

AGENDA

REMOTE MEETING NOTICE

To address concerns relating to COVID-19, this meeting will be accessible by remote video conferencing. The public may participate in this meeting remotely via zoom as set forth below.

INSTRUCTIONS FOR USING ZOOM

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

TO SPEAK ON AN ITEM USING ZOOM

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

FOR OPEN SESSION PARTICIPATION

Join Meeting Electronically at:

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<https://us02web.zoom.us/j/81187900650?pwd=SG90SWduaUcwTjhHRDFDZmY4MkhEdz09>

Meeting ID: 811 8790 0650

Passcode: 418985

A G E N D A
REGULAR MEETING OF THE GOVERNING BOARD
OF THE GOLETA SANITARY DISTRICT
A PUBLIC AGENCY

One William Moffett Place
Goleta, California 93117

March 20, 2023

CALL TO ORDER: 6:30 p.m.

ROLL CALL OF MEMBERS

BOARD MEMBERS: Sharon Rose
Edward Fuller
Jerry D. Smith
Steven T. Majoewsky
George W. Emerson

CONSIDERATION OF THE MINUTES OF THE BOARD MEETING

The Board will consider approval of the Minutes of the Regular Meeting of March 6, 2023

PUBLIC COMMENTS - Members of the public may address the Board on items within the jurisdiction of the Board.

POSTING OF AGENDA – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District’s web site 72 hours in advance of the meeting.

BUSINESS:

1. PRESENTATION OF DISTRICT’S COLLECTION SYSTEM AND SUMMARY OF ACTIVITIES
2. CONSIDERATION OF THE INFLATION REDUCTION ACT INVESTMENT TAX CREDIT AS A POTENTIAL FUNDING SOURCE FOR CAPITAL IMPROVEMENT PLAN (CIP) PROJECTS
3. GENERAL MANAGER’S REPORT
4. LEGAL COUNSEL'S REPORT

5. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
6. PRESIDENT'S REPORT
7. ITEMS FOR FUTURE MEETINGS
8. CORRESPONDENCE
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
9. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT
(The Board will be asked to ratify claims.)

ADJOURNMENT

Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Finance & H.R. Manager at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at info@goletasanitary.org.

Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.

MINUTES

MINUTES
REGULAR MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

March 6, 2023

- CALL TO ORDER:** President Rose called the meeting to order at 6:31 p.m.
- BOARD MEMBERS PRESENT:** Sharon Rose, Edward Fuller, Jerry Smith, Steven T. Majoewsky (Via Zoom), George W. Emerson
- BOARD MEMBERS ABSENT:** None
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance and Human Resources Manager/Board Secretary and Richard Battles, Legal Counsel from Howell Moore & Gough LLP.
- OTHERS PRESENT:** Tom Evans, Director, Goleta Water District
Craig Geyer, Director, Goleta West Sanitary District
- APPROVAL OF MINUTES:** Director Smith made a motion, seconded by Director Fuller, to approve the minutes of the Special Board meeting of February 21, 2023. The motion carried by the following vote:
- (23/03/2308)
- AYES: 5 Rose, Fuller, Smith, Majoewsky,
Emerson
- NOES: None
- ABSENT: None
- ABSTAIN: None
- POSTING OF AGENDA:** The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.
- PUBLIC COMMENTS:** None
- BUSINESS:**
- DISCUSSION AND ACTION RELATED TO DIRECTOR PARTICIPATION ON THE EXECUTIVE BOARD OF THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION'S SANTA BARBARA CHAPTER**
Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Majoewsky to ratify the vote made by Director Fuller at the Santa Barbara County Local Chapter CSDA meeting and to approve Director Rose and Director Emerson to serve on the Santa Barbara County local Chapter CSDA executive board for the coming year.

The motion carried by the following vote:

(23/03/2309)

AYES: 5 Rose, Fuller, Smith, Majoewsky, Emerson
NOES: None
ABSENT: None
ABSTAIN: None

2. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 23-699 APPROVING ADDITION OF SUPPLEMENTAL SICK LEAVE DONATION POLICY TO HR POLICY #303-B (SUPPLEMENTAL SICK PAY)

Mr. Wagner gave the staff report.

Director Fuller made a motion, seconded by Director Smith to approve and adopt Resolution No. 23-699 approving Supplemental Sick Leave Donation Policy and amending Human Resources Procedures and Policy Manual Policy #303-B.

