

# 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/85066024973?pwd=WGxNWTJoemZQZGk5Ym9VWDI3Z2poUT09>

**Meeting ID: 850 6602 4973**

**Passcode: 035009**

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

One William Moffett Place  
Goleta, California 93117

October 16, 2023

**CALL TO ORDER:** 6:30 p.m.

**ROLL CALL OF MEMBERS**

**BOARD MEMBERS:** Sharon Rose  
Edward Fuller  
Jerry D. Smith  
Steven T. Majoewsky  
Dean Nevins

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

The Board will consider approval of the Minutes of the Regular Meeting of October 2, 2023.

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

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

**BUSINESS:**

1. CONSIDERATION OF NEW LEGAL SERVICES AGREEMENT WITH BEST BEST & KRIEGER, LLP  
(Board may take action on this item.)
2. REVIEW OF DISTRICT’S PARTICIPATION IN THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT
3. CONSIDERATION OF THE GSD 2023 BIOSOLIDS PAD REHABILITATION PROJECT  
(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**

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

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

# MINUTES

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

October 2, 2023

**CALL TO ORDER:** President Rose called the meeting to order at 6:32 p.m.

**BOARD MEMBERS PRESENT:** Sharon Rose, Edward Fuller, Jerry Smith, Steven T. Majoewsky, Dean Nevins

**BOARD MEMBERS ABSENT:** None

**STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer and Reese Wilson, Senior Project Engineer

**OTHERS PRESENT:** Tom Evans, Director, Goleta Water District  
Jeff F. Ferre, Partner, Best Best & Krieger LLP

**APPROVAL OF MINUTES:** Director Majoewsky made a motion, seconded by Director Smith, to approve the minutes of the Regular Board meeting of September 18, 2023, the minutes of the Special Board meeting of September 27, 2023, and the minutes of the Special Board meeting of September 28, 2023 with one vote. The motion carried by the following vote:

(23/10/2273)

AYES: 4 Rose, Fuller, Smith, Majoewsky,  
NOES: None  
ABSENT: None  
ABSTAIN: 1 Nevins

**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. **CONSIDERATION AND ACTION REGARDING GOLETA SANITARY DISTRICT STANDING COMMITTEES AND APPOINTMENT OF GOVERNING BOARD MEMBERS TO SERVE ON DISTRICT STANDING COMMITTEES**  
Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Fuller to appoint Director Nevins to fill the vacant committee seats left by Director Emerson. Director Nevins will sit as a member of the Personnel Committee and alternate member of the Outreach & Public Education Committee for the remainder of the calendar year 2023.

The motion carried by the following vote:

(23/10/2274)

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

2. STATUS REPORT ON 2020 STRATEGIC PLAN

Mr. Wagner gave the staff report.

No Board action was taken.

3. CONSIDERATION OF FY2023-24 ACTION PLAN STATUS REPORT

Mr. Wagner gave the staff report.

No Board action was taken.

4. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT

No report.

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

Director Smith – No report.

Director Fuller – No report.

Director Majoewsky – No report.

Director Nevins – No report.

7. PRESIDENT'S REPORT

President Rose – Reported on her attendance at the Goleta Water District meeting on August 8, 2023. President Rose also reported on the forthcoming Santa Barbara County Local Chapter CSDA meeting to be held the fourth Monday of October, 2023.

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 Majoewsky made a motion, seconded by Director Fuller to ratify, and approve the claims, for the period 09/19/2023 to 10/02/2023 as follows:

Running Expense Fund #4640	\$	447,294.47
Capital Reserve Fund #4650	\$	7,559.50
Depreciation Replacement Reserve Fund #4655	\$	327,184.74
Retiree Health Insurance Sinking Fund #4660	\$	12,871.92

The motion carried by the following vote:

(23/10/2275)

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

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:46 p.m.

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Sharon Rose  
Governing Board President

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Robert O. Mangus, Jr.  
Governing Board Secretary



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Edward Fuller

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Jerry D. Smith

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Steven T. Majoewsky

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Dean Nevins

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: October 16, 2023**

**I. NATURE OF ITEM**

Consideration of New Legal Services Agreement with Best Best & Krieger, LLP

**II. BACKGROUND INFORMATION**

On April 17, 2023 the Board was informed of the planned retirement of District General Counsel Rick Battles at the end June 2023. On May 1, 2023 the Board elected to form an Ad Hoc committee to assist with the process of selecting a new legal services provider.

A request for proposals (RFP) for District General Counsel legal services was prepared and sent out on May 22, 2023 to several firms that have experience in providing services to public agencies similar to ours. The proposals were due on June 14, 2023 and 6 proposals were submitted. The Ad Hoc committee met twice to review and discuss the proposals and recommended the full Board interview the following three firms.

1. Best Best & Krieger, LLP (BBK)
2. Burke Williams and Sorensen, LLP (BWS)
3. Hollister and Brace

Interviews with the above firms were held on Thursday, September 14, 2023 in closed session. The Board met in open session on September 18, 2023 and selected BBK as their legal services provider. Staff was directed to prepare a draft legal services agreement with BBK and bring it back to the Board for consideration and action. Staff and current District Legal Counsel Rick Battles met with Jeff Farre of BBK to develop a draft legal services agreement. A copy of the draft agreement is attached to this report and presented herein for Board consideration.

**III. COMMENTS AND RECOMMENDATIONS**

The draft agreement sets forth the scope of work and terms associated with BBK's provision of legal services for the District. Jeff Ferre is designated as General Counsel and would oversee all services provided by BBK. BBK would provide legal services pursuant to the agreement as an independent contractor on a time and materials basis. Fees and costs for service provided are set forth in exhibit A and would be subject to annual review and adjustment. For the first two years of the agreement any rate increases would be limited to a department of labor cost of living adjustment for the local area.

This agreement was reviewed by District Legal Counsel Rick Battles and all his recommended edits have been incorporated into the proposed agreement. In terms of managing costs associated with attending District meetings in person, BBK has agreed to only charge one way for travel time to District Board meetings.

Jeff Farre and Assistant General Counsel Ryan Guiboa will be present at the meeting to answer any questions the Board may have regarding the agreement.

Staff recommends the Board consider approving the proposed legal services agreement with BBK as presented herein or with any revisions the Board wishes to make.

#### **IV. REFERENCE MATERIALS**

Agreement for General Counsel Legal Services Between Goleta Sanitary District and Best Best & Krieger, LLP

## LEGAL SERVICES AGREEMENT

### AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES BETWEEN GOLETA SANITARY DISTRICT AND BEST BEST & KRIEGER LLP

#### 1. PARTIES AND DATE

This Agreement is made and entered into as of the 16<sup>th</sup> day of October, 2023, by and between the Goleta Sanitary District, a public agency (“Client”), and Best Best & Krieger LLP, a limited liability partnership engaged in the practice of law (“BB&K”).

#### 2. RECITALS

2.1 Client wishes to engage the services of BB&K as its General Counsel to perform legal services for the Client on the terms set forth below.

#### 3. TERMS.

3.1 Term. The term of this Agreement shall commence on October 16, 2023 and shall continue in full force and effect until terminated in accordance with Section 3.12.

3.2 Scope of Services. BB&K shall serve as General Counsel and shall perform legal services (“Services”) as may be directed from time to time by the Client as set forth by this Agreement, unless otherwise agreed to by the Client and BB&K. As part of the Services to be performed hereunder, BB&K shall be responsible for the following:

3.2.1 Preparation for, and attendance at, regular meetings of the Client’s Governing Board as directed by the Client;

3.2.2 Provision of legal counsel services at such other meetings as directed by the Client;

3.2.3 Preparation or review of Client ordinances and resolutions, together with such staff reports, orders, agreements, forms, notices, declarations, certificates, deeds, leases and other documents as directed by the Client;

3.2.4 Rendering to the officers and employees of the Client legal advice and opinions on all legal matters affecting the Client, including new legislation and court decisions, as directed by the Client;

3.2.5 Researching and interpreting laws, court decisions and other legal authorities in order to prepare legal opinions and to advise the Client on legal matters pertaining to Client operations, as directed by the Client;

3.2.6 Performing legal work pertaining to property acquisition, property disposal, public improvements, public rights-of-way and easements, as directed by the Client;

3.2.7 Responding to inquiries and review for legal sufficiency ordinances, resolutions, contracts, and administrative and personnel matters, as directed by the Client;

3.2.8 Representing and assisting on litigation matters, as directed by the Client. Such services shall include, but shall not be limited to, the preparation for and making of appearances, including preparing pleadings and petitions, making oral presentations, and preparing answers, briefs or other documents on behalf of the Client, and any officer or employee of the Client, in all federal and state courts of this State, and alternative dispute resolution officer, and before any governmental board or commission, including reviewing, defending or assisting any insurer of the Client or its agents or attorneys with respect to any lawsuit filed against the Client or any officer or employee thereof, for money or damages.

#### ADDITIONAL SERVICES

3.2.9 **BB&K's Project 5 Program.** This Program provides participants with memoranda summarizing new changes in case law under the California Environmental Quality Act ("CEQA"), an annually updated set of CEQA notices and forms to aid participants in meeting CEQA's requirements, an annually updated set of Local CEQA Guidelines and a draft Resolution for adopting Local CEQA Guidelines, memoranda summarizing pending and recently passed CEQA legislation, and other CEQA resources and materials. Memoranda, forms, and guidelines are provided to participating agencies via the CEQA Guidelines Client Portal, a secure website providing an on-demand and continually updating library of CEQA resources. By providing our Project 5 Program updates to a large pool of participants, BB&K is able to divide the overall cost of the products among all participants and charge only a fraction of the total costs to the individual client agencies.

3.2.10 **BB&K's Advanced Records Center Services.** Through its Advanced Records Center ("ARC"), BB&K combines its legal acumen and experience with cutting-edge technology to provide comprehensive and cost-effective support for non-routine records-related matters. Specifically, at the Client's option, the ARC team will assist Client with non-routine Public Records Act Processing and Policy Drafting, as detailed below.

