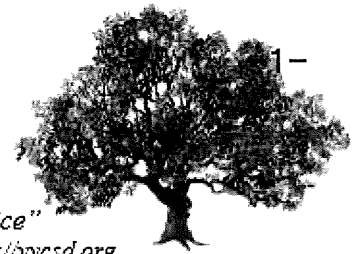


VANDENBERG VILLAGE COMMUNITY SERVICES DISTRICT

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"Pride in Community Service"

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MINUTES Regular Meeting

February 7, 2023

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

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

2. ROLL CALL: Directors Brooks, Gonzales, Heuring, and Stassi were present. Director Bumpass participated via Zoom video conference.

OTHERS PRESENT

General Manager Joe Barget, Administrative Services (AS) Manager Cynthia Allen, Finance Administrator Patty LeCavalier, and Utility Service Person Jeff Cole.

3. ADDITIONS AND DELETIONS TO THE AGENDA – None

4. PUBLIC FORUM

President Brooks invited public comments and there were none.

5. OPERATIONS REPORT

Jeff Cole reported the District pumped 17.2 million gallons of water in January with an average daily demand of 554,000 gallons. This was 32 percent less water than January 2022. The District received 8.65 inches of rain in January.

Mr. Cole reported that the Floradale Sewer Siphon Replacement project has stalled, waiting for manholes and parts for a utility vault. He reviewed

the scope and status of winter storm damage repair work by RL Johnson Construction and the field crew.

Pat Kennedy, Mike Kennedy, and Archie MacDonald from Pureflow are performing a pilot study on the iron & manganese filter at Well Site 1 from January 31 through February 9. Mr. Cole reviewed preliminary information from the pilot study with the Board.

6. ADMINISTRATION REPORT

AS Manager Allen reported that this year's budget calendar was distributed with the board package last week.

The California Governor's Office of Emergency Services (CalOES) is holding an applicant briefing in Santa Barbara tomorrow to provide information on Federal Emergency Management Agency (FEMA) application procedures, cost eligibility, documentation requirements, payment processing, and deadlines for the recently declared disaster: California Severe Winter Storms, Flooding, Landslides, and Mudslides (DR-4683-CA). AS Manager Allen will attend the briefing. VVCSD submitted its Request for Public Assistance (RPA) ahead of the February 16 deadline.

Tina McManigal has separated from the District and this month we will start recruiting to fill the full-time customer services position. Our temporary employee from Excel Personnel Services accepted a full-time job in San Luis Obispo so we have a new temporary employee who will assist part-time until the position is filled.

7. CONSENT CALENDAR

A. Minutes from the Regular Meeting on January 3, 2023

B. Treasurer Report

- 1) Financial Statements
- 2) Disbursements through January 31, 2023
- 3) Schedule of Investments

C. Remote Teleconference Meetings

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

Roll Call:

Ayes: Directors Brooks, Bumpass, Gonzales, Heuring, Stassi

Noes: None

Abstain: None

Absent: None

8. ACTION ITEMS

A. Winter Storm Emergency

General Manager Barget walked the Board through all the information in the staff report, in detail, and answered questions.

Motion by Director Stassi, seconded by Director Gonzales to determine there is a need to continue emergency action taken by the General Manager in response to winter storms.

Roll Call:

Ayes: Directors Brooks, Bumpass, Gonzales, Heuring, Stassi

Noes: None

Abstain: None

Absent: None

B. Mid-Year Budget Review

Director Brooks inquired about the \$10,000 Confined Space Safety Equipment line item on the Wastewater Capital Budget. Jeff Cole explained the equipment consists of a tripod, hoist, and harness to safely lower members of the field crew into manholes, utility vaults, and other confined spaces. The District's equipment is over 20 years old and needs to be replaced.

Director Stassi asked how Wastewater reserves were allocated between the "Wastewater" (collection system) and "LRWRP" (treatment plant) categories. Staff explained they apply funds to fully

satisfy the three Wastewater reserve goals first, and then apply the remainder toward the LRWRP reserve goals.