The motion carried by the following vote:

(23/03/2310)

AYES: 5 Rose, Fuller, Smith, Majoewsky, Emerson
NOES: None
ABSENT: None
ABSTAIN: None

3. REVIEW AND CONSIDERATION OF AN ENGINEERING DESIGN SERVICES PROPOSAL FOR THE SOLIDS HANDLING IMPROVEMENT PROJECT

Mr. Wagner gave the staff report.

Director Fuller made a motion, seconded by Director Majoewsky to authorize the General Manager to execute a Professional Services Agreement, in the form of an addendum to proposal, with Hazen and Sawyer in an amount not to exceed \$1,747,618 for Engineering Design Services for the Solids Handling Improvement Project.

The motion carried by the following vote:

(23/03/2311)

AYES: 5 Rose, Fuller, Smith, Majoewsky, Emerson
NOES: None
ABSENT: None
ABSTAIN: None

4. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT

Mr. Battles reported on AB557 introduced to remove the sunset provision of AB361, keeping the provisions of AB361 in place but only for a declared emergency.

6. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Majoewsky – Reported he submitted his Goleta Water District report on the meeting he attended.

Director Smith – Reported he attended the Engineering Committee meeting last Friday.

Director Fuller – Reported he attended the SBCo Chapter CSDA meeting and voted on behalf of the District.

Director Emerson – No report.

7. PRESIDENT'S REPORT

President Rose – Reported on the Goleta West Sanitary District meeting she attended.

8. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

9. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Smith made a motion, seconded by Director Fuller, to ratify and approve the claims, for the period 02/22/2023 to 03/06/2023 as follows:

Running Expense Fund #4640	\$	415,501.18
Capital Reserve Fund #4650	\$	14,754.30
Depreciation Replacement Reserve Fund #4655	\$	202,634.07
Retiree Health Insurance Sinking Fund #4660	\$	12,865.70

The motion carried by the following vote:

(23/03/2312)

AYES: 5 Rose, Fuller, Smith, Majoewsky, Emerson
NOES: None
ABSENT: None
ABSTAIN: None

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:58 p.m.

Sharon Rose
Governing Board President

Robert O. Mangus, Jr.
Governing Board Secretary

Edward Fuller

Jerry D. Smith

Steven T. Majoewsky

George W. Emerson

AGENDA ITEM #1

AGENDA ITEM: 1

MEETING DATE: March 20, 2023

I. NATURE OF ITEM

Presentation of District's Collection System and Summary of Activities

II. BACKGROUND INFORMATION

District Collection System Manager Luis Astorga will present a summary of the Collection System (CS) activities and current projects. This presentation will focus on the preventive maintenance activities, the Sewer System Management Plan (SSMP) and State Water Board Waste Discharge Requirement update, CS preventive maintenance programs, the Competency Based Training project and an overview of performance measures accomplished in the last year.

III. COMMENTS AND RECOMMENDATIONS

This report is for information purposes only. As such, no formal Board action is required at this time.

IV. REFERENCE MATERIAL

None

AGENDA ITEM #2

AGENDA ITEM: 2

MEETING DATE: March 20, 2023

I. NATURE OF ITEM

Consideration of the Inflation Reduction Act Investment Tax Credit as a Potential Funding Source for Capital Improvement Plan (CIP) Projects

II. BACKGROUND INFORMATION

Funding for the Biosolids and Energy Strategic Plan (BESP) Phase 1 project was secured by the Board on June 23, 2022, by way of a 3-year, low interest loan through Bank of America. The District continues to seek out additional funding sources to offset capital expenditures associated with the BESP and other projects. The District was recently informed of potential funding availability through the Inflation Reduction Act of 2022 (IRA).

The IRA (Public Law 117-169 136 Stat. 1818), signed into law on August 16, 2022, increased funding for projects which are dedicated to clean energy deployment and expanded the types of applicable projects. Available funding through the Investment Tax Credit for Energy Property is \$64.7 billion during Fiscal Years 2022-35. The “Building a Clean Energy Economy Guidebook”, which was last updated by the White House in January 2023, explains that the tax credit is refunded as a percentage of eligible project cost basis. The base credit of 6% can be increased if certain prerequisites are met including: paying a prevailing wage, using vendors who offer an apprenticeship as part of the project, and by buying domestically-sourced materials. The tax credit can be claimed by municipalities and special districts as a direct pay tax credit for the tax year in which a project’s construction is completed and the equipment is put into service. Excerpts from the “Building a Clean Energy Economy Guidebook” are included with this agenda report.

