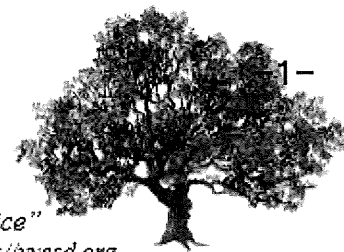


VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

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"Pride in Community Service"

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MINUTES Regular Meeting

November 3, 2020

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 7:00 p.m. by Vice President Brooks who led the Pledge of Allegiance.

2. ROLL CALL: Directors Brooks and Wyckoff were present. Directors Bumpass and Redmon participated via teleconference. Director Stewart was absent.

OTHERS PRESENT

General Manager Joe Barget, Operations & Maintenance (O&M) Manager Mike Garner, and Ann Marx were present. Administrative Services (AS) Manager Cynthia Allen and Board Secretary Stephanie Garner participated via teleconference.

3. ADDITIONS AND DELETIONS TO AGENDA

There were none.

4. PUBLIC FORUM

Vice President Brooks invited public comments and there were none.

5. OPERATIONS REPORT

O&M Manager Garner reported the District pumped 40.5 million gallons of water for October with an average daily demand of 1.3 million gallons. This is 10 percent less than last October. Vandenberg Village received no rain keeping the calendar year total at 7.03 inches.

Well levels (below ground surface) for October were 1B-148', 3A-144', and 3B-139'.

O&M Manager reported the Tank Rehabilitation Project is still in motion. The entire perimeter of the floor on Tank 1 was replaced and thin spots within the lower ring of the tank shell were patched. Crosno Construction will start installing the new, bent-plate roof next week. Tank 3 roof repairs are complete and three peripheral roof vents were added to increase dissipation of hydrogen sulfide gas in the groundwater. So far, there have been 10 change orders which have increased the construction contract amount to \$633,607, which does not include the \$30,000 to Coating Specialists and Inspection Services, Inc. (CSI) for technical inspection. The District expects one more significant change order for about \$60,000 to sandblast and recoat the interior lining of the Tank 3 roof which was damaged during extensive roof repairs. Tank 3 work will begin after Tank 1 is back in service.

The field crew repaired four polybutylene service lines and two shut-offs. There were no sanitary sewer overflows for September or October.

To conclude his report, O&M Manager Garner said he celebrated his 36th anniversary with the District on October 15.

6. ADMINISTRATION REPORT

AS Manager Allen reported the District lobby is still closed to the public but the phones and drive-up window remain busy. The office staff continues to work from home one day a week as they wish.

The Governor has not yet rescinded the stay on water shut-offs. Staff is not hanging 48-hour notices, applying late fees, or locking off for non-payment. Customers are still being informed about the possible future application of late fees to their accounts. Pre-COVID, delinquent accounts had a combined balance of \$15,000. Today, 150 customers are 30-plus days delinquent, totaling \$28,000. Half of that amount would ordinarily be subject to lock-off and 15 customers have past due balances over \$500.

VVCS D has withdrawn its FEMA grant application for COVID expenses. Total eligible expenses are less than a \$3,300 minimum requirement for reimbursement.

AS Manager Allen is continuing to work with iWater on the District's GIS system, adding assets and tweaking the system to fit the District's needs.

7. CONSENT CALENDAR

A. Minutes from the Regular Board Meeting on September 1, 2020

B. Treasurer Report

- 1) Monthly Financials
- 2) Disbursements through October 31, 2020
- 3) Schedule of Investments

Motion by Director Redmon, seconded by Director Bumpass to accept the consent calendar as presented.

Roll Call:

Ayes: Directors Brooks, Bumpass, Redmon, and Wyckoff

Noes: None

Abstain: None

Absent: Director Stewart

8. ACTION ITEMS

A. Annual Audit

General Manager Barget pointed out two takeaways from the audit report: net position increased from \$26.8 million in 2019 to \$27.7 million in 2020; and there are no contingent liabilities or lawsuits. The District only spends about \$3,000 a year on lawyers which is minuscule compared to most special districts.

Lead Auditor Adam Guise from Moss, Levy & Hartzheim said the District received an "unmodified opinion" which is the best possible type of audit opinion. The \$922,000 positive change in net position means revenues exceeded expenses (including depreciation expense) for the year. The audit revealed a \$50,000 increase in accounts receivable over the prior

year, some of which is attributable to overdue bills relating to COVID-19. This accounts receivable amount is still minor relative to the overall financial position of the District. The District's investment allocation of half in the Local Agency Investment Fund (LAIF) and half in Santa Barbara County Treasury may not result in the highest possible returns but both investments are extremely safe.

In conclusion, Mr. Guise reviewed the two components of District long-term debt: \$6.7 million due to the city of Lompoc for the Lompoc Regional Wastewater Reclamation Plant Upgrade Project and \$1.2 million in net pension liability. The amount due to the city will gradually decrease over time. The District has very little control over the net pension liability which fluctuates, largely due to CalPERS investment performance.

Motion by Director Wyckoff, seconded by Director Bumpass to accept the Fiscal Year 2019-20 audit report prepared by Moss, Levy & Hartzheim.

Roll Call:

Ayes: Directors Brooks, Bumpass, Redmon, and Wyckoff
Noes: None
Abstain: None
Absent: Director Stewart

B. Wildfire Protection

Ann Marx, Santa Barbara County Fire, briefed the Board on extensive defensible space work in progress around Vandenberg Village. Their fire crew is trimming vegetation around District facilities and along District access roads.

9. REPORTS

A. Committees

District committees did not meet. Director Brooks reported that the Western Management Area Groundwater Sustainability Agency (WMA GSA) Committee met on October 21 and preparation of the Groundwater Sustainability Plan (GSP) continues to move forward.

B. District Representatives to External Agencies

Nothing to report.

C. President

On Board President Stewart's behalf, Vice President Brooks reminded the other Directors that the Board is scheduled to elect its 2021 officers at the December meeting.

D. General Manager Report

General Manager Barget continues working on a future well site. He recently asked Randy Collins with the State Lands Commission to have their surveyor staff prepare a legal description of the latest, Alternate Well Site E, for use in amending the District's lease application. Mr. Barget is considering a Class 2 (replacement or reconstruction of existing structures and facilities) categorical exemption under the California Environmental Quality Act (CEQA) because the future well site lease is for the eventual replacement of three existing wells within the same area for the same purpose and capacity.

Director Brooks touched on today's election. Final results may not be known before the regular December 1 meeting so he suggested the Directors have a special meeting the following week, on December 8, instead.

10. INFORMATIONAL CORRESPONDENCE

There was none.

11. DIRECTORS FORUM

Director Wyckoff said this is his last board meeting and after 20 years it has been a privilege to have worked with everyone.

Director Redmon congratulated Director Wyckoff for a fantastic job on the board and thanked staff for a job well done on the audit. He attended two call-in conferences which he felt were very educational.

Director Bumpass thanked Director Wyckoff for his years of service to the District and complemented Cindy and Patty for their work on the audit.

Director Brooks thanked Director Wyckoff for his leadership and said he was the highlight of his 16 years on the Board proving this to be a non-partisan organization. Director Brooks is participating in a four-part ACWA virtual conference series. As part of the series, next week Director Stewart will be giving a presentation on the District, our Tank Rehabilitation Project, and Sustainable Groundwater Management Act work in the Santa Ynez River Valley Groundwater Basin.

12. ADJOURN

Vice President Brooks declared the meeting adjourned at 8:10 p.m.

Attest:

Signed:

Stephanie Garner
Secretary, Board of Directors

Christopher Brooks
Vice President, Board of Directors