

# **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:

#### **Join Zoom Meeting**

<https://us02web.zoom.us/j/81885598939?pwd=dEhvbW5JYnE2MIJ0OEcxckpJQazgvdz09>

**Meeting ID: 818 8559 8939**

**Passcode: 328899**

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

One William Moffett Place  
Goleta, California 93117

August 17, 2022

**CALL TO ORDER:** 2:30 p.m.

**ROLL CALL OF MEMBERS**

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

**CONSIDERATION OF THE MINUTES OF THE BOARD MEETING**

The Board will consider approval of the Minutes of the Regular Meeting of August 1, 2022.

The Board will consider approval of the Minutes of the Special Meeting of August 4, 2022.

The Board will consider approval of the Minutes of the Special Meeting of August 8, 2022.

**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 website 24 hours in advance of the meeting.

**BUSINESS:**

1. CONSIDERATION OF PROPOSED ANNEXATION OF 399 ARBOLEDA ROAD  
APN 061-210-004  
(Board may take action on this item.)
2. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 22-692  
AMENDING POLICY #306 OF THE HUMAN RESOURCES PROCEDURE  
AND POLICY MANUAL REGARDING CERTIFICATIONS AND LICENSES  
(Board may take action on this item.)

3. CONSIDERATION OF MOLEAER NANOBUBBLE GENERATOR LEASE  
(Board may take action on this item.)
4. GENERAL MANAGER'S REPORT
5. LEGAL COUNSEL'S REPORT
6. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF  
DIRECTOR'S ACTIVITIES
7. PRESIDENT'S REPORT
8. ITEMS FOR FUTURE MEETINGS
9. CORRESPONDENCE  
(The Board will consider correspondence received by and sent by the District since  
the last Board Meeting.)
10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND  
RATIFICATION OF CLAIMS PAID BY THE DISTRICT  
(The Board will be asked to ratify claims.)

## **ADJOURNMENT**

*Any public records which are distributed less than 24 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.*

*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 2 hours prior to the meeting by telephone at (805) 967-4519 or by email at [info@goletasanitary.org](mailto:info@goletasanitary.org).*

# 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

August 1, 2022

- CALL TO ORDER:** President Majoewsky called the meeting to order at 6:30 p.m.
- BOARD MEMBERS PRESENT:** Steven T. Majoewsky, George W. Emerson, Sharon Rose, Edward Fuller, Jerry D. Smith
- 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:** Larry Meyer, Director, Goleta West Sanitary District  
Tom Evans, Director, Goleta Water District
- APPROVAL OF MINUTES:** Director Smith made a motion, seconded by Director Rose, to approve the minutes of the Regular Board meeting of 07/18/22. The motion carried by the following vote:
- (22/08/2250)
- |          |   |  |
|----------|---|--|
| AYES:    | 5 | Majoewsky, Emerson, Rose,<br>Fuller, Smith |
| 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:**

1. PUBLIC HEARING REGARDING PLACING SEWER SERVICE CHARGES ON THE COUNTY TAX ROLL FOR FISCAL YEAR 2022-2023. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 22-691 OVERRULING OBJECTIONS AND ADOPTING REPORT ON SEWER SERVICE CHARGES TO BE COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2022-2023

Mr. Wagner gave the staff report.

President Majoewsky opened the Public Hearing at 6:34 p.m. and there was a member of public present on Zoom who made a comment.

President Majoewsky closed the Public Hearing at 6:35 p.m.

Director Rose made a motion, seconded by Director Fuller to approve and adopt Resolution No. 22-691 overruling objections and adopting report on Sewer Service Charges to be collected on the Tax Roll for Fiscal Year 2022-2023.

The motion carried by the following vote:

(22/08/2251)

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

2. STATUS REPORT ON BIOSOLIDS AND ENERGY STRATEGIC PLAN COORDINATION EFFORTS WITH GOLETA WEST SANITARY DISTRICT  
Mr. Wagner gave a report to the Board on the current status. As this was an update item, there was no Board action on this item.

3. REVIEW AND CONSIDERATION OF PROPOSAL FOR REGULATORY AND PERMITTING SUPPORT SERVICES FOR THE BIOSOLIDS AND ENERGY STRATEGIC PLAN PHASE 2 IMPROVEMENTS  
Mr. Wagner gave the staff report.

Director Rose made a motion, seconded by Director Emerson to authorize the General Manager to execute an agreement with Hazen & Sawyer associated with the BESP Phase 2 project for regulatory and support services, including the preparation of a mitigated negative declaration, in the form of an addendum to proposal in an amount not to exceed \$200,800.

The motion carried by the following vote:

(22/08/2252)

AYES:	5	Majoewsky, Emerson, Rose, Fuller, Smith
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 SB 938 recently signed into law that would empower LAFCO to dissolve an inactive District or for a District with one or more documented chronic service provision deficiencies.

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

Director Smith – No report.

Director Fuller – No report.

Director Emerson – No report.

Director Rose – Summarized her report on the Goleta West Sanitary District Finance Committee meeting she attended.

7. PRESIDENT'S REPORT

President Majoewsky – No report.

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 Rose, to ratify and approve the claims, for the period 07/19/22 to 08/01/22 as follows:

Running Expense Fund #4640	\$ 243,254.39
Capital Reserve Fund #4650	\$ 6,147.90
Depreciation Replacement Reserve Fund #4655	\$ 105,763.76
Retiree Health Insurance Sinking Fund #4660	\$ 11,487.52

The motion carried by the following vote:

(22/08/2253)

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

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:20 p.m.

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Steven T. Majoewsky  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

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George W. Emerson

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Sharon Rose

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Edward Fuller

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Jerry D. Smith

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

August 4, 2022

- CALL TO ORDER:** President Majoewsky called the meeting to order at 11:33 a.m.
- BOARD MEMBERS PRESENT:** Steven T. Majoewsky, Sharon Rose, Edward Fuller, Jerry D. Smith
- BOARD MEMBERS ABSENT:** George W. Emerson
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer
- OTHERS PRESENT:** Brent Ives, BHI Management Consulting
- 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 24 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

**BUSINESS:**

1. **BOARD SELF ASSESSMENT WORKSHOP**  
Brent Ives of BHI Management Consulting was introduced by Mr. Wagner and Mr. Ives presented the workshop.

There was no Board action.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 2:03 p.m.

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Steven T. Majoewsky  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

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George W. Emerson

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Sharon Rose

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Edward Fuller

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Jerry D. Smith

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

August 8, 2022

- CALL TO ORDER:** President Majoewsky called the meeting to order at 11:00 a.m.
- BOARD MEMBERS PRESENT:** Steven T. Majoewsky, George W. Emerson, Sharon Rose, Edward Fuller, Jerry D. Smith,
- 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:** Craig Geyer, Director, Goleta West Sanitary District  
Brian McCarthy, Goleta West Sanitary District  
Jena Shoaf Acos, Brownstein Hyatt Farber Schreck  
Tom Evans, Director, Goleta Water District
- 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 24 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

**BUSINESS:**

1. **REVIEW AND CONSIDERATION OF AGREEMENT WITH GOLETA WEST SANITARY DISTRICT FOR PARTICIPATION IN BIOSOLIDS & ENERGY STRATEGIC PLAN PHASE 1 PROJECT**

Mr. Wagner and Mr. Battles gave the staff report.

Director Rose made a motion, seconded by Director Fuller to approve the draft agreement with Goleta West Sanitary District for participation in the Biosolids & Energy Strategic Plan Phase 1 project subject to revisions to the indemnity provisions as approved by Mr. Battles, District Legal Counsel, and the District's General Manager.

The motion carried by the following vote:

(22/08/2254)

Special Meeting Minutes

August 8, 2022

Page 2

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

**ADJOURNMENT**

The meeting was adjourning at 12:10 p.m. when staff noticed that Mr. Geyer had raised his hand on Zoom to comment. President Majoewsky reopened the meeting at 12:12 p.m. and the Board heard comments from, and responded to, representatives of Goleta West Sanitary District.

There being no further business, the meeting was adjourned at 12:20 p.m.

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Steven T. Majoewsky  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary

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George W. Emerson

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Sharon Rose

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Edward Fuller

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Jerry D. Smith

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: August 17, 2022**

**I. NATURE OF ITEM**

Consideration of Proposed Annexation of 399 Arboleda Road  
APN 061-210-004

**II. BACKGROUND INFORMATION**

David Meisner, the property owner, has requested a sewer service for the above-referenced property. 399 Arboleda is a 1.6-acre parcel located at the south end of Arboleda Road near Vieja Drive and Carriage Hill Drive. A Sewer Service Availability letter was issued on February 14, 2022. The property is within the District's Sphere of Influence (SOI). The property contains one single-family-residence. The owner proposes to connect his home to the existing District sewer line on the neighboring property of 398 Arboleda Road via a private utility easement.

Staff received a letter from LAFCO dated August 5, 2022 requesting District review of the proposed annexation. Staff has issued an updated SSA letter to reflect the revised District fees. Copies of the SSA and the LAFCO letter are attached to this report and are presented herein for Board consideration.

**III. COMMENTS**

Mr. Meisner is preparing the LAFCO submittals required for the annexation of the property. District staff has been working with Mr. Meisner to facilitate the annexation and to conduct preliminary review of the proposed connection and the private utility easement.

Staff has reviewed the proposal and has issued a SSA letter with standard conditions. As such, staff recommends the Board authorize the General Manager to inform LAFCO that the District does not object to the proposed annexation.

**IV. REFERENCE MATERIAL**

GSD SSA Letter dated August 4, 2022  
LAFCO Letter dated August 5, 2022, copy of LAFCO Submittal for the 399 Arboleda Annexation  
Draft GSD Response Letter to LAFCO Accepting Annexation, dated August 17, 2022



# GOLETA SANITARY

Water Resource Recovery District

**Board of Directors:**

Steven T. Majoewsky  
President

August 4, 2022

George W. Emerson

David Meisner  
399 Arboleda Road  
Santa Barbara, CA 93110

Sharon Rose

Edward Fuller

**SUBJECT: Sewer Service Availability  
Proposed Sewer Service Connection for One Existing Single Family  
Residence**

Jerry D. Smith

Steve D. Wagner, PE  
General Manager  
District Engineer

**A.P.N. 061-210-004 at 399 Arboleda Road, Santa Barbara, CA**

Dear Mr. Meisner:

This is a revised and updated letter to replace the Sewer Service Availability Letter dated February 14, 2022 regarding the availability of sewer service for the above-mentioned property.

The subject property, as shown on the attached parcel map, is currently within the Goleta Sanitary District service area (sphere of influence) but is not annexed to the District. Based on the District's preliminary understanding from the information you provided, you propose to connect to the District's sewage collection facilities One Existing Single-Family Residence. Currently the existing parcel is being served by a septic system.

Please be advised that adequate sewage collection, treatment, and disposal capacity is currently available to serve the proposed project and that the District does not currently have a moratorium or similar restriction on new sewer connections. Subject to the terms specified in this letter, and upon satisfaction of the conditions set forth in the attached Exhibit "A", the District will issue a sewer connection permit and authorize the connection of the project to the District's sewer collection system. Although adequate sewer capacity is currently available to serve the project, issuing this letter does not guarantee sewer service by the District or reserve capacity for the project. The District provides all new sewer service on a first-come, first-serve basis, as determined from the date on which the connection permit is issued. The District cannot predict the pace of future development in the community and cannot anticipate the demand for new sewer service.

One William Moffett Place, Goleta CA 93117

(805) 967-4519 office (805) 964-3583 fax

[www.GoletaSanitary.org](http://www.GoletaSanitary.org)

In addition, the District is unable to predict what new regulatory requirements might be imposed in the future by Federal, State and/or local agencies, or exactly what effects said requirements might have on the District's ability to accept any new connections.

This letter does not constitute a sewer connection permit for the proposed project, but sets forth the terms on which a connection permit is issued. By providing this letter, the responsibility or liability for sewer service or matters pertaining to this project will not be the responsibility of the District.

Please note that the District's current assessment with respect to capacity availability, along with terms and conditions stipulated in Exhibit "A" for this project, are valid for two years from the date of this letter. At the end of the two-year period, the applicant, if still interested in the District's availability of service, must submit in writing a request for reassessment of its service conditions and capacity availability outlined in this letter.

If you have any questions regarding this matter please call Mr. Luis Astorga at this office.

Sincerely,



Steve D. Wagner, P.E.  
General Manager/District Engineer

SDW: LA

Attachments  
Exhibit A  
Parcel Maps

cc: Luis Astorga, Goleta Sanitary District  
Mike Prater, LAFCO  
Marilyn Merrifield, SBCEH

**EXHIBIT "A"**  
**TERMS AND CONDITIONS**

Applicant shall comply with all applicable District provisions of its Standards and Ordinances.

The property must be annexed to the District. Annexation to the District may incur additional costs by other agencies, depending on the specific application. Please contact LAFCO for annexation information and application materials. LAFCO can be contacted at:

Santa Barbara LAFCO  
Executive Officer Mike Prater  
105 E. Anapamu Street  
Room 407  
Santa Barbara, CA 93101  
(805) 568-3391  
(805) 568-2249 FAX  
Email [lafco@sblafco.org](mailto:lafco@sblafco.org)

Upon completion of the annexation, the applicant/owner(s) must submit a complete copy of the building structure site and floor plans to the District. The District will review the plans and contact the applicant and the County of Santa Barbara Building and Safety Division after plans are reviewed.

In the event it is necessary to construct a sewer main or trunk line extension and/or appurtenances thereto (the "Extension") to connect the project to the District's existing sewer collection system, the Extension shall be constructed, and any necessary easements shall be obtained, by and at the expense of the applicant. Upon completion of the Extension and the connection of the Project to the District's sewer system, the applicant shall execute and deliver to the District a Grant of Rights document in recordable form conveying the Extension to the District. The applicant shall also convey to the District any easements necessary to enable the District to properly operate, repair and maintain the Extension. This easement document must be executed, complete and ready for recordation. Enclosed is a copy of the District's General and Construction Notes which are to be included on the improvement plans.

Easements must be a minimum 15 feet wide and vehicle access easement must be a minimum 12 feet wide. Easement widths are based on the size and depths of the sewerlines. No trees or shrubbery may be planted within the GSD easement.

The site plans need to show the proposed 4" diameter building structure sewer connection, building floor and rim elevation of the upstream manhole from the proposed connection to the structure.

Each property has to be separately connected to District facilities.

If there is an inability to achieve gravity flow from the building structure to the District's sewage collection facilities, an injector pump system design will need to be submitted to the County of Santa Barbara Building and Safety Division for approval prior to connection of any portion of your force main sewer system. The design must include dual pump and alarm system.

A backflow preventer encased in a concrete vault with a metal lid, embossed with "sewer" or "clean-out", must be installed within the private property whenever the residential interior plumbing fixtures are lower than the District's upstream manhole rim elevation. This manhole is the next immediate manhole upstream from the structure sewer service connection to the main sewerline.