III. COMMENTS AND RECOMMENDATIONS

A cursory review by District staff of the currently available preliminary guidelines indicated that direct pay tax credits ranging from 6% to 34% of the project cost basis may be available for the BESP Phase 1 project. The final tax credit that can be claimed for the project will depend upon which prerequisite criteria or exemptions are met, as defined by the IRA.

A discussion was held with the Goleta West Sanitary District on March 14, 2023, to build upon collective knowledge and to explore funding options available through the IRA. District staff will continue to research project eligibility and provide updates to the Board as more information becomes available.

This Report is for informational purposes only. As such, no Board action is required at this time.

IV. REFERENCE MATERIAL

Excerpts from “Building a Clean Energy Economy Guidebook

BUILDING A CLEAN ENERGY ECONOMY:

A GUIDEBOOK TO THE INFLATION
REDUCTION ACT'S INVESTMENTS
IN CLEAN ENERGY AND
CLIMATE ACTION

[CLEANECONOMY.GOV](https://www.cleaneconomy.gov)

JANUARY 2023, VERSION 2



THE WHITE HOUSE
WASHINGTON



Advancing and Deploying American-Made Clean Energy Technologies

The Inflation Reduction Act is the most ambitious investment in clean energy in our nation’s history. It includes more than 20 new or modified tax incentives and tens of billions of dollars in grant and loan programs to unleash new clean energy technology investment and deployment and supercharge our transition to a clean energy economy. These investments are designed to unlock truly transformative change that not only builds a low-carbon energy system with American-made technology, but also delivers lower energy costs and good-paying jobs, particularly in communities that are underserved, low-income, or overburdened by pollution.

Financing and Expediting Deployment of Clean Energy Technologies

Tackling the climate crisis requires a rapid and deep transition in America’s energy system to cleaner sources, starting with the electric power sector. President Biden has set [ambitious goals](#) of reaching 100 percent carbon pollution-free electricity by 2035; a 50-52 percent reduction from 2005 levels in economy-wide net greenhouse gas pollution in 2030; and net zero emissions economy-wide by no later than 2050. To meet President Biden’s ambitious climate goals, the United States needs to accelerate deployment of commercially-available clean energy technologies and invest in new technologies that have game-changing potential. The Inflation Reduction Act includes billions of dollars in grants and loans to spur financing and deployment of new clean energy projects that cut greenhouse gas emissions and other pollutants, with a focus on projects in disadvantaged communities, energy communities, and other communities in need.

Funding Overview

The Inflation Reduction Act includes several tax provisions and significant grant and loan programs to support deployment of commercially-available and innovative clean energy technologies. Highlights include:

- **Clean Energy Production and Investment Tax Credits.** The Production Tax Credit (PTC) and Investment Tax Credit (ITC) for renewable energy have helped drive deployment of wind farms and solar arrays in the United States, resulting in clean energy providing a majority of all electricity capacity additions in recent years. The Inflation Reduction Act modifies and extends the current PTC and ITC through 2023 and 2024, at which point they sunset in favor of technology-neutral, emissions-based credits, the Clean Electricity PTC and Clean Electricity ITC. For both the extended and future tax credits, the Inflation Reduction Act structures them to incentivize investment in disadvantaged communities and ensure newly-created jobs are good-paying jobs. A project or facility can earn bonus credits if it meets Davis-Bacon prevailing wage and



registered apprenticeship requirements, meets certain domestic content requirements, and/or is located in an energy community. As described in the text box on the following page, the ITC offers additional bonuses for wind and solar projects in low-income communities.