3.2.11 **BB&K Trainings.** BB&K offers a variety of trainings to public agency and private business leadership and staff on topics required by law, as well as preventative and educational legal topics. The trainings are interactive and can be given onsite, via live webinar or virtual on-demand. Some of our most popular trainings include AB 1234 Ethics, Workplace Civility and Sexual Harassment Avoidance Training, The Brown Act "Open Meetings Law," Crystalizing Your Agency's CPRA Policies & Procedures and SB 1343 Sexual Harassment Avoidance Training for Non-Supervisors.

3.2.12 **BB&K's Election Law Center Subscription Services.** Participants in BB&K's Election Law Center will be given access to up-to-date election document templates, including resolutions and other mandatory election documents. The annual subscription also gives participants access to BB&K's Election Law Center hotline, which participants can use for guidance on day-to-day election law questions that arise during campaign and election season.

3.3 Designated General Counsel. Jeff Ferre shall be designated as General Counsel, and shall be responsible for the performance of all Services under this Agreement, including the supervision of Services performed by other members of BB&K. No change in this assignment shall be made without the consent of the Client.

3.4 Time of Performance. The Services of BB&K shall be performed expeditiously in the time frames and as directed by the Client.

3.5 Assistance. The Client agrees to provide all information and documents necessary for the attorneys at BB&K to perform their obligations under this Agreement.

3.6 Independent Contractor. BB&K shall perform all legal services required under this Agreement as an independent contractor of the Client and shall remain, at all times as to the Client, a wholly independent contractor with only such obligations as are required under this Agreement. Neither the Client, nor any of its employees, shall have any control over the manner, mode or means by which BB&K, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. The Client shall have no voice in the selection, discharge, supervision or control of BB&K's employees, representatives or agents, or in fixing their number, compensation, or hours of service.

3.7 Fees and Costs. BB&K shall render and bill for legal services in the categories and at rates set forth in Exhibit "A" and in accordance with the BB&K Billing Policies set forth in Exhibit "D," both of which are attached hereto and incorporated herein by reference. In addition, the Client shall reimburse BB&K for reasonable and necessary expenses incurred by it in the performance of the Services under this Agreement. Authorized reimbursable expenses shall include, but are not limited to, printing and copying expenses, mileage expenses at the rate allowed by the Internal Revenue Service, toll road expenses, long distance telephone and facsimile tolls, computerized research time (e.g. Lexis or Westlaw), research services performed by BB&K's library staff, extraordinary mail or delivery costs (e.g. courier, overnight and express delivery), court fees and similar costs relating to the Services that are generally chargeable to a client. However, no separate charge shall be made by BB&K for secretarial or word processing services.

3.7.1 Mileage Charged to and from BBK's LA Office. Mileage will be calculated based on the distance to and from the Client's offices and BBK's LA office, or to and from other locations/meetings, requested by the Client, and BBK's LA office. BBK's LA office is located at 300 South Grand Ave., Los Angeles, CA.

3.7.2 Billing For Travel Time To Regular Board Meetings. In regard to attendance at regular meetings of the Client's Governing Board, BBK will bill at the applicable hourly rate for the time it takes to travel one way from BBK's LA office to the Client's offices.

3.8 Billing. BB&K shall submit monthly to the Client a detailed statement of account for Services. The Client shall review BB&K's monthly statements and pay BB&K for Services rendered and costs incurred, as provided for in this Agreement, on a monthly basis.

3.9 Annual Reviews. The Client and BB&K agree that a review of performance and the compensation amounts referenced in this Agreement should occur at least annually.

3.10 Insurance. BB&K carries general commercial liability, workers compensation, professional liability, and any other relevant coverages, including umbrella policies.

3.11 Attorney-Client Privilege. Confidential communication between the Client and BB&K shall be covered by the attorney-client privilege. As used in this article, "confidential communication" means information transmitted between the Client and BB&K in the course of the relationship covered by this Agreement and in confidence by a means that, so far as the Client is aware, discloses the information to no third persons other than those who are present to further the interests of the Client in the consultation or those to whom disclosure is reasonably necessary for the transmission of the information or the accomplishment of the purpose for which BB&K is consulted, and includes any legal opinion formed and advice given by BB&K in the course of this relationship.

3.12 Termination of Agreement and Legal Services. This Agreement and the Services rendered under it may be terminated at any time upon thirty (30) days' prior written notice from either party, with or without cause. In the event of such termination, BB&K shall be paid for all Services authorized by the Client and performed up through and including the effective date of termination. BB&K shall also be reimbursed for all costs associated with transitioning any files or other data or documents to a new law firm or returning them to the Client.

3.12.1 BB&K may also terminate its services upon thirty (30) written notice in the event the Client fails to pay in full its monthly statements as submitted, fails to cooperate on a reasonable request in connection with services BBK provides or in the event BB&K determines in its discretion that to continue services to the Client would be unethical, impractical or improper.

3.13 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.14 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Santa Barbara County.

3.15 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.

3.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

3.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.



3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.19 Delivery of Notices. All notices permitted or required under this Agreement notices shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Client:                   Goleta Sanitary District  
                              1 William Moffett Place  
                              Goleta, CA 93117  
                              Attention: General Manager

BB&K:                   Best Best & Krieger LLP  
                              3390 University Avenue, 5<sup>th</sup> Floor  
                              Riverside, CA 92501  
                              Attention: Jeff Ferre

3.20 Indemnification.

BB&K agrees to indemnify Client, its officers, directors, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising from the negligent acts or omissions of BB&K hereunder, or arising from BB&K's negligent performance of any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arise from the negligence or willful misconduct of Client, its officers, agents or employees.

IN WITNESS WHEREOF, the Client and BB&K have executed this Agreement for General Counsel Legal Services as of the date first written above.

(SIGNATURES CONTAINED ON FOLLOWING PAGE)

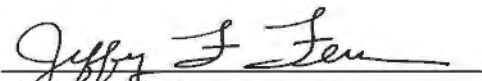
**SIGNATURE PAGE TO  
AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES  
BETWEEN  
GOLETA SANITARY DISTRICT  
AND  
BEST BEST & KRIEGER LLP**

**GOLETA SANITARY DISTRICT:**

By: \_\_\_\_\_  
Name: Steve Wagner  
Title: General Manager

Date: October 16, 2023

**BEST BEST & KRIEGER LLP:**

By:   
Name: Jeffrey F. Ferre  
Title: Partner

Date: October 16, 2023

**EXHIBIT A**  
**TO**  
**AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES**  
**BETWEEN**  
**GOLETA SANITARY DISTRICT**  
**AND**  
**BEST BEST & KRIEGER LLP**  
**BILLING ARRANGEMENTS**

**Hourly Rates for Basic Legal Services**

Basic legal services include all services that are not otherwise specifically identified below as either Special Legal Services or Third Party Reimbursable Legal Services, and are billed as follows:

<b>Personnel</b>	<b>Hourly Rate</b>
Partners and Of Counsel	\$350 per hour
Associates	\$300 per hour
Paralegals, Law Clerks and Analysts	\$190 per hour

**Public Records Act / Advanced Records Center (ARC)**

For Public Records Act services from our specialized Advanced Records Center (ARC) Team, the following low, blended rate will apply:

<b>Personnel</b>	<b>Hourly Rate</b>
ARC Team (Attorneys, Paralegals, Law Clerks and Analysts)	\$250 per hour

**Hourly Rates for Special Legal Services**

For specialized legal services as listed below, the following rates will apply:

<b>Personnel</b>	<b>Hourly Rate</b>
Partners and Of Counsel	\$385 per hour
Associates	\$345 per hour
Paralegals, Law Clerks and Analysts	\$190 per hour

Special Counsel services include, but are not limited to, these areas of law:

- A. Litigation and formal administrative or other adjudicatory hearing matters
- B. Labor relations and employment matters, including employee benefits
- C. Real estate matters
- D. Land acquisition and disposal matters (including pre-condemnation)
- E. Taxes, fees and charges matters
- F. Public works contracting/bidding disputes
- G. Environmental matters
- H. Water law matters
- I. Tax matters
- J. Toxic substances matters
- K. Complex public utility and telecommunication matters
- L. Renewable energy, energy efficiency project contracts, power purchase agreements
- M. Election law litigation
- N. Other matters mutually agreed upon between BB&K and the District

### **Cost of Living (COLA) Adjustments**

We are happy to discuss mutually agreed upon adjustments whenever necessary. We increase rates annually by the same percentage as the cost of living index provided by the U.S. Department of Labor for the local area.

For two (2) years from the effective date of this Agreement, we will hold the above-mentioned rates without an adjustment other than COLA adjustments which will be implemented as required by firm policy.

**EXHIBIT B**  
**TO**  
**AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES**  
**BETWEEN**  
**GOLETA SANITARY DISTRICT**  
**AND**  
**BEST BEST & KRIEGER LLP**

**THIRD PARTY REIMBURSABLE BILLING POLICIES**

Third Party Reimbursable Legal Services - Description. Third Party Reimbursable Legal Services shall include legal services provided to the Client for which the Client receives reimbursement from a developer or other third party. These reimbursable legal services include, but are not limited to, negotiation and review of development agreements, planning entitlements, review of CC&Rs; establishment of financing districts (i.e., Community Facilities Districts; Assessment Districts; Landscape and Lighting Maintenance Districts); the processing of land use/environmental projects for which the Client is entitled to reimbursement, as well as defending any challenges to project entitlements or any dispute or litigation related to such reimbursable legal services.

Third Party Reimbursable Legal Services - Rates. The Client shall pay for Third Party Reimbursable Legal Services at BB&K's then current published standard private client rates, minus ten percent (10%).

