 Reversed
030586	04/02/26	3RD01	3RD GEN PUMP & WELL SERVI	550.00	2071	WIRE BOOSTER FOR BACKWASH VFD PROGRAM - PUREFLOW
030587	04/02/26	ACW03	ACWA JOINT POWERS INSURAN	11455.47	708882	GROUP MEDICAL, DENTAL, VISION, LIFE, EAP 05/26
030588	04/02/26	AMA01	AMAZON CAPITAL SERVICES	514.03	TL7V-XLGF	HP COLOR LASERJET PRO 4201DW PRINTER
030589	04/02/26	AME02	AMERICAN INDUSTRIAL SUPPL	35.72	100817-IN	GLOSS WHITE SPRAY PAINT (QTY 3)
030590	04/02/26	CLS01	CLINICAL LABS OF SAN	430.00	1021877	MONTHLY BACTERIA, IRON, MANG, GEN PHY TEST 02/26
030591	04/02/26	COM03	COMCAST	433.01	10520326	INTERNET-OFFICE 03/20/26-04/19/26
030592	04/02/26	COR01	CORBIN WILLITS SYSTEM INC	949.35	C603151	SERVICE AND ENHANCEMENT FEE 04/26
030593	04/02/26	FAM01	FAMCON PIPE & SUPPLY, INC	2497.99 1116.86 244.69	74864.001 74864.002 77239.001	COUPLING, ELBOW, PIPE, WYE-CLEANOUT MH CONVERSION 8"CLAYXPVC COUPLING (QTY13)-CLEANOUT MH CONVERSION IP97908200 SADDLE, 8"x2" FOR WELL 3B
			Check Total.....:	3859.54		
030594	04/02/26	HOM02	HOME DEPOT	774.97	10020326	CONCRETE, HOSE, TRASH CAN, TOOLS, PLUG, CONNECTOR, TUBE
030595	04/02/26	JPI02	ACWA/JPIA	3431.49	V004-0426	WORKERS' COMP PREMIUM 1/26-3/26
030596	04/02/26	SOU01	SO.CALIFORNIA GAS CO.INC.	65.66 62.56	79000326 84180326	SO. CALIF GAS-WELL 1B 02/24/26-03/25/26 SO. CALIF GAS-OFFICE 02/24/26-03/25/26
			Check Total.....:	128.22		
030597	04/02/26	STE04	STERICYCLE, INC.	286.30	13736341	DOCUMENT SHREDDING SERVICE 2/24, 3/10/26
030598	04/02/26	UBE01	UBEO WEST LLC	-63.52 316.81	5216293C 5219397	COPIER CONTRACT USAGE 2/7/26-2/24/26 COPIER CONTRACT USAGE 4/1/26-4/30/26
			Check Total.....:	253.29		
030599	04/02/26	UND01	UNDERGROUND SERVICE ALERT	160.50	20260803	USA TICKETS 03/26
030600	04/02/26	USA01	USA BLUE BOOK	399.99 486.74 326.08 99.08	993555 997405 997488 997520	LAB CHEMICAL TESTING GLASS 1/2IN VALVE, 3/8x3/8 CONNECTOR&UNION, 1/2X1/2 ELBOW 1/2" BALL CK VALVE, PVC SCREEN KIT, 1/2"X 3/8" UNION 3/8" x 3/8" MALE ELBOW (10PK)
			Check Total.....:	1311.89		
030601	04/02/26	USB02	U.S.BANK CORPORATE PAYMEN	8758.51	32560326	CWEA, AWWA, TONER, PERMIT, CRWA, NOTICE, MEAL, AWA, FUEL

REPORT.: Apr 30 26 Thursday  
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VANDENBERG VILLAGE CSD  
 Cash Disbursement Detail Report  
 Check Listing for 04-26 thru 04-26 Bank Account.: 13100

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Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
030602	04/02/26	VES01	VESTIS	79.46	20998688	SHOP TOWELS, SUPPLIES 03/19/26
				61.22	21002869	PAPER TISSUE, PAPER TOWELS 03/26/26
			Check Total.....:	140.68		
030603	04/02/26	WAL01	WALLACE GROUP	2892.50	67379	WATER SYSTEM SCOPING STUDY-02/26
030604	04/02/26	WES05	WESTERN EXTERMINATOR CO.	57.50	92740696	EXTERIOR RODENT CONTROL - SITE #3
				84.75	92740697	EXTERIOR RODENT CONTROL - SITE #1
				19.35	92740698	INTERIOR RODENT CONTROL - SITE #1
				41.15	92740699	EXTERIOR INSECT PERIMETER TREATMENT - SITE #1
			Check Total.....:	202.75		
030605	04/02/26	\F003	NUBIA GONZALEZ	37.22	000C60301	CUSTOMER REFUND - FUL0005 - 3843-3 CASSINI CIRCLE
030606	04/02/26	\Q001	BEN M. QUINLAN	19.28	000C60301	CUSTOMER REFUND - QUI0022 - 4064 STARDUST ROAD
030607	04/02/26	\W004	KRISTINA A. WHITMORE	14.39	000C60301	CUSTOMER REFUND - WHI0047 - 4080 SIRIUS AVENUE
030608	04/15/26	3RD01	3RD GEN PUMP & WELL SERVI	1100.00	2040	WIRE BACKWASH VFD, PROGRAM, TROUBLESHOOT-FILTER REHB
030609	04/15/26	ACE01	ACECO EQUIPMENT CO., INC.	148.00	192975	JACKHAMMER FOR CO>MH CONVERSION CLEANUP
030610	04/15/26	COL01	JEFFREY COLE	150.00	C60415	24.59 GALLONS FUEL
030611	04/15/26	COR04	CORE & MAIN LP	6098.65	Y754868	1" & 3/4" ANGLE STOPS, 1" CORP STOPS
				894.58	Y755517	S81C 8X1 SADDLE (QTY 4)
			Check Total.....:	6993.23		
030612	04/15/26	COV01	COVERALL MOUNTAIN & PACIF	445.00	551088	JANITORIAL SERVICE 4/26
030613	04/15/26	FAM01	FAMCON PIPE & SUPPLY, INC	147.90	77638.001	15" CRESCENT WRENCH (QTY 2)
030614	04/15/26	FRO01	FRONTIER	255.90	28850526	FRONTIER 733-2475 4/13/26-5/12/26
				357.42	49050526	FRONTIER 733-3615/3975 4/13/26-5/12/26
			Check Total.....:	613.32		
030615	04/15/26	JPI01	ACWA/JPIA	19535.03	878	ACWA/JPIA PROPERTY PREMIUM 4/26-3/27
030616	04/15/26	KAI01	KAIZEN COLLISION CENTER	11318.95	53003192	UNIT#22 - REPAIR FRONT END DAMAGE
030617	04/15/26	LOM01	CITY OF LOMPOC, FINANCE	31745.65	19814	WASTEWATER TREATMENT COSTS 2/26
				27.00	19978	LANDFILL CHARGES 3/26
			Check Total.....:	31772.65		
030618	04/15/26	MAR02	MARBORG INDUSTRIES	65.72	6804297	TRASH COLLECTION-OFFICE 3/26

REPORT.: Apr 30 26 Thursday  
 RUN...: Apr 30 26 Time: 15:01  
 Run By.: PATTY LECAVALIER

VANDENBERG VILLAGE CSD  
 Cash Disbursement Detail Report  
 Check Listing for 04-26 thru 04-26 Bank Account.: 13100

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Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
030618	04/15/26	MAR02	MARBORG INDUSTRIES	186.54	6804423	TRASH COLLECTION-SHOP 3/26
Check Total.....:				252.26		
030619	04/15/26	MIS01	MISSION PAVING, INC.	1800.00	5925	ASPHALT REPAIR-4172 VANGUARD DR-PB REPLACE
030620	04/15/26	NAT01	NATIONAL GROUP TRUST	679.41	23940526	LONG-TERM DISABILITY 5/26
030621	04/15/26	PGE01	PACIFIC GAS & ELECT. INC.	33194.36	6872-0426	PGE CHARGES 3/1/26-3/31/26
030622	04/15/26	QUI03	QUINN COMPANY	11033.61 -11033.61	4758 4758u	HARMONY SOFTWARE, SETUP, TRAINING, SUPPORT-PO#1792 Ck# 030622 Reversed
Check Total.....:				.00		
030623	04/15/26	SAN30	SANTA BARBARA COUNTY	897.25	65374	ANNUAL EMISSION & AIR TOXICS FEE
030624	04/15/26	USA01	USA BLUE BOOK	95.22	1008511	LAB CHEMICAL TESTING GLASS STOPPERS
030625	04/15/26	VAL04	VALLEY ROCK READY MIX, IN	443.80 443.80	26-39598 26-39677	SLURRY-PB REPLACE-4172 VANGUARD DR SLURRY-PB REPLACE-4176 VANGUARD DR.
Check Total.....:				887.60		
030626	04/15/26	VES01	VESTIS	88.02 61.22	21007002 21011119	CONTINUOUS TOWELS, SHOP TOWELS 4/2/26 PAPER TISSUE, PAPER TOWELS 4/6/26
Check Total.....:				149.24		
030627	04/15/26	WES05	WESTERN EXTERMINATOR CO.	94.64 57.50	94602306 94604886	GOPHER CONTROL SERVICE 4/26 EXTERIOR RODENT CONTROL - LS#2
Check Total.....:				152.14		
030628	04/15/26	HPS01	HPS WEST, INC.	11033.61	4758	HARMONY SOFTWARE, SETUP, TRAINING, SUPPORT-PO#1792
030629	04/30/26	BRE01	BREMER AUTO PARTS	221.06	49185	BATTERY FOR UNIT #19
030630	04/30/26	CLS01	CLINICAL LABS OF SAN	2460.00	1022636	MONTHLY BAC, PFAS, IRON, MANG, ACID, THM, PHYTESTS 03/26
030631	04/30/26	COL01	JEFFREY COLE	46.00	C60428	REIMBURSEMENT-CCWUC ANNUAL OPR. TECH. WORKSHOP
030632	04/30/26	COM03	COMCAST	432.96	10520426	INTERNET-OFFICE 04/20/26-05/19/26
030633	04/30/26	COR01	CORBIN WILLITS SYSTEM INC	949.35	C604151	SERVICE AND ENHANCEMENT FEE 05/26
030634	04/30/26	CUT01	CUT & CLEAN LANDSCAPE SER	270.00	9598	OFFICE YARD MAINTENANCE & HAUL-AWAY SERVICE 04/26
030635	04/30/26	FIN01	FINANCIAL CREDIT NETWORK,	151.20	157320326	COLLECTIONS COMMISSION - GOT0004