The Applicant shall provide the District with verification that a private and/or public sewer easement has been created, conveyed and recorded, thus allowing the connection of the project to the District's public sewer. The easement documentation shall include language expressly providing for: "The construction, installation, repair, operation and maintenance of the building and lateral sewer," which connect the project to the District's public sewer.

Once the plans and easement documents have been received, reviewed and accepted, the District will stamp the plans approved. A sewer connection permit may be obtained by the applicant once they have paid all applicable fees, posted all required bonds and satisfied all applicable ordinances, regulations, standards and requirements of the District and any other local, state or federal agency with jurisdiction over the project.

As of the date of this letter, the required fees are as follows:

District Annexation Fees:

District Annexation Processing Fee:       **\$200.00**  
District Annexation Fee:                   **\$2,242.00** for 1 acre or less, for  
properties greater than 1 acre: **\$2,242.00** multiplied by the total acreage

There are other fees associated with annexation from other agencies such as LAFCO, County of Santa Barbara and State Board of Equalization, please contact LAFCO for additional information.

Other District Fees:

Connection Fees:

Single Family Dwelling Unit: **\$2,421.00 / Unit**

Apartment, Duplex, Mobile Home Space, Condominium Unit: **\$1,696.00 / Unit**

Connection fees for commercial/industrial and other non-residential establishments are based on the number of equivalent residential units (ERUs) of the proposed development. The number of ERUs are defined as the ratio of the proposed total number of plumbing fixtures of the proposed development and that of a single-family dwelling (20 fixture units per dwelling). The connection fee for the proposed development is determined by multiplying the proposed ERUs by the connection fee of a single-family dwelling. Under no circumstance shall the fee be less than that of a single-family dwelling.

Permit fee: **\$199.00** (for project)

Permit fee: **\$199.00** (for cleanout installation at property line only, inspection fee waived)

Industrial Waste Control Annual Permit fee: **\$135.00 to \$2,137.00** (Based on Discharger Classification)

Inspection fee: **\$199.00** (per residential or commercial building structure connection)

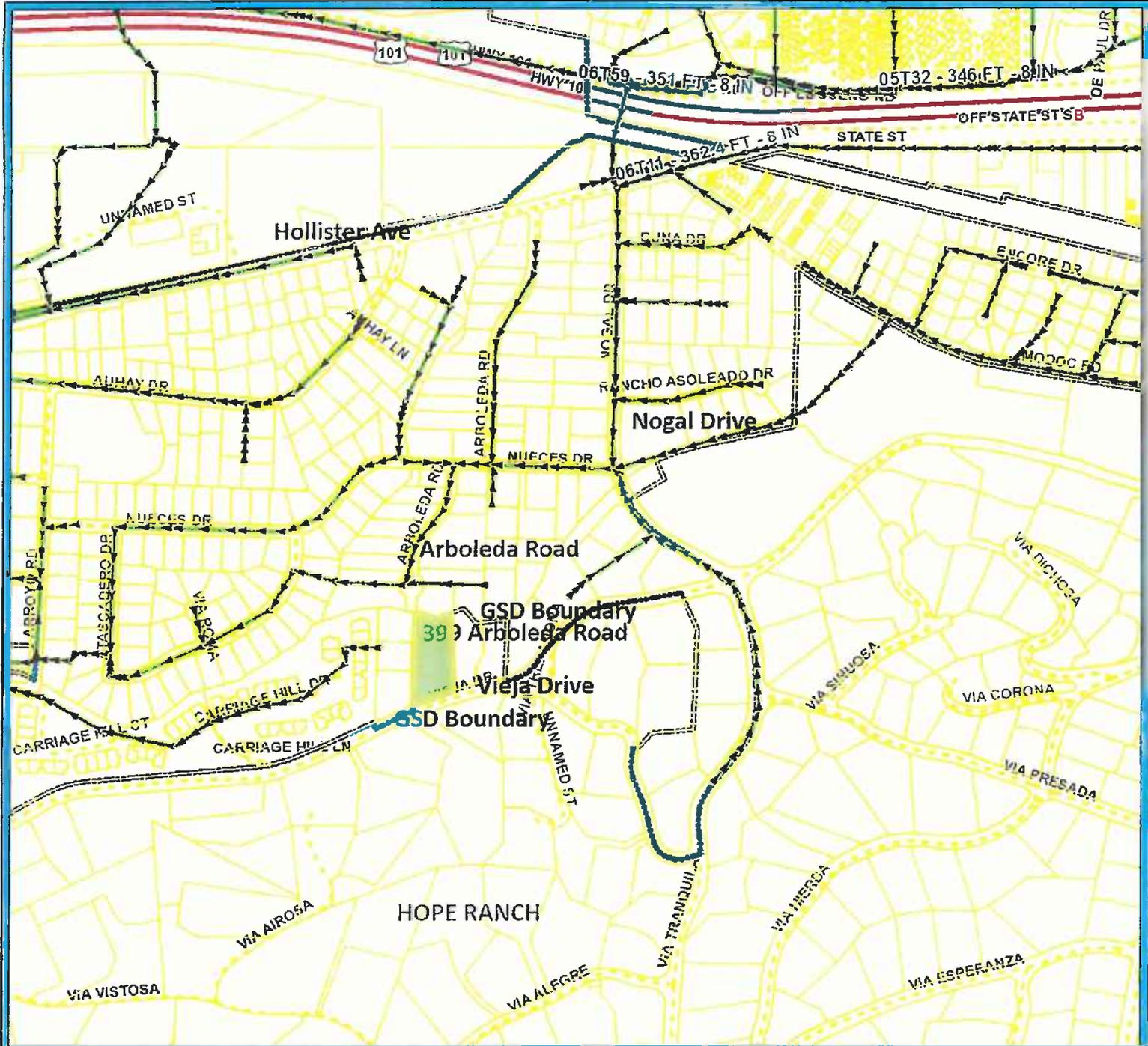
Inspection fee: **\$265.00** (per industrial/manufacturing building structure connection)

Inspection fee: **\$535.00** (per 100 feet of mainline extension)

Plan check and review fee: **\$135.00** per hour (**\$135.00** minimum fee)

Deposit, as required **\$500.00**

These fees are subject to periodic adjustments and applicant shall pay the fees in effect at the time application is made for a connection permit.



**GOLETA SANITARY**  
Water Resource Recovery District

**Key to Features**

- Well Well
- Sewer Pipe
- FORCE MAIN
- LATERAL SEWER
- MAIN LINE
- SANITARY SEWER
- SIPHON INVERTED
- Outfall Pipe
- Assessor Parcel
- Goleta Sanitary District Bounda
- Streets
- Tax Parcels



Feet

0 376

State Plane California Zone V (NAD 83)  
Santa Barbara County, California  
Goleta Sanitary District

Compiled on 07-28-20  
Provided by [www.gsd.org](http://www.gsd.org)

# LAFCO

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**Santa Barbara Local Agency Formation Commission**  
105 East Anapamu Street ♦ Santa Barbara CA 93101  
805/568-3391 ♦ FAX 805/568-2249  
www.sblafco.org ♦ lafco@sblafco.org

August 5, 2022

Steve Wagner, General Manager  
Goleta Sanitary District  
One William Moffett Place  
Goleta, CA 93117

Subject: 399 Arboleda – Annexation to the Goleta Sanitary District (LAFCO № 22-06)

Dear Steve Wagner:

A petition has been submitted to the Santa Barbara County Local Agency Formation Commission (LAFCO) proposing the annexation of territory to the Goleta Sanitary District. A copy of the proposal is attached to this letter for LAFCO Proceeding № 22-06. This proposal will annex land to your district.

The above-titled application has been filed with LAFCO on July 15, 2022. This notice is pursuant to Government Code Sections 56658 (b) and 56662 (c). The Proposed Project includes annexation of approximately 1.6 acres of property into the Goleta Sanitary District for sewer service. The properties are within the sphere of influence and are located at 399 Arboleda Road south of Hollister Avenue and north of Vieja Drive.

We request that you review these documents and notify us of any questions, comments, concerns or conditions you have. If you identify conditions for this project, please explain why they are necessary. We also welcome any additional comments you wish to make concerning this proposal.

By state law your district has 60 days in which to request termination of these proceeding pursuant to Government Code Sections 56857. Please respond with your comments before October 4, 2022. Your input will be considered in the preparation of the staff report that will be presented to LAFCO.

This proposal will be on LAFCO's August 11, 2022 agenda for information purposes only. You will be notified in advance before LAFCO considers the merits of the proposal.

Sincerely,



Mike Prater  
Executive Officer

Attachments:  
Petition, Questionnaire, Map and Legal

**TO:**

Local Agency Formation Commission  
County of Santa Barbara  
105 East Anapamu Street, Rm 407  
Santa Barbara, CA 93101

**To be filled in by LAFCO**

File No: \_\_\_\_\_  
Date Presented: \_\_\_\_\_  
Officially Filed: \_\_\_\_\_  
Designated as: \_\_\_\_\_  
\_\_\_\_\_  
LAFCO Action: \_\_\_\_\_  
Date: \_\_\_\_\_

**PETITION FOR**

\_\_\_\_\_  
(Name of Proposal)

The undersigned by their signature hereon DO HEREBY REPRESENT REQUEST AND PETITION as follows:

1. The proposal is made pursuant to Part 3, Division 3, and Title 5 of the California Government Code (commencing with Section 56000, Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000).

2. The nature of the proposed change of organization (i.e., annexation, detachment, Reorganization, etc.) is/are:

\_\_\_\_\_  
\_\_\_\_\_

3. The name or names of all districts and/or cities for which any such change or organization is proposed is as follows:

\_\_\_\_\_  
\_\_\_\_\_

4. The names of all other affected counties, cities and districts are:

\_\_\_\_\_  
/

5. The territory(ies) proposed for \_\_\_\_\_

is/are: \_\_\_\_\_

(**uninhabited** (less than 12 people) or **inhabited** (12 or more people))

6. This proposal **is** **is not** within the sphere of influence of the affected city and/or district.

(Circle one)



14. The reasons for this proposal are:

A. \_\_\_\_\_  
\_\_\_\_\_

B. \_\_\_\_\_  
\_\_\_\_\_

15. The persons signing this petition have signed as \_\_\_\_\_ registered voters **OR**  owners of land.

16. If the formation of a new district is included in the proposal: /

A. The principal act(s) under which said district(s) is/are proposed to be formed is/are: \_\_\_\_\_  
\_\_\_\_\_

B. The proposed name(s) of the new district(s) is/are: \_\_\_\_\_  
\_\_\_\_\_

C. The boundaries of the proposed new district(s) are as described in Exhibit(s) \_\_\_\_\_, \_\_\_\_\_, heretofore incorporated herein.

17. If an incorporation or formation of a district is in the proposal: /

A. The proposed name of the new city/district is: \_\_\_\_\_

B. Provisions are requested for appointment of:

i. City/District Manager \_\_\_\_\_ Yes \_\_\_\_\_ No

ii. City Clerk & City Treasurer \_\_\_\_\_ Yes \_\_\_\_\_ No  
(City only)

C. Number of members proposed for initial Board of Directors/City Council, pursuant to Chapter Three commencing with §61120. (Please check one, below.)

\_\_\_\_\_ 3 (Three) \_\_\_\_\_ 5 (Five)

18. If the proposal includes the consolidation of special districts, the proposed name of the consolidated district(s) is/are: \_\_\_\_\_ / \_\_\_\_\_

19. How will the new district be financed?

/ \_\_\_\_\_  
\_\_\_\_\_

20. Proponents of this proposal: (Names of Chief Petitioners, not to exceed three (3), who hereby request that proceedings be taken in accordance with the provisions of Section 56000, et. seq. of the Government Code and herewith affix signatures) as follows:

Please sign on the top line and print on the line below.

Name	Mailing Address
1. <i>David J. Meissner Sr.</i>	399 South Arboleda Road
David Meissner	Santa Barbara, CA 93110
2. <i>Donna Mashburn</i>	10016 Edmonds Way #C318
Donna Mashburn (The Meissner Family Trust)	Edmonds, WA 98020
3.	

When a form is completed and the requisite number of qualified signatures has been obtained (after circulation), the petition is to be filed with the Executive Officer.

**The petition and signature sheets must be left intact. Removal of the signature sheets from one counterpart to another counterpart will invalidate the entire petition.**

**NOTE: THIS PAGE MUST BE COMPLETED AND ATTACHED TO EACH PETITION.**

According to Election Code, Section 104, whenever any petition is submitted to the elections official, each section of the petition shall have attached to it a declaration signed by the Circulator of the petition, setting forth, in the Circulator's own hand, the following:

**PRINTED NAME OF CIRCULATOR** (including given name, middle name or initial and last name):

Autumn L. Malanca, Project Manager, Flowers & Associates, Inc.

**RESIDENCE ADDRESS OF CIRCULATOR:**

115 W. Canon Perdido Street, SB, CA 93101

**DATES ON WHICH ALL SIGNATURES TO THE PETITION WERE OBTAINED:**

Starting date: 6/22/22

Ending date: 7/14/22

The Circulator, by affixing his/her signature below, hereby certifies:

1. That the Circulator circulated the attached petition and witnessed the appended signatures being written;
2. That, according to the best information and belief of the Circulator, each signature is the genuine signature of the person whose name it purports to be;
3. That the Circulator shall certify to the content of the declaration as to its truth and correctness, under penalty or perjury under the laws of the State of California, with the signature of his or her name at length, including given name, middle name or initial, and last name.

7/14/22  
Date

*Autumn Malanca*  
Name (as required above)

As a signer of this Petition, I hereby certify that I have read the content of the Petition and request that proceedings be taken for the proposal as provided by said Petition.