- **\$27 billion for the Greenhouse Gas Reduction Fund.** The Inflation Reduction Act [provides](#) the Environmental Protection Agency with \$27 billion to award competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions, with an emphasis on projects that benefit low-income and disadvantaged communities. This significant new program will meet the requirements of the President’s Justice40 Initiative, which commits to delivering 40 percent of the benefits of certain federal investments to disadvantaged communities.
- **\$40 billion in loan authority to guarantee loans for innovative clean energy projects.** The Inflation Reduction Act [provides](#) the Department of Energy Loan Programs Office with \$40 billion in loan authority supported by \$3.6 billion in credit subsidy for loan guarantees under section 1703 of the Energy Policy Act for innovative clean energy technologies, including renewable energy systems, carbon capture, nuclear energy, and critical minerals processing, manufacturing, and recycling.

Programs Covered in This Chapter				
Agency	IRA Section	Tax Code Section	Program Name	Amount
Department of the Treasury	13101	45	Production Tax Credit for Electricity from Renewables	-
Department of the Treasury	13102	48	Investment Tax Credit for Energy Property	-
Department of the Treasury	13103	48(e), 48E(h)	Increase in Energy Credit for Solar and Wind Facilities Placed in Service in Connection with Low-Income Communities	-
Department of the Treasury	13105	45U	Zero-Emission Nuclear Power Production Credit	-
Department of the Treasury	13701	45Y	Clean Electricity Production Tax Credit	-
Department of the Treasury	13702(h)	48E	Clean Electricity Investment Tax Credit	-
Department of the Treasury	13703*	168(e)(3)(B)	Cost Recovery for Qualified Facilities, Qualified Property, and Energy Storage Technology	-
Environmental Protection Agency	60103	-	Greenhouse Gas Reduction Fund	\$27,000,000,000
Department of Energy	50141	-	Funding for Department of Energy Loan Programs Office	\$3,600,000,000
Department of Energy	50145	-	Tribal Energy Loan Guarantee Program	\$75,000,000

*A description of this section appears in the summaries for sections 13701 and 13702.



Each of the tax credits in the above table, except for 168(e)(3)(B), is eligible for direct pay and transferability. Section 13801 of the Inflation Reduction Act, which adds Section 6417 of the Internal Revenue Code, extends many of the law’s tax incentives to entities that generally do not benefit from income tax credits, such as state, local, and Tribal governments and other tax-exempt entities. Specifically, these entities can elect to receive some of the Inflation Reduction Act’s tax credits in the form of direct payments. Section 13801 also adds Section 6418 of the Internal Revenue Code and makes certain tax credits transferable. In these cases, taxpayers that are generally ineligible for direct payment of credits may transfer all or a portion of certain credits to an unrelated party in exchange for cash.



Delivering on the President’s Commitment to Working Families, Equity, and Environmental Justice in the Clean Energy Economy

For too long, Tribal nations, rural areas, low-income communities, and communities of color have been left behind as the rest of America prospers. Through the Inflation Reduction Act, we will invest billions of dollars to expedite and expand deployment of new clean energy projects so that these communities will benefit in the form of new economic development, good-paying jobs, and less pollution.

The Inflation Reduction Act structures the clean energy Production Tax Credit (PTC) and Investment Tax Credit (ITC) provisions to incentivize investment in communities most in need of new economic development. The PTC, as extended, and the new Clean Electricity PTC offer a 10 percent credit increase for facilities located in an energy community. The ITC, as extended, and the new Clean Electricity ITC offer up to a 10-percentage point bonus credit for projects located in an energy community. The ITCs also offer another 10-percentage point bonus allocated investment credit for qualified solar and wind facilities located in a low-income community or on Tribal land and a 20-percentage point bonus for projects that are part of a qualified low-income residential building project or a qualified low-income economic benefit project. This bonus amount will require an application by the taxpayer, with a cumulative total of 1.8 GW of direct current capacity per year available for allocation. Additional information about this allocated bonus credit will be issued by the Department of the Treasury.

The Inflation Reduction Act also structures the tax provisions to ensure that new clean energy projects create good-paying jobs. The PTC and ITC offer bonus credit to projects that pay the prevailing wage or use registered apprentices. They also offer bonus credit for projects that meet certain domestic content requirements for steel, iron, and manufactured products, a provision designed to strengthen America’s manufacturing base and the good-paying jobs needed to support it. The Zero-Emission Nuclear Power Production Credit also offers bonus credit for facilities meeting prevailing wage requirements.