REPORT.: Apr 30 26 Thursday  
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VANDENBERG VILLAGE CSD  
 Cash Disbursement Detail Report  
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Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
030636	04/30/26	LOM01	CITY OF LOMPOC, FINANCE	35700.21	20014	WASTEWATER TREATMENT COSTS 3/26
030637	04/30/26	MID03	MID-STATE CONCRETE, INC.	1122.38	77286	MANHOLE LIFTER & MANHOLE CONE-CO>MH CONVERSION
030638	04/30/26	SOU01	SO.CALIFORNIA GAS CO.INC.	63.67	79000426	SO. CALIF GAS - WELL 1B 03/25/26-04/23/26
				46.61	84180426	SO. CALIF GAS - OFFICE 03/25/26-04/23/26
			Check Total.....:	110.28		
030639	04/30/26	STE04	STERICYCLE, INC.	294.05	14022033	DOCUMENT SHREDDING SERVICE 3/24, 4/7/26
030640	04/30/26	VAL04	VALLEY ROCK READY MIX, IN	443.80	26-39753	SLURRY-1"COPPER SERV.LINERPAIR-539 PALOMAR CIRCLE
030641	04/30/26	VES01	VESTIS	79.46	21015233	SHOP TOWELS, SUPPLIES 04/16/26
				61.22	21019351	PAPER TISSUE, PAPER TOWELS 04/23/26
			Check Total.....:	140.68		
041726	04/30/26	STA12	STARLINK	125.00	47G6N4JJH	STARLINK INTERNET FOR SCADA - 4/16/26-5/16/26
080936	04/02/26	TIE01	TIERZERO CLOUD COMMUNICAT	393.31	74186	TIERZERO CLOUD COMMUNICATIONS ACCT FEES 04/26
190430	04/09/26	CAL26	STATE OF CALIFORNIA	617.00	56190430	CALIFORNIA SALES TAX 2025
314800	04/30/26	PIT03	PITNEY BOWES	1181.67	01340426	POSTAGE FOR BILLS 03/26
				201.00	76730426	POSTAGE FOR METER
			Check Total.....:	1382.67		
355713	04/30/26	PIT02	PITNEY BOWES INC	109.99	29355713	INSERTER SEALING SOLUTION
641912	04/06/26	PUR01	PUREFLOW FILTRATION DIV.	233819.82	5017	FILTER REHAB-EQUIP,START-UP,12"PIPE-PO#1737/1737-1
803151	04/02/26	PIT03	PITNEY BOWES	196.00	76730326	POSTAGE FOR METER
809697	04/02/26	PIT01	PITNEY BOWES GLOBAL FINAN	290.24	107810011	PB METER & MAIL MACHINE RENTAL 01/26-04/26
			Cash Account Total.....:	436746.20		
			Total Disbursements.....:	436746.20		
			Cash Account Total.....:	.00		

REPORT.: Apr 30 26 Thursday  
 RUN...: Apr 30 26 Time: 15:01  
 Run By.: PATTY LECAVALIER

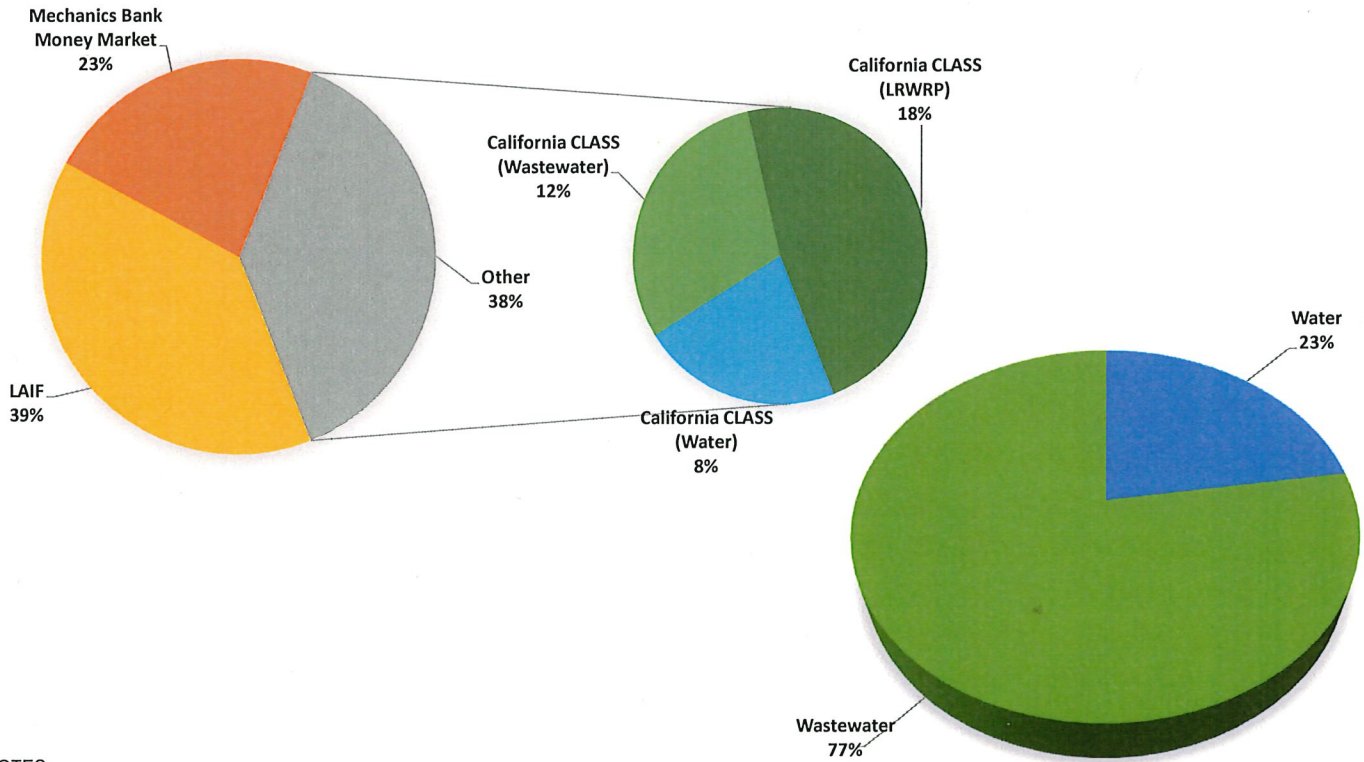
VANDENBERG VILLAGE CSD  
 Cash Disbursement Detail Report - Payroll Vendor Payment(s)  
 Check Listing for 04-26 thru 04-26 Bank Account.: 13101

PAGE: 005  
 ID #: PY-DP  
 CTL.: VAN

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
106720	04/24/26	EMP01	EMPLOYMENT DEVELOP.DEPART	1302.57	C60424	STATE WH TAXES PP#8
106721	04/24/26	EMP01	EMPLOYMENT DEVELOP.DEPART	432.21	1C60424	STATE DISABILITY PP#8
324324	04/24/26	EMP01	EMPLOYMENT DEVELOP.DEPART	1.84	4C60424	LATE FEE PP#TERM
494120	04/10/26	EFT01	EFTPS	3478.67	C60410	FEDERAL WH TAXES PP#7
494121	04/10/26	EFT01	EFTPS	111.60	1C60410	FICA SOCIAL SECURITY DR#4
494122	04/10/26	EFT01	EFTPS	991.48	2C60410	FICA MEDICARE PP#7
632850	04/10/26	PER04	CALPERS 457 PLAN	1169.24	C60410	EMPLOYER PERS 457 PP#7
632851	04/10/26	PER04	CALPERS 457 PLAN	1307.76	1C60410	EMPLOYEE PERS 457 PP#7
632860	04/10/26	PUB02	PUBLIC EMPLOYEES	1828.60	C60410	PERS TDMC PP#7
632861	04/10/26	PUB02	PUBLIC EMPLOYEES	687.65	1C60410	PERS EPMC PP#7
632862	04/10/26	PUB02	PUBLIC EMPLOYEES	3937.95	2C60410	PERS EMPLR CONTRIB. PP#7
716340	04/24/26	PER04	CALPERS 457 PLAN	1169.24	C60424	EMPLOYER PERS 457 PP#8
716341	04/24/26	PER04	CALPERS 457 PLAN	1169.24	1C60424	EMPLOYEE PERS 457 PP#8
716350	04/24/26	PUB02	PUBLIC EMPLOYEES	1829.72	C60424	PERS TDMC PP#8
716351	04/24/26	PUB02	PUBLIC EMPLOYEES	687.65	1C60424	PERS EPMC PP#8
716352	04/24/26	PUB02	PUBLIC EMPLOYEES	3939.09	2C60424	PERS EMPLR CONTRIB. PP#8
890720	04/10/26	EMP01	EMPLOYMENT DEVELOP.DEPART	1285.86	C60410	STATE WH TAXES PP#7
890721	04/10/26	EMP01	EMPLOYMENT DEVELOP.DEPART	432.75	1C60410	STATE DISABILITY PP#7
939990	04/24/26	EFT01	EFTPS	3500.45	C60424	FEDERAL WH TAXES PP#8
939991	04/24/26	EFT01	EFTPS	964.16	1C60424	FICA MEDICARE PP#8
999203	04/24/26	EMP01	EMPLOYMENT DEVELOP.DEPART	1120.00	3C60331	STATE UI AND ETT TAXES Q1
				-----		
Cash Account Total.....:				31347.73		
				-----		
Total Disbursements.....:				31347.73		
				=====		

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
**Schedule of Investments**  
 As of March 31, 2026

Banking Institution	Certificate/ Account No.	Rate / Term	Beginning Balance	Deposit (Withdrawal)	Interest Earned/ Accrued	Total Principal & Interest	Water	Wastewater
Local Agency Investment Fund (LAIF)	16-42-005	3.98% / quarterly	\$5,627,836	\$0	\$55,150	\$5,682,987	\$1,304,753	\$4,378,234
California CLASS (Water)	01-0153-001	3.70% / monthly	\$1,213,004		\$11,221	\$1,224,225	\$1,224,225	
California CLASS (Wastewater)	01-0153-002	3.70% / monthly	\$1,680,282		\$15,543	\$1,695,825		\$1,695,825
California CLASS (LRWRP)	01-0153-006	3.70% / monthly	\$2,627,738		\$24,308	\$2,652,045		\$2,652,045
Mechanics Bank Money Market Savings	9651012305	3.74% APY	\$3,342,006	\$3,206	\$30,440	\$3,375,652	\$775,014	\$2,600,638
TOTAL					\$136,661	\$14,630,733	\$3,303,991	\$11,326,742



- NOTES:
- 1) VVCSD investments are in compliance with the Standard of Investment Policy approved by the Board of Directors.
  - 2) Based on projected income and expenses, the District has the ability to meet the next six months of cash flow requirements.
  - 3) The market value source documents are statements provided by the respective banking institutions.
  - 4) This report is published in accordance with California Government Code 53646(b).