**PLEASE SIGN NAME ON THE TOP LINE**  
**PRINT NAME ON THE SECOND LINE**

Date signed	Signature & printed name of Petitioners	Residential Address of Petitioners	Official Use Only
6-19-22	Sign: <i>David Meissner</i>	399 South Arboleda Road	
	Print: David Meissner	Santa Barbara, CA 93110	
6-19-22	Sign: <i>Donna Mashburn</i>	10016 Edmonds Way #C318	
	Print: Donna Mashburn, Meissner Family Trust	Edmonds, WA 98020	
	Sign: <i>Autumn Malanca</i>	115 W. Canon Perdido Street	
	Print: Autumn Malanca Project Manager Flowers & Assoc Inc	Santa Barbara, CA 93101	
	Sign:		
	Print:		
	Sign:		
	Print:		
	Sign:		
	Print:		
	Sign:		
	Print:		
	Sign:		
	Print:		
	Sign:		
	Print:		

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

**Proposal Justification Questionnaire for Annexations,  
Detachments and Reorganizations**

(Attach additional sheets as necessary)

1. Name of Application: (The name should match the title on the map and legal description; list all boundary changes that are part of the application)  
399 S. Arboleda Road  
Requesting that the Goleta Sanitary District (GSD) extend their existing service boundary easterly/southerly to include this property adjacent to their current service boundary.
2. Describe the acreage and general location; include street addresses if known:  
399 S. Arboleda Road, located just outside/adjacent to the GSD service boundary, in the “Pueblo Lands” area, south of Hollister Ave. and north of Vieja Dr. The property is 1.6 Acres.
3. List the Assessor's Parcels within the proposal area:  
061-210-004
4. Purpose of proposal: (Why is this proposal being filed? List all actions for LAFCO approval. Identify other actions that are part of the overall project, i.e., a tract map or development permit.)  
Owner wishes to abandon the existing septic system onsite, and connect his existing single-family home and small guest cottage to the nearby public sewer service (GSD) by extending a private sewer lateral from GSD’s mainline, which is located just one parcel away, to the west (398 S. Arboleda Rd.). The neighbor (at 398 Arboleda) is agreeable to this proposal, and a private easement will be produced. Flowers & Associates, Inc. will produce the design plans for this improvement, and a grading permit will likely be required through the County of Santa Barbara.
5. Land Use and Zoning - Present and Future
  - A. Describe the existing land uses within the proposal area. Be specific.  
Land use in the area is residential. The 399 S. Arboleda property has a single family home and a smaller guest cottage on it, as well as a pool and gardens.
  - B. Describe any changes in land uses that would result from or be facilitated by this proposed boundary change.  
No changes to land use are proposed, just improving the sewer function and longevity of the two existing residential structures onsite.
  - C. Describe the existing zoning designations within the proposal area.  
This parcel is zoned Residential (20-R-1).
  - D. Describe any proposed change in zoning for the proposal area. Do the existing and proposed uses conform with this zoning?

No changes in zoning proposed. To the best of our knowledge, the existing/proposed use conforms with current zoning.

- E. (For City Annexations) Describe the rezoning that will apply to the proposal area upon annexation. Do the proposed uses conform with this rezoning? [N/A](#)
- F. List all known entitlement applications pending for the property (i.e., zone change, land division or other entitlements). [N/A](#)

6. Describe the area surrounding the proposal

Using Table A, describe existing land uses, general plans and zoning designations for lands adjacent to and surrounding the proposal area. The application is incomplete without this table. [See Table A, at the end of this document.](#)

7. Conformity with Spheres of influence

- A. Is the proposal area within the sphere of influence of the annexing agency? [Yes. The proposed parcel to be annexed is within GSD's sphere of influence.](#)
- B. If not, include a proposal to revise the sphere of influence. [N/A](#)

8. Conformity with County and City General Plans

- A. Describe the existing County General Plan designation for the proposal area. [Residential.](#)
- B. (For City Annexations) Describe the City general plan designation for the area. [N/A](#)
- C. Do the proposed uses conform with these plans? [Yes](#) If not, please explain.

9. Topography and Natural Features

- A. Describe the general topography of the proposal area and any significant natural features that may affect the proposal.  
[The 399 Arboleda property is generally flat, as is the adjacent property \(398 Arboleda\), through which the sewer line extension would travel. In fact, the difference in elevations from the GSD main sewer line to 399 Arboleda connection points \(at the home and cottage\) only differ by 3-4 feet. There is an oak tree on the neighbor's property \(398\) that the sewer extension will avoid \(i.e., staying out of the dripline\). There is a wooded tree area at the far south end of the 399 property, which slopes upward/gains elevation, however, no work is proposed in that area.](#)
- B. Describe the general topography of the area surrounding the proposal.  
[As stated above, slopes are minimal in the proposal area.](#)

10. Impact on Agriculture

- A. Does the affected property currently produce a commercial agricultural commodity? **No.**
- B. Is the affected property fallow land under a crop rotational program or is it enrolled in an agricultural subsidy or set-aside program? **No.**
- C. Is the affected property Prime Agricultural Land as defined in Government Code §56064? **No.**
- D. Is any portion of the proposal area within a Land Conservation (Williamson) Act contract?  
**No.**
  - 1) If “yes,” provide the contract number and the date the contract was executed. **N/A**
  - 2) If “yes”, has a notice of non-renewal be filed? If so, when? **N/A**
  - 3) If this proposal is an annexation to a city, provide a copy of any protest filed by the annexing city against the contract when it was approved. **N/A**

11. Impact on Open Space

Is the affected property Open Space land as defined in Government Code Section 65560?  
**No.**

12. Relationship to Regional Housing Goals and Policies (City annexations only) **N/A**

If this proposal will result in or facilitate an increase in the number of housing units, describe the extent to which the proposal will assist the annexing city in achieving its fair share of regional housing needs as determined by SBCAG.

13. Population

- A. Describe the number and type of existing dwelling units within the proposal area.  
**Two; one single family home built in the early 1950’s, and a smaller guest cottage south of the main home.**
- B. How many new dwelling units could result from or be facilitated by the proposal? **None.**  
  
Single-family \_\_\_\_\_ Multi-family \_\_\_\_\_

14. Government Services and Controls – Plan for Providing Services (per §56653)

- A. Describe the services to be extended to the affected territory by this proposal.  
**Public sewer service from GSD.**
- B. Describe the level and range of the proposed services.  
**The owner will be responsible for extending sewer service from the existing GSD mainline approximately 260 feet to the 399 S. Arboleda home. No sewer main extension is required, the proposal is to extend a private lateral for service.**

- C. Indicate when the services can feasibly be provided to the proposal area.  
Within a year of the annexation.
- D. Indicate any improvements or upgrading of structures, roads, sewers or water facilities or other conditions that will be required as a result of the proposal.  
Per "B," above, a new 4-inch sewer lateral will be installed from the mainline, requiring trenching and an engineered design for the lateral(s) and connections(s) to the main home and the guest cottage.
- E. Identify how these services will be financed. Include both capital improvements and ongoing maintenance and operation. The Owner(s) intends to finance the installation and maintenance on their own.
- F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of services. No alternatives.

15. Ability of the annexing agency to provide services

Attach a statement from the annexing agency describing its ability to provide the services that are the subject of the application, including the sufficiency of revenues (per Gov't Code §56668j).

16. Dependability of Water Supply for Projected Needs (as per §56653)

If the proposal will result in or facilitate an increase in water usage, attach a statement from the retail water purveyor that describes the timely availability of water supplies that will be adequate for the projected needs. N/A

17. Bonded indebtedness and zones – These questions pertain to long term debt that applies or will be applied to the affected property.

- A. Do agencies whose boundaries are being changed have existing bonded debt? \_\_\_\_\_  
If so, please describe. No, the District has no bonded debt.
- B. Will the proposal area be liable for payment of its share of this existing debt? N/A.  
If yes, how will this indebtedness be repaid (property taxes, assessments, water sales, etc.)
- C. Should the proposal area be included within any 'Division or Zone for debt repayment? \_\_  
If yes, please describe. N/A
- D. (For detachments) Does the detaching agency propose that the subject territory continue to be liable for existing bonded debt? N/A . If yes, please describe.

18. Environmental Impact of the Proposal

A. Who is the "lead agency" for this proposal? [Goleta Sanitary District \(GSD\)](#)

B. What type of environmental document has been prepared?

None, Categorically Exempt -- [Sections 15301 and 15303 of CEQA Article 19](#)

EIR \_\_\_\_\_ Negative Declaration \_\_\_\_\_ Mitigated ND \_\_\_\_\_

Subsequent Use of Previous EIR \_\_\_\_\_ Identify the prior report. \_\_\_\_\_

C. If an EIR has been prepared, attach the lead agency's resolution listing significant impacts anticipated from the project, mitigation measures adopted to reduce or avoid significant impacts and, if adopted, a "Statement of Overriding Considerations."

19. Boundaries

A. Why are these particular boundaries being used? Ideally, what other properties should be included in the proposal? [It's the property's parcel boundary. No other properties are proposed to be included.](#)

B. If any landowners have included only part of the contiguous land under their ownership, explain why the additional property is not included. [N/A](#)

20. Final Comments

A. Describe any conditions that should be included in LAFCO's resolution of approval.

B. Provide any other comments or justifications regarding the proposal.

C. Enclose all pertinent staff reports and supporting documentation related to this proposal. Note any changes in the approved project that are not reflected in these materials.

21. Notices and Staff Reports

List up to three persons to receive copies of the LAFCO notice of hearing and staff report.

Name

Address

A. [Donna Mashburn](#)

[10016 Edmonds Way #C318 Edmonds, WA 98020](#)

B. [David Meissner](#)

[399 S. Arboleda Rd. Santa Barbara, CA 93110](#)

C. [Autumn Malanca](#)

[115 W. Canon Perdido St., Santa Barbara, CA 93101](#)

Who should be contacted if there are questions about this application?

Name

Address

Phone

Autumn Malanca

115 W. Canon Perdido St., SB, CA 93101

805-966-2224 X108

Signature



Date 6/9/22

TABLE A

Information regarding the areas surrounding the proposal area

	<b>Existing Land Use</b>	<b>General Plan Designation</b>	<b>Zoning Designation</b>
East	Residential	Residential	20-R-1
West	Residential	Residential	20-R-1
North	Residential	Residential	20-R-1
South	Residential	Residential	1.5-EX-1

Other comments or notations:

## EXHIBIT A

### Legal Description

Being a 10 foot wide sewer easement over a portion of that certain parcel of land designated as "0.541 AC" on that certain map entitled "Record of Survey of a Portion of Lot 52 La Cumbre Estates Tr. No. 1, La Cumbre Estates Hope Ranch, Santa Barbara, California, in the County of Santa Barbara, State of California, filed March 1, 1965, in Book 69, Page 11 of Record of Surveys, in the Office of the County Recorder of said County, being 5 feet on either side of the following described centerline:

Commencing at the northeast corner of said parcel.

Thence, along the easterly property line of said parcel, South 1 degree 42 minutes 00 seconds West, 45.10 feet to the True Point of Beginning.

Thence, leaving said easterly property line along the following 5 courses:

North 58 degrees 45 minutes 44 seconds West, 29.74 feet;

North 81 degrees 15 minutes 44 seconds West, 5.16 feet;

South 53 degrees 44 minutes 16 seconds West, 27.26 feet;

North 81 degrees 15 minutes 44 seconds West, 112.11 feet;

North 90 degrees 00 minutes 00 seconds West, 12.25 feet to a point on the westerly property line of said parcel, said point being South 1 degree 42 minutes 00 seconds West, 33.20 feet from the northwesterly corner of said parcel.

Sidelines to be lengthened or shortened as necessary to create a closed figure.

Area contains 1,865 square feet more or less.

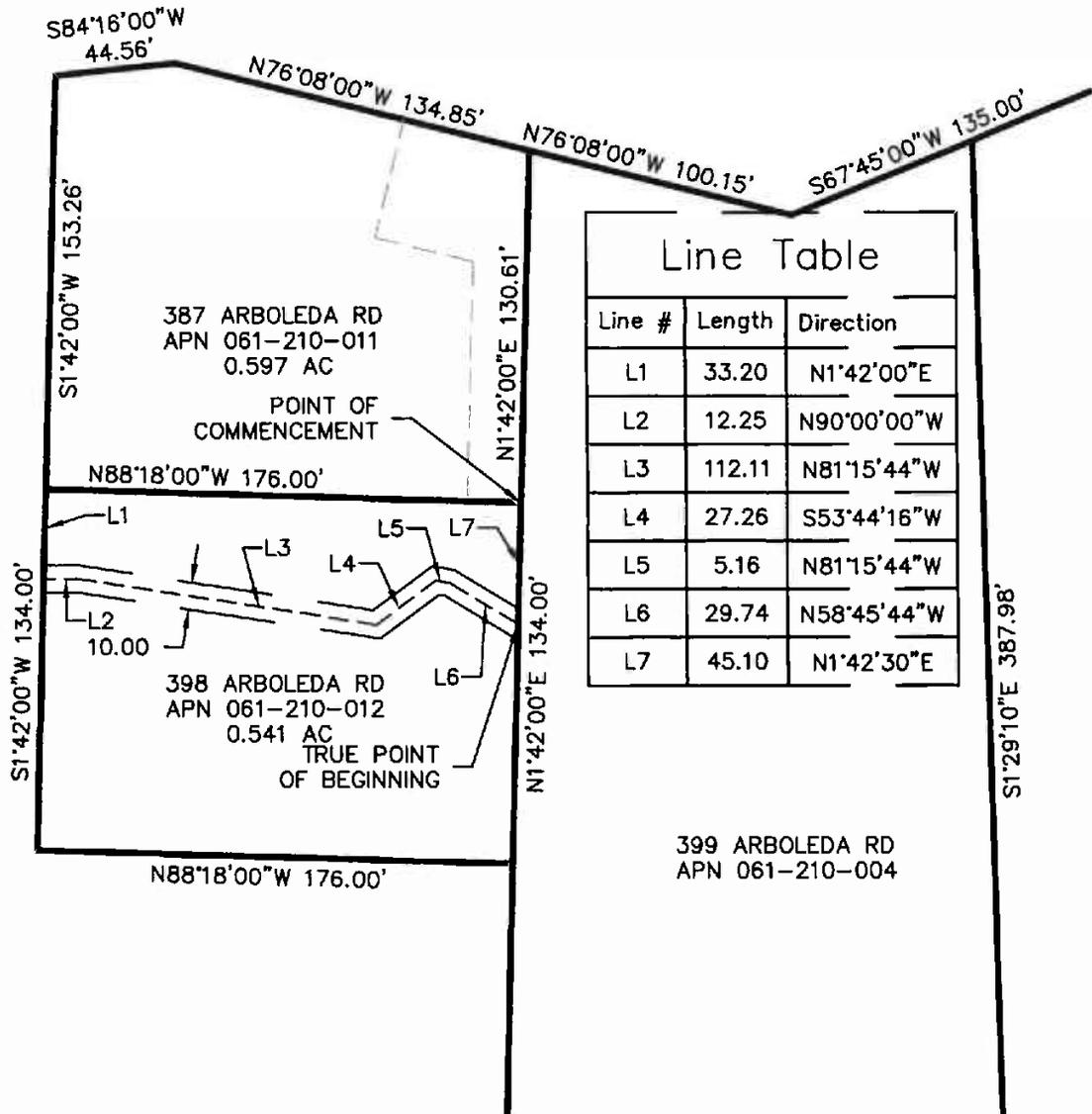
(See attached exhibit map made a part hereof)

  
Marshall D. Fargen L.S. 8962 6-22-22  
date





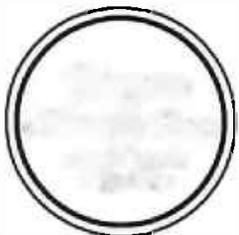
SCALE: 1"=70'



Line Table		
Line #	Length	Direction
L1	33.20	N1°42'00"E
L2	12.25	N90°00'00"W
L3	112.11	N81°15'44"W
L4	27.26	S53°44'16"W
L5	5.16	N81°15'44"W
L6	29.74	N58°45'44"W
L7	45.10	N1°42'30"E

**NOTE**

ALL BEARINGS AND DISTANCES SHOWN ARE PER RECORD OF SURVEY RECORDED IN BOOK 69, PAGE 11.