The Environmental Protection Agency’s Greenhouse Gas Reduction Fund, by statute, must dedicate at least \$15 billion of the Fund’s \$27 billion appropriation to help low-income and disadvantaged communities deploy or benefit from projects that reduce greenhouse gas emissions and other air pollution. This requirement aligns with the President’s Justice40 Initiative, which commits to delivering 40 percent of the benefits of certain federal investments to disadvantaged communities.

As noted above, the ITC offers bonus credit for solar and wind investments on Tribal land. In addition, the Inflation Reduction Act increases the Department of Energy’s loan authority from \$2 billion to \$20 billion for the Tribal Energy Loan Guarantee Program, allowing the agency to offer more support to Tribal Energy Development Organizations and federally recognized Tribes, including Alaska Native villages or regional or village corporations, for energy-related projects.



Investment Tax Credit for Energy Property

Federal Agency: Department of the Treasury

IRA Statutory Location: 13102

Tax Code Location: 26 U.S. Code § 48

Tax Provision Description: Provides a tax credit for investment in renewable energy projects.

Period of Availability: Projects beginning construction before 1/1/25. For geothermal heat property, the base investment tax credit is 6% for the first 10 years, scaling down to 5.2% in 2033 and 4.4% in 2034.

Tax Mechanism: Investment tax credit

New or Modified Provision: Modified and extended to include standalone energy storage with capacity of at least 5 kWh, biogas, microgrid controllers (20MW or less), and interconnection property for small projects (5MW or less). Value of the credit tied to prevailing wage and registered apprenticeship requirements.

Eligible Recipients: Fuel cell, solar, geothermal, small wind, energy storage, biogas, microgrid controllers, and combined heat and power properties. For solar, includes (1) equipment that uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat, and (2) equipment that uses solar energy to illuminate the inside of a structure using fiber-optic distributed sunlight or electrochromic glass that uses electricity to change its light transmittance properties in order to heat or cool a structure.

Tribal Eligibility: Yes

Base Credit Amount: 6% of qualified investment (basis of energy property)

Bonus Credit Amount: Credit is increased by 5 times for projects meeting prevailing wage and registered apprenticeship requirements. Initial guidance on the labor provisions is available [here](#). Credit is increased by up to 10 percentage points for projects meeting certain domestic content requirements for steel, iron, and manufactured products. Credit is increased by up to 10 percentage points if located in an energy community.

Direct Pay Eligibility: Yes, for tax-exempt organizations; states; political subdivisions; the Tennessee Valley Authority; Indian Tribal governments; Alaska Native Corporations; and rural electricity co-ops.

Transferability: Yes

Stackability: Credit reduced for tax-exempt bonds with similar rules as section 45(b)(3).



Relevant Announcements: [Request for Comments on Certain Energy Generation Incentives \(10/5/2022\)](#)
[Prevailing Wage and Apprenticeship Initial Guidance \(11/29/2022\)](#)
[FAQ: Prevailing Wage and the Inflation Reduction Act](#)
[FAQ: Apprenticeships and the Inflation Reduction Act](#)

GENERAL MANAGER'S REPORT

GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT

The following summary report describes the District's activities from March 7, 2023, through March 20, 2023. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

1. COLLECTION SYSTEM REPORT

LINES CLEANING

Staff has been conducting priority areas lines cleaning through-out the District.

CCTV INSPECTION

Staff continues with routine Closed-Circuit Television (CCTV) inspections in the area of Cathedral Oaks and North Turnpike Roads.

GREASE AND OIL INSPECTIONS

Staff continues with Grease and Oil Inspections.

REPAIR AND MAINTENANCE

Staff replaced the hydraulic fluid for the Vactor hose reel and vacuum boom. The on-board generator on the CCTVI truck had a 500-hour service performed at Cummings of Ventura. The CCTVI truck has been returned to service.

SEWER SERVICE CHARGES

Work continues on the update of the District Sewer Service Charges for FY 2023-24.

CWEA WORKSHOP

The District hosted the California Water Environment Association Tri-Counties Section March workshop on Wednesday, March 15, 2023. Approximately 200 attendees from throughout Santa Barbara, San Luis Obispo and Ventura counties attended the event for a day of workshops and training seminars, and vendor exhibits/demonstrations.

COLLECTION SYSTEM ANNUAL UPDATE

The annual update of the Collection System will be presented as a separate agenda item.

2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT

Plant flows for the month of February 2023 averaged 4.7 million gallons per day (MGD). The Reclamation Plant is still offline due to the continuing rain events, and Goleta Water District is filling the reservoir as needed with potable water. High concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of plant interference.