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

TO: Board of Directors ITEM: 9.A

FROM: Finance/Budget Committee <sup>LC</sup>  
 (Director Stass & Director Cox)

BY: Cynthia Allen, General Manager

DATE: May 5, 2026

SUBJECT: Interfund Loan

**Recommendation:** Receive a report from the Finance/Budget Committee and consider approving an interfund loan of \$1,000,000 from the wastewater fund to the water fund, and setting the interest rate and repayment terms.

**Policy Implications:**

- GASB Statement No. 34 requires formal board action detailing the amount, purpose, and repayment schedule for an interfund loan.
- GASB Statement No. 34 also requires that the reciprocal interfund activity be reported on the Basic Financial Statements as an interfund receivable in the lending fund and an interfund payable in the borrowing fund.

**Resource Impacts:**

- Private lending for \$1,000,000 could cost between \$25K and \$60K in fees, depending on the lender.
- The table below details the impact on water and wastewater reserves:

Reserve	Current Balance	Maximum Target	Balance After Loan
Water	\$3,429,431	\$4,354,900	\$4,429,431
Wastewater (VVCSD Collections)	\$5,608,270	\$1,953,043	\$4,608,270

**Alternatives Considered:**

- Approve the interfund loan with different repayment terms.
- Do not approve an interfund loan.

**Discussion:**

At their March 13 meeting, the Finance/Budget Committee discussed the option for the District to make an interfund loan from the wastewater fund to the water fund to reduce the excess in the wastewater reserves and bring the water reserves closer to the target amount. This topic was presented to the board by the Committee at their April 7 regular meeting.

Internal financing eliminates many institutional costs and restrictions, and the wastewater division would continue to earn an interest rate equivalent to what it would have earned. The attached table illustrates a \$1,000,000 loan at 4% interest over 15 years, with an annual payment of \$89,900.

**Attachments:** Interfund Loan Detail

**Vandenberg Village Community Services District  
Meter Replacement Program  
Interfund Loan - 15 years**

Values				Loan summary				
Interfund loan from wastewater		<b>\$1,000,000.00</b>		Total principal		\$1,000,000.00		
Annual interest rate		<b>4.00%</b>		Total interest		\$349,322.98		
Loan period in years		<b>15</b>		Total Paid		\$1,349,322.98		
Number of payments per year		<b>1</b>						
Payment	Fiscal Year	Beginning balance	Total payment	Principal Payment	Interest Payment	Ending balance	Cumulative Principal	Cumulative Interest
1	2026-27	\$1,000,000.00	\$89,900.00	\$49,900.00	\$40,000.00	\$950,100.00	\$49,900.00	\$40,000.00
2	2027-28	\$950,100.00	\$89,900.00	\$51,896.00	\$38,004.00	\$898,204.00	\$101,796.00	\$78,004.00
3	2028-29	\$898,204.00	\$89,900.00	\$53,971.84	\$35,928.16	\$844,232.16	\$155,767.84	\$113,932.16
4	2029-30	\$844,232.16	\$89,900.00	\$56,130.71	\$33,769.29	\$788,101.45	\$211,898.55	\$147,701.45
5	2030-31	\$788,101.45	\$89,900.00	\$58,375.94	\$31,524.06	\$729,725.50	\$270,274.50	\$179,225.50
6	2030-32	\$729,725.50	\$89,900.00	\$60,710.98	\$29,189.02	\$669,014.52	\$330,985.48	\$208,414.52
7	2030-33	\$669,014.52	\$89,900.00	\$63,139.42	\$26,760.58	\$605,875.11	\$394,124.89	\$235,175.11
8	2030-34	\$605,875.11	\$89,900.00	\$65,665.00	\$24,235.00	\$540,210.11	\$459,789.89	\$259,410.11
9	2030-35	\$540,210.11	\$89,900.00	\$68,291.60	\$21,608.40	\$471,918.51	\$528,081.49	\$281,018.51
10	2030-36	\$471,918.51	\$89,900.00	\$71,023.26	\$18,876.74	\$400,895.25	\$599,104.75	\$299,895.25
11	2030-37	\$400,895.25	\$89,900.00	\$73,864.19	\$16,035.81	\$327,031.06	\$672,968.94	\$315,931.06
12	2030-38	\$327,031.06	\$89,900.00	\$76,818.76	\$13,081.24	\$250,212.31	\$749,787.69	\$329,012.31
13	2030-39	\$250,212.31	\$89,900.00	\$79,891.51	\$10,008.49	\$170,320.80	\$829,679.20	\$339,020.80
14	2030-40	\$170,320.80	\$89,900.00	\$83,087.17	\$6,812.83	\$87,233.63	\$912,766.37	\$345,833.63
15	2030-41	\$87,233.63	\$90,722.98	\$87,233.63	\$3,489.35	\$0.00	\$1,000,000.00	\$349,322.98
			\$1,349,322.98	\$1,000,000.00	\$349,322.98			

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

TO: Board of Directors ITEM: 9.B

FROM: Finance/Budget Committee <sup>LC</sup>  
(Director Stassi & Director Cox)

BY: Cynthia Allen, <sup>CA</sup> General Manager  
Jeff Cole, Operations & Maintenance Manager <sup>JC</sup>

DATE: May 5, 2026

SUBJECT: Advanced Metering Infrastructure (AMI) Project

**Recommendation:**

- Amend the FY 2025–26 Budget to issue a blanket purchase order to HydroPro Solutions for the purchase of AMR-compatible AMI meters;  
OR
- Discuss the options and defer the decision until the June 2, 2026 Board meeting.

**Policy Implications:**

- The Board adopts an annual budget and approves significant changes or increases.
- VVCSD Ordinance § 2.17.1.1. requires that District water meters comply with the ANSI/AWWA C700 C700 standard for accuracy.
- California Water Code § 527 requires a water meter to be installed on each customer's service connection.
- California Water Code § 10609.61 requires the District to submit monthly water supply and demand reports to the State of California. These reports are reviewed by the State Water Resources Control Board and the Department of Water Resources. As part of this oversight, non-revenue water is assessed for compliance with

Article X, Section 2 of the California Constitution, which prohibits the waste or unreasonable use of water.

**Resource Impacts:**

- There is \$25,000 approved in the FY 2025-26 Operating Budget for meters and \$175,000 proposed in the FY 2026-27 Operating Budget.
- Water Reserves are currently \$3,429,431.

**Alternatives Considered:**

- Defer the purchase of meters to a future budget cycle.
- Purchase new meters annually over five years beginning in FY 2026-27.

**Discussion:**

At their March 13 meeting, the Finance/Budget Committee discussed financing for the meter replacement project and highlighted the cost savings of purchasing all of the necessary meters before the end of Fiscal Year 2025-26. HydroPro Solutions has locked in the pricing until June 30, 2026, and will provide storage for meters that are not immediately needed. The committee recommends that the district purchase the AMR-compatible AMI meters prior to 6/30/26, as in the attached proposals.

The Finance/Budget Committee recognizes the urgent need to replace customer meters, nearly all of which were installed between 2010 and 2012. A commitment to this purchase (approximately 2600 meters) comes down to the question: AMR or AMR-compatible AMI meters? Because the AMI meters allow for future consideration of an AMI Fixed Network to read meters, the committee recommends this course of action. **This recommendation is not to be construed as a committee endorsement of an AMI Fixed Network, rather it is being taken so as not to eliminate future boards from opting to proceed with a network-based meter reading system.**

The District currently has 2,579 water meters installed. Thirteen of those meters are 3" to 6" and will be replaced at a later date. The table on the next page details the age of the 2,566 meters that are 2" or smaller. Note that 93 percent of them are between 14 and 16 years old. AWWA

suggests replacing meters every 10 years, and VVCS D has a policy of replacing all meters by their 15<sup>th</sup> year. Additionally, the batteries in our current AMR meters have an estimated lifespan of 10 years. Our AMR project commenced in 2009 and was substantially completed by 2012. Most of our residential meters are 5/8" x 3/4", 3/4", and 1". Therefore, a majority of the residential meters in use are between 14 and 16 years old.

Calendar Year Installed	Age (Years)	5/8" x 3/4"	3/4"	1"	1 1/2"	2"	Number	Percent		
2010	16	18	13	229	3	0	263	10.25%		
2011	15	651	94	765	2	9	1,521	59.28%	2,396	93.37%
2012	14	572	2	31	1	6	612	23.85%		
2013 - 2019	7 - 13	4	3	90	14	10	121	4.72%	121	4.72%
2020	6	0	0	0	1	3	4	0.16%		
2021	5	1	0	0	5	2	8	0.31%		
2022	4	1	0	1	1	0	3	0.12%		
2023	3	2	0	7	1	4	14	0.55%	49	1.91%
2024	2	2	0	4	4	4	14	0.55%		
2025	1	1	0	3	0	0	4	0.16%		
2026	0	1	0	1	0	0	2	0.08%		
		1,253	112	1,131	32	38	2,566	100%		

*Master Meter*

Prior to 2009, the District used a mix of water meter brands but needed to standardize on one brand for the AMR Meter Project. District staff researched and compared the different water meters that we were already using. Representatives from Badger, Hersey, Master, Neptune, and Performance gave presentations to staff. Prices for the meters and hardware/software support packages did not vary appreciably. Therefore, the technical aspects were considered, such as:

- the ability of the meters to fit into the existing meter boxes,
- integration of all electronic components into the meter case rather than requiring external wiring or "add-on" devices,
- product support and service,
- software compatibility with our existing Multiple Operations Management (MOM) billing software, and
- a proven service record.

Staff concluded that Master Meter was the best fit for our water system, and the District has been using those meters exclusively. HydroPro Solutions is the Master Meter distributor for California.

*AMR Meters v. AMR-compatible AMI meters*

Our current AMR meters use 3G at 900 MHz to communicate with the meter-reading computer during a drive-by. The new AMR-compatible AMI meters also use 3G technology for communication during the drive-by process, but can be switched to 450 MHz, which provides a significantly larger cell size and steadier, more reliable coverage.

The table below shows that the cost difference between our existing AMR meters and the new AMR-compatible AMI meters is about \$60K (7% of the project, or about \$20 per meter).

	<b>AMI Meters</b>	<b>AMR Meters</b>	<b>Difference</b>	
Meters	\$792,985.35	\$740,179.16		
7.75% Tax	61,456.36	57,363.88		
7% Tariff Surcharge	55,508.97	51,812.54		
Estimated Freight	15,000.00	15,000.00		
Total	<u>\$924,950.69</u>	<u>\$864,355.59</u>	<u>\$60,595.10</u>	7.0%

The new AMR-compatible AMI meters will continue to be read monthly using our drive-by system. At a future date, after all of the new meters have been installed, the feasibility of adding the fixed network component can be evaluated.