**EXHIBIT C**  
**TO**  
**AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES**  
**BETWEEN**  
**GOLETA SANITARY DISTRICT**  
**AND**  
**BEST BEST & KRIEGER LLP**

**PUBLIC FINANCE & BOND BILLING POLICIES**

1. Public Finance & Bond Rates. BB&K will provide bond counsel, special counsel or disclosure counsel services at the request of the Client. Such bond counsel and special counsel services include the preparation of all legislative approvals and legal documentation relating to the appropriate sale and delivery of the bonds, notes or other obligations. BB&K will also prepare such closing certificates and legal opinions necessary for the delivery of the bonds. As disclosure counsel, we will prepare the disclosure documents for the Client and conduct the necessary due diligence related to the transaction. Our fees will be determined based upon the type of financing and the expected involvement of the attorneys involved. We will provide the Client with a detailed description of our services and our fees and reimbursable costs upon the Client's request. Notwithstanding the foregoing, in those cases where the fees are reimbursable by a third party, at BB&K's option it may proceed on an hourly basis and utilize the Third Party Reimbursable Legal Services category provided for in this Agreement, including with respect to services rendered for the formation of, or annexation to, a CFD (of either the Client or other local public agency), as well as the negotiation and preparation of funding agreements and joint financing agreements. Legal services related to the Client's compliance with its continuing disclosure covenants and provide such necessary advice on the Client's compliance shall be billed as Special Legal Services, above.

**EXHIBIT D**

**TO  
AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES  
BETWEEN  
GOLETA SANITARY DISTRICT  
AND  
BEST BEST & KRIEGER LLP**

**BB&K BILLING POLICIES**

Our century of experience has shown that the attorney-client relationship works best when there is mutual understanding about fees, expenses, billing and payment terms. Therefore, this statement is intended to explain our billing policies and procedures. Clients are encouraged to discuss with us any questions they have about these policies and procedures. Clients may direct specific questions about a bill to the attorney with whom the client works or to our Accounts Receivable Department ([accounts.receivable@bbklaw.com](mailto:accounts.receivable@bbklaw.com)). Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between the client and the firm.

**INVOICE AND PAYMENT OPTIONS**

Best Best & Krieger strives to meet our clients' needs in terms of providing a wide variety of invoice types, delivery and payment options. Please indicate those needs including the preferred method of invoice delivery (Invoice via Email; or USPS). In addition, [accounts.receivable@bbklaw.com](mailto:accounts.receivable@bbklaw.com) can provide a W-9 upon request and discuss various accepted payment methods.

**FEES FOR ELECTRONICALLY STORED INFORMATION ("ESI") SUPPORT AND STORAGE**

BBK provides Electronically Stored Information ("ESI") services for matters requiring ESI support – typically litigation or threatened litigation matters. BBK provides services for basic ESI processing and storage at the following rates per month based on the number of gigabytes of data ("GB") processed and stored:

1GB -250GB:	\$10 per GB
251GB - 550GB:	\$8 per GB
551GB - 750GB:	\$6 per GB
751GB - 1TB:	\$4 per GB

The amount BBK charges for basic processing and storage of ESI allows BBK to recover the costs of providing such services, plus a net profit for BBK. BBK believes that the rates it charges for processing and storage are lower than comparable services available from third party vendors in the market. If you wish to contract separately with a third party vendor for processing and storage costs, please notify BBK in writing. [OPTIONAL BBK also provides advanced ESI processing services at hourly rates for personnel in its Litigation Support Group. A copy of BBK's current rates for such services will be provided upon request.] BBK shall not incur costs for ESI support on a particular matter without first confirming by email or written correspondence with the client that the client agrees such services are necessary for the matter at hand.

**FEES FOR PROFESSIONAL SERVICES**

Unless a flat fee is set forth in our engagement letter with a client, our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on that client's behalf. In special circumstances which will be discussed with the client and agreed upon in writing, fees will be based upon the novelty or difficulty of the matter, or the time or other special limitations imposed by the client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on the client's behalf. All legal services are billed in one-tenth of an hour (0.10/hour) or six-minute

increments. Our attorneys are currently billed at rates from \$235 to \$895 per hour, and our administrative assistants, research assistants, municipal analysts, litigation analysts, paralegals, paraprofessionals and law clerks are billed at rates from \$175 to \$300 per hour for new work. These rates reflect the ranges in both our public and our private rates. These hourly rates are reviewed annually to accommodate rising firm costs and to reflect changes in attorney status as lawyers attain new levels of legal experience. Any increases resulting from such reviews will be instituted automatically and will apply to each affected client, after advance notice.

**Non-Attorney Personnel:** BBK may employ the services of non-attorney personnel under the supervision of a BBK attorney in order to perform services called for in the legal services agreement. The most common non-attorney personnel utilized are paralegals. Other types of non-attorney personnel include, but are not limited to, case clerks, litigation analysts, and specialty consultants. The client agrees that BBK may use such non-attorney personnel to perform its services when it is reasonably necessary in the judgment of the responsible BBK attorney. Hourly fees for non-attorney personnel will be charged at the rate then in effect for such personnel. A copy of BBK's current rates and titles for non-attorney personnel will be provided upon request.

#### FEEES FOR OTHER SERVICES, COSTS AND EXPENSES

We attempt to serve all our clients with the most effective support systems available. Therefore, in addition to fees for professional legal services, we also charge separately for some other services and expenses to the extent of their use by individual clients. These charges include but are not limited to, mileage at the current IRS approved rate per mile, extraordinary telephone and document delivery charges, copying charges, computerized research, court filing fees and other court-related expenditures including court reporter and transcription fees. No separate charge is made for secretarial or word processing services; those costs are included within the above hourly rates.

We may need to advance costs and incur expenses on your behalf on an ongoing basis. These items are separate and apart from attorneys' fees and, as they are out-of-pocket charges, we need to have sufficient funds on hand from you to pay them when due. We will advise the client from time to time when we expect items of significant cost to be incurred, and it is required that the client send us advances to cover those costs before they are due.

#### MONTHLY INVOICES AND PAYMENT

Best Best & Krieger LLP provides our clients with monthly invoices for legal services performed and expenses incurred. Invoices are due and payable upon receipt.

Each monthly invoice reflects both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on the client's behalf that have been processed by the end of the prior month. Processing of some expenses is delayed until the next month and billed thereafter.

Our fees are not contingent upon any aspect of the matter and are due upon receipt. All billings are due and payable within ten days of presentation unless the full amount is covered by the balance of an advance held in our trust account.

It is our policy to treat every question about a bill promptly and fairly. It is also our policy that if a client does not pay an invoice within 60 days of mailing, we assume the client is, for whatever reason, refusing to pay. We reserve the right to terminate our engagement and withdraw as attorney of record whenever our invoices are not paid. If an invoice is 60 days late, however, we may advise the client by letter that the client must pay the invoice within 14 days or the firm will take appropriate steps to withdraw as attorney of record. If the delay is caused by a problem in the invoice, we must rely upon the client to raise that with us during the 14-day period. This same policy applies to fee arrangements which require the client to replenish fee deposits or make deposits for anticipated costs.



From time to time clients have questions about the format of the bill or description of work performed. If you have any such questions, please ask them when you receive the bill so we may address them on a current basis.

#### BUDGETS

Because of the uncertainties involved, any estimates of anticipated fees that we provide at the request of a client for budgeting purposes, or otherwise, can only be an approximation of potential fees.

**BEST BEST & KRIEGER LLP**

# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: October 16, 2023**

**I. NATURE OF ITEM**

Review of District's Participation in the California Uniform Public Construction Cost Accounting Act

**II. BACKGROUND INFORMATION**

In April 2016 the Board elected to participate in California Uniform Public Construction Cost Account Act (CUPCCAA) and adopted an informal bidding ordinance as required. This provided the District an alternative to some of the time consuming requirements of Public Contract Code Sections 20800-20806 and has saved the District time and money associated with bidding public works projects since its adoption.

Under the standard public contract code requirements, the District was required to publish a notice inviting formal bids for any project exceeding \$15,000 and award to the lowest responsible bidder. This formal advertise/award process was burdensome for both the District and interested contractors. In order to put almost any project out to bid, the District was required to prepare a full set of contract documents including, but not limited to a bid proposal package, plans and specifications, bond forms and agreements. The cost to prepare such documents often exceeded the cost to construct the improvement. For smaller jobs less than \$50k it was also difficult to get qualified contractors to submit any bids due to the effort associated with the formal bidding process.

On April 18, 2016, the Board passed resolution No. 16-598 and Ordinance No. 83 electing to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA). The UPCCAA, enacted under Public Contract Code Sections 22000-22045 in 1983, allows public agencies to adopt alternative bidding procedures to increase the informal bid threshold from \$15,000 to \$60,000, where projects below this threshold can be performed by force account, negotiated contract, or purchase order. The UPCCAA also establishes an informal bidding process for projects up to \$200,000 where informal bids can be requested from a District-maintained list of contractors and/or by publication in trade journals for 10 calendar days. For projects over \$200,000 the existing formal bidding procedures continues to apply.

Every five years, the California Uniform Construction Cost Accounting Commission (CUCCAC) reviews the informal bid limits for inflation and other factors to determine whether or not adjustments should be made. In 2019, the informal bidding threshold was increased from \$45,000 to \$60,000 and the formal bidding threshold was increased from \$175,000 to \$200,000.

Almost all public projects performed by the District now exceed the old formal bid solicitation threshold of \$15,000 due to increasing material costs, consultant fees, and labor wages. By adopting the UPCCAA and increasing the formal bidding threshold to \$200,000, the District has saved countless hours of staff time and consultant fees associated with contract document preparation, bid solicitation, and printed publication of projects. Because the thresholds of \$60,000 for in-house labor and \$200,000 for informal bids will continue to be adjusted every 5 years, the flexibility and efficiency of the UPCCAA will continue to benefit the District into the future as project delivery costs change.

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

This report is for informational purposes only. As such no Board action is required.

### **IV. REFERENCE MATERIALS**

CUPCCAA FAQ 2022

Resolution No.16-598

Ordinance No. 83

# CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

## FREQUENTLY ASKED QUESTIONS (FAQs)

These FAQs have been compiled to assist agencies that are participating in the California Uniform Public Construction Cost Accounting Act (the Act), as contained in Public Contract Code (PCC) Section 22000, et seq. All references are to PCC, unless otherwise stated.