On February 22, 2023 the Nanobubbler was put back online and we began grabbing samples March 11, 2023. Samples will be sent to the Lab on Monday, March 20, 2023.

The Influent Pump Station Rehabilitation Project (Rehab Project) has started the construction phase. The by-pass for the Influent Pump Station started on March 7, 2023.

The contractors are on site and starting the prep for the removal of the Influent pumps.

Maintenance staff continue repairing air valves at the Lift Station, working on vehicle maintenance and flow meters, and are performing general plant maintenance. The air compressor has been installed and is ready to go online at the weld shop.

GENERAL AND ADMINISTRATIVE ITEMS

Financial Report

The District account balances as of March 20, 2023 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 412,493
Investment Accounts:	<u>\$ 35,877,827</u>
Total District Funds:	\$ 36,290,320

The following transactions are reported herein for the period 03/07/22 – 03/20/23

Regular, Overtime, Cash-outs and Net Payroll:	\$ 122,717
Claims:	\$ 319,953
Total Expenditures:	\$ 442,670
Total Deposits:	\$ 31,485

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ 700,000
CWB Money Market to CWB Operational:	\$ - 0 -
CWB Operational to CA-Class Investment Account	\$ - 0 -

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

Local Agency Investment Fund (LAIF)

LAIF Monthly Statement – Previously submitted.

LAIF Quarterly Report – Previously submitted.

PMIA/LAIF Performance – February, 2023

PMIA Effective Yield – February, 2023

CA-Class Investment Account

CA-Class Investment Account – Previously submitted.

Community West Bank (CWB)

CWB Money Market Account – Previously submitted.

Deferred Compensation Accounts

CalPERS 457 Deferred Compensation Plan – February, 2023.

Lincoln 457 Deferred Compensation Plan – Previously submitted.

Personnel Update

A verbal update will be provided at the meeting.

Annual Planning Meeting

Our annual planning meeting is scheduled for Wednesday, March 22, 2023 at 9:00 am at the Leta Hotel on Calle Real in the Gaviota Room. The meeting is expected to last until 3:00 pm. During the meeting we will review and discuss what was accomplished in FY 2022-23 along with the current issues that we will be focusing on in FY 2023-24. The 2022 annual report will be distributed on Friday, March 17, 2023.



PMIA/LAIF Performance Report as of 03/09/23



PMIA Average Monthly Effective Yields⁽¹⁾

February	2.624
January	2.425
December	2.173

Quarterly Performance Quarter Ended 12/31/22

LAIF Apportionment Rate ⁽²⁾ :	2.07
LAIF Earnings Ratio ⁽²⁾ :	0.00005680946709337
LAIF Fair Value Factor ⁽¹⁾ :	0.981389258
PMIA Daily ⁽¹⁾ :	2.29
PMIA Quarter to Date ⁽¹⁾ :	1.98
PMIA Average Life ⁽¹⁾ :	287