*Neighboring Agencies*

A review of neighboring agencies found that many are currently implementing AMI meter projects or have switched to AMI meters within the past 15 years. Currently, eight of the 17 water agencies in Santa Barbara County utilize AMI meters. The table on the next page is not an exhaustive list of AMI meters in the tri-county area.

Agency	County	Brand	Number of Meters	Collection Method	Start Date
Carpinteria Valley Water District	SB	Badger	4,700	Cellular	2018
Goleta Water District	SB	Unknown	16,930	Fixed Network	2025
La Cumbre Mutual Water Company	SB	Badger	1,467	Fixed Network	2018
City of Lompoc	SB	Badger/Sensus	9,900	Fixed Network	2024
Montecito Water District	SB	Badger	4,700	Fixed Network	2018
City of Santa Barbara	SB	Badger/Sensus	27,500	Fixed Network	2014
City of Santa Maria	SB	Sensus	21,000	Fixed Network	2010
City of Solvang	SB	Sensus	2,100	Fixed Network	2018
Cambria Community Services District	SLO	Badger	4,050	Cellular	2023
City of Paso Robles	SLO	Badger	11,000	Cellular	2023
City of Thousand Oaks	Ventura	Badger	17,200	Cellular	2022

Note that those agencies that use cellular to read their AMI meters also incur a \$1.00 per-connection-per-month cost to maintain that connectivity.

*Non-Revenue Water*

According to industry data, water meters rarely stop working entirely. As a water meter ages, its accuracy decreases, and it fails incrementally. District staff performed bench testing on a representative sample of 5/8" x 3/4" and 1" meters and discovered that the smaller meters are only capturing about 25 percent of the low flow through the meter. As a result, the customer is not being billed for all of the water being used, and the District's leak detection system is unable to detect any slow leaks.

Regularly replacing water meters improves usage measurement accuracy and increases revenue by capturing non-revenue water. Water usage increased by about 12% after the completion of the AMR project, due to improved accuracy. This equates to approximately 6% of the increase in water revenue in 2012.

The difference between water produced and water sold is defined as Non-Revenue Water (NRW). Our NRW for the calendar year 2025 was 16 percent, so staff utilized the AWWA Water Audit Software to analyze the data. The table below presents the analysis results, and a visual representation is included as an attachment. Of the 91.2 Million Gallons (MG) of NRW in 2025, the tool estimated that 40.6 MG can be allocated to Customer Metering Inaccuracies.

Water Produced	443.338	
Water Sold	352.180	
Non-Revenue Water	<u>91.158</u>	MG
Metered Filter Loss	13.033	
Estimated System Loss (water mains, etc.)	37.546	
Estimated Customer Meter Inaccuracies	40.579	
Non-Revenue Water	<u>91.158</u>	MG

**Attachments:**

1. HydroPro Quotes for AMI and AMR meters
2. AWWA Water Audit

**Vandenberg Village Community Services District  
HydroPro Solutions, Inc. Quotations good through June 30, 2026**

Qty	Meters	Unit Cost	4G AMI Total	Unit Cost	3G AMR Total
506	5/8" x 3/4" Sonata Meter POLYMER Flow Tube w/ Integrated Radio	249.18	126,085.08	245.93	124,440.58
747	5/8 X 3/4 inch BLMJ meter, Lead free body w/Plastic Bottom Plate	253.45	189,327.15	231.33	172,803.51
63	3/4" x 7.5" Sonata Meter POLYMER Flow Tube w/ Integrated Radio	279.08	17,582.04	275.45	17,353.35
49	3/4 X 7.5 inch BLMJ meter, Lead free body w/Plastic Bottom Plate	270.88	13,273.12	246.56	12,081.44
1,131	1 inch BLMJ meter, Lead free body w/Plastic Bottom Plate	343.38	388,362.78	315.80	357,169.80
32	1 1/2 inch flg. MJ (MS) meter, Lead free body	586.23	18,759.36	570.00	18,240.00
38	2 inch flg. MJ (MS) meter, Lead free body	759.41	28,857.58	749.96	28,498.48
32	Encoder Module w/ 5' Nicor Cable	144.65	4,628.80	144.65	4,628.80
32	Pit Unit with 2' Nicor Connector	190.92	6,109.44	155.10	4,963.20
<u>2,566</u>			<u>792,985.35</u>		<u>740,179.16</u>
	Subtotal		792,985.35		740,179.16
	Tax	7.75%	61,456.36	7.75%	57,363.88
	Tariff	7.00%	55,508.97	7.00%	51,812.54
	Estimated Freight		15,000.00		15,000.00
	Total		<u>924,950.69</u>		<u>864,355.59</u>



# HydroPro Solutions, Inc

1180 East Francis Street  
Ontario, CA 91761  
Phone 949-910-9449

To: Jeff Cole / Cynthia Allen  
Vandenberg Village  
3745 Constellation Road  
Lompoc, Ca. 93436  
Phone: 805-733-2475

## Quotation

DATE: May 9, 2025  
Quotation #: Brian VV 05-09  
Salesperson: Brian Jensen

Quotation valid until: 6/30/2026  
Prepared by: Brian Jensen

Qty	Description	Unit Cost	AMOUNT	Part Number
<b>BLMJ / MS-MJ Meters with Allegro Registers</b>				
745	5/8 X 3/4 inch BLMJ meter, Lead free body w/Plastic Bottom Plate Allegro 4G AMI Register CF Under the Glass	\$ 253.45	\$ 188,820.25	B12-A11-B15-0101A-1
49	3/4 X 7.5 inch BLMJ meter, Lead free body w/Plastic Bottom Plate Allegro 4G AMI Register CF Under the Glass	\$ 270.88	\$ 13,273.12	B13-A11-B15-0101A-1
1118	1 inch BLMJ meter, Lead free body w/Plastic Bottom Plate Allegro 4G AMI Register CF Under the Glass	\$ 343.38	\$ 383,898.84	B16-A11-B15-0101A-1
32	1 1/2 inch flg. MJ (MS) meter, Lead free body Allegro 4G AMI Register CF Under the Glass	\$ 586.23	\$ 18,759.36	M21-A00-B15-0101A-1
18	2 inch flg. MJ (MS) meter, Lead free body Allegro 4G AMI Register CF Under the Glass	\$ 759.41	\$ 13,669.38	M23-A00-B15-0101A-1
<b>Modules and Pit Allegros for Octave Meters</b>				
32	Encoder Module w/ 5' Nicor Cable	\$ 144.65	\$ 4,628.80	965-110-56
32	Allegro Pit Unit with 2' Nicor Connector	\$ 190.92	\$ 6,109.44	199-016-80-2
	<b>Tariff Surcharge 7%</b>		\$ 44,041.14	

Sub Total: \$ 629,159.19  
Tax: \$ 48,759.84  
Tariff Surcharge: \$ 44,041.14  
Freight: TBD  
Total: \$ 721,960.17

PLEASE NOTE: This quotation is valid through 06/30/2026. We reserve the right to amend prices after this period.

If required Shipping is ESTIMATED in this quote.

A 2% processing fee will be applied for all credit card purchases.

All invoices are due Net 30 per HydroPro Solutions standard terms and conditions

THANK YOU FOR YOUR BUSINESS!



# HydroPro Solutions, Inc

1180 East Francis Street  
Ontario, CA 91761  
Phone 949-910-9449

To: Jeffrey S. Cole  
Vandenberg Village  
3745 Constellation Road  
Lompoc, Ca. 93436  
Phone: 805-757-7684

## Quotation

DATE March 16, 2026  
Quotation # Brian VV 05-09 LOY  
Salesperson: Brian Jensen

Quotation valid until: June 30 2026  
Prepared by: Brian Jensen

Qty	Description	Unit Cost	AMOUNT	Part Number
<b>Sonatas w Allegro</b>				
506	5/8" x 3/4" Sonata Meter POLYMER Flow Tube w/ Integrated Allegro Radio - AMI Fixed Base	\$ 249.18	\$ 126,085.08	S112-B00-E09-F
63	3/4" x 7.5" Sonata Meter POLYMER Flow Tube w/ Integrated Allegro Radio - AMI Fixed Base	\$ 279.08	\$ 17,582.04	S113-B00-E09-F
	Tariff Surcharge 7%	\$ 10,056.69		

**Sub Total:** \$ 143,667.12  
**Tax:** \$ 11,134.20  
**Tariff Surcharge** \$ 10,056.69  
**Freight** TBD  
**Total:** \$ 164,858.01

PLEASE NOTE: This quotation is valid through June 30 2026. We reserve the right to amend prices after this period.

If required Shipping is ESTIMATED in this quote.

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THANK YOU FOR YOUR BUSINESS!



**HydroPro Solutions, Inc**

1180 East Francis Street  
 Ontario, CA 91761  
 Phone 949-910-9449

To: Jeff Cole / Cynthia Allen  
 Vandenberg Village  
 3745 Constellation Road  
 Lompoc, Ca. 93436  
 Phone: 805-733-2475

**Quotation**

**DATE** March 16, 2026  
**Quotation #** Brian VV 03-16  
**Salesperson:** Brian Jensen

*Quotation valid until:* 6/30/2026  
*Prepared by:* Brian Jensen

Qty	Description	Unit Cost	AMOUNT	Part Number
<b>BLMJ / MS-MJ Meters with Allegro Registers</b>				
745	5/8 X 3/4 inch BLMJ meter, Lead free body w/Plastic Bottom Plate 3G AMR Register CF Under the Glass	\$ 231.33	\$ 172,340.85	B12-A11-B15-0101A-1
49	3/4 X 7.5 inch BLMJ meter, Lead free body w/Plastic Bottom Plate 3G AMR Register CF Under the Glass	\$ 246.56	\$ 12,081.44	B13-A11-B15-0101A-1
1118	1 inch BLMJ meter, Lead free body w/Plastic Bottom Plate 3G AMR Register CF Under the Glass	\$ 315.80	\$ 353,064.40	B16-A11-B15-0101A-1
32	1 1/2 inch flg. MJ (MS) meter, Lead free body 3G AMR Register CF Under the Glass	\$ 570.00	\$ 18,240.00	M21-A00-B15-0101A-1
18	2 inch flg. MJ (MS) meter, Lead free body 3G AMR Register CF Under the Glass	\$ 749.96	\$ 13,499.28	M23-A00-B15-0101A-1
<b>Modules and Pit Allegros for Octave Meters</b>				
32	Encoder Module w/ 5' Nicor Cable	\$ 144.65	\$ 4,628.80	965-110-56
32	3G Pit Unit with 2' Nicor Connector	\$ 155.10	\$ 4,963.20	199-024-50
	<b>7% Tariff Surcharge</b>	\$ 40,517.25		

**Sub Total:** \$ 578,817.97  
**Tax:** \$ 44,858.39  
**Tariff Surcharge:** \$ 40,517.25  
**Freight** TBD  
**Total:** \$ 664,193.61

PLEASE NOTE: This quotation is valid through 06/30/2026. We reserve the right to amend prices after this period.