2624 AIRPARK DRIVE  
 SANTA MARIA, CA 93455  
 PHONE: 805-934-5727  
 FAX: 805-934-3448  
 DATE: JUNE 2022

22059 ARBOLEDA RD EXHIBIT.DWG

**EXHIBIT MAP**

THE NORTHERLY 15 FEET OF THAT CERTAIN PARCEL OF LAND DESIGNATED AS "0.541 AC" ON THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY OF A PORTION OF LOT 52 LA CUMBRE ESTATES TR. NO. 1, LA CUMBRE ESTATES HOPE RANCH, IN COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, FILED IN BOOK 69, PAGE 11 IN SAID COUNTY.

SHEET 1 OF 1



**GOLETA SANITARY**  
Water Resource Recovery District

August 17, 2022

**Board of Directors:**

**Steven T. Majoewsky**  
President

Mr. Mike Prater, Executive Officer  
Santa Barbara LAFCO  
105 East Anapamu Street  
Santa Barbara CA 93101

**George W. Emerson**

Subject: 399 Arboleda Annexation to Goleta Sanitary District  
LAFCO 22-06  
399 S. Arboleda Road Santa Barbara, CA

**Sharon Rose**

**Edward Fuller**

Dear Mr. Prater:

**Jerry D. Smith**

**Steve D. Wagner, PE**  
General Manager  
District Engineer

This letter is in response to your letter dated August 5, 2022 regarding the annexation proposal for above-mentioned property to the Goleta Sanitary District. District staff have reviewed the materials included with your letter. The District has updated the Sewer Service Availability Letter dated February 14, 2022. We have enclosed a copy of the updated letter. We look forward to working with you and the applicant to complete this annexation request.

Please feel free to contact me at (805) 967-4519 if there are any questions.

Sincerely,

Steve Wagner, P.E.  
General Manager/District Engineer

SW: LA

Cc: Luis Astorga, Goleta Sanitary District

One William Moffett Place, Goleta CA 93117

(805) 967-4519 office (805) 964-3583 fax

[www.GoletaSanitary.org](http://www.GoletaSanitary.org)

# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: August 17, 2022**

**I. NATURE OF ITEM**

Consideration and Adoption of Resolution No. 22-692 Amending Policy #306 of the Human Resources Procedure and Policy Manual Regarding Certifications and Licenses

**II. BACKGROUND INFORMATION**

The Board adopted a Human Resources Procedure and Policy Manual (the “HR Manual”) on October 4, 2005 and has adopted updates and revisions to the HR Manual from time to time as necessary. Since the HR Manual is made up of separate policies, changes to an individual policy can be approved by the Board on a case-by-case basis without triggering the readoption of the entire HR Manual.

HR Policy #306 titled “Training and Development” includes a section on the reimbursement for approved employee education expenses including certifications and licenses that are required for various positions. However, the current wording of Policy #306 refers to maintenance and operation positions only and doesn’t clearly state that all positions are eligible to receive reimbursement for approved educational expenses. As such, modifications to Policy #306 are proposed to clarify that all positions are eligible to receive reimbursement for approved educational expenditures. The attached proposed revision to Policy #306 was reviewed and approved by the Board’s Personnel Committee on August 3, 2022. The revised policy is presented herein for Board consideration.

**III. COMMENTS AND RECOMMENDATIONS**

A copy of the proposed revisions to Policy #306 in both redlined and clean versions are attached to this report.

In order to formally approve the proposed changes to Policy # 306 of the District’s HR Manual, staff recommends the Board adopt Resolution No. 22-692 Amending Policy #306 of the Human Resources Procedure and Policy Manual Regarding Certifications and Licenses.

**IV. REFERENCE MATERIALS**

Proposed Resolution No. 22-692 Amending Policy #306 of the Human Resources Procedure and Policy Manual Regarding Certifications and Licenses  
Redlined Version of HR Policy #306 Showing Proposed Revisions  
Clean Version of Proposed Changes to HR Policy #306

**RESOLUTION NO. 22-692**

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA  
SANITARY DISTRICT AMENDING POLICY #306 OF THE HUMAN RESOURCES  
PROCEDURE AND POLICY MANUAL REGARDING REIMBURSEMENT OF  
EDUCATIONAL EXPENSES**

**WHEREAS**, the Goleta Sanitary District (the “District”) has adopted a Human Resources Procedure and Policy Manual (the “HR Manual”), effective as of October 4, 2005, and has amended the policies and procedures set forth therein from time to time thereafter; and

**WHEREAS**, Policy #308 of Section III (Benefits) of the HR Manual sets forth policies and procedures relating to the of reimbursement of approved education expenses related to certifications and licenses for certain employee positions; and

**WHEREAS**, the Governing Board of the District deems it to be in the District’s best interests to amend Policy #306 to clearly state that all employees are eligible to be reimbursed for approved educational expenses related to certifications and licenses as set forth in the policy.

**NOW, THEREFORE**, be it resolved by the Governing Board of the Goleta Sanitary District as follows:

- 1. Amendment of Policy #306.** Policy #306 of Section III (Benefits) of the HR Manual is hereby deleted in its entirety and is replaced with the revised Policy #306 attached hereto as Exhibit “A” and incorporated herein by this reference.
- 2. Continued Effect.** Except as specifically amended herein, the HR Manual, as previously amended, shall continue in full force and effect.

**PASSED AND ADOPTED** this 17th day of August 2022, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

---

Steven T. Majoewsky  
President of the Governing Board

**COUNTERSIGNED**

---

Robert O. Mangus, Jr.,  
Secretary of the Governing Board

**EXHIBIT "A"**  
**Amended Policy #306**

**2. Seminars/Workshops, Certification Review Courses**

The District may elect to send employees to approved training programs, seminars, and/or conferences from time to time. While these programs are normally scheduled during regular working hours, there may be evening or weekend classes or activities.

Employees who desire to attend a seminar must submit a written request, including estimated expenses, to the Department Head/General Manager for approval. Reimbursements shall be processed in accordance with the District's Expense Reimbursement *Policy #305*.

**3. Tuition Reimbursement**

The District may reimburse an employee desiring to further his/her education for the purpose of improving on-the-job performance. The General Manager's approval may be given for courses within the scope of the employee's professional field and/or District job responsibilities provided that the overall requested reimbursement does not exceed \$1,500 per calendar year.

Class and study time must be outside of the employee's regular working hours. The District shall not compensate travel and related expenses.

To receive tuition and fee reimbursement, the employee shall submit a receipt and proof of completion of all approved courses with at least a "C" grade or its equivalent, within sixty (60) days of completion of attended course(s). If the employee is eligible for course reimbursement by another agency, the District will not duplicate reimbursement.

**A. Employee Initiated Requests**

The District will not reimburse employees who have requested tuition assistance for the following expenses: fees associated with parking, application, health, transcript, student union, late registration, fees imposed for breakage or damage of equipment, transportation costs incurred, or special assignments relating to the course of study and miscellaneous supplies.

Textbooks may be reimbursable at the District's option provided there is a use at the District as reference material. If reimbursed as part of the \$1,500 allowance, based upon actual receipts, the books become District property upon completion of the course.

**B. District Initiated Requests**

If the District requests an employee to attend specific courses, the District pays the full cost of tuition, required texts, supplies, and miscellaneous fees for courses. If the courses/seminars occur during working hours, the employee will be compensated at the regular pay rate for those hours within the employee's regularly scheduled workday. Overtime is addressed in Section 5 below.

Transportation will be provided by District automobile and/or mileage reimbursement only for those courses requested by the District.

**C. Reimbursement**

1. Requests for educational reimbursement shall be made in writing, requiring first the written approval of the Department Head and then the written approval of the General Manager. Requests shall be complete and include course title, school, dates, costs and evidence that the course is job-related to the currently held position.

It is recommended that employees do not register for classes or make payment of fees until reimbursement is approved. Reimbursement will not be made in the event that the employee registers prior to receiving approval.

2. An employee who separates from District service, either voluntarily or involuntarily prior to completion of a course will not be reimbursed.
3. An employee, who withdraws from a course at the request of the District or is required to withdraw due to reassignment, shift change, etc., will be reimbursed for the costs incurred by the employee.

**4. Certifications and Licenses**

**The District may reimburse employees for the costs associated with obtaining licenses and/or certifications, as required by their position.** ~~Employees may achieve certifications and licenses in operations, maintenance and/or technical services. The California Water Environment Association (CWEA) administers the certification programs for maintenance, laboratory, industrial waste and electrical/ instrumentation positions and the State Water Resources Control Board (SWRCB) for plant operations positions.~~

Reimbursement will be provided for certifications and licenses, **upon approval of the General Manager**, based on the following guidelines:

- A. Upon successful completion and passing the examination, the District will reimburse employees for fees related to any relevant professional examinations, certificates and licenses.
- B. The District will make every effort to accommodate professional programs and exams with work schedule changes within the same pay week. However, employees are to take any classes or exams on their own time.
- C. The District will reimburse employees for certification renewal fees.

**5. Overtime**

- A. Non-Exempt Employees: Employees attending a District requested one-day meeting shall be paid for any overtime hours and travel time incurred. Overtime will not be paid for any non-business portion of a seminar or workshop program that requires overnight accommodations.

Employees who voluntarily choose to attend a seminar or conference on their regularly scheduled day(s) off shall not be paid overtime for attendance.

- B. Exempt Employees: The District will not pay overtime to exempt (professional and/or management) employees for any time related to attendance at conferences, seminars or other professional meetings.

## **POLICY**

It is the policy of the District to encourage all employees to expand their knowledge and level of professionalism relevant to the operations of the District's plant and facilities. The purpose of this policy is to outline the standards and procedures under which the District will provide financial support for activities that further the goals of preserving and improving the plant's capacity to operate efficiently and economically.

## **PROCEDURE**

### **1. Professional Associations/ Technical Groups**

The General Manager may approve payment for membership in craft, trade or other professional organizations that further the goals described above. The employee shall provide evidence of their active participation in support of continued membership payment. The following types of memberships may be approved for payment:

- A. Memberships in local and state associations for all employees.
- B. Memberships at state and national level for Department Heads and above.
- C. Memberships required attending a conference for which the District has requested employee attendance.
- D. Memberships to carry out duties of an office or in other special circumstances.

The District supports and will reimburse attendance at professional association dinner meetings and workshops, including late afternoon workshops. With prior approval by the General Manager, the District will allow the employee to attend the workshop on District time in accordance with the following conditions:

- A. No overtime is involved;
- B. Employees attending a local meeting must return to work after the meeting or immediately if they are called and notified there is a problem; and
- C. Employees will not consume anything containing alcohol while at the meeting since they will be returned to work and may be called back at any time if they are needed.

### **2. Seminars/Workshops, Certification Review Courses**

The District may elect to send employees to approved training programs, seminars, and/or conferences from time to time. While these programs are normally scheduled during regular working hours, there may be evening or weekend classes or activities.

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Employees who desire to attend a seminar must submit a written request, including estimated expenses, to the Department Head/General Manager for approval. Reimbursements shall be processed in accordance with the District's Expense Reimbursement *Policy #305*.

### **3. Tuition Reimbursement**

The District may reimburse an employee desiring to further his/her education for the purpose of improving on-the-job performance. The General Manager's approval may be given for courses within the scope of the employee's professional field and/or District job responsibilities provided that the overall requested reimbursement does not exceed \$1,500 per calendar year.

Class and study time must be outside of the employee's regular working hours. The District shall not compensate travel and related expenses.

To receive tuition and fee reimbursement, the employee shall submit a receipt and proof of completion of all approved courses with at least a "C" grade or its equivalent, within sixty (60) days of completion of attended course(s). If the employee is eligible for course reimbursement by another agency, the District will not duplicate reimbursement.

#### **A. Employee Initiated Requests**

The District will not reimburse employees who have requested tuition assistance for the following expenses: fees associated with parking, application, health, transcript, student union, late registration, fees imposed for breakage or damage of equipment, transportation costs incurred, or special assignments relating to the course of study and miscellaneous supplies.

Textbooks may be reimbursable at the District's option provided there is a use at the District as reference material. If reimbursed as part of the \$1,500 allowance, based upon actual receipts, the books become District property upon completion of the course.

#### **B. District Initiated Requests**

If the District requests an employee to attend specific courses, the District pays the full cost of tuition, required texts, supplies, and miscellaneous fees for courses. If the courses/seminars occur during working hours, the employee will be compensated at the regular pay rate for those hours within the employee's regularly scheduled workday. Overtime is addressed in Section 5 below.

Transportation will be provided by District automobile and/or mileage reimbursement only for those courses requested by the District.

**C. Reimbursement**

1. Requests for educational reimbursement shall be made in writing, requiring first the written approval of the Department Head and then the written approval of the General Manager. Requests shall be complete and include course title, school, dates, costs and evidence that the course is job-related to the currently held position.

It is recommended that employees do not register for classes or make payment of fees until reimbursement is approved. Reimbursement will not be made in the event that the employee registers prior to receiving approval.

2. An employee who separates from District service, either voluntarily or involuntarily prior to completion of a course will not be reimbursed.
3. An employee, who withdraws from a course at the request of the District or is required to withdraw due to reassignment, shift change, etc., will be reimbursed for the costs incurred by the employee.

**4. Certifications and Licenses**

The District may reimburse employees for the costs associated with obtaining licenses and/or certifications as required by their position. Reimbursement will be provided for certifications and licenses, upon approval of the General Manager, based on the following guidelines.

- A. Upon successful completion and passing the examination, the District will reimburse employees for fees related to any relevant professional examinations, certificates and licenses.
- B. The District will make every effort to accommodate professional programs and exams with work schedule changes within the same pay week. However, employees are to take any classes or exams on their own time.  
The District will reimburse employees for certification renewal fees.

**Overtime**

- A. Non-Exempt Employees: Employees attending a District requested one-day meeting shall be paid for any overtime hours and travel time incurred. Overtime will not be paid for any non-business portion of a seminar or workshop program that requires overnight accommodations.  
Employees who voluntarily choose to attend a seminar or conference on their regularly scheduled day(s) off shall not be paid overtime for attendance.
- B. Exempt Employees: The District will not pay overtime to exempt (professional and/or management) employees for any time related to attendance at conferences, seminars or other professional meetings.

# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: August 17, 2022**

**I. NATURE OF ITEM**

Consideration of Moleaer Nanobubble Generator Lease

**II. BACKGROUND INFORMATION**

The District's water resource recovery facility has been adversely impacted by increased loads and concentrations. Over the past seven years District staff has worked diligently with the help of consultants to overcome the challenges that this has presented. In recent years the District has identified specific consumer products now found at higher concentrations in the incoming wastewater. These chemicals, primarily disinfectants and surfactants, have an adverse effect on the biological treatment process. The end result of these interfering chemicals is the inability to consistently meet our recycled water specifications.