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 02/28/23 \$200.5 billion

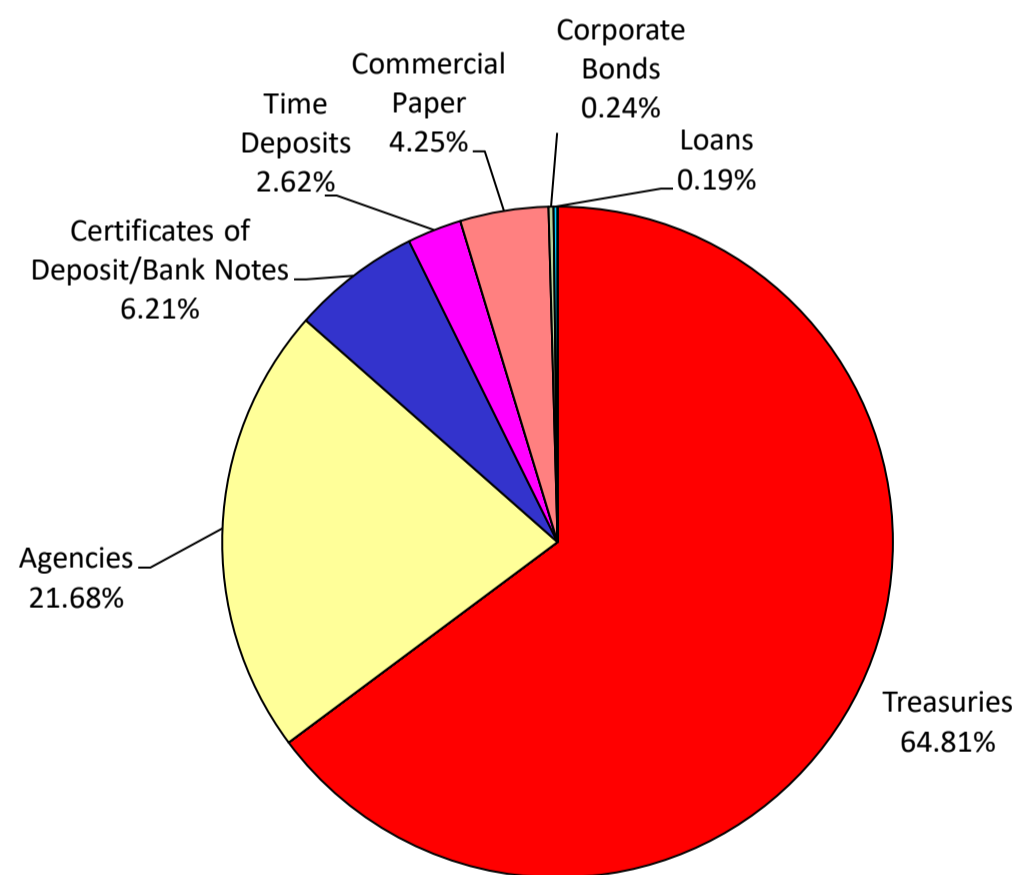


Chart does not include \$3,158,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

CalPERS 457 Plan

February 28, 2023

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to <https://calpers.voya.com>.

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial
Attn: CalPERS 457 Plan
P.O. Box 389
Hartford, CT 06141
(800) 260-0659

Document Summary

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

CalPERS 457 PLAN

Part I. Performance Information For Periods Ended February 28, 2023

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods¹. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option². The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