If required Shipping is ESTIMATED in this quote.

A 2% processing fee will be applied for all credit card purchases.

All invoices are due Net 30 per HydroPro Solutions standard terms and conditions

THANK YOU FOR YOUR BUSINESS!



# HydroPro Solutions, Inc

1180 East Francis Street  
Ontario, CA 91761  
Phone 949-910-9449

To: Jeffrey S. Cole  
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3745 Constellation Road  
Lompoc, Ca. 93436  
Phone: 805-757-7684

## Quotation

DATE March 16, 2026  
Quotation # Brian VV 03-16 LOY  
Salesperson: Brian Jensen

Quotation valid until: June 30 2026  
Prepared by: Brian Jensen

Qty	Description	Unit Cost	AMOUNT	Part Number
<b>Sonatas w Allegro</b>				
506	5/8" x 3/4" Sonata Meter POLYMER Flow Tube w/ Integrated 3G Radio - AMR	\$ 245.93	\$ 124,440.58	S112-B00-B09
63	3/4" x 7.5" Sonata Meter POLYMER Flow Tube w/ Integrated 3G Radio - AMR	\$ 275.45	\$ 17,353.35	S113-B00-B09
	7% Tariff Surcharge	\$ 9,925.57		

Sub Total: \$ 141,793.93  
Tax: \$ 10,989.03  
Tariff Surcharge \$ 9,925.57  
Freight TBD  
Total: \$ 162,708.53

PLEASE NOTE: This quotation is valid through June 30 2026. We reserve the right to amend prices after this period.

If required Shipping is ESTIMATED in this quote.

A 2% processing fee will be applied for all credit card purchases.

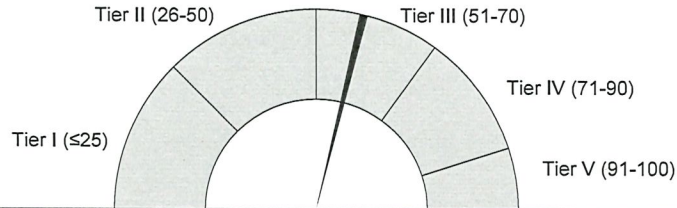
All invoices are due Net 30 per HydroPro Solutions standard terms and conditions

THANK YOU FOR YOUR BUSINESS!

**Data Validity**

Data Validity Score: **57** Data Validity Tier: **Tier III (51-70)**

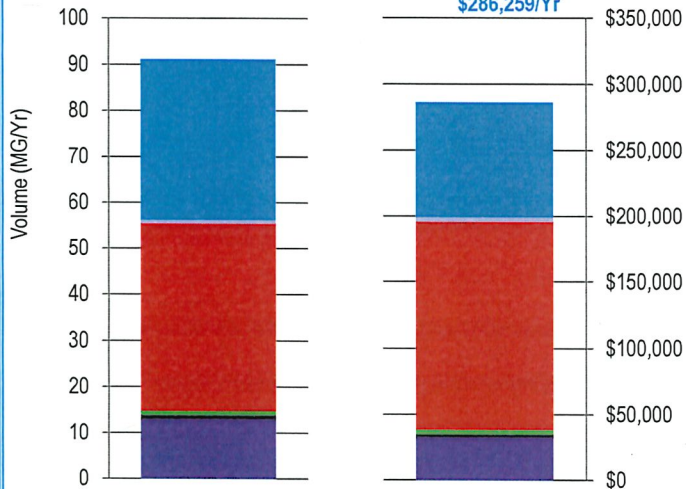
See [Loss Control Planning](#) for Tier Details



**NRW Components Summary**

Total Volume of NRW = 90 MG/Yr

Total Cost of NRW = \$286,259/Yr



Real Losses	Unauthorized Consumption
Systematic Data Handling Errors	Unbilled Unmetered Auth Cons
Customer Metering Inaccuracies	Unbilled Metered Authorized Cons

	Volume MG/Yr	Value \$/Yr	Carbon Emissions mt/Yr
Apparent Losses	42.3	\$164,331	9
Real Losses	34.9	\$87,178	8
Unbilled Authorized Cons	13.9	\$34,751	3
Non-Revenue Water	91.2	\$286,259	20

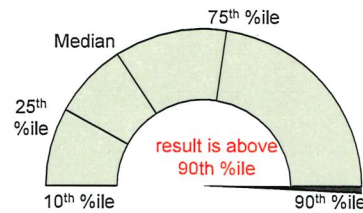
mt = metric tons

Actual KPI result

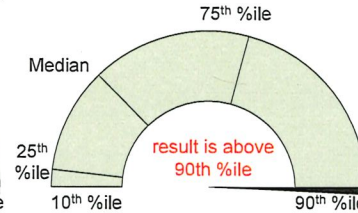
**Key Performance Indicators**

Target (see Worksheet)

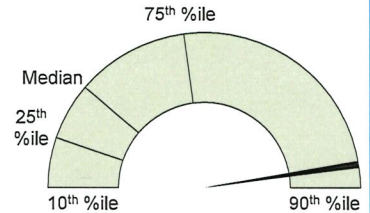
gauge %iles per validated industry ranges<sup>2</sup>



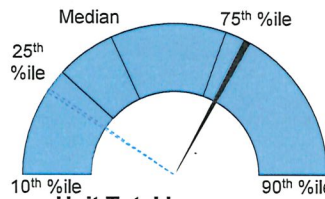
**Total Loss Cost Rate**  
96.73 \$/conn/year



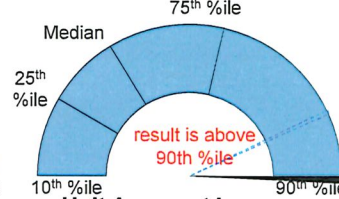
**Apparent Loss Cost Rate**  
63.20 \$/conn/year



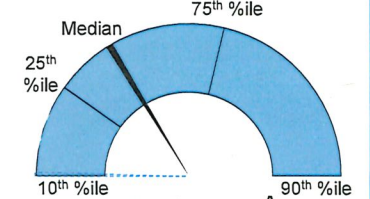
**Real Loss Cost Rate**  
33.53 \$/conn/year



**Unit Total Losses**  
81.4 gal/conn/day

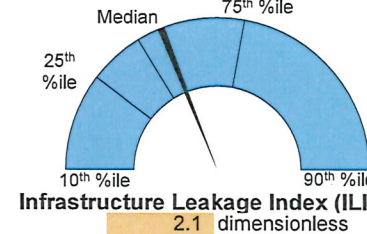


**Unit Apparent Losses**  
44.6 gal/conn/day

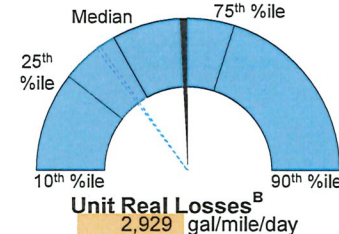


**Unit Real Losses<sup>A</sup>**  
36.8 gal/conn/day

**Average Operating Pressure**



**Infrastructure Leakage Index (ILI)**  
2.1 dimensionless



**Unit Real Losses<sup>B</sup>**  
2,929 gal/mile/day

See UARL definition for additional guidance on the ILI

**(UARL) Unavoidable Annual Real Losses** 16.5 MG/Yr 17.4 gal/conn/day

**Guidance Information for Key Performance**

- The eight indicators shown are the recommended suite per the AWWA Water Loss Control Committee 2020 Position on KPIs<sup>1</sup>.
- A suite of KPIs is necessary, as no single KPI can holistically communicate water loss performance for a given water system.
- See Table 1 below for Uses and Limitations for each KPI, excerpted from the AWWA Water Loss Control Committee Report (2020)<sup>1</sup>, with naming conventions updated.
- Percentiles (%iles) shown on KPI gauges come from Level 1 validated data in the AWWA WLCC Reference Water Audit Dataset (2020)<sup>2</sup>.
- KPI %iles shown above are not segregated by cohorts. Limited KPI data by cohorts may be found in WRF 4695 Guidance Manual, Appendix B (2019)<sup>3</sup>.
- Actual KPI results that fall below 10<sup>th</sup> %ile or above 90<sup>th</sup> %ile do not necessarily imply error, but should be viewed with scrutiny.
- Percentiles not intended to imply targets. Targets may be input by user for operational KPIs, if desired, on Worksheet.
- See UARL and ILI in Definitions tab for discussion of size and pressure limitations.
- Systems that fall on the extreme ends of size or connection density should use caution when interpreting Unit Losses KPIs.

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

AGENDA MEMORANDUM

TO: Board of Directors ITEM: 9.C

FROM: Finance/Budget Committee <sup>LC</sup>  
(Director ~~Stasi~~ & Director Cox)

BY: Cynthia Allen, General Manager

DATE: May 5, 2026

SUBJECT: LRWRP Upgrade Charge

**Recommendation:**

- Receive a report from the Finance/Budget Committee regarding their LRWRP Upgrade Charge recommendations.
- Consider continuing to collect the LRWRP Upgrade Charge on the Santa Barbara County Tax Roll and paying the SRF Loan payments as they are due.

**Policy Implications:**

- The Wastewater Service Agreement between VVCS D and the City of Lompoc requires the District to pay its share of the State Revolving Fund loan for the LRWRP Upgrade Project.
- California Government Code § 61115(b) gives the board of directors of community services districts the option of collecting any charges "on the tax roll in the same manner as property taxes" provided:
  - The general manager prepares and files a report that describes each affected parcel and the amount of the charge for the year.
  - The general manager gives notice of a public hearing pursuant to California Government Code § 6066 in a newspaper of general circulation and mails the notice to the owner of each affected parcel.

- The board of directors holds a public hearing and considers any objections or protests to the report before adopting the charges.

**Resource Impacts:**

- The current SRF loan debt is \$2,964,433. The annual payment is \$741K.
- The District anticipates LRWRP capital expenditures of approximately \$625K over the next few years.
- The District collects approximately \$1.1 million in LRWRP Upgrade Charges on the Santa Barbara County Tax Roll.
- The difference between the charges collected and payments for the SRF debt and LRWRP capital expenditures is deposited into wastewater reserves. Current wastewater reserves allocated to the LRWRP obligations are \$5,899,542.