District staff continues to research and implement innovative treatment solutions to mitigate the above-referenced impacts to the treatment process. In April 2022 the Board approved the implementation of a 3-month pilot study that included a lease agreement with Moleaer Inc. (Moleaer) for the installation of a nanobubble generator (NGB) and temporary pump system at the District's headworks facility.

The Moleaer NGB creates bubbles that are so small that they stay in solution and have an extremely large ratio of surface area to volume. This unique trait allows the nanobubbles to work as a powerful oxidizer, capable of breaking down complex compounds, such as found with surfactants. It was hoped that the installation of the NGB at the headworks would reduce the surfactant concentrations and allow other processes within the treatment plant to run more efficiently.

Benefits that were observed during the pilot study included, but were not limited to a reduction in surfactant concentrations, decreased air demand at the aeration basin, reduced energy costs, enhanced settling in the primary clarifiers, and reduce chemical demand and associated costs.

An analysis of the costs and benefits of the NGB/pump system has been completed that shows an annual savings of approximately \$127,000 per year. While the NGB did reduce the surfactants concentrations, the reduction wasn't enough to eliminate the intermittent hits of elevated coliform bacteria at the reclamation facility.

Moleaer has submitted a 2-year lease proposal for the permanent installation of the NGB at the headworks that includes the temporary installation of a second NGB at the interstage pump station to see if doing so eliminates the intermittent interference at the reclamation facility.

A copy of the Moleaer NGB lease proposal is attached to this report and presented herein for Board consideration. A brief presentation of the NGB pilot study findings will be provided at the meeting.

### **III. COMMENTS AND RECOMMENDATIONS**

The proposed Moleaer NGB Lease includes the following:

1. Permanent installation of NGB with submerged 32hp Flygt pump system at District headworks facility
2. Maintenance of equipment
3. Monthly lease rate of \$8,900 per month for 2 years for a total of \$213,600
4. 30-day cancellation
5. 60-day trail of additional NGB at Interstage Pump Station to treat secondary effluent

While this effort was not included in the approved FY 2022-23 budget, funds are available in the District's running expense fund as the lease costs are expected to be offset by the continued operational cost savings attributable to the NGB installation.

Approval of the NGB lease agreement will allow staff to continue to document the cost benefits of the NGB and determine if a second NGB as proposed will solve the ongoing interference at the reclamation facility. As such, staff recommends the Board authorize the General Manager to execute the proposed 2-year lease with Moleaer in the form of an addendum to proposal for an amount not to exceed \$213,600.

### **IV. REFERENCE MATERIAL**

Moleaer NGB Lease Contract Proposal dated August 1, 2022

To: Steve Wagner

From: Moleaer Inc

Date: Aug 1st, 2022

Re: Proposal for nanobubble treatment of the headworks at the Goleta Sanitary District

Steve,

We are happy to offer Goleta Sanitary District (“Lessee”) the following lease proposal to provide a safe and chemical free nanobubble treatment solution for the headworks of GSD in Goleta, CA. This treatment utilizes a Moleaer nanobubble generator to recirculate and treat the water. The goal is to increase the dissolved oxygen levels, provide oxidation of surfactants and QACs, digest accumulated organic materials, reduce odor as well as mitigate algae. This proposal is designed for a treatment capacity of 2700 gpm. This capacity can treat/recirculate the estimated 4.2 MGD process flow. Please see the below scope of work and related details of this proposal.

**Water Body and Project Characteristics:**

- **4.2 MGD municipal wastewater treatment**
- **Permanent installation of Moleaer nanobubble generator on headworks**

**Primary goal of treatment:**

- Improve plant efficiency and capacity through mitigation of negative inhibitory effects of surfactants

**Scope of Work:**

Moleaer will provide and utilize 1x Nanobubble Generator (NBG) 6 with 2700 gpm Flygt submersible pump 32 BHP 3p460v with installation guide rails to treat the process wastewater at Goleta Sanitary District. Moleaer will deliver, monitor, and maintain the units. Decommissioning assistance included.

This nanobubble generator system is to be connected to Goleta plant compressed air source, utilizing Goleta provided plumbing. Equipment to be installed by Goleta Sanitary District staff with commissioning support from Moleaer Global Services Team.

**Nanobubble Generator Equipment (“Goods”) proposed**

Nanobubble generator unit	GPM	Qty	Total GPM
<b>2700 gpm Flygt pump with NBG6 nanobubble generator, Intake Screen</b>	2700	1	2700
<b>Total Nanobubble generator Capacity for this contract (gpm)</b>			2700

**Proposed Location:**

Goleta Sanitary District, on top of head works, after screening

**Maintenance Schedule**

All nanobubble generators will be maintained by Moleaer. Some maintenance activities may be conducted onsite and others at Moleaer's Hawthorne, CA facility. Moleaer will commission the nanobubble generator once installed by Goleta staff and provide site visits to monitor equipment operation, perform any required maintenance, as needed.

### **Moleaer nanobubble treatment services are to include:**

- Nanobubble generator and equipment, listed above
- Pump and nanobubble generator maintenance
- Optimization of the nanobubble generator
- WPE support with most up to date treatment recommendations, based on Moleaer WPE/R&D team
- Quarterly site visits by Moleaer Global Services Team
- Annual upgrade to latest Moleaer NBG design, if/as becomes available

### **Goleta providing Water Quality testing:**

- All available

### **Goleta Sanitary District is to provide:**

- All necessary permits, permission, and site access
- Access to headworks with equipment for placement
- Plant compressed air and hose
- Plumbing for installation
- Equipment management and inspections
- Communication to Moleaer of known issues

### **Price:**

- \$8,900/month. 24-month contract value of \$213,600
- Existing pump will be utilized until submersible pump can be acquired
  - ~16-week lead time on Flygt submersible pump

### **Terms:**

- 24-month minimum, renewing monthly
- Monthly payment due by the 5<sup>th</sup> of the month
- 30-day notice for cancellation of contract

### **No Charge Trial:**

- Included with 24-month contract agreement
- 60-day trial of NB6 nanobubble generators to treat the secondary effluent prior to the recycled facility
- Installation and required installation materials to be provided by Goleta Sanitary District

Kindest Regards,

Clinton Hanson  
Western Region Business Development Manager  
Moleaer  
612-290-3893  
[clint@moleaer.com](mailto:clint@moleaer.com)

## FULL-SERVICE EQUIPMENT LEASE & FINANCING AGREEMENT

1. **CONDITIONS.** These Standard Terms and Conditions of Lease (these “Conditions”) govern the lease of products (the “Goods”) by Moleaer, Inc. (“Moleaer”) to the entity (“Lessee” and, with Moleaer, the “Parties”) named in Moleaer’s Sales Proposal (the “Sales Quote” or “Proposal” and, together with these Conditions, this “Contract”). This Contract constitutes the entire agreement between the Parties, supersedes all prior written or oral communications or understandings concerning the Goods and takes precedence over and cancels any other, different, or conflicting terms or conditions of Lessee’s order or acceptance. No waiver or amendment of any of the provisions of this Contract shall be effective unless in writing and executed by both Parties. Unless otherwise stated herein, Lessee’s receipt of any portion of the Goods shall constitute acceptance of these Conditions.

The Parties agree as follows:

2. **EQUIPMENT:** Moleaer hereby leases to Lessee the Goods on the terms and conditions set forth in the Proposal outlined above.

3. **LEASE TERM:** The Lease will begin on Aug 10th 2022 (the “Start Date”). Unless the Lease is terminated, the Lease shall automatically renew for one-month period on the first day of each month. Either party may terminate this Lease, after the required 36-month minimum period, by providing written notice to the other party of the date the Lease shall terminate, which shall be at least thirty (30) days after the date of such notice; provided that Lessor may terminate the Lease immediately if Lessee is in default as provided under Section 11 hereof. The date of the termination of the Lease (whether pursuant to such termination notice or pursuant to an event of default under Section 11 hereof) shall be the “Termination Date” and the period between the Start Date and the Termination Date shall be the “Lease Term”. For the avoidance of doubt, Lessee shall be obligated to pay the Rent for a minimum of 4 months, and at least through the Termination Date.

4. **RENT PAYMENTS:** Lessee agrees to pay to Moleaer as rent for the Equipment the amount specified in the Proposal the (“Rent”) each month in advance of the one-month anniversary of the Start Date. First month’s payment shall include first-month’s rent, and zero (\$0) Security Deposit pursuant to Section 7 below, be made after services are rendered. Payments shall be made as per the wire instructions made clear on each monthly invoice or can be sent to the following address:

Moleaer Inc.  
Attn: Accounting  
3232 W El Segundo Blvd  
Hawthorne, CA 90250 USA

or at any other address designated by Moleaer. First months’ rent payment and \$0 security deposit will be due 1-month after placement of equipment. Lessee may, with thirty (30) days written notice to Moleaer, terminate the Lease. Lessee acknowledges and agrees that its obligation to pay the Rent under this Agreement is absolute and unconditional under all circumstances and shall not be reduced by or made subject to any set off, counterclaim or deduction that Lessee has or may have in the future.

5. **LATE CHARGES:** If any amount under this Agreement is more than five (5) days late, Lessee agrees to pay a late fee of \$75.00.

6. **INSTALLATION & RESPONSIBILITY OF THE LESSEE:** Lessee understands that Moleaer is only responsible to deliver, install, operate, and maintain the Goods to Lessee as defined in Section 2. Lessee takes complete responsibility for the following:

- Obtaining any required permits
- Structural work such as installing a concrete pad, if necessary
- Securement of the installation site. Lessee is responsible for the repair of the equipment in the event of vandalism or theft.

7. **SECURITY DEPOSIT:** Prior to taking possession of the Equipment, Lessee shall deposit with Moleaer, in trust, a security deposit in the amount of zero dollars (\$0) as outlined in the Proposal as security for the performance by Lessee of the terms under this Agreement and for any damages caused by Lessee or Lessee's agents to the Equipment during the Lease Term (the "Security Deposit"). Moleaer may use part or all of the Security Deposit to repair any damage to Equipment caused by Lessee or Lessee's agents. However, Lessee's liability hereunder is not limited to the Security Deposit and Lessee shall be liable for any damage to the Equipment and the repair thereof or any additional losses to Moleaer arising out of such damage.

Lessee shall not be permitted to use or apply the security deposit at any time in lieu of payment of Rent or to deduct any portion of the Security Deposit from any month's Rent. If Lessee breaches any of the terms or conditions of this Agreement, Lessee shall forfeit the Security Deposit, as permitted by law.

8. **DEFAULTS:** If Lessee fails to perform or fulfill any obligation under this Agreement, Lessee shall be in default of this Agreement. Subject to any statute, ordinance, or law to the contrary, Lessee shall have seven (7) days from the date of notice of default by Moleaer to cure the default. In the event Lessee does not cure a default, Moleaer may, at Moleaer's option, (a) take actions necessary to cure such default, and Lessee shall be obligated to pay to Lessee the cost of taking such actions; or (b) declare Lessee in default of the Agreement. If Lessee shall become insolvent, cease to do business as a going concern or if a petition has been filed by or against Lessee under the any federal or state bankruptcy laws, Moleaer may immediately declare Lessee in default of this Agreement. In the event of default, Moleaer may, as permitted by law, re-take possession of the Equipment. In the event of default, Lessee shall be liable to Moleaer for the full amount of Rent and any other amounts due under this Agreement had the Lease continued; provided, however, that at Lessor's sole and exclusive option, if the Equipment is re-let, Lessee may be liable only for the difference between the Rent that would have been payable under this Agreement during the balance of the unexpired Lease Term and the actual Rent paid by any successive lessee minus the cost and expenses of such reletting.

9. **MAINTENANCE, ALTERATION, DAMAGE AND LOSS:** Lessee shall not tamper with, remove, or alter any component of the Equipment without prior authorization from Moleaer. Lessee shall be responsible for the full replacement cost of the Equipment if any of the following apply:

- Equipment is lost or stolen
- Equipment is tampered with or modified in any way

In addition, the obligations of this Agreement shall continue in full force and effect through the Lease Term.

10. **INSURANCE:** Lessee shall be responsible to maintain insurance on the Equipment with losses payable to Moleaer against fire, theft, collision, and other such risks as are appropriate and specified by Moleaer. Upon request by Moleaer, Lessee shall provide proof of such insurance. LA County can provide this coverage.

11. **OWNERSHIP:** The Equipment is and shall remain the sole exclusive property of Moleaer.

12. **INTELLECTUAL PROPERTY; CONFIDENTIALITY:** Nothing in this Contract conveys any license, right, title or interest in or to the intellectual property of Moleaer to Lessee or any third party. Without limiting the foregoing, Lessee shall not, and shall not permit or assist any third party to, reverse engineer or otherwise attempt to extract, learn or derive proprietary elements of, the Goods, in whole or in part, or otherwise attempt to use the Goods to unfairly compete directly or indirectly with Moleaer. To the extent Lessee obtains the Confidential Information (defined below) of Moleaer (including, for example, pricing information or trade secrets), Lessee shall not use such Confidential Information for any unauthorized purpose or to disclose such Confidential Information to any third party. These restrictions shall not apply to information that Lessee can demonstrate (1) is in the public domain through no fault of Lessee or persons to whom it disclosed such information, (2) was independently developed by or for Lessee prior to receipt from Moleaer or (3) was disclosed to Lessee by a third party with the legal right to do so, free of any restrictions on subsequent disclosure. Lessee also may disclose such Confidential Information to the extent compelled by court order or applicable law, provided that it shall use its best efforts to provide Moleaer with prior written notice thereof and shall cooperate with Moleaer to obtain confidential treatment or a protective order therefor. For purposes of this Agreement, "Confidential Information" means all nonpublic information disclosed by Moleaer or its agents, or otherwise obtained by Lessee, and that is designated as

confidential or that, given the nature of the information or the circumstances surrounding its disclosure, reasonably should be considered as confidential. Lessee agrees that any and all inventions (whether or not patented or patentable), works of authorship, copyrights, trade secrets, know-how, mask works, discoveries, research data, manufacturing methods, industrial designs, formulae, processes, technical information, and any other information that is or may be protectable or claimed as proprietary under the laws of any jurisdiction that it may develop regarding the installation or use of the Equipment through the lease or rental of such Equipment in any application shall be solely owned by Moleaer. Lessee shall assign (and hereby does assign) and shall cause its respective employees, agents and contractors to assign, without further consideration, the ownership of any such intellectual property to Moleaer. Lessee shall perform, upon the reasonable request of Moleaer, such further acts as may be necessary or desirable to transfer ownership of, and to perfect and defend, such intellectual property in order to give effect to Moleaer's ownership thereof, including full assertion and litigation support.

13. **LIMITATION ON MOLEAER LIABILITY:** To the fullest extent permitted by law, the total liability, in the aggregate, of Moleaer to Lessee, and anyone claiming by, through, or under Lessee for any claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Equipment or this Agreement from any cause or causes, including but not limited to negligence, professional errors and omissions, strict liability, breach of contract, or breach of warranty, shall not exceed the amount of Rent actually paid by Lessee to Moleaer hereunder. Lessee expressly disclaims, and acknowledges that Moleaer shall not be liable for, consequential, incidental, punitive, exemplary, special or indirect damages under any claim arising under this Agreement or the Equipment, whether in tort, contract, under statute or otherwise.