### 1. What is the Uniform Public Construction Cost Accounting Act?

The Act is legislation that was enacted in 1983 to help promote “uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state” (Section 22001). The Act is a voluntary program available to all public entities in the State, but it applies only to those public agencies that have “opted in” to the provisions set forth by the Act using the processes outlined in the Act. The entirety of the Act is found at Sections 22000-22045.

### 2. What are some of the key provisions of the Act?

The Act allows for public project work in the amount of \$60,000 or less to be performed by a public agency’s force account using the public agency’s own resources, or by negotiated contract, or by purchase order (Section 22032(a)). Public projects in the amount of \$200,000 or less may use the informal or formal bidding procedures set forth in Section 22032(b) or (c) of the Act. Public projects at a cost of more than \$200,000 must use formal bidding procedures to let the contract pursuant PCC Section 22032(c).

### 3. What are the benefits of the program?

- Increased force account limit for public agencies;
- Simplified bidding for projects that are \$200,000 or less;
- Reduced number of formal bids based on project size; and
- Expedited contracting for projects under \$200,000.

Many participating agencies appreciate the program because it has given them more leeway in the execution of public works projects under a certain dollar amount; sped up the award process; expedited project delivery; reduced the time, effort, and expense associated with bidding projects under \$200,000; and simplified administration for those projects. Few agencies have experienced challenges with the accounting requirements and overhead provisions. Moreover, adjustments, when required, have been relatively simple; most required procedures were already in place, so there were few, if any, major changes to existing operations. The current Standard Accounting Codes Structure satisfies reporting requirements when used properly.

### 4. Is the Uniform Public Construction Cost Accounting Act mandatory for public agencies?

No. The Act is a voluntary program requiring a public agency to “opt in” using the process outlined in the Act.

**5. How does a public agency become subject to the Act?**

The governing body must elect by resolution to become subject to the Act and must file a copy of the approved resolution with the State Controller's Office (Section 22030). Sample documents are available at: [http://www.sco.ca.gov/ard\\_cuccac.html](http://www.sco.ca.gov/ard_cuccac.html). Once an agency has opted into the Act, it will remain a part of the program.

**6. May a public agency withdraw from the Act?**

Yes. An agency may withdraw from the Act by filing with the State Controller's Office an approved resolution of the agency's election to withdraw that was made during a public meeting of the agency's governing body.

**7. Must a participating agency "opt in" to the Act annually?**

No. Once a participating agency "opts in" to the Act, the agency remains subject to the Act until it "opts out" of the Act.

**8. What is the California Uniform Construction Cost Accounting Commission?**

The Commission was created to administer the Act, per Section 22010. It consists of 14 members: 13 members appointed by the State Controller and the License "A" member of the Contractors' State License Board. Seven members represent the public sector (counties, cities, school districts, and special districts). Six members represent the private sector (public works contractors and unions). The Commission members receive no salary, but are eligible for reimbursement of their direct expenses related to the Commission.

**9. What are the Uniform Public Construction Cost Accounting Procedures?**

These procedures are to be used for tracking costs for work performed by an Agency's own forces on a "project" as defined by the Act (Section 22002(c)). The procedures do not apply to operations or maintenance work, or any work that meets the criteria listed in Section 22002(d).

These procedures are intended to capture and record all direct and indirect labor, materials, equipment, subcontractors, and supervision costs, as well as the appropriate overhead costs for the public agency associated with each "project" it performs with its own forces. The procedures follow industry-standard accounting methods, and in many cases are not much different from those already in place at most agencies. Sample forms are available in the CUCCAC Cost Accounting Policies and Procedures Manual at [http://www.sco.ca.gov/Files-ARD-Local/CUCCAC\\_Manual.pdf](http://www.sco.ca.gov/Files-ARD-Local/CUCCAC_Manual.pdf)

School districts may use the Standard Accounting Code Structure to comply with tracking requirements.

**10. Are the cost accounting procedures applicable for agencies whose work forces perform only maintenance tasks as defined in the Act and that contract all of their public projects to third parties?**

No. The cost accounting procedures are applicable only for agencies that perform public project work such as construction and alteration by force account or otherwise. As maintenance does not constitute a "project" under the Act, the cost accounting procedures do not apply.

- 11. When are participating agencies required to advertise if they choose to maintain a list of qualified contractors?**

At least once per calendar year, each Public Agency that has elected to become subject to the Act and intends to use the notice provisions outlined in Section 22034(a) must establish a new list or update its existing list of qualified contractors by mailing, faxing, or emailing written notice to all construction trade journals designated for that Agency under Section 22036. The notice must invite all licensed contractors to submit the name of their firms to the Agency for inclusion on the Agency’s list of qualified bidders for the following twelve (12) months. Effective January 1, 2016, a participating agency can choose a specific date of their choice in which to renew its list of qualified contractors.

- 12. May an agency that chooses to maintain a list add a contractor to the list at any time during the year?**

Yes.

- 13. What is meant by the term “qualified contractors” as used in section 22034(a)(1) of the Act?**

*Qualified contractors* are contractors licensed by the State to perform the subject work. The Commission has determined that nothing in the Act prohibits a participating agency from using additional objective pre-qualification standards in the formation and maintenance of their Qualified Contractors Lists if they so desire.

- 14. How can a contractor get on an agency’s list of contractors?**

The California Uniform Public Construction Cost Accounting Commission’s webpage has a list of agencies that are participating in the California Uniform Public Construction Cost Accounting Act (CUPCCAA). Please contact each agency directly to let them know you would like to be on their list of contractors. For a list of participating agencies, please see the “Participating Agency Lists” header at the following link:

[https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html)

More detailed instructions for contractors can be found in Section 1.04.01 of the Cost Accounting Policies and Procedures Manual

- 15. Can a public agency disqualify or exclude certain contractors from the Qualified Contractors List required in Section 22034(a)(1)?**

Agencies may disqualify contractors from Qualified Contractors Lists when the contractors fail to furnish information to meet the minimum criteria as established by the Commission.

- 16. For agencies that do not maintain an informal bidders list, are they allowed to choose who would get notifications of projects?**

No. Section 22034(a)(2) provides for notifications to construction trade journals and exchanges in lieu of sending notifications to contractors on an informal bidders list. An agency may send notices to selected contractors provided it has also met the advertisement requirements of Section 22034(a).

- 17.** What is the difference between “qualifying contractors” under the Act and “prequalification of contractors” by school districts under Section 20101?

Qualifying contractors is a process that allows contractors to register with a public agency for notification of public works opportunities. The prequalification process under Section 20101 is a more complex process that requires a standardized questionnaire and evaluation of contractors using standard scoring criteria. The prequalification process is applicable under the Local Agency Public Construction Act, and does not apply to the Uniform Public Construction Cost Accounting Act.

- 18.** Does a contractor have to be on an agency’s contractor list in order to perform projects less than \$60,000?

No, any public project less than the \$60,000 informal bidding threshold can be performed by employees of the public agency, by negotiated contract, or by purchase order. An agency’s list of contractors is only required to be alerted of projects that surpass the informal bidding threshold.

- 19.** Must a public agency a) notify contractors about public projects if the contractors are believed to not have the skills, credentials, or experience to perform the work required for the public project; and b) consider bids submitted by contractors that the public agency believes do not have the skills, credentials, or experience to perform the work?

a) Yes. If a contractor is on the Qualified Contractors List, the contractor must be notified by the agency of public projects for which he or she is licensed to perform (Section 22034(a)(1)).

b) All bids received must be considered, unless an agency makes appropriate legal findings that a contractor is not legally responsible or his or her bid is not responsive.

- 20.** Does the Act allow flexibility in cases of emergency and when repair or replacements are necessary to permit the continued conduct of a public agency’s operations or services?

Yes. For the purposes of the Public Contract Code, an “emergency” is defined at Section 1102 as “a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.”

The Act sets forth in Section 22035(a) how a governing body should proceed in case of emergency repairs or replacements. This section states:

In cases of emergency when repair or replacements are necessary, the governing body may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by contractor, or by a combination of the two. Section 22050 et seq., provides the emergency contract procedures to be followed in these cases.



**21. Do the alternative bidding procedures apply only to public projects as defined in Section 22002(c)?**

The alternative bidding procedures apply only to work that constitutes a “public project” as defined in Section 22002(c) and has a construction cost within the limits described in Section 22032. The alternative bidding procedures are not required for the purchase of goods or materials that are not part of a “public project.”

However, as outlined in Section 22003, a participating agency may also use the alternative bidding procedures when contracting for maintenance or other work that does not fall within the definition of a “public project” if it so chooses.

**22. What will membership in the Act cost my agency?**

Nothing. There are no membership fees or dues. However, the Commission does accept grants to assist it in carrying out its duties (Section 22015(c)).

**23. What are the most common concerns addressed by the Act?**

These are:

- Cost accounting policies and procedures;
- Informal bidding procedures; and
- Accounting procedures review.

Cost accounting requirements for the Act follow those common to the construction industry. The informal bidding on public projects up to \$200,000 is seen by agencies as an effective tool to expedite completion of small projects. While an accounting procedures review could potentially hold up a project for a minimum of 45 days pursuant to Section 22043(c)(1), these types of reviews have been rare in the Commission’s history.

**24. Must an agency calculate an overhead rate to apply the accounting procedures?**

No. Cities with populations of less than 75,000 must assume an overhead rate equal to 20% of the total costs of the public project, including the costs of material, equipment, and labor (Section 22017(b)(1)). Cities with a population of more than 75,000 may either calculate an actual overhead rate or assume an overhead rate of 30% of the total costs of a public project including the costs of materials, equipment, and labor (Section 22017(b)(2)).

**25. When a public entity opts into the Act, does the Act supersede other contracting legal requirements such as statutory requirements for performance bonds, prevailing wages, and certificates of insurance, etc.?**

No. The Act supersedes only the bidding procedures used once a public agency has opted into the Act and has notified the Controller. All other contracting requirements of the PCC remain applicable.