**Alternatives Considered:**

- Stop collecting the LRWRP Upgrade Charges on the Tax Roll and make the four remaining SRF debt payments from reserves
- Stop collecting the LRWRP Upgrade Charges on the Tax Roll and pay the remaining SRF debt in one lump sum

**Discussion:**

*LRWRP SRF Loan*

In 2006, to fund the LRWRP Upgrade Project, the City of Lompoc was approved for a State Revolving Fund (SRF) loan from the State Water Resources Control Board (SWRCB). Although the loan is considered interest-free, the SWRCB required a funding match. The city received disbursements totaling \$76,337,875 and is obligated to repay \$91,605,815, which includes matching funds of \$15,267,940. The match is recorded as imputed interest and must be paid through the end of the loan. The District is obligated to contribute 16.18 percent of the SRF debt and currently owes \$2,964,433.

	SRF Loan Totals	VVCSD Share	VVCSD Current Due
Loan Disbursements	\$76,337,875	\$12,351,468	\$2,836,528
Funding Match (Imputed Interest)	15,267,940	2,470,353	127,905
Total Repayment Amount	\$91,605,815	\$14,821,821	\$2,964,433

At the April 7 Regular Board Meeting, the Finance/Budget Committee was asked to review the possibility of paying off the SRF loan early with wastewater reserves earmarked for the LRWRP. On April 24, the Finance/Budget Committee discussed three options for repaying the LRWRP SRF Loan: (1) to stop collecting the LRWRP Upgrade Charges on the tax roll and make the four remaining SRF debt payments from reserves, (2) to stop collecting the LRWRP Upgrade Charges on the tax roll and pay the remaining SRF debt in one lump sum, and (3) the status quo. Each scenario is detailed in the attachment.

Because prepaying the SRF debt offers no interest savings and discontinuing the LRWRP Upgrade Charge would cause reserves to fall below the minimum target, the Committee recommends continuing to collect the LRWRP Upgrade Charge on the Santa Barbara County Tax Roll for the near future and making the remaining SRF loan payments as they come due.

*LRWRP Reserves*

LRWRP Reserves are collected for the purpose of paying for VVCSD's share of the LRWRP capital projects. For example, in 2024, the District paid \$2.2 million for the Floradale Sewer Line Relocation project.

The District's current reserve policy (Resolution 229-24) sets the LRWRP minimum reserve balance to be equal to 15 percent of the audited value of the capacity rights of the Lompoc Regional Wastewater Reclamation Plant ( $\$20,244,941 \times 0.15 = \$3,779,383$ ) and the maximum balance to be equal to 25 percent of the audited value of that asset ( $\$20,244,941 \times 0.25 = \$5,803,877$ ). The current LRWRP Reserve balance of \$5,899,542 is less than \$100K above the maximum reserve target and therefore does not require a drawdown.

*City of Lompoc Capital Improvement Plan*

LRWRP capital expenditures are deducted from the VVCSD Wastewater Capital Reserve Fund (WCRF) when the City of Lompoc records the project expenses. Annually, the District contributes funds to return the WCRF balance to the required \$742K. The table below lists upcoming capital projects and the District’s estimated share for each. Details about each project were distributed to the board at the April 7 regular meeting.

Project Name	Total Project Budget	Estimated VVCSD Share	Fiscal Year
West Central Avenue sewer pipeline and manhole replacement	\$2,150,000	\$175,000*	2026-27
Mission Hills requested Wastewater transmission and treatment	Not applicable to VVCSD		
Old Secondary Clarifiers Rehabilitation	\$575,000	\$93,035	Deferred <i>VVCSD earmarked for FY 2027-28 Budget</i>
Aeration Control Improvement	\$1,550,000	\$250,790	Deferred <i>VVCSD earmarked for FY 2028-29 Budget</i>
River Park Sewer Lift Station Renovations	Not applicable to VVCSD		
Drying Bed Paving	\$650,000	\$105,170	Deferred <i>VVCSD earmarked for FY 2029-30 Budget</i>

\* This is an estimated amount. The VVCSD share would be limited to the six manholes and 2,500 linear feet of sewer main along Central Avenue between Floradale Road and the LRWRP.

*LRWRP Upgrade Charge*

In July 2007, the District added a new “LRWRP Upgrade” charge to the monthly bill. The initial amount was \$3.73, and the fee gradually increased each year, reaching the current rate of \$30.12 per month in July 2010, after completion of the upgrade project. This charge collects approximately \$1.1 million annually and presently generates sufficient revenue to pay the SRF loan principal and interest, the annual WCRF requirement, and contributes to the wastewater reserves allocated to the LRWRP.

In 2017, the District contracted with the County of Santa Barbara Auditor-Controller to collect the LRWRP Upgrade Charge on the county tax roll.

Each residential, apartment, and condominium customer pays \$361.44 per year ( $\$30.12 \times 12$  months). Each commercial customer's charge is calculated by multiplying the average winter water for the previous calendar year by the ccf rate. The county charges \$1.00 per APN (or \$2,647) for this service.

**Attachments:** Table detailing SRF balance and scenarios for repayment

**Wastewater State Revolving Fund - VVCS D Remaining Debt**

Payment Date	Payment	Principal	Match (Imputed Interest)	Imputed Interest Rate
8/31/2026	741,091	690,379	50,712	1.71%
8/31/2027	741,091	702,722	38,369	1.73%
8/31/2028	741,091	715,285	25,806	1.74%
8/31/2029	741,160	728,142	13,018	1.76%
	<u>2,964,433</u>	<u>2,836,528</u>	<u>127,905</u>	

**LRWRP Reserves**

<i>Investment Interest Assumption</i>	3.20%	3.00%	2.75%	2.50%
<i>Minimum Reserve Required</i>	3,779,383	3,779,383	3,779,383	3,779,383
<i>Maximum Reserve Required</i>	5,803,877	5,803,877	5,803,877	5,803,877

**Scenario 1 - Stop Collecting LRWRP Upgrade Charges on Tax Roll, Make Four Remaining Payments from Reserves**

	FYE 2027	FYE 2028	FYE 2029	FYE 2030	CUMULATIVE
Reserve Beginning Balance	6,380,687	5,668,896	4,997,872	4,144,222	6,380,687
LRWRP Upgrade Charge	0	0	0	0	0
Investment Income	204,300	170,067	137,441	103,606	615,414
Expenses (less depreciation)	741,091	741,091	741,091	741,160	2,964,433
Net Revenue	<b>(536,791)</b>	<b>(571,024)</b>	<b>(603,650)</b>	<b>(637,554)</b>	<b>(2,349,019)</b>
Capital Projects	175,000	100,000	250,000	100,000	625,000
Change to Reserves	<b>(711,791)</b>	<b>(671,024)</b>	<b>(853,650)</b>	<b>(737,554)</b>	<b>(2,974,019)</b>
Reserve Ending Balance	5,668,896	4,997,872	4,144,222	3,406,668	3,406,668

**Scenario 2 - Stop Collecting LRWRP Upgrade Charges on Tax Roll, Pay Remaining SRF Debt in One Lump Sum**

	FYE 2027	FYE 2028	FYE 2029	FYE 2030	CUMULATIVE
Beginning Balance	6,380,687	3,445,554	3,448,921	3,293,766	6,380,687
LRWRP Upgrade Charge	0	0	0	0	0
Investment Income	204,300	103,367	94,845	82,344	484,856
Expenses (less depreciation)	2,964,433	0	0	0	2,964,433
Net Revenue	<b>(2,760,133)</b>	<b>103,367</b>	<b>94,845</b>	<b>82,344</b>	<b>(2,479,577)</b>
Capital Projects	175,000	100,000	250,000	100,000	625,000
Change to Reserves	<b>(2,935,133)</b>	<b>3,367</b>	<b>(155,155)</b>	<b>(17,656)</b>	<b>(3,104,577)</b>
Reserve Balance	3,445,554	3,448,921	3,293,766	3,276,110	3,276,110

**Scenario 3 - Status Quo**

	FYE 2027	FYE 2028	FYE 2029	FYE 2030	CUMULATIVE
Beginning Balance	6,380,687	6,763,090	7,217,163	7,515,111	6,380,687
LRWRP Upgrade Charge	1,094,194	1,092,271	1,090,567	0	3,277,032
Investment Income	204,300	202,893	198,472	187,878	793,542
Expenses (less depreciation)	741,091	741,091	741,091	741,160	2,964,433
Net Revenue	<b>557,403</b>	<b>554,073</b>	<b>547,948</b>	<b>(553,282)</b>	<b>1,106,142</b>
Capital Projects	175,000	100,000	250,000	100,000	625,000
Change to Reserves	<b>382,403</b>	<b>454,073</b>	<b>297,948</b>	<b>(653,282)</b>	<b>481,142</b>
Reserve Balance	6,763,090	7,217,163	7,515,111	6,861,829	6,861,829

VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT  
AGENDA MEMORANDUM

TO: Board of Directors ITEM: 9.D  
FROM: Cynthia Allen, General Manager *CA*  
Jeff Cole, Operations and Maintenance Manager *xc*  
DATE: May 7, 2026  
SUBJECT: Capital Budget Amendment

**Recommendation:** Increase the FY 2025-26 water capital budget by \$13,000 to replace the 25 hp filter pump.

**Policy Implications:** The Board adopts an annual budget and approves significant changes or increases.

**Resource Impacts:**

- \$13,000 from water fund reserves.
- In February, the Board of Directors deferred the \$100,000 Water Valve Project to a future budget and reallocated \$75,000 of the funds to the Filter Rehabilitation project. A portion of the remaining \$25,000 could be allocated to this capital item.

**Alternatives Considered:** Do not amend the budget.

**Discussion:** The quote that we received during FY 2025-26 budget preparation was for a Goulds filter pump. The vendor that provided the quote asserted that the Peerless filter pump we specified in our request was no longer available.

Subsequent research determined that 3<sup>rd</sup> Gen Pump and Well Service could obtain the Peerless pump that we required, but the cost exceeded our budget. The Goulds pump, while cheaper, would require modifications in order to replace the existing Peerless pump. These modifications could

increase failure points. Staff believes that the return on investment for a quality product outweighs the cost of the budget increase.