14. **SEVERABILITY:** If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

15. **ASSIGNMENT:** Without the prior written consent of Moleaer, Lessee shall not sublet, lend, pledge, or assign this Agreement, the Lease, the Equipment or any interest thereon, or permit any, lien, charge, or encumbrance thereon. Lessee will not relinquish nor abandon possession of the Equipment to any party other than to the Moleaer. Moleaer may at any time assign to any bank, or other financial institution, or any person, firm, or corporation, all or part of its right, title and interest in and to this Agreement, the Lease, the Equipment and any monies to become due to the Moleaer hereunder, and Moleaer may grant security interests in the Equipment, subject to the Lessee's right therein as set forth in this Lease, and in such events, all the provisions of this Lease for the benefit of Moleaer shall inure to the benefit of and be exercised by or on behalf of such assignee. All Rent and any other payments due and to become due under this Lease and assigned by Moleaer shall be paid directly to assignee, upon notice of such assignment to Lessee.

16. **BINDING EFFECT:** The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.

17. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of California.

18. **NOTICE:** Any notice required or otherwise given pursuant to this Agreement shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery service to:

*Lessee:*

See Lessee contact information on the quote above

*Moleaer:*

Moleaer Inc.

Attn: Nick Dyner

3232 W El Segundo Blvd

Hawthorne, CA 90250

Either party may change such addresses from time to time by providing notice as set forth above.

19. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both Moleaer and Lessee.

20. **CUMULATIVE RIGHTS:** Moleaer's and Lessee's rights under this Agreement are cumulative and shall not be construed as exclusive of each other unless otherwise required by law.

21. **WAIVER:** The failure of either party to enforce any provisions of this Agreement shall not be deemed a waiver of limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The acceptance of Rent by Moleaer does not waive Moleaer's right to enforce any provisions of this Agreement.

22. **INDEMNIFICATION:** Except for damages, claims or losses due to Moleaer's acts or negligence, Lessee, to the extent permitted by law, will indemnify and hold Moleaer and Moleaer's property, free and harmless from any liability for losses, claims, injury to or death of any person or for damage to property arising from Lessee using and possessing the Equipment or from the acts or omissions of any person or persons, including Lessee, using or possessing the Equipment with Lessee's express or implied consent.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

LESSEE

MOLEAER INC

**Signature:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# **GENERAL MANAGER'S REPORT**

## **GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT**

The following summary report describes the District's activities from August 2, 2022 through August 17, 2022. 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 throughout the District.

#### **CCTV INSPECTION**

Staff has been conducting routine Closed-Circuit Television (CCTV) inspections in the area of N. Kellogg Avenue and Cathedral Oaks Road.

#### **GREASE AND OIL INSPECTIONS**

Staff continues with the annual Grease and Oil inspections. The vast majority of the food service establishments in the District have been inspected this year. Staff will focus on follow-up inspections for those facilities which failed their initial inspection or had issues to resolve.

#### **REPAIR AND MAINTENANCE**

The County of Santa Barbara's paving program has been completed. The County's contractor lowered and raised 32 manholes and 5 clean outs as part of the annual paving program. District staff raised 8 manholes and 2 cleanouts which were previously lowered for paving completed by County of Santa Barbara in-house staff.

The Closed-Circuit Television Inspection (CCTVI) cable on the TV truck is being replaced due to previous damage. This type of cable can only have terminal fittings installed at each end and cannot be mended back together.

#### **COMPETENCY BASED TRAINING**

Staff continues working with DKF Solutions Group, LLC on the completion of the Firestone Lift Station and Closed-Circuit Television Inspection (CCTVI) standard operating procedures (SOPs).

#### **GSD CAPITAL IMPROVEMENT PROJECTS (CIP) STORY MAP UPDATE**

The 10-Year Update of the Collection System and Treatment Plant Capital Improvement Project Story Map has been completed and added to the District's website.

#### **PROFESSIONAL DEVELOPMENT**

Staff attended the California Water Environment Association's Tri-State seminar held in Las Vegas, NV August 8-11, 2022. Staff attended various classes on wastewater collections, maintenance, safety and regulatory compliance.

**2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT**

Plant flows have decreased to an average of 3.7 million gallons per day (MGD), a loss of 1 MGD over the last few weeks. The demand for reclaimed water has begun to increase due to warmer temperatures. Low concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of plant interference. The Reclamation Disinfection Study by Hazen and Sawyer (Hazen) has been completed and we received the Technical Memorandum on June 22, 2022. We will review the results and conclusions to determine what steps should be taken.

The testing phase of Lystek Thickened Waste Activated Sludge (TWAS) pre-treatment pilot project is ongoing. We are running this process to see how much gas is produced with no heat. We believe the thermal hydrolysis process may reduce inhibitory chemicals that are adsorbed onto the sludge. We will be testing this hypothesis by sampling for these chemicals before and after the reactor, once a steady state during the demonstration period has been reached. Once the demonstration period is complete, a summary report of the results and proforma analysis will be prepared and brought forward to the Board.

The Influent Pump Station Rehabilitation project submittal and procurement process is coming to an end. The construction of the project may not start for another five to eight months, depending on the completion of the procurement process.

Biosolids and Energy Strategic Plan (BESP) Phases 2 & 3 preliminary engineering design continues to move forward. This project will provide a 30% design package for a centrifuge, thermal dryer, and a fats, oil and grease (FOG) receiving facility. This level of design is necessary to understand the cost and funding implications of the project.

The nanobubble project is up and running, and testing has begun. It has been discussed that we will put a second nanobubble installation at the Interstage Pump area later this month to see if there will be more of a benefit. A proforma will be completed at the end of the pilot period to determine ongoing benefits, costs or potential savings.

Maintenance will be working on the air valves at the lift station. Work to bring the biogas boiler back online continues.

**3. GENERAL AND ADMINISTRATIVE ITEMS**

**Financial Report**

The District account balances as of August 17, 2022 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 665,895
Investment Accounts:	\$ 33,331,823
Total District Funds:	\$ 33,997,718

The following transactions are reported herein for the period 07/29/22 – 08/17/22

Regular, Overtime, Cash-outs and Net Payroll:	\$	243,381
Claims:	\$	256,247
Total Expenditures:	\$	499,628
Total Deposits:	\$	57,491

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$	- 0 -
CWB Operational to CWB Money Market:	\$	- 0 -
CWB Money Market to CWB Operational:	\$	500,000

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 – July, 2022  
LAIF Quarterly Report – Previously submitted.

PMIA/LAIF Performance – July, 2022  
PMIA Effective Yield – July, 2022

**Community West Bank (CWB)**

CWB Money Market Account – July, 2022

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – July, 2022  
Lincoln 457 Deferred Compensation Plan – July, 2022

**Personnel**

A verbal update will be provided at the meeting.

**Board Self-Assessment Workshop**

A special meeting of the Board triennial self-assessment was held on Thursday, August 4, 2022.

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

August 01, 2022

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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GOLETA SANITARY DISTRICT

GENERAL MANAGER  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CA 93117

[Tran Type Definitions](#)

Account Number: 70-42-002

July 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/15/2022	7/15/2022	QRD	1708895	N/A	SYSTEM	3,796.59

**Account Summary**

Total Deposit:	3,796.59	Beginning Balance:	2,027,864.66
Total Withdrawal:	0.00	Ending Balance:	2,031,661.25



# PMIA/LAIF Performance Report as of 08/10/22



## PMIA Average Monthly Effective Yields<sup>(1)</sup>

July	1.090
June	0.861
May	0.684

## Quarterly Performance Quarter Ended 06/30/22

LAIF Apportionment Rate <sup>(2)</sup> :	0.75
LAIF Earnings Ratio <sup>(2)</sup> :	0.00002057622201151
LAIF Fair Value Factor <sup>(1)</sup> :	0.987125414
PMIA Daily <sup>(1)</sup> :	0.99%
PMIA Quarter to Date <sup>(1)</sup> :	0.69%
PMIA Average Life <sup>(1)</sup> :	311

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 07/31/22 \$229.9 billion

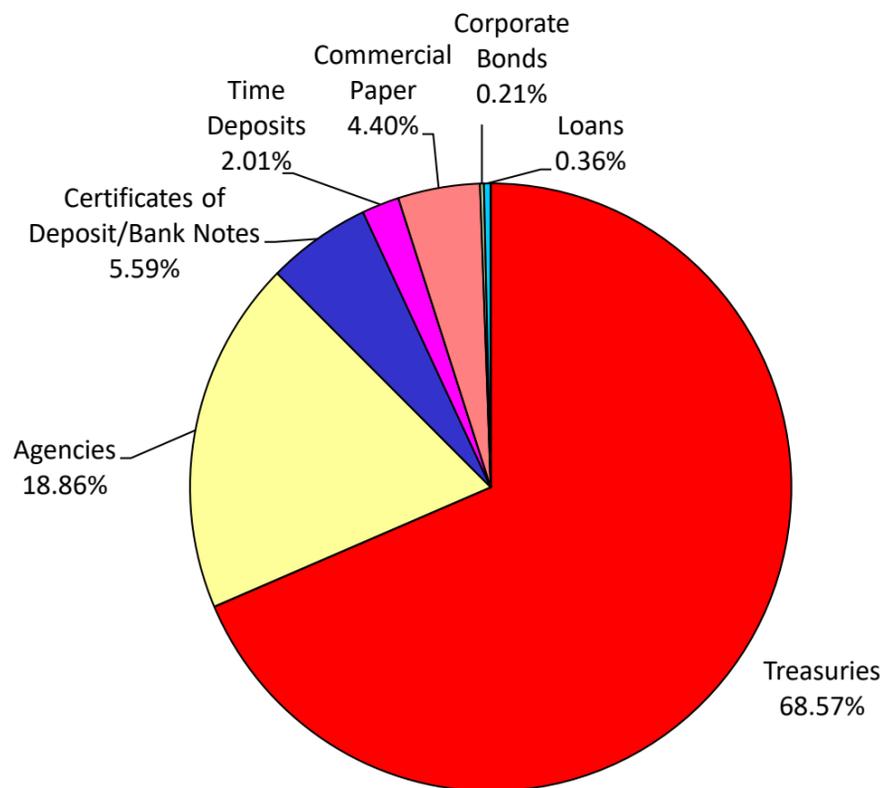


Chart does not include \$4,432,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

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:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller



**POOLED MONEY INVESTMENT ACCOUNT**

**PMIA Average Monthly Effective Yields**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>1982</b>	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
<b>1983</b>	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
<b>1984</b>	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
<b>1985</b>	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
<b>1986</b>	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
<b>1987</b>	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
<b>1988</b>	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
<b>1989</b>	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
<b>1990</b>	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
<b>1991</b>	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
<b>1992</b>	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
<b>1993</b>	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
<b>1994</b>	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
<b>1995</b>	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
<b>1996</b>	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
<b>1997</b>	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
<b>1998</b>	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
<b>1999</b>	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
<b>2000</b>	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
<b>2001</b>	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
<b>2002</b>	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
<b>2003</b>	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
<b>2004</b>	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
<b>2005</b>	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
<b>2006</b>	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
<b>2007</b>	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
<b>2008</b>	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
<b>2009</b>	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
<b>2010</b>	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
<b>2011</b>	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
<b>2012</b>	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
<b>2013</b>	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
<b>2014</b>	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
<b>2015</b>	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
<b>2016</b>	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
<b>2017</b>	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
<b>2018</b>	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
<b>2019</b>	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
<b>2020</b>	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540
<b>2021</b>	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
<b>2022</b>	0.234	0.278	0.365	0.523	0.684	0.861	1.090					

445 Pine Avenue  
Goleta, CA 93117

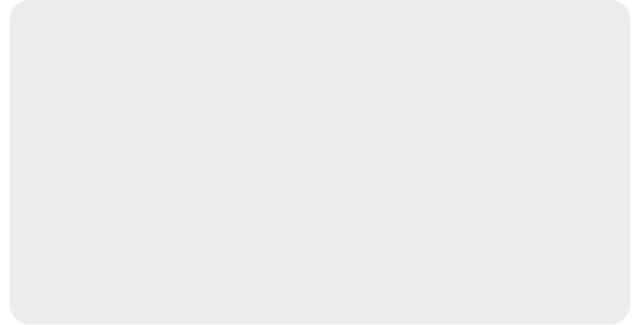
GOLETA SANITARY DISTRICT

Page 1

Customer Number: XXXXXXXX5554

RETURN SERVICE REQUESTED

GOLETA SANITARY DISTRICT  
MONEY MARKET  
1 WILLIAM MOFFETT PL  
GOLETA CA 93117-3901



## Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC AGENCY-MMDA	XXXXXXXX5554	\$31,800,161.87

## PUBLIC AGENCY-MMDA - XXXXXXXX5554

### Account Summary

Date	Description	Amount		
07/01/2022	Beginning Balance	\$31,782,238.25	Average Ledger Balance	\$31,782,238.25
	1 Credit(s) This Period	\$17,923.62		
	0 Debit(s) This Period	\$0.00		
07/29/2022	Ending Balance	\$31,800,161.87		

### Account Activity

Post Date	Description	Debits	Credits	Balance
07/01/2022	Beginning Balance			\$31,782,238.25
07/29/2022	INTEREST AT .7098 %		\$17,923.62	\$31,800,161.87
07/29/2022	Ending Balance			\$31,800,161.87