**26.** Can a public agency claim to be to be exempt from following all of the requirements in Public Contract Code by claiming it only has to follow the language and procedures within the Act?

No. The Act is part of the Public Contract Code; therefore, if the Act is silent on a particular matter, then the Public Contract Code applies on that matter.

**27.** If public agencies are not following the advertising requirements in the Act, will the Commission address those agencies? Can a complaint be brought to the Commission?

Yes. Recent legislative changes have expanded the Commission’s authority to enforce provisions of the Act. The Commission may review complaints filed by interested parties when evidence is provided that:

- The participating agency performed work after rejecting all bids, claiming it could do the work less expensively (Section 22042(a)).
- The work performed exceeded the force account limits (Section 22042(b)).
- The work was improperly classified as maintenance (Section 22042(c)).
- A public agency did not comply with the informal bidding procedures set forth at Section 22034 (Section 22042.5).

**28.** Section 20112 specifically requires school districts to advertise twice for a two-week period, while Section 22037 requires advertising once, 14 days in advance of the date of opening of bids. How do participating school districts reconcile this conflict?

When the Act is in conflict with any other section in the Public Contract Code, the Act shall supersede. The Act requires advertising once, 14 days in advance of the date of opening of bids. Districts participating in the Act may choose to maximize their outreach by advertising twice.

**29.** May a public agency contract separately for like work at the same site at the same time using the under \$60,000 Force Account method?

No. Section 22033 states:

It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.

Separating “like work” would be permitted only if the total of all the “like work” is less than \$60,000. If the work is more than \$60,000, it must be advertised and bid according to the provisions of the Act (i.e. bid informally if the total amount is less than \$200,000; bid formally if the total amount exceeds \$200,000).

**30.** May a public agency bid out two separate projects that occur at the same time and site, but are different types of work?

Yes. There is no violation if the work is competitively bid. If an agency wishes to use the negotiated or informal bidding processes, it must apply the appropriate limits to each of the projects. Each project must be separate in scope. Projects may not be separated by trade to avoid bidding. If the total of all jobs is greater than \$60,000 then the informal or formal bid limits apply.

- 31.** Can an agency separately bid out for the materials and supplies on a project to avoid contractor markup and then bid out for the installation labor or perform installation with its own forces?

An agency may separately procure the materials and supplies for a project; however, all costs (materials, supplies, labor) of a project must be included in the project cost estimate to determine whether the project falls within the force account, informal bid, or formal bid thresholds.

In addition, if installation is performed by force account, an overhead rate must be applied to all direct costs of the project and included in the cost estimate. For example, if materials/supplies cost \$50,000 to procure separately and the estimated labor cost to install is \$25,000, the project could not be performed with force account, but would fall within the informal bid threshold because the total cost estimate is \$75,000.

- 32.** Must a value be assigned to the volunteer labor when the California Conservation Corps or another volunteer organization provides labor on a public project?

No. Volunteer labor from volunteer organizations does not need to be included as a cost of a public project for bid limit purposes as long as no costs are associated with the volunteer labor.

- 33.** By opting into the Act, does a public agency automatically bring all of its component divisions or departments into the Act?

Yes. When a public agency elects to become subject to the uniform construction cost accounting procedures, the entire legal entity is considered subject to the Act and no divisions or departments are exempt.

- 34.** When a public agency opts into the Act, does it automatically bring all districts under control of its governing Board into the Act?

No. Special Districts, which are governed by a board of supervisors or city council, are subject only if a separate election is made for each special district.

- 35.** PCC 22034 requires that participating agencies adopt an Informal Bidding Ordinance. What do schools and special districts that cannot adopt Ordinances do to comply?

Agencies that do not have the ability to adopt Ordinances should discuss Section 22034 compliance with their legal counsel.

- 36.** Are change orders allowed by the Act, and if so what is allowable? What if a change order goes over one of the allowed thresholds?

The Act does not address change orders. Please consult with your agency's legal counsel regarding any limitation on change orders that may apply to your agency.

**37.** Is there any training related to the Act? If so, where can I find a list of where the training is offered?

SCO has information regarding the Act on the SCO/CUCCAC website, including the current Cost Accounting and Procedures Manual. Often, commissioners are willing to provide training, answer questions, and/or give a presentation in order to assist agencies in getting the full benefits of participating in the Act.

**38.** The Act states that public projects of sixty thousand dollars (\$60,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order. However, the Department of Industrial Relations (DIR) states any project over \$1,000 has to pay prevailing wages. How do the Act and DIR guidance work together?

The Act and DIR are completely separate and govern different aspects of public projects. The Act focuses on bidding related to public projects and DIR deals with wages paid by contractors on public projects. However, they may relate in that if prevailing wages are not paid on a public project, that could potentially impact the total cost of a project which would require a different bidding process utilized under the Act.

Additional inquiries and questions may be directed by email to [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov), or by regular mail to:

State Controller's Office  
Local Government Programs and Services Division  
Local Government Policy Section  
P.O. Box 942850  
Sacramento, CA 94250

**RESOLUTION NO. 16-598**

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA  
SANITARY DISTRICT ELECTING TO BE SUBJECT TO THE UNIFORM  
PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES UNDER  
THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT**

**WHEREAS**, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and

**WHEREAS**, Public Contract Code Section 22000 et seq., the Uniform Public Construction Cost Accounting Act (the "Act"), establishes such a uniform cost accounting standard; and

**WHEREAS**, the commission established under the Act (the "Commission") has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects; and

**WHEREAS**, the Governing Board (the "Board") of the Goleta Sanitary District (the "District") deems it to be in the best interests of the District to elect to be subject to the uniform public construction cost accounting procedures under the Act.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Goleta Sanitary District as follows:

1. In accordance with Public Contract Code Section 22030, the District hereby elects to become subject to, and shall meet the requirements of (i) the uniform public construction cost accounting procedures set forth in the Act, and (ii) the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the District's Board Secretary notify the State Controller forthwith of this election.

2. This resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** this 18th day of April 2016, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES: 5 Rose, Smith, Fox, Majoewsky, Emerson**

**NOES: None**

**ABSENT: None**

**ABSTAIN: None**

**COPY**  
*Sharon Rose*

Sharon Rose,  
President of the Governing Board

**COUNTERSIGNED:**

**COPY**  
*Robert O. Mangus Jr.*

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

**ORDINANCE NO. 83**

**ORDINANCE AND GENERAL REGULATION OF THE  
GOVERNING BOARD OF THE GOLETA SANITARY DISTRICT  
ADOPTING INFORMAL BIDDING PROCEDURES UNDER THE  
UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT**

**WHEREAS**, pursuant to Resolution No. 16-598, adopted on even date herewith, the Governing Board (the “Board”) of the Goleta Sanitary District (the “District”) has elected to become subject to the uniform public construction cost accounting procedures under the Uniform Public Construction Cost Accounting Act as set forth in Public Contract Code Section 22000, et seq. (the “Act”); and

**WHEREAS**, pursuant to Public Contract Code Section 22034, as a public agency that has elected to be subject to the Act, the District is required to enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to Public Contract Code Section 22032(b).

**NOW, THEREFORE, BE IT ORDAINED** by the Governing Board of the Goleta Sanitary District as follows:

- 1. Informal Bid Procedures.** Public projects, as defined by the Act and in accordance with the limits listed in Section 22032 of the Public Contract Code, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code.
  
- 2. Contractors List.** A list of contractors shall be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission.
  
- 3. Notice Inviting Informal Bids.** Where a public project is to be performed which is subject to the provisions of this ordinance, a notice inviting informal bids may be mailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section 2, and shall be mailed to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department/agency soliciting bids, provided however:
  - (A)** If there is no list of qualified contractors maintained by the District for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission.

(B) If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

4. **Award of Contracts.** The District's General Manager is authorized to award informal contracts pursuant to this Ordinance.

5. **Publication.** The Secretary of the Board is hereby directed to cause this ordinance to be published once in a newspaper published in the District in accordance with the requirements of Health & Safety Code Section 6490.

6. **Effective Date.** This ordinance shall be effective one week following the date of publication.

**PASSED AND ADOPTED** this 18th day of April, 2016, by the following vote of the Governing Board of the Goleta Sanitary District:

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



Sharon Rose,  
President of the Governing Board



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



# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: October 16, 2023**

**I. NATURE OF ITEM**

Consideration of the GSD 2023 Biosolids Pad Rehabilitation Project

**II. BACKGROUND INFORMATION**

On September 6, 2023, the Board authorized District Staff to solicit bids and award a contract for the 2023 Biosolids Pad Rehabilitation Project. The project aims to replace the asphalt paved area (pad) used for temporary storage and haul-out of biosolids, which has degraded significantly and reached the end of its service life. The resurfacing of the asphalt pad will provide the District with additional space to stage and load-out biosolids as well as store fill material and/or equipment during construction activities.

The scope of work for this project includes the following:

1. Grinding the existing asphalt concrete (AC) pad and compacting the ground AC in place to provide a firm base for the new pad.
2. Placing and compacting a new 3-inch-thick AC pad over the compacted ground asphalt in a manner that drains to the existing drain inlets.
3. Installing a new AC curb around the south and west side of the pad.

**III. COMMENTS AND RECOMMENDATIONS**

The District solicited informal bids in accordance with CUPCCAA procedures, and opened bids on September 22, 2023. One bid was received, from Ramsey Asphalt Construction Corporation (Ramsey), for the lump-sum price of \$92,440. Staff reviewed the proposal, found Ramsey to be a responsive and responsible bidder, and issued a Notice of Award on September 29, 2023. Staff are in communication with Ramsey to determine a project start date.

The project budget of \$92,440 is slightly higher than the estimated \$90,000. The authority of \$94,500 granted by the Board is enough to cover \$2,060 or 2.2% of the project budget. If site conditions necessitate change orders greater than 2.2% of the budget, Staff will need return to the Board to request additional authority to execute the necessary contract change order.