**Attachments:** Quote from 3<sup>rd</sup> Gen Pump and Well Service dated March 5, 2025



**3rd Gen Pump & Well**

PO Box 2144  
Pismo Beach, CA 93448  
(805) 904-8808

**Project Estimate**

**Customer** Vandenberg Village CSD  
3745 Constellation Rd  
Lompoc, CA 93436

**Date** 03/05/26

**Contact** Jeff Cole  
**Phone/Cell** 805-757-7684  
**E-mail** [jcole@vvcasd.com](mailto:jcole@vvcasd.com)

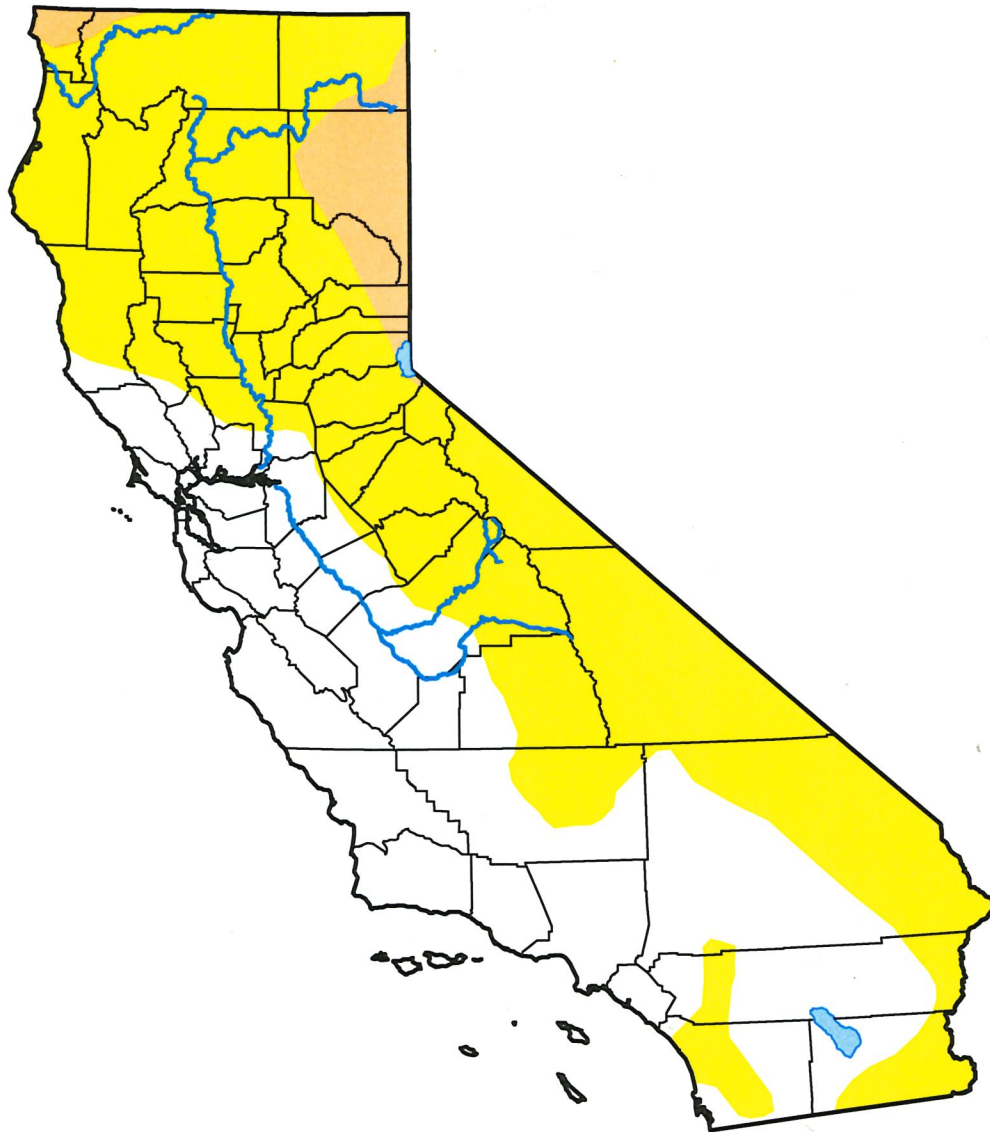
**Site Info** Peerless Splitcase Skid Replacement Est

Date	Qty	Description		
TBD		Remove existing Peerless booster pump & motor skid assembly and replace with new unit		\$ 1,500.00
		Wire up, check rotation and test operation, ok		\$ 500.00
		<b>Component Summary</b>		
	1	Peerless Splitcase Pump & Motor Assembly		\$ 77,670.23
	1	Misc Material To Complete		\$ 252.84
		<b>Total Includes Materials, Tax &amp; Labor</b>	<b>Total Job Cost:</b>	<b>\$ 79,923.07</b>
		Accepted By _____		
		Date _____		







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# U.S. Drought Monitor California

**April 28, 2026**  
(Released Thursday, Apr. 30, 2026)  
Valid 8 a.m. EDT



***Intensity:***

-  None
-  D0 Abnormally Dry
-  D1 Moderate Drought
-  D2 Severe Drought
-  D3 Extreme Drought
-  D4 Exceptional Drought