Director Gonzales asked what “the driver” was for a rate increase mentioned in the staff report. General Manager Barget said there are actually two drivers: (1) Operating expenses have gone up across the board—either a lot, or a whole lot—in the eight years since 2015 when the District last raised rates, and (2) Water reserves dropped from \$3.3 million to \$2.5 million to fund the recently-completed Tank Rehabilitation Project, have plateaued, and are well below the \$5.8 million goal per the reserve policy established in Resolution 176-06. The District’s three groundwater wells are 36-46 years old and the \$2.5 million expense of replacing just one well would wipe out our entire water reserves. A rate increase is necessary to bring water reserves up to the \$5.8 million goal. Director Bumpass said he has been on the Board for six years and this is the first time he recalls looking at any mid-year or end-of-year financial statement and seeing red (negative net income). He feels this is a third driver for a rate increase.

Motion by Director Bumpass, seconded by Director Heuring to approve the Mid-Year Budget Review.

Roll Call:

Ayes: Directors Brooks, Bumpass, Gonzales, Heuring, Stassi

Noes: None

Abstain: None

Absent: None

9. REPORTS

Director Gonzales reported that the Legal/Personnel Committee met to discuss succession planning, employee compensation, and the general manager.

Director Brooks thanked the staff for consistently providing good quality information in the monthly board packages.

General Manager Barget announced that Goleta West Sanitary District Director Craig Geyer is looking for someone from a special district to replace him on the Santa Barbara County Treasury Oversight Committee,

and the nomination period is open for Seat C (2024-2026) on the California Special Districts Association (CDSA) Board of Directors.

10. INFORMATIONAL CORRESPONDENCE

- A. US Drought Monitor: California, January 31, 2023
- B. Rainfall and Reservoir Summary, Santa Barbara County, February 1, 2023
- C. Residential Monthly Water Rates in Santa Barbara County, February 2022
- D. Principle Aquifers, Western Management Area

11. DIRECTORS FORUM

Director Bumpass recognized and thanked Cynthia Allen and Patty LeCavalier for their work in preparing the mid-year budget review.

Director Heuring complemented the field crew for their response to storm damages. He appreciated the drone footage of the damage and repairs to the access road for the offsite sewer trunk line.

Director Stassi would like the Finance/Budget Committee to revisit the reserve policy. He feels reserves are way too high and not industry standard.

Director Brooks said that the Finance/Budget Committee would be the starting point to discuss Director Stassi's position on reserves; however, he disagrees with his position.

12. CLOSED SESSION

The Board took a five-minute break at 8:05 p.m. and convened into closed session at 8:10 p.m. to discuss employee compensation and the general manager's working relationship with the Board, performance, salary, and benefits.

13. OPEN SESSION

The Board convened into open session at 9:05 p.m. Director Brooks announced the following actions were taken during closed session:

A. Motion by Director Bumpass, seconded by Director Stassi to continue to base annual cost of living adjustments on the annual change in the CPI-W, West B/C index, with a maximum adjustment of 5.5 percent and a minimum adjustment of 2.0 percent.

Roll Call:

Ayes: Directors Bumpass, Gonzales, Stassi

Noes: Directors Brooks, Heuring

Abstain: None

Absent: None

B. Motion by Director Gonzales, seconded by Director Brooks to include a 5.5 percent cost of living salary increase in the FY 2023-24 Budget for all employees including the General Manager, effective July 1, 2023.

Roll Call:

Ayes: Directors Brooks, Bumpass, Gonzales, Heuring, Stassi

Noes: None

Abstain: None

Absent: None

14. ADJOURN

President Brooks declared the meeting adjourned at 9:10 p.m.

Attest:

Signed:

**Joe Barget
Assistant Secretary
to the Board of Directors**

**Christopher Brooks
President, Board of Directors**