### Daily Balances

Date	Amount
07/29/2022	\$31,800,161.87

# CalPERS 457 Plan

July 31, 2022

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 July 31, 2022

<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 periods<sup>1</sup>. 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 option<sup>2</sup>. 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 <sup>3</sup>	
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000
<b>Equity Funds</b>								
State Street Russell All Cap Index Fund - Class I	0.10	-7.45	11.83	-	11.81	10/07/13	0.31%	\$3.10
<i>Russell 3000 Index</i>	0.10	-7.35	12.18	-	12.16			
State Street Global All Cap Equity ex-US Index Fund - Class I	-3.86	-15.39	2.48	-	3.25	10/07/13	0.32%	\$3.20
<i>MSCI ACWI ex-USA IMI Index (net)</i>	-5.08	-15.76	2.52	-	3.38			
<b>Fixed Income</b>								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	0.39	-3.53	0.72	-	0.62	10/07/13	0.32%	\$3.20
<i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	0.43	-3.22	1.12	-	1.07			
State Street US Bond Fund Index - Class I	1.43	-9.37	0.97	-	1.75	10/07/13	0.31%	\$3.10
<i>Bloomberg US Aggregate Bond Index</i>	1.49	-9.12	1.28	-	2.05			
<b>Real Assets</b>								
State Street Real Asset Fund - Class A	-3.93	10.99	7.54	-	4.15	10/08/13	0.44%	\$4.40
<i>State Street Custom Benchmark<sup>4</sup></i>	-4.22	11.23	7.82	-	4.51			
<b>Cash (Cash Equivalents)</b>								
State Street STIF	0.25	0.14	0.92	-	0.60	09/02/14	0.33%	\$3.30
<i>BofA ML 3-month US T-Bill</i>	0.14	0.21	1.10	-	0.79			
<b>Target Retirement Date Funds<sup>5</sup></b>								
CalPERS Target Income Fund	0.33	-8.17	3.51	3.56	4.88	12/01/08	0.32%	\$3.20
<i>SIP Income Policy Benchmark<sup>6</sup></i>	0.19	-8.04	3.71	3.76	5.37			
CalPERS Target Retirement 2015	0.34	-8.19	3.57	4.12	5.87	12/01/08	0.32%	\$3.20
<i>SIP 2015 Policy Benchmark<sup>6</sup></i>	0.19	-8.05	3.77	4.34	6.38			
CalPERS Target Retirement 2020	0.01	-8.42	4.23	4.84	6.55	12/01/08	0.32%	\$3.20
<i>SIP 2020 Policy Benchmark<sup>6</sup></i>	-0.20	-8.32	4.40	5.05	7.03			
CalPERS Target Retirement 2025	-0.29	-8.86	4.99	5.79	7.36	12/01/08	0.32%	\$3.20
<i>SIP 2025 Policy Benchmark<sup>6</sup></i>	-0.57	-8.80	5.15	5.98	7.82			
CalPERS Target Retirement 2030	-0.65	-9.15	5.54	6.55	8.15	12/01/08	0.32%	\$3.20
<i>SIP 2030 Policy Benchmark<sup>6</sup></i>	-1.00	-9.13	5.76	6.77	8.61			
CalPERS Target Retirement 2035	-1.04	-9.73	6.14	7.29	8.82	12/01/08	0.32%	\$3.20
<i>SIP 2035 Policy Benchmark<sup>6</sup></i>	-1.47	-9.76	6.33	7.51	9.32			
CalPERS Target Retirement 2040	-1.45	-10.06	6.71	7.92	9.30	12/01/08	0.32%	\$3.20
<i>SIP 2040 Policy Benchmark<sup>6</sup></i>	-1.95	-10.14	6.91	8.14	9.78			
CalPERS Target Retirement 2045	-1.45	-10.06	6.96	8.21	9.48	12/01/08	0.32%	\$3.20
<i>SIP 2045 Policy Benchmark<sup>6</sup></i>	-1.95	-10.14	7.16	8.42	9.99			
CalPERS Target Retirement 2050	-1.45	-10.06	6.96	8.20	9.55	12/01/08	0.32%	\$3.20
<i>SIP 2050 Policy Benchmark<sup>6</sup></i>	-1.95	-10.14	7.16	8.42	9.99			
CalPERS Target Retirement 2055	-1.45	-10.06	6.96	-	6.73	10/07/13	0.32%	\$3.20
<i>SIP 2055 Policy Benchmark<sup>6</sup></i>	-1.95	-10.14	7.16	-	7.02			
CalPERS Target Retirement 2060	-1.45	-10.06	-	-	9.00	11/01/18	0.32%	\$3.20
<i>SIP 2060 Policy Benchmark<sup>6</sup></i>	-1.95	-10.14	-	-	9.17			
<b>Broad-Based Benchmarks<sup>7</sup></b>								
<i>Russell 3000 Index</i>	0.10	-7.35	12.18	13.48	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	-5.08	-15.76	2.52	5.26	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	1.49	-9.12	1.28	1.65	-	-	-	-

## Part II. Explanation of CalPERS 457 Plan Expenses July 31, 2022

<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 <sup>8</sup>				
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 <sup>9</sup> 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	0.29% (\$2.90 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:

- <sup>1</sup> 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.
- <sup>2</sup> 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.
- <sup>3</sup> Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.
- <sup>4</sup> 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.
- <sup>5</sup> 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.
- <sup>6</sup> 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.
- <sup>7</sup> Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.
- <sup>8</sup> 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.
- <sup>9</sup> 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").

# Performance Update

Quoted performance data represents past performance. Past performance does not guarantee nor predict future performance. Current performance may be lower or higher than the performance data quoted. Please keep in mind that double-digit returns are highly unusual and cannot be sustained.

Variable products are sold by prospectus. Consider the investment objectives, risks, charges, and expenses of the variable product and its underlying investment options carefully before investing. The prospectus contains this and other information about the variable product and its underlying investment options. Please review the prospectus available online for additional information. Read it carefully before investing.

Investment return and principal value of an investment will fluctuate so that an investor's unit values, when redeemed, may be worth more or less than their original cost.

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options	Inception Date	Change from Previous Day	YTD as of 08/12/2022	YTD as of 07/29/2022	Average Annual Total Return (%) as of 7/29/2022						Since Incep.	
					1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr		
<b>Risk Managed</b>												
Fidelity® VIP Freedom 2055 Portfolio <sup>SM</sup> - Service Class <sup>5,9</sup>	RM	04/11/2019	1.11	-13.59	-15.68	6.38	-1.45	-12.47	7.89	N/A	N/A	7.92
Fidelity® VIP Freedom 2060 Portfolio <sup>SM</sup> - Service Class <sup>5,9</sup>	RM	04/11/2019	1.12	-13.52	-15.70	6.25	-1.54	-12.54	7.89	N/A	N/A	7.92
<b>Maximum Capital Appreciation</b>												
DWS Alternative Asset Allocation VIP Portfolio - Class A <sup>1,4,5,6,7</sup>	MCA	02/02/2009	0.44	-2.82	-4.41	3.21	-2.70	-2.63	5.01	3.11	2.13	4.24
LVIP Baron Growth Opportunities Fund - Service Class <sup>2,10</sup>	MCA	10/01/1998	1.63	-20.84	-23.43	10.99	-0.61	-18.63	8.05	10.26	11.58	10.41
LVIP Delaware SMID Cap Core Fund - Standard Class <sup>2,3,10</sup>	MCA	07/12/1991	1.67	-7.13	-11.74	9.46	0.27	-6.81	8.09	7.52	9.83	8.91
LVIP SSGA Emerging Markets 100 Fund - Standard Class <sup>1,10,22</sup>	MCA	06/18/2008	0.91	-10.72	-12.62	-1.36	-7.06	-12.96	0.26	-2.04	0.44	1.50
LVIP SSGA Small-Cap Index Fund - Standard Class <sup>2,10,21</sup>	MCA	04/18/1986	2.11	-10.27	-16.13	10.31	1.12	-15.49	6.01	5.61	9.04	6.70
LVIP T. Rowe Price Structured Mid-Cap Growth Fund - Standard Class <sup>2,10</sup>	MCA	02/03/1994	1.78	-16.08	-21.07	11.81	0.94	-20.06	6.82	10.47	12.26	6.65
<b>Long Term Growth</b>												
American Funds Global Growth Fund - Class 2 <sup>1</sup>	LTG	04/30/1997	1.34	-20.71	-22.93	7.45	-0.97	-21.16	7.99	8.22	10.48	8.49
American Funds Growth Fund - Class 2	LTG	02/08/1984	1.91	-19.13	-23.39	9.83	-4.19	-18.22	15.46	13.90	14.57	11.64
American Funds International Fund - Class 2 <sup>1</sup>	LTG	05/01/1990	1.67	-16.53	-19.61	4.43	-4.16	-22.12	-1.51	-0.28	4.20	5.89

# Performance Update

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day	YTD as of 08/12/2022	YTD as of 07/29/2022	Average Annual Total Return (%) as of 7/29/2022						
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.
Delaware VIP Small Cap Value <sup>2, 3</sup>	LTG	12/27/1993	1.65	-6.93	-10.26	8.69	-0.01	-1.90	7.20	5.21	8.84	8.93
Fidelity® VIP Contrafund® Portfolio - Service Class	LTG	01/03/1995	1.75	-17.83	-20.70	9.38	-0.60	-14.00	11.52	10.67	11.62	10.06
Fidelity® VIP Growth Portfolio - Service Class	LTG	10/09/1986	1.81	-12.86	-16.51	9.81	0.97	-11.42	16.30	15.45	15.06	9.79
LVIP BlackRock Global Real Estate Fund - Standard Class <sup>1, 2, 9, 10, 13</sup>	LTG	04/30/2007	1.22	-15.82	-17.37	7.70	-7.78	-13.59	2.75	3.41	4.23	0.97
LVIP Delaware Mid Cap Value Fund - Standard Class <sup>2, 3, 10</sup>	LTG	12/28/1981	1.61	-4.80	-8.44	8.44	-0.76	0.11	8.56	7.36	10.36	10.20
LVIP Dimensional U.S. Core Equity 1 Fund - Standard Class <sup>10</sup>	LTG	12/28/1981	1.65	-8.57	-11.95	8.96	0.18	-5.67	11.46	10.70	11.87	9.62
LVIP Mondrian International Value Fund - Standard Class <sup>1, 10</sup>	LTG	05/01/1991	0.31	-10.32	-10.18	1.16	-4.03	-10.33	0.89	0.06	3.67	4.85
LVIP SSGA International Index Fund - Standard Class <sup>1, 10, 21, 23</sup>	LTG	04/30/2008	0.46	-14.29	-15.60	5.04	-2.74	-14.94	2.44	1.47	4.49	0.79
LVIP SSGA S&P 500 Index Fund - Standard Class <sup>10, 21, 24</sup>	LTG	05/01/2000	1.74	-10.02	-13.20	9.11	0.06	-5.80	11.95	11.43	12.39	5.49
LVIP Vanguard Domestic Equity ETF Fund - Service Class <sup>5, 6</sup>	LTG	04/29/2011	1.69	-10.61	-14.06	9.10	-0.25	-8.21	10.84	10.54	11.40	10.02
LVIP Vanguard International Equity ETF Fund - Service Class <sup>1, 5, 6</sup>	LTG	04/29/2011	0.84	-14.22	-15.81	3.75	-3.57	-16.56	2.44	1.36	4.17	1.95
MFS® VIT Utilities Series - Initial Class <sup>13</sup>	LTG	01/03/1995	1.39	5.85	1.92	6.74	2.06	10.11	9.14	8.40	8.35	10.10
<b>Growth and Income</b>												
American Funds Growth-Income Fund - Class 2	GI	02/08/1984	1.56	-11.73	-15.00	6.50	-1.48	-9.59	8.03	9.07	11.39	9.79
Fidelity® VIP Freedom 2020 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/26/2005	0.73	-11.49	-12.39	4.64	-0.82	-10.91	4.48	4.54	5.89	5.19
Fidelity® VIP Freedom 2025 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/26/2005	0.82	-12.00	-13.10	4.91	-0.93	-11.39	5.08	5.01	6.69	5.68
Fidelity® VIP Freedom 2030 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/26/2005	0.82	-12.42	-13.76	5.15	-1.00	-11.75	5.81	5.65	7.40	5.94
Fidelity® VIP Freedom 2035 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	0.99	-13.08	-14.86	5.72	-1.28	-12.25	7.08	6.52	8.34	10.32
Fidelity® VIP Freedom 2040 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	1.09	-13.56	-15.65	6.27	-1.47	-12.50	7.90	7.00	8.64	10.62

# Performance Update

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day	YTD as of 08/12/2022	YTD as of 07/29/2022	Average Annual Total Return (%) as of 7/29/2022						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
Fidelity® VIP Freedom 2045 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	1.12	-13.52	-15.67	6.31	-1.46	-12.53	7.90	6.99	8.72	10.69
Fidelity® VIP Freedom 2050 Portfolio <sup>SM</sup> - Service Class <sup>5, 8</sup>	GI	04/08/2009	1.10	-13.56	-15.70	6.33	-1.45	-12.53	7.88	6.98	8.76	10.79
LVIP Delaware REIT Fund - Standard Class <sup>2, 3, 9, 10, 13</sup>	GI	05/04/1998	1.76	-11.69	-14.40	9.65	-5.62	-4.21	4.01	4.14	5.67	7.40
LVIP Delaware Value Fund - Standard Class <sup>3, 10</sup>	GI	07/28/1988	1.55	-2.74	-6.37	4.17	-1.42	0.47	6.24	7.00	9.92	7.77
LVIP Delaware Wealth Builder Fund - Standard Class <sup>3, 4, 10</sup>	GI	08/03/1987	0.93	-8.10	-9.43	4.18	-0.53	-6.80	2.97	3.07	5.28	5.72
LVIP JPMorgan Retirement Income Fund - Standard Class <sup>3, 4, 10</sup>	GI	04/27/1983	0.67	-9.62	-10.50	4.15	-0.51	-9.61	1.70	2.27	3.50	6.19
<b>Income</b>												
LVIP BlackRock Inflation Protected Bond Fund - Standard Class <sup>1, 10, 14</sup>	I	04/30/2010	0.15	-0.83	-0.22	3.69	1.14	0.46	2.63	2.49	0.42	1.74
LVIP Delaware Bond Fund - Standard Class <sup>3, 10, 14</sup>	I	12/28/1981	0.37	-10.14	-9.74	2.59	0.73	-11.37	-1.04	0.38	0.78	6.11
LVIP Delaware Diversified Floating Rate Fund <sup>3, 10, 14, 15, 16</sup>	I	04/30/2010	0.04	-1.76	-2.01	0.51	-0.59	-2.49	-0.72	-0.03	-0.04	0.05
LVIP Delaware Diversified Income Fund - Standard Class <sup>3, 10, 14</sup>	I	05/16/2003	0.32	-10.29	-10.15	2.97	0.19	-11.55	-0.59	0.54	0.94	3.53
LVIP Delaware High Yield Fund - Standard Class <sup>3, 10, 14, 17</sup>	I	07/28/1988	0.06	-7.88	-9.50	5.70	-1.74	-8.72	0.93	1.89	3.12	5.24
LVIP Global Income Fund - Standard Class <sup>1, 10, 11, 14</sup>	I	05/04/2009	-0.13	-12.03	-11.58	1.98	-1.10	-14.69	-3.95	-1.36	-0.75	1.13
LVIP SSGA Bond Index Fund - Standard Class <sup>10, 14, 21</sup>	I	04/30/2008	0.34	-9.62	-8.84	2.33	1.14	-10.41	-1.51	-0.04	0.30	1.62
PIMCO VIT Total Return Portfolio - Administrative Class <sup>14, 22</sup>	I	12/31/1997	0.33	-10.72	-10.11	2.16	0.06	-11.42	-1.32	0.07	0.68	3.59
<b>Risk Managed - Asset Allocation</b>												
LVIP Global Conservative Allocation Managed Risk Fund - Standard Class <sup>1, 4, 5, 10, 19</sup>	RMAA	05/03/2005	0.50	-11.62	-12.02	2.91	-0.10	-11.18	1.03	2.02	3.31	4.06
LVIP Global Growth Allocation Managed Risk Fund - Standard Class <sup>1, 4, 5, 10, 19</sup>	RMAA	05/03/2005	0.75	-13.91	-15.00	2.88	-1.21	-12.99	1.71	2.15	3.70	3.72