Table 1 - Variable Net Return Investments								
Name of Fund / Name of Benchmark	Performance		Annualized Performance				Total Annual Operating Expenses ³	
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000
Equity Funds								
State Street Russell All Cap Index Fund - Class I	-1.80	-8.26	9.10	-	10.75	10/07/13	0.25%	\$2.50
<i>Russell 3000 Index</i>	-1.72	-8.07	9.42	-	11.10			
State Street Global All Cap Equity ex-US Index Fund - Class I	2.72	-7.36	1.62	-	3.40	10/07/13	0.26%	\$2.60
<i>MSCI ACWI ex-USA IMI Index (net)</i>	3.69	-7.55	1.58	-	3.57			
Fixed Income								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	0.20	-2.77	0.64	-	0.45	10/07/13	0.26%	\$2.60
<i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	0.24	-2.51	1.00	-	0.89			
State Street US Bond Fund Index - Class I	-0.13	-9.98	0.24	-	1.08	10/07/13	0.25%	\$2.50
<i>Bloomberg US Aggregate Bond Index</i>	-0.04	-9.72	0.53	-	1.38			
Real Assets								
State Street Real Asset Fund - Class A	-3.57	-3.32	6.51	-	3.52	10/08/13	0.38%	\$3.80
<i>State Street Custom Benchmark⁴</i>	-3.39	-3.20	6.75	-	3.88			
Cash (Cash Equivalents)								
State Street STIF	1.08	2.31	1.22	-	0.80	09/02/14	0.27%	\$2.70
<i>BofA ML 3-month US T-Bill</i>	1.00	2.10	1.35	-	0.96			
Target Retirement Date Funds⁵								
CalPERS Target Income Fund	-0.12	-8.07	2.66	2.82	4.46	12/01/08	0.26%	\$2.60
<i>SIP Income Policy Benchmark⁶</i>	0.07	-7.93	2.83	3.05	4.94			
CalPERS Target Retirement 2020	-0.12	-8.13	3.34	3.76	6.07	12/01/08	0.26%	\$2.60
<i>SIP 2020 Policy Benchmark⁶</i>	0.11	-8.01	3.49	3.98	6.55			
CalPERS Target Retirement 2025	-0.10	-8.04	3.93	4.62	6.89	12/01/08	0.26%	\$2.60
<i>SIP 2025 Policy Benchmark⁶</i>	0.17	-7.94	4.06	4.83	7.34			
CalPERS Target Retirement 2030	-0.06	-8.01	4.36	5.30	7.68	12/01/08	0.26%	\$2.60
<i>SIP 2030 Policy Benchmark⁶</i>	0.26	-7.93	4.54	5.54	8.13			
CalPERS Target Retirement 2035	-0.03	-7.95	4.87	6.00	8.36	12/01/08	0.26%	\$2.60
<i>SIP 2035 Policy Benchmark⁶</i>	0.32	-7.89	5.02	6.23	8.86			
CalPERS Target Retirement 2040	-0.01	-7.90	5.33	6.64	8.86	12/01/08	0.26%	\$2.60
<i>SIP 2040 Policy Benchmark⁶</i>	0.40	-7.86	5.49	6.86	9.34			
CalPERS Target Retirement 2045	0.01	-7.67	5.43	6.94	9.05	12/01/08	0.26%	\$2.60
<i>SIP 2045 Policy Benchmark⁶</i>	0.42	-7.64	5.57	7.17	9.56			
CalPERS Target Retirement 2050	0.01	-7.67	5.43	6.94	9.12	12/01/08	0.26%	\$2.60
<i>SIP 2050 Policy Benchmark⁶</i>	0.42	-7.64	5.57	7.17	9.56			
CalPERS Target Retirement 2055	0.01	-7.67	5.43	-	6.26	10/07/13	0.26%	\$2.60
<i>SIP 2055 Policy Benchmark⁶</i>	0.42	-7.64	5.57	-	6.56			
CalPERS Target Retirement 2060	0.01	-7.67	-	-	7.66	11/01/18	0.26%	\$2.60
<i>SIP 2060 Policy Benchmark⁶</i>	0.42	-7.64	-	-	7.87			
CalPERS Target Retirement 2065	0.01	-	-	-	0.01	12/01/22	0.26%	\$2.60
<i>SIP 2065 Policy Benchmark⁶</i>	0.42	-	-	-	0.42	-		
Broad-Based Benchmarks⁷								
<i>Russell 3000 Index</i>	-1.72	-8.07	9.42	11.87	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	3.69	-7.55	1.58	4.10	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	-0.04	-9.72	0.53	1.12	-	-	-	-

Part II. Explanation of CalPERS 457 Plan Expenses

February 28, 2023

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

Table 2 - Fees and Expenses				
Individual Expenses ⁸				
Service	Fee Amount	Frequency	Who do you pay this fee to?	Description
Loan Origination Fee	\$50	Per loan application	Voya	The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account.
Maintenance Fee (For loans taken on or after April 1, 2020)	\$35 (\$8.75 assessed quarterly)	Annual	Voya	The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account.
Self-Managed Account (SMA) Maintenance Fee	\$50	Annual fee deducted monthly on a pro-rata basis	Voya	Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments ⁹ in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment.
Self-Managed Account (SMA) Plan Administrative Fee	0.23% (\$2.30 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

Footnotes for Table 1 and Table 2:

¹ Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.

² Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on SSGA investment management, Voya recordkeeping, and SSGA capped operating expenses.

³ Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.

⁴ State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Roll Select Commodity Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.

⁵ If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.

⁶ The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the SSGA customized benchmark for Real Assets (see footnote 4), and BofA ML 3-month US T-Bill.

⁷ Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.

⁸ The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.

⁹ Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").

**DISTRICT
CORRESPONDENCE**
Board Meeting of March 20, 2023



Date: **Correspondence Sent To:**

1. 03/10/2023 Heidi Jones
Meraki Land Use Consulting
Subject: Sewer Service Availability
Proposed Sewer Service Connection for Two (2) Mobile Homes
A.P.N. 059-180-024 at San Vicente Mobile Home Park
340 Old Mill Road, Santa Barbara, CA

Date: **Correspondence Received From:**

1. 03/07/2023 CSRMA-California Sanitation Risk Management Authority
Subject: CSRMA Workers' Compensation Program
Experience Modification Factor
July 1, 2023 – July 1, 2024

Hard Copies of the Correspondence are available at the District's Office for review