*The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>*

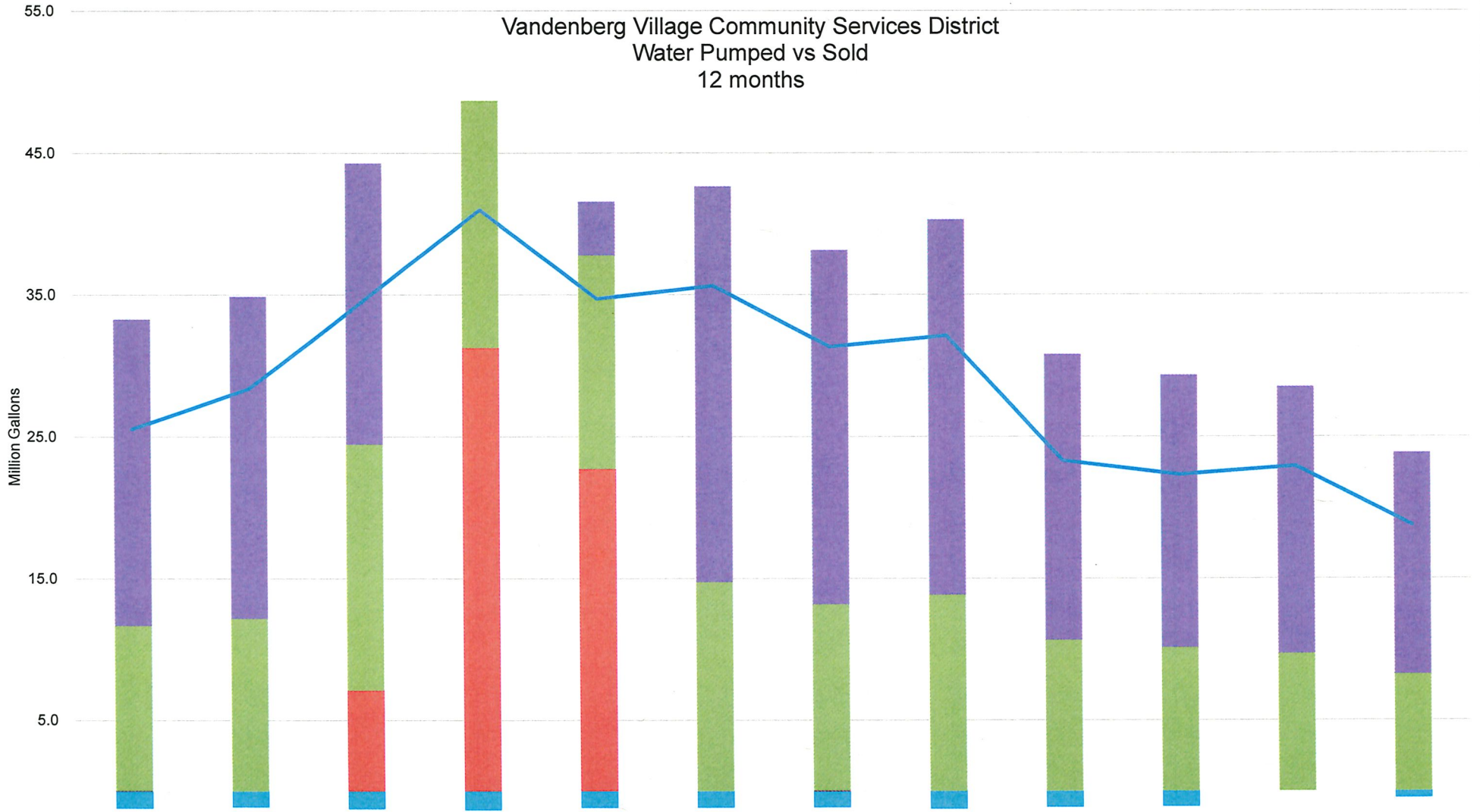
***Author:***

Brad Rippey  
U.S. Department of Agriculture



**droughtmonitor.unl.edu**

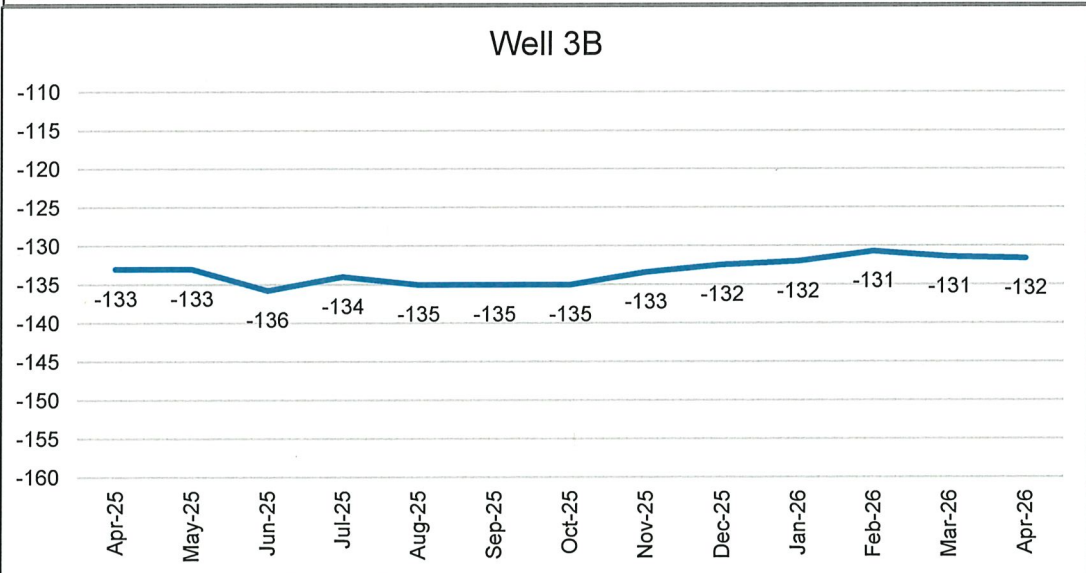
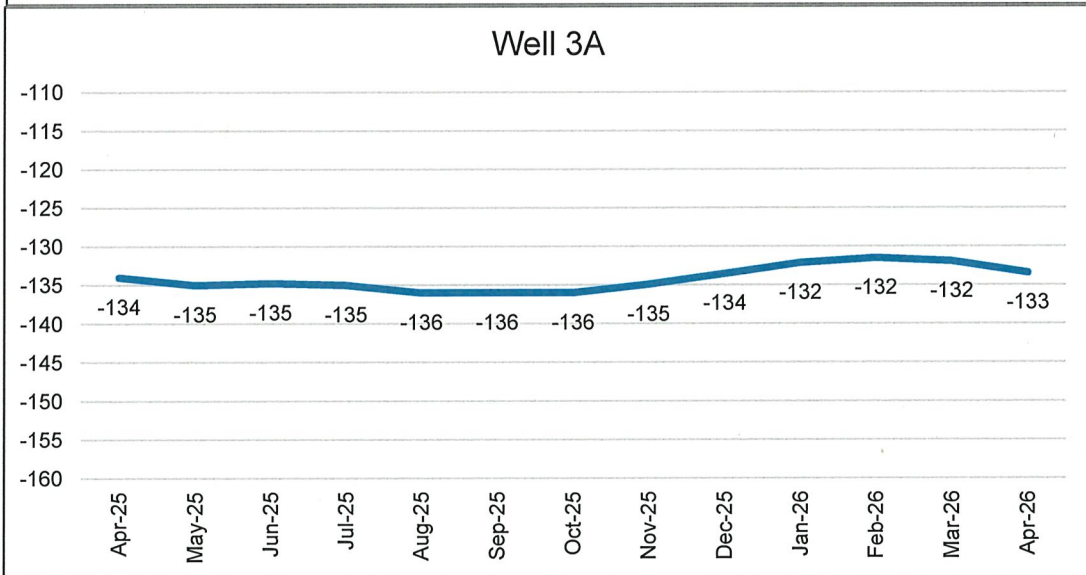
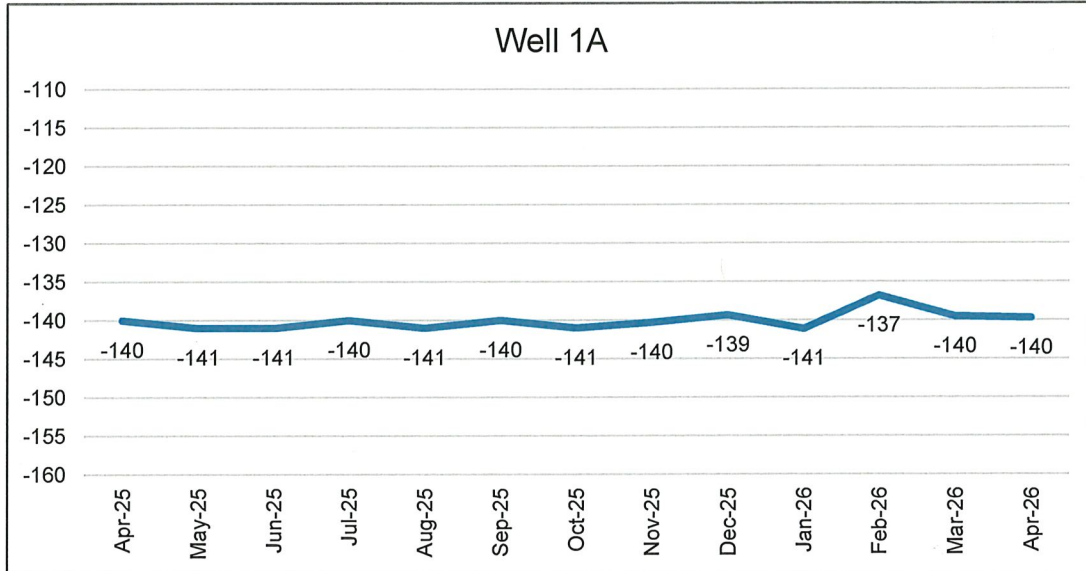
### Vandenberg Village Community Services District Water Pumped vs Sold 12 months



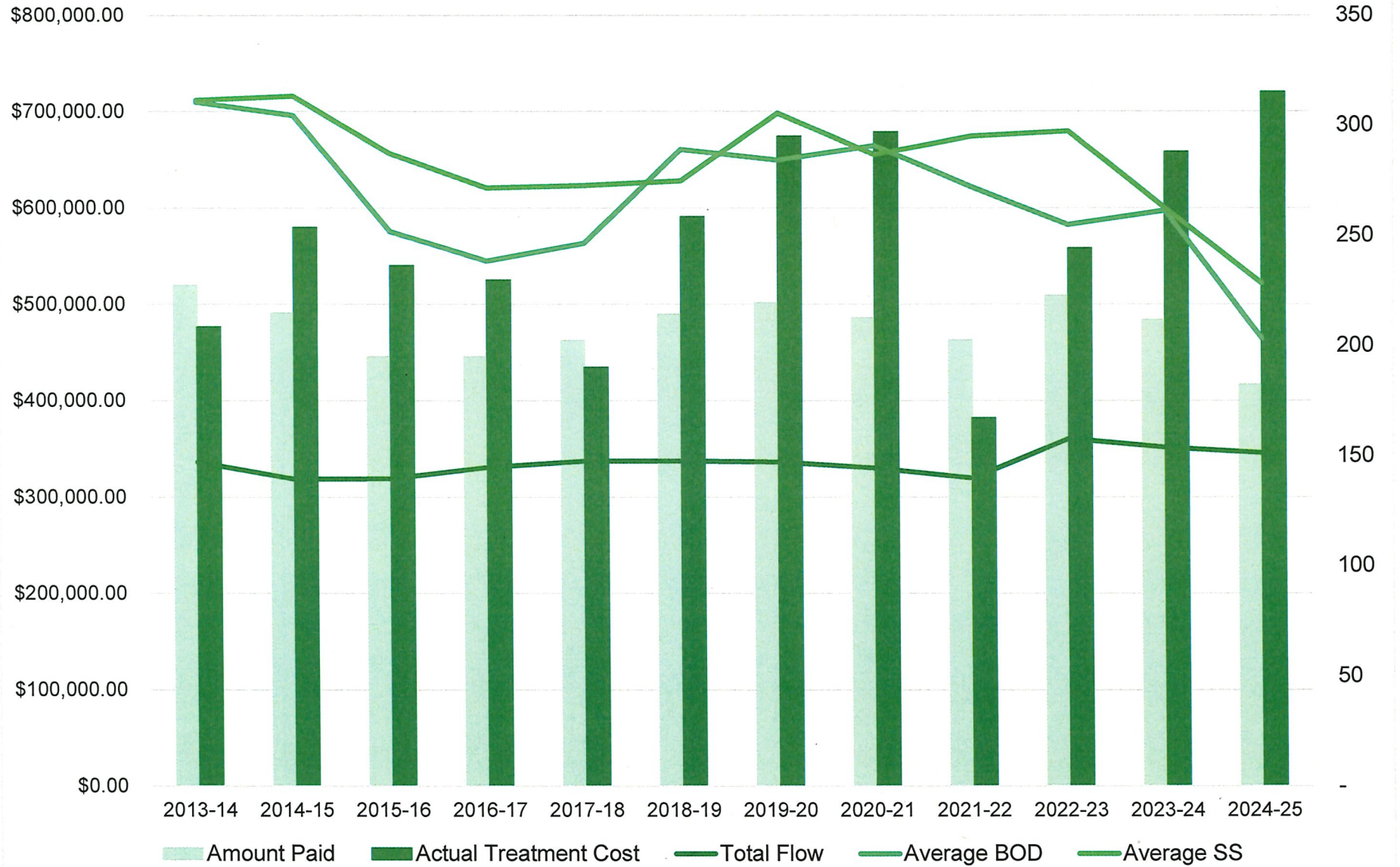
(5.0)

	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Filter Loss	(1.2)	(1.1)	(1.2)	(1.3)	(1.1)	(1.1)	(1.1)	(1.2)	(1.1)	(1.1)	0.0	(0.5)
Well 3A	21.6	22.7	19.9	0.0	3.8	27.9	25.0	26.5	20.2	19.2	18.8	15.6
Well 3B	11.6	12.2	17.4	17.4	15.1	14.7	13.1	13.8	10.7	10.1	9.7	8.2
Well 1B	0.1	0.0	7.1	31.3	22.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Sold	25.5	28.4	34.6	41.0	34.7	35.6	31.4	32.1	23.3	22.3	22.9	18.8

# Vandenberg Village Community Services District Well Soundings 12 months



## Vandenberg Village Community Services District Wastewater Treatment Summary



APPENDIX B  
LOMPOC REGIONAL WASTEWATER SYSTEM  
LOADING

FY 24-25	Total Plant			VSFB			VVCS D			City		
	MGD	BOD	SS	MGD	BOD	SS	MGD	BOD	SS	MGD	BOD	SS
Jul-24	2.99	310	326	0.36	93	112	0.32	235	239	2.31	354	371
Aug-24	2.98	330	294	0.34	101	133	0.35	223	225	2.29	380	328
Sep-24	3.00	280	318	0.34	112	132	0.36	210	203	2.30	316	363
Oct-24	2.94	340	380	0.25	242	165	0.40	218	242	2.29	372	417
Nov-24	2.95	320	374	0.33	185	180	0.47	185	172	2.15	370	448
Dec-24	2.88	280	312	0.32	128	150	0.48	228	181	2.08	315	367
Jan-25	2.90	280	366	0.33	118	141	0.42	198	237	2.15	321	426
Feb-25	2.96	230	324	0.33	93	146	0.52	152	246	2.11	271	371
Mar-25	2.99	270	288	0.43	93	157	0.50	160	248	2.10	330	345
Apr-25	2.87	270	170	0.39	133	146	0.46	203	225	2.07	309	164
May-25	2.84	270	302	0.31	119	153	0.36	223	261	2.17	299	330
Jun-25	2.87	270	214	0.30	115	164	0.35	203	258	2.27	299	215
<b>TOTAL</b>	<b>35.17</b>	<b>3,450</b>	<b>3,668</b>	<b>4.03</b>	<b>1,532</b>	<b>1,779</b>	<b>4.99</b>	<b>2,438</b>	<b>2,737</b>	<b>26.29</b>	<b>3,936</b>	<b>4,145</b>
<b>AVERAGE</b>	<b>2.93</b>	<b>287.50</b>	<b>305.67</b>	<b>0.34</b>	<b>127.67</b>	<b>148.25</b>	<b>0.42</b>	<b>203.17</b>	<b>228.08</b>	<b>2.19</b>	<b>328.00</b>	<b>345.42</b>

**FLOW PERCENTAGES**

VVCS D	0.42 MGD	14.13%
VSFB	0.34 MGD	11.41%
City	2.19 MGD	74.45%
<b>TOTAL</b>	<u>2.94</u>	<u>100.00%</u>

46.72% Percent of 0.89 MGD allocation used  
7.56% Percent of 5.5 MGD plant capacity used