**IV. REFERENCE MATERIAL**

Ramsey Asphalt Proposal Dated September 21, 2023

Notice of Award Dated September 29, 2023

## **PROPOSAL**

**District Board  
Goleta Sanitary District  
One William Moffett Place  
Goleta, California 93117**

### **Board Members:**

**Pursuant to the attached Notice Inviting Bids, the undersigned hereby proposes and agrees, on award by the Goleta Sanitary District under this Proposal, and in accordance with the provisions therein stated, to execute a contract, with necessary bonds, to furnish any and all labor, materials, transportation, and services for the construction of the 2023 BIOSOLIDS PAD REHABILITATION PROJECT, in accordance with the plans and specifications therefore adopted, and on file with the District, and within the time hereafter set forth and at the prices named in this proposal as follows:**

**The cost of all labor, material and equipment necessary for the completion of the work itemized, even though not shown or specified, shall be included in the line-item price for the various items shown herein.**

**Bid prices shall include everything necessary for the completion of construction and fulfillment of the contract including but not limited to furnishing all materials, equipment, tools, plant and other facilities and all management, superintendence, labor and services, except as may be provided otherwise in the contract documents. In the event of a difference between the price quoted in words and a price quoted in figures for the same quotation, the words shall be the amount bid.**

**The total amount of the bid will be the sum of the total prices of all items in the bid schedule. The total price of unit price items will be the product of the unit price and estimated quantity of the item. In case of discrepancy between the unit price and total price of an item, the unit price shall prevail provided that if the unit price is ambiguous, unintelligible, or uncertain for any case, or is omitted, it shall be the amount obtained by dividing the amount set forth as the total price by the estimated quantity of the item. The basis of award shall be the total of all bid items.**

**The District reserves the right to increase or decrease the quantity of any item or omit items as may be deemed necessary, and the same shall in no way affect or make void the contract, except that appropriate additions or deductions from the total price will be made at the stipulated unit price.**

**The District further reserves the right to reject any or all bids, to waive any informality or irregularity in any bid or the bidding procedure, and to delete any items of work in the award of contract.**

Reference General Descriptions of the Work in the Notice Inviting Bids "General Description of Work".

The Contractor shall perform an independent quantity take-off of the plans and bid accordingly. Quantities listed in the Proposal Bid Schedule are intended only as a guide for the Contractor as to the anticipated order of magnitude of work. Contractor will be reimbursed for quantity of item required by the Contract Documents and shown on the plans to neat line and grade or as actually installed.

**PROPOSAL FORM – BID SCHEDULE**

ITEM	DESCRIPTION AND UNIT PRICE WRITTEN IN WORDS	UNIT	ESTIMATED QUANTITY	UNIT PRICE IN FIGURES	TOTAL PRICE IN FIGURES
1	Mobilization, Demobilization, Bonds & Insurance for the lump sum price of <u>Seven thousand</u> <u>five hundred</u> dollars.	Lump Sum (L.S.)	1	\$ 7,500	\$ 7500.00
2	Demolish and pulverize existing Asphalt Concrete (AC) pad, for the price of <u>Seventy nine</u> <u>cents</u> dollars per square foot.	Square Foot (S.F.)	20,000	.79	\$ 15,800
3	Demolish, pulverize or dispose of debris, and reinstall 6" AC curbs, for the price of <u>Fifteen dollars</u> <u>and fifty cents.</u> dollars per linear foot.	Linear Foot (L.F.)	280	15.50	\$ 4340.00

ITEM	DESCRIPTION AND UNIT PRICE WRITTEN IN WORDS	UNIT	ESTIMATED QUANTITY	UNIT PRICE IN FIGURES	TOTAL PRICE IN FIGURES
4	NOT USED	--	--	--	--
5	Grade and compact the areas demolished in Bid Item 2, sloping final grade to existing drains, using up to 2" of new aggregate base material, for the price of  <u>Ninety nine cents</u>  <del>dollars</del> per square foot.	S.F.	20,000	.99	\$19,800
6	Pave all areas demolished in Bid Item 2 with 3" AC, for the price of <u>Two dollars</u> <u>and twenty five</u> <u>cents</u> <del>dollars</del> per square foot.	S.F.	20,000	2.25	\$45,000

ALTERNATIVE BID ITEM					
7	Alternative Bid Item 7: Apply sealcoat to area demolished and resurfaced in Bid Item 2, for the price of <u>Thirty eight</u> <u>cents</u>  <del>dollars</del> per square foot.	S.F.	20,000	.38	\$715.50

Note 1 – Enter the amount to be added to the Contract Sum if the Owner decides to proceed with Alternative Bid Item 7.

2023 BIOSOLIDS PAD REHABILITATION PROJECT  
PROPOSAL  
P-3 – ADDENDUM 1

TOTAL AMOUNT OF ITEMS 1-6:

\$ 92,440.00

TOTAL AMOUNT WRITTEN IN WORDS:

Ninety two thousand four hundred forty dollars

Bid amount of each of the above bid items must be filled in and completed in figures and written in words.

The above amount is for the work completed and includes any and all sales taxes and levies which may be applicable.

The undersigned has examined the location of the proposed Work and is familiar with the Plans and the local conditions at the place where the Work is to be done. The undersigned has checked the above amount and understands that the District will not be responsible for any errors or omissions on the part of the undersigned in making up this proposal.

It is agreed that this proposal may not be withdrawn within a period of forty-five (45) days after the date set for the opening thereof. The undersigned understands that the District reserves the right to reject any or all bids and to waive any informality in bids received that in the judgment of the District Board is to the best interest of the District.

The undersigned further agrees to so plan the Work and to prosecute it with such diligence that said work shall be commenced within fifteen (15) days after notice from the District to proceed with the work, and the entire project completed within ten (10) consecutive work days from the date of Notice to Proceed.

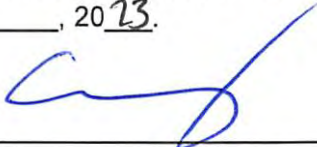
The undersigned agrees, if awarded the Contract, the undersigned and all subcontractors performing Work under the Contract shall pay to all laborers, workers, and mechanics employed in the execution of such Contract, or any subcontract thereunder, not less than the general prevailing rate of per diem wages and rates for overtime and legal holidays in the locality in which the work is to be performed, as ascertained and determined, pursuant to the state statute thereto applicable.

Contractor License No.: 881030

Classification: A, C12, C32

License Expiration Date: 7/31/2024

The Bidder affirms or declares under penalty of perjury under the laws of the State of California that the foregoing licensing information is true and correct. Signed this 19th day of September, 2023.

Signature  \_\_\_\_\_

By: Scott Ramsey. \_\_\_\_\_

Title: President \_\_\_\_\_

Business Address: P.O. Box 8115 \_\_\_\_\_  
Santa Maria Ca. 93456 \_\_\_\_\_

Business Tel.: (805) 928 9583 \_\_\_\_\_

Dated 9/19/2023 \_\_\_\_\_

Home Office Address (if different from above):

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

Telephone \_\_\_\_\_



# GOLETA SANITARY

Water Resource Recovery District

## ADDENDUM NO. 1

### TO THE CONTRACT FORMS AND SPECIFICATIONS FOR GSD BIOSOLIDS PAD REHABILITATION PROJECT

September 15, 2023

OWNER: Goleta Sanitary District  
1 William Moffett Place  
Goleta, CA 93117

TO:

BID DATE: September 22, 2023, 2:00 PM

This Addendum expands the scope of demolition and paving by an additional 560 square feet to include the AC driveway of the Biosolids Pad. Total AC pavement demolition and paving scope is estimated to be 20,000 square feet. Sealcoat scope is also increased. Updated Invitation for Bids, Proposal Form, and Drawings are attached. Bidders shall acknowledge receipt of Addendum No. 1 in the space below. This page is attached to the Proposal.

BY Steve Wagner  
Goleta Sanitary District

Acknowledgement to be attached to the sealed proposal.

I have received One (1) page of Addendum No. 1

Signed: [Signature]

Date: 9-18-2023





# GOLETA SANITARY

Water Resource Recovery District

September 29, 2023

**Board of Directors:**

**Sharon Rose**

President

**Edward Fuller**

**Jerry D. Smith**

**George W. Emerson**

**Steven T. Majoewsky**

**Steve D. Wagner, PE**

General Manager  
District Engineer

Mr. Scott Ramsey  
Ramsey Asphalt Construction Corp  
P.O. Box 8115  
Santa Maria, CA 93456

**Subject: NOTICE OF AWARD  
2023 BIOSOLIDS PAD REHABILITATION PROJECT**

Dear Mr. Ramsey:

You are notified that your bid received September 21, 2023, for the 2023 Biosolids Pad Rehabilitation Project has been considered by the District Staff. Ramsey Asphalt is the apparent successful bidder and has been awarded a contract for the 2023 Biosolids Pad Rehabilitation Project.

The bid price of the contract is Ninety-two thousand, four hundred forty dollars (\$92,440).

Three (3) copies of the contract documents accompany this Notice of Award.

In order to proceed with this Notice of Award, you must comply with the following conditions within fifteen (15) days of the date of this Notice of Award, which is by October 14, 2023.

1. Deliver to the Goleta Sanitary District three (3) fully executed originals of the contract documents.
2. Deliver with the executed contract documents, the specified contract securities (bonds) as specified in the contract documents.
3. Furnish the required certificates of insurance as specified in the contract documents. To comply with the insurance requirements to endorse the Owner, Engineer and the Owner's Consultants as additional insured, the following statement must appear on each of the insurance certificates:

"The District and each of its officers, employees, and agents; and the District's consultants including the Engineer, Design Engineer and their consultants and each of their partners, officers, employees, and agents as additional insureds as regards 2023 Biosolids Pad Rehabilitation Project."

One William Moffett Place, Goleta CA 93117

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

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



# GOLETA SANITARY

Water Resource Recovery District

4. You must also deliver with the executed contracts, copies of all current business licenses for you as General Contractor and for all subcontractors working on the project.
5. Furnish documentation that Ramsey Asphalt Construction Corp. is a duly registered contractor with the California Department of Industrial Relations Public Works program.