# Performance Update

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options	Inception Date	Change from Previous Day	YTD as of 08/12/2022	YTD as of 07/29/2022	Average Annual Total Return (%) as of 7/29/2022						Since Incep.	
					1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr		
LVIP Global Moderate Allocation Managed Risk Fund - Standard Class <sup>1, 4, 5, 10, 19</sup>	RMAA 05/03/2005	0.66	-12.75	-13.63	2.82	-0.85	-11.96	1.50	2.11	3.51	3.94	
LVIP SSGA Global Tactical Allocation Managed Volatility Fund - Standard Class <sup>1, 4, 5, 10, 12</sup>	RMAA 05/03/2005	0.79	-10.50	-11.61	4.00	-1.44	-9.95	3.35	2.66	3.54	3.21	
<b>Preservation of Capital</b>												
LVIP Government Money Market Fund - Standard Class <sup>10, 20</sup>	PC 01/07/1982	0.00	-0.37	-0.39	0.02	-0.06	-0.80	-0.63	-0.23	-0.58	2.62	
<b>Risk Managed - US Large Cap</b>												
LVIP BlackRock Dividend Value Managed Volatility Fund - Standard Class <sup>10, 11, 12</sup>	RMUSL 02/03/1994	1.33	-0.09	-3.04	4.71	-0.53	1.23	8.15	6.34	6.68	6.57	
LVIP Blended Large Cap Growth Managed Volatility Fund - Standard Class <sup>10, 11, 12</sup>	RMUSL 02/03/1994	1.40	-17.59	-19.88	7.21	2.00	-13.35	10.24	9.15	8.96	6.70	
<b>Asset Allocation</b>												
LVIP BlackRock Global Allocation Fund - Standard Class <sup>1, 4, 10</sup>	AsA 04/26/2019	0.80	-10.90	-12.61	4.63	-0.50	-12.27	5.33	N/A	N/A	5.20	
LVIP T. Rowe Price 2020 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA 05/01/2007	0.83	-10.32	-11.81	4.90	-0.84	-10.43	4.22	4.25	4.49	3.41	
LVIP T. Rowe Price 2030 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA 05/01/2007	1.06	-11.43	-13.47	5.77	-1.00	-11.36	5.58	5.02	5.11	3.60	
LVIP T. Rowe Price 2040 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA 05/01/2007	1.28	-12.01	-14.62	6.59	-1.29	-11.78	6.80	5.83	5.70	3.53	
LVIP T. Rowe Price 2050 Fund (Standard Class) <sup>5, 8, 10</sup>	AsA 04/29/2011	1.33	-12.17	-14.94	6.81	-1.39	-11.85	7.17	6.37	6.31	4.57	
LVIP T. Rowe Price 2060 Fund - Standard Class <sup>5, 8, 10</sup>	AsA 04/30/2020	1.32	-12.05	-14.84	6.89	-1.29	-11.73	N/A	N/A	N/A	13.64	
<b>Risk Managed - US Mid Cap</b>												
LVIP Blended Mid Cap Managed Volatility Fund - Standard Class <sup>2, 10, 11, 12</sup>	RMUSM 05/01/2001	1.23	-16.73	-19.65	6.98	2.17	-17.56	5.59	8.94	6.92	4.06	
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund - Standard Class <sup>2, 10, 11, 12</sup>	RMUSM 05/01/2001	1.33	-5.02	-8.19	6.10	-0.77	-2.88	7.32	4.73	6.60	5.88	
<b>Risk Managed - Global/International</b>												

# Performance Update

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day	YTD as of 08/12/2022	YTD as of 07/29/2022	Average Annual Total Return (%) as of 7/29/2022						Since Incep.
						1 Mo	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr	
LVIP Franklin Templeton Global Equity Managed Volatility Fund - Standard Class <sup>1, 10, 11, 12</sup>	RMGI	08/01/1985	1.34	-9.08	-11.68	5.49	-1.52	-9.56	6.47	4.06	5.15	6.77
LVIP SSGA International Managed Volatility Fund - Standard Class <sup>1, 5, 10, 12</sup>	RMGI	12/31/2013	0.42	-16.87	-18.03	4.08	-3.82	-17.43	-1.51	-1.01	N/A	-0.78
<b>ESG/Socially Conscious</b>												
AB VPS Sustainable Global Thematic Portfolio - Class B <sup>1</sup>	ESC	01/11/1996	1.15	-19.89	-21.71	12.00	2.36	-15.64	11.77	10.10	11.24	5.47
LVIP Delaware Social Awareness Fund - Standard Class <sup>3, 10, 18</sup>	ESC	05/02/1988	1.75	-10.82	-14.79	9.39	0.64	-8.74	11.32	10.91	12.20	9.71

\* These returns are measured from the inception date of the fund and predate its availability as an investment option in the variable annuity (separate account). This hypothetical representation depicts how the investment option would have performed had the fund been available in the variable annuity during the time period. It includes deductions for the M&E charge and the contract administrative fee. If selected above, the cost for the i4LIFE® Advantage feature or a death benefit will be reflected. The cost for other riders with quarterly charges is not reflected. No surrender charge and no annual contract charge is reflected.

# Performance Update

## <sup>1</sup> International

Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political or regulatory risk, currency exchange rate changes, differences in accounting and the limited availability of information.

## <sup>2</sup> Small & Mid Cap

Funds that invest in small and/or midsize company stocks may be more volatile and involve greater risk, particularly in the short term, than those investing in larger, more established companies.

## <sup>3</sup> Macquarie Investment Management

Investments in Delaware VIP Series, Delaware Funds, Ivy Variable Insurance Portfolios, Ivy Funds, LVIP Delaware Funds or Lincoln Life accounts managed by Macquarie Investment Management Advisers, a series of Macquarie Investments Management Business Trust, are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46 008 583 542 and its holding companies, including their subsidiaries or related companies, and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the fund, the repayment of capital from the fund, or any particular rate of return.

## <sup>4</sup> Asset Allocation Portfolios

Asset allocation does not ensure a profit, nor protect against loss in a declining market.

## <sup>5</sup> Fund of funds

Each fund is operated as a fund of funds that invests primarily in one or more other funds, rather than in individual securities. A fund of this nature may be more expensive than other investment options because it has additional levels of expenses. From time to time, the Fund's advisor may modify the asset allocation to the underlying funds and may add new funds. A Fund's actual allocation may vary from the target strategic allocation at any point in time. Additionally, the Fund's advisor may directly manage assets of the underlying funds for a variety of purposes.

## <sup>6</sup> Exchange-traded funds

Exchange-traded funds (ETFs) in this lineup are available through collective trusts or mutual funds. Investors cannot invest directly in an ETF.

## <sup>7</sup> Alternative Funds

Certain funds (sometimes called "alternative funds") expect to invest in (or may invest in some) positions that emphasize alternative investment strategies and/or nontraditional asset classes and, as a result, are subject to the risk factors of those asset classes and/or investment strategies. Some of those risks may include general economic risk, geopolitical risk, commodity-price volatility, counterparty and settlement risk, currency risk, derivatives risk, emerging markets risk, foreign securities risk, high-yield bond exposure, index investing risk, exchange-traded notes risk, industry concentration risk, leveraging risk, real estate investment risk, master limited partnership risk, master limited partnership tax risk, energy infrastructure companies risk, sector risk, short sale risk, direct investment risk, hard assets sector risk, active trading and "overlay" risks, event-driven investing risk, global macro strategies risk, temporary defensive positions and large cash positions. If you are considering investing in alternative investment funds, you should ensure that you understand the complex investment strategies sometimes employed and be prepared to tolerate the risks of such asset classes. For a complete list of risks, as well as a discussion of risk and investment strategies, please refer to the fund's prospectus. The fund may invest in derivatives, including futures, options, forwards and swaps. Investments in derivatives may cause the fund's losses to be greater than if it invested only in conventional securities and can cause the fund to be more volatile. Derivatives involve risks different from, or possibly greater than, the risks associated with other investments. The fund's use of derivatives may cause the fund's investment returns to be impacted by the performance of securities the fund does not own and may result in the fund's total investment exposure exceeding the value of its portfolio.

## <sup>8</sup> Target-date funds

The target date is the approximate date when investors plan to retire or start withdrawing their money. Some target-date funds make no changes in asset allocation after the target date is reached; other target-date funds continue to make asset allocation changes following the target date. (See the prospectus for the funds allocation strategy.) The principal value is not guaranteed at any time, including at the target date. An asset allocation strategy does not guarantee performance or protect against investment losses. A "fund of funds" may be more expensive than other types of investment options because it has additional levels of expenses.

## <sup>9</sup> REIT

A real estate investment trust (REIT) involves risks such as refinancing, economic conditions in the real estate industry, declines in property values, dependency on real estate management, changes in property taxes, changes in interest rates and other risks associated with a portfolio that concentrates its investments in one sector or geographic region.

## <sup>10</sup> Manager of managers funds

Subject to approval of the fund's board, Lincoln Investment Advisors Corporation (LIAC) has the right to engage or terminate a subadvisor at any time, without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. LIAC is responsible for overseeing all subadvisors for funds relying on this exemptive order.

## <sup>11</sup> Multimanager

For those LVIP funds that employ a multimanager structure, Lincoln Investment Advisors Corporation (LIAC) is responsible for overseeing the subadvisor(s). While the investment styles employed by the fund's subadvisors are intended to be complementary, they may not, in fact, be complementary. A multimanager approach may result in more exposure to certain types of securities risks and in higher portfolio turnover.

## <sup>12</sup> Managed Volatility Strategy

The fund's managed volatility strategy is not a guarantee, and the fund's shareholders may experience losses. The fund employs hedging strategies designed to reduce overall portfolio volatility. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

## <sup>13</sup> Sector Funds

Funds that target exposure to one region or industry may carry greater risk and higher volatility than more broadly diversified funds.

## <sup>14</sup> Bonds

The return of principal in bond funds is not guaranteed. Bond funds have the same interest rate, inflation, credit, duration, prepayment and market risks that are associated with the underlying bonds owned by the fund or account.

## <sup>15</sup> Cash Management Funds

An investment in Cash Management Fund is not a bank deposit and is not insured or guaranteed by the FDIC or any other government agency. Although this option seeks to preserve the value of your investment, it is not managed to maintain a stable net asset value of \$1 per share and it is

# Performance Update

possible to lose money by investing in this investment option.

## <sup>16</sup> Floating rate funds

Floating rate funds should not be considered alternatives to CDs or money market funds and should not be considered as cash alternatives.

## <sup>17</sup> High-yield or mortgage-backed funds

High-yield funds may invest in high-yield or lower rated fixed income securities (junk bonds) or mortgage-backed securities with exposure to subprime mortgages, which may experience higher volatility and increased risk of nonpayment or default.

## <sup>18</sup> ESG

An environmental, social, governance (ESG) standards strategy (also referred to as engagement, green, impact, responsible, social aware, sustainable) generally prohibits investment in certain types of companies, industries and segments of the U.S. economy. Thus this strategy may (i) miss opportunities to invest in companies, industries or segments of the U.S. economy that are providing superior performance relative to the market as a whole and (ii) become invested in companies, industries and segments of the U.S. economy that are providing inferior performance relative to the market as a whole.

## <sup>19</sup> Risk Management Strategy

The fund's risk management strategy is not a guarantee, and the funds shareholders may experience losses. The fund employs hedging strategies designed to provide downside protection during sharp downward movements in equity markets. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to other unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

## <sup>20</sup> Money Market Funds

You can lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share (or, for the LVIP Government Money Market Fund, at \$10.00 per share), it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

## <sup>21</sup> Index

An index is unmanaged, and one cannot invest directly in an index. Indices do not reflect the deduction of any fees.

## <sup>22</sup> Emerging Markets

Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social and economic instability, all of which are magnified in emerging markets.

## <sup>23</sup> MSCI

The fund described herein is indexed to an MSCI® index. It is not sponsored, endorsed, or promoted by MSCI®, and MSCI®; bears no liability with respect to any such fund or to an index on which a fund is based. The prospectus and statement of additional information contain a more detailed description of the limited relationship MSCI®; has with Lincoln Investment Advisors Corporation and any related funds.

## <sup>24</sup> S&P

The Index to which this fund is managed is a product of S&P Dow Jones Indices LLC (SPDJI) and has been licensed for use by one or more of the portfolio's service providers (licensee). Standard & Poor's®, and S&P® are registered trademarks of Standard & Poor's Financial Services LLC (S&P); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by the licensee. S&P®, S&P GSCI® and the Index are trademarks of S&P and have been licensed for use by SPDJI and its affiliates and sublicensed for certain purposes by the licensee. The Index is not owned, endorsed, or approved by or associated with any additional third party. The licensee's products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, or their third party licensors, and none of these parties or their respective affiliates or third party licensors make any representation regarding the advisability of investing in such products, nor do they have liability for any errors, omissions, or interruptions of the Index®.

## Important Disclosures

Variable products are issued by The Lincoln National Life Insurance Company, Fort Wayne, IN, distributed by Lincoln Financial Distributors, Inc., and offered by broker/dealers with an effective selling agreement. The Lincoln National Life Insurance Company is not authorized nor does it solicit business in the state of New York.

**Contractual obligations are backed by the claims-paying ability of The Lincoln National Life Insurance Company.**

Limitations and exclusions may apply.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

## Asset Categories

RM	= Risk Managed
MCA	= Maximum Capital Appreciation
LTG	= Long Term Growth
GI	= Growth and Income
I	= Income
RMAA	= Risk Managed - Asset Allocation
PC	= Preservation of Capital
RMUSL	= Risk Managed - US Large Cap
AsA	= Asset Allocation
RMUSM	= Risk Managed - US Mid Cap

**DISTRICT  
CORRESPONDENCE**  
Board Meeting of August 17, 2022



**Date:**                    **Correspondence Sent To:**

1. 08/02/2022    Ms. Onelia A. Rodriguez  
Property Tax Division  
SB Co. Auditor-Controller's Office  
**Subject:** Sewer Service Charge Report for Fiscal Year 2022-23
  
2. 08/04/2022    David Meisner  
**Subject:** Sewer Service Availability  
Proposed Sewer Service Connection for One Existing Single Family  
Residence  
A.P.N. 061-210-004 at 399 Arboleda Road, Santa Barbara, CA
  
3. 08/05/2022    Heidi Jones  
Suzanne Elledge Planning and Permitting  
**Subject:** Sewer Service Availability  
Proposed Sewer Service Connection for Goleta Valley Cottage Hospital  
Rehabilitation Center Relocation and Construction of Aquatics Therapy  
Center  
A.P.N. 065-090-022 at 351 S. Patterson Ave., Goleta, CA

**Date:**                    **Correspondence Received From:**

1. 08/12/2022    Kevin Brown  
Air Pollution Control District, Engineering Division  
**Subject:** Draft Authority to Construct 15822

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