**Board of Directors:**

**Sharon Rose**  
President

Within ten (10) days after you comply with the above conditions, the District will return to you one (1) fully executed original of contract documents and a Notice to Proceed with the project.

**Edward Fuller**

The District looks forward to working with your company on this project. If you have questions or require additional information please do not hesitate to contact us at (805) 967-4519. Thank you.

**Jerry D. Smith**

Sincerely,

**George W. Emerson**

**GOLETA SANITARY DISTRICT**

**Steven T. Majoewsky**

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

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

Cc: Reese Wilson, 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)

# **GENERAL MANAGER'S REPORT**

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

The following summary report describes the District's activities from October 2, 2023, through October 16, 2023. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

### **1. COLLECTION SYSTEM REPORT**

#### **LINES CLEANING**

Staff has been conducting priority areas lines cleaning throughout the District.

#### **CCTV INSPECTION**

Staff continues with routine Closed-Circuit Television (CCTV) inspections in the area of Hollister Avenue and South San Marcos Road.

#### **REPAIR AND MAINTENANCE**

Dukes, Inc. completed root control treatment on approximately 14,000 linear feet of 6-, 8- and 10-inch diameter sewer pipes throughout the District as part of the root control program. Staff raised to grade two (2) sewer manholes on Orchid Drive after paving on the street was completed. Staff is working with the County of Santa Barbara Public Works department staff on an upcoming paving program which will impact a number of sewer manholes throughout the District.

#### **COLLECTION SYSTEM MAINTENANCE I RECRUITMENT**

Staff has begun the recruitment and selection process to fill an expected vacancy in the Collection System Department as Collection System Maintenance Technician I Sam Madera will be transferring into the Plant Operations Department.

#### **PROFESSIONAL DEVELOPMENT**

Staff conducted a presentation on Asset Management and the Prevention of Sewer Spills as part of the annual CSRMA Sewer Summit webinar. The webinar featured multiple classes on management and regulatory compliance, collections worker safety and leadership and operations. This webinar was viewed by agencies throughout the state of California.

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

Plant flows to date in October have been averaging 5.5 million gallons a day. U.C. Santa Barbara's fall semester has begun, and Santa Barbara City College is also back in session. The Reclamation Plant has been on line since July 10, 2023. High concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of Plant interference.

The Nanobubbler was put back online at the Headworks on August 22, 2023. We will start our testing cycle on November 6, 2023. This first cycle will be while the Nanobubbler is online. This will provide a good idea of how the Nanobubbler handles a normal flow condition with the Lift Station back online.

The construction phase of the Influent Pump Station Rehabilitation Project is coming to a close. The Influent Pumps have been put online and the Automated Transfer Switch (ATS) has been installed and tested. The general contractor, GSE Construction, will continue to work on punch list items as the project approaches completion, which is now scheduled for the end of October 2023. The final project close out is expected by the end of November 2023.

Construction of the Biosolids and Energy (BESP) Phase 1 project has begun. Several requests for information (RFIs) have been received and the Construction Management and design team continue to respond. Excavation for the relocation of utilities has begun.

The maintenance staff is working on various preventive maintenance workorders. We are working on the flash mixer for the final Chlorine Contact Channel on the disinfection side, and it will be installed on October 24, 2023. We are scheduled to begin biosolids hauling operations under our new contract with Synagro on October 16, 2023.

The 2023 Biosolids Pad Rehabilitation Project was sent out to qualified bidders, and one proposal was received from Ramsey Asphalt. We will be moving forward with this over the next month.

### **PUBLIC EDUCATION AND OUTREACH**

The Lemon Festival on September 30 and October 1, 2023 was a great success with over 1350 visitors coming to our booth on Saturday and over 500 visitors on Sunday. One young visitor, after speaking with staff and reading our educational boards when given his spin-to-win question, exclaimed, "Thank you for this great information. I learned a lot!"

The theme of the next District newsletter is "Change" for distribution before Thanksgiving. Featured stories will include the retirement of a director and legal counsel, the construction projects taking place in the District, as well as the "No F.O.G. Down the Drain" holiday message.

### **GENERAL AND ADMINISTRATIVE ITEMS**

#### **Financial Report**

The District account balances as of October 16, 2023 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 1,113,693
Investment Accounts:	<u>\$ 30,355,196</u>
Total District Funds:	\$ 31,468,889

The following transactions are reported herein for the period 09/20/23 – 10/16/23

Regular, Overtime, Cash-outs and Net Payroll:	\$ 124,593
Claims:	\$ 285,931
Total Expenditures:	\$ 410,523

Total Deposits: \$ 1,199,054

Transfers of funds:

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

The District's investments comply with the District's Investment Policy adopted per

Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

**Local Agency Investment Fund (LAIF)**

LAIF Monthly Statement – September, 2023

LAIF Quarterly Report – September, 2023  
PMIA/LAIF Performance – September, 2023  
PMIA Effective Yield – September, 2023

**CA-Class Investment Account**

CA-Class Investment Account – September, 2023

**Community West Bank (CWB)**

CWB Money Market and ICS Accounts – September, 2023

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – September, 2023  
Lincoln 457 Deferred Compensation Plan – September, 2023

**Personnel Update**

A verbal update will be provided at the meeting.

California State Treasurer  
**Fiona Ma, CPA**



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

October 11, 2023

[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

September 2023 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	232.85
Total Withdrawal:	0.00	Ending Balance:	232.85



MALIA M. COHEN  
California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name GOLETA SANITARY DISTRICT  
Account Number 70-42-002

As of 10/13/2023, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 09/30/2023.

Earnings Ratio		.00009812538629360
Interest Rate		3.59%
Dollar Day Total	\$	37,232,851.84
Quarter End Principal Balance	\$	232.85
Quarterly Interest Earned	\$	3,653.49





# PMIA/LAIF Performance Report as of 10/11/23



## Quarterly Performance Quarter Ended 06/30/23

LAIF Apportionment Rate <sup>(2)</sup> :	3.15
LAIF Earnings Ratio <sup>(2)</sup> :	0.00008636172883763
LAIF Administrative Cost <sup>(1)*</sup> :	0.06
LAIF Fair Value Factor <sup>(1)</sup> :	0.984828499
PMIA Daily <sup>(1)</sup> :	3.26
PMIA Quarter to Date <sup>(1)</sup> :	3.01
PMIA Average Life <sup>(1)</sup> :	260

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

September	<b>3.534</b>
August	3.434
July	3.305**
June	3.167
May	2.993
April	2.870

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 08/31/23 \$168.1 billion

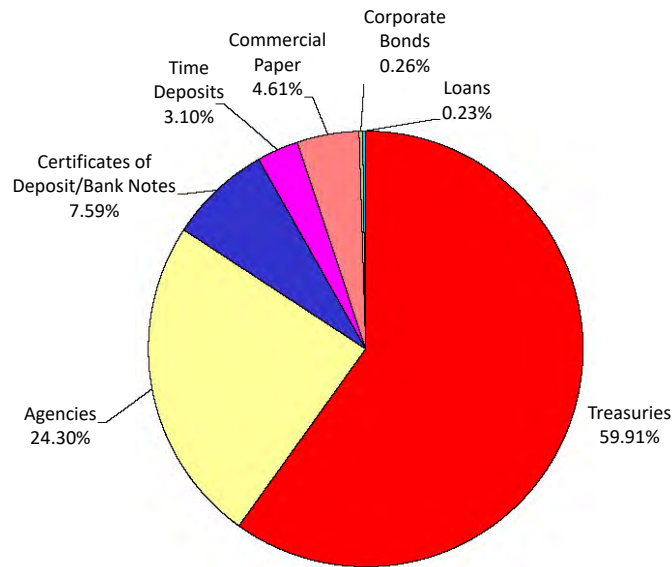


Chart does not include \$2,496,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

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).

\*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

\*\* Revised

Source:

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

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



# PMIA Average Monthly Effective Yields

## POOLED MONEY INVESTMENT ACCOUNT

10/11/23

Max: 12.844

Min: 0.203

### PMIA Average Monthly Effective Yields

YEAR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022	0.234	0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173
2023	2.425	2.624	2.831	2.870	2.993	3.167	3.305	3.434	3.534			

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	XXXXXXXXX5554	\$250,000.00

### PUBLIC AGENCY-MMDA - XXXXXXXX5554

#### Account Summary

Date	Description	Amount		
09/01/2023	<b>Beginning Balance</b>	<b>\$250,000.00</b>	Average Ledger Balance	\$250,000.00
	4 Credit(s) This Period	\$1,351,037.60		
	4 Debit(s) This Period	\$1,351,037.60		
09/29/2023	<b>Ending Balance</b>	<b>\$250,000.00</b>		

#### Account Activity

Post Date	Description	Debits	Credits	Balance
09/01/2023	<b>Beginning Balance</b>			<b>\$250,000.00</b>
09/05/2023	XFER DEBIT 9/05/23 11:06 110522956 CHECKING 6505538	\$600,000.00		-\$350,000.00
09/05/2023	TRANSFER FROM ICS BUSN MMDA ACCOUNT 6508650		\$600,000.00	\$250,000.00
09/15/2023	XFER DEBIT 9/15/23 12:21 110791061 CHECKING 6505538	\$250,000.00		\$0.00
09/15/2023	TRANSFER FROM ICS BUSN MMDA ACCOUNT 6508650		\$250,000.00	\$250,000.00
09/25/2023	XFER DEBIT 9/25/23 13:03 119793713 CHECKING 6505538	\$500,000.00		-\$250,000.00
09/25/2023	TRANSFER FROM ICS BUSN MMDA ACCOUNT 6508650		\$500,000.00	\$250,000.00
09/29/2023	INTEREST AT 5.2238 %		\$1,037.60	\$251,037.60
09/29/2023	TRANSFER TO ICS BUSN MMDA ACCOUNT 6508650	\$1,037.60		\$250,000.00
09/29/2023	<b>Ending Balance</b>			<b>\$250,000.00</b>

#### Daily Balances

Date	Amount	Date	Amount
09/05/2023	\$250,000.00	09/25/2023	\$250,000.00
09/15/2023	\$250,000.00	09/29/2023	\$250,000.00

RETURN SERVICE REQUESTED

 GOLETA SANITARY DISTRICT  
 STEVEN D WAGNER  
 EDWARD FULLER  
 1 MOFFETT PL  
 GOLETA CA 93117-3901

**Managing Your Accounts**

Bank Name	Community West Bank
Online Support	888-831-5295
Online Banking	www.communitywestbank.com

**Summary of Accounts**

Account Type	Account Number	Ending Balance
ICS BUSN MMDA	XXXXXXXXX8650	\$25,339,220.66

**ICS BUSN MMDA - XXXXXXXX8650**
**Account Summary**

Date	Description	Amount		
05/03/2023	<b>Beginning Balance</b>	<b>\$0.00</b>	Average Ledger Balance	\$26,282,967.80
	13 Credit(s) This Period	\$28,289,220.66		
	6 Debit(s) This Period	\$2,950,000.00		
10/02/2023	<b>Ending Balance</b>	<b>\$25,339,220.66</b>		

**Account Activity**

Post Date	Description	Debits	Credits	Balance
05/03/2023	<b>Beginning Balance</b>			<b>\$0.00</b>
05/03/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$25,365,382.21	\$25,365,382.21
05/31/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$15,041.60	\$25,380,423.81
05/31/2023	INTEREST POSTING FOR DDA 6508650		\$89,276.73	\$25,469,700.54
06/01/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$1,300,000.00	\$26,769,700.54
06/28/2023	TRANSFER TO PUBLIC AGENCY-MMDA ACCOUNT 6505554	\$500,000.00		\$26,269,700.54
06/30/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$1,029.76	\$26,270,730.30
06/30/2023	INTEREST POSTING FOR DDA 6508650		\$103,962.32	\$26,374,692.62
07/20/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$1,079,000.00	\$27,453,692.62
07/31/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$1,109.16	\$27,454,801.78
07/31/2023	INTEREST POSTING FOR DDA 6508650		\$112,913.88	\$27,567,715.66
08/02/2023	TRANSFER TO PUBLIC AGENCY-MMDA ACCOUNT 6505554	\$850,000.00		\$26,717,715.66
08/25/2023	TRANSFER TO PUBLIC AGENCY-MMDA ACCOUNT 6505554	\$250,000.00		\$26,467,715.66
08/31/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$1,109.16	\$26,468,824.82
08/31/2023	INTEREST POSTING FOR DDA 6508650		\$113,306.79	\$26,582,131.61

**ICS BUSN MMDA - XXXXXXXX8650 (continued)**
**Account Activity (continued)**

Post Date	Description	Debits	Credits	Balance
09/05/2023	TRANSFER TO PUBLIC AGENCY-MMDA ACCOUNT 6505554	\$600,000.00		\$25,982,131.61
09/15/2023	TRANSFER TO PUBLIC AGENCY-MMDA ACCOUNT 6505554	\$250,000.00		\$25,732,131.61
09/25/2023	TRANSFER TO PUBLIC AGENCY-MMDA ACCOUNT 6505554	\$500,000.00		\$25,232,131.61
09/29/2023	TRANSFER FROM PUBLIC AGENCY-MMDA ACCOUNT 6505554		\$1,037.60	\$25,233,169.21
09/29/2023	INTEREST POSTING FOR DDA 6508650		\$106,051.45	\$25,339,220.66
<b>10/02/2023</b>	<b>Ending Balance</b>			<b>\$25,339,220.66</b>

**Daily Balances**

Date	Amount	Date	Amount	Date	Amount
05/03/2023	\$25,365,382.21	07/20/2023	\$27,453,692.62	09/05/2023	\$25,982,131.61
05/31/2023	\$25,469,700.54	07/31/2023	\$27,567,715.66	09/15/2023	\$25,732,131.61
06/01/2023	\$26,769,700.54	08/02/2023	\$26,717,715.66	09/25/2023	\$25,232,131.61
06/28/2023	\$26,269,700.54	08/25/2023	\$26,467,715.66	09/29/2023	\$25,339,220.66
06/30/2023	\$26,374,692.62	08/31/2023	\$26,582,131.61		



# Summary Statement

September 30, 2023

Page 1 of 3

Investor ID:

0000030-0000111 PDF 574823

**Goleta Sanitary District**  
**1 William Moffett Place**  
**Goleta, CA 93117**

## California CLASS

### California CLASS

Average Monthly Yield: 5.4766%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Goleta Sanitary District	5,238,508.59	0.00	0.00	23,580.07	261,858.47	5,240,080.59	5,262,088.66
<b>TOTAL</b>	<b>5,238,508.59</b>	<b>0.00</b>	<b>0.00</b>	<b>23,580.07</b>	<b>261,858.47</b>	<b>5,240,080.59</b>	<b>5,262,088.66</b>



Goleta Sanitary District

Account Summary

Average Monthly Yield: 5.4766%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	5,238,508.59	0.00	0.00	23,580.07	261,858.47	5,240,080.59	5,262,088.66

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
09/01/2023	Beginning Balance			5,238,508.59	
09/30/2023	Income Dividend Reinvestment	23,580.07			
09/30/2023	Ending Balance			5,262,088.66	



California CLASS

California CLASS

Date	Dividend Rate	Daily Yield
09/01/2023	0.000596808	5.4458%
09/02/2023	0.000000000	5.4459%
09/03/2023	0.000000000	5.4459%
09/04/2023	0.000000000	5.4459%
09/05/2023	0.000149371	5.4520%
09/06/2023	0.000149526	5.4577%
09/07/2023	0.000149713	5.4645%
09/08/2023	0.000448689	5.4591%
09/09/2023	0.000000000	5.4591%
09/10/2023	0.000000000	5.4591%
09/11/2023	0.000149708	5.4644%
09/12/2023	0.000149838	5.4691%
09/13/2023	0.000149787	5.4672%
09/14/2023	0.000149928	5.4724%
09/15/2023	0.000449910	5.4739%
09/16/2023	0.000000000	5.4739%
09/17/2023	0.000000000	5.4739%
09/18/2023	0.000150173	5.4813%
09/19/2023	0.000150079	5.4779%
09/20/2023	0.000150175	5.4814%
09/21/2023	0.000150475	5.4923%
09/22/2023	0.000451653	5.4951%
09/23/2023	0.000000000	5.4951%
09/24/2023	0.000000000	5.4951%
09/25/2023	0.000150331	5.4871%
09/26/2023	0.000150611	5.4973%
09/27/2023	0.000151007	5.5118%
09/28/2023	0.000151087	5.5147%
09/29/2023	0.000302426	5.5193%
09/30/2023	0.000000000	5.5193%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**



# CalPERS 457 Plan

September 30, 2023

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

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

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

## **Document Summary**

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

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

# CalPERS 457 PLAN

## Part I. Performance Information For Periods Ended September 30, 2023

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time 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	-3.28	20.25	8.86	-	10.89	10/07/13	0.25%	\$2.50
<i>Russell 3000 Index</i>	-3.25	20.46	9.14	-	11.23			
State Street Global All Cap Equity ex-US Index Fund - Class I	-3.76	20.83	2.52	-	3.30	10/07/13	0.26%	\$2.60
<i>MSCI ACWI ex-USA IMI Index (net)</i>	-3.49	20.19	2.57	-	3.45			
<b>Fixed Income</b>								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	0.67	2.57	0.87	-	0.59	10/07/13	0.26%	\$2.60
<i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	0.73	2.77	1.21	-	1.02			
State Street US Bond Fund Index - Class I	-3.29	0.38	-0.18	-	0.84	10/07/13	0.25%	\$2.50
<i>Bloomberg US Aggregate Bond Index</i>	-3.23	0.64	0.10	-	1.13			
<b>Real Assets</b>								
State Street Real Asset Fund - Class A	-0.72	4.18	5.46	-	3.09	10/08/13	0.38%	\$3.80
<i>State Street Custom Benchmark<sup>4</sup></i>	-0.63	4.35	5.70	-	3.45			
<b>Cash (Cash Equivalents)</b>								
State Street STIF	1.33	4.71	1.58	-	1.08	09/02/14	0.27%	\$2.70
<i>BofA ML 3-month US T-Bill</i>	1.31	4.47	1.72	-	1.22			
<b>Target Retirement Date Funds<sup>5</sup></b>								
CalPERS Target Income Fund	-2.81	7.19	2.66	2.69	4.34	12/01/08	0.26%	\$2.60
<i>SIP Income Policy Benchmark<sup>6</sup></i>	-2.74	7.27	2.83	2.91	4.81			
CalPERS Target Retirement 2020	-2.87	9.13	3.45	3.35	5.93	12/01/08	0.26%	\$2.60
<i>SIP 2020 Policy Benchmark<sup>6</sup></i>	-2.79	9.19	3.60	3.56	6.39			
CalPERS Target Retirement 2025	-3.02	11.63	4.13	4.16	6.77	12/01/08	0.26%	\$2.60
<i>SIP 2025 Policy Benchmark<sup>6</sup></i>	-2.93	11.65	4.26	4.37	7.21			
CalPERS Target Retirement 2030	-3.08	13.84	4.67	4.78	7.57	12/01/08	0.26%	\$2.60
<i>SIP 2030 Policy Benchmark<sup>6</sup></i>	-2.98	13.81	4.86	5.02	8.01			
CalPERS Target Retirement 2035	-3.23	16.60	5.32	5.49	8.29	12/01/08	0.26%	\$2.60
<i>SIP 2035 Policy Benchmark<sup>6</sup></i>	-3.12	16.54	5.49	5.72	8.77			
CalPERS Target Retirement 2040	-3.34	19.03	5.87	6.14	8.82	12/01/08	0.26%	\$2.60
<i>SIP 2040 Policy Benchmark<sup>6</sup></i>	-3.22	18.92	6.05	6.37	9.28			
CalPERS Target Retirement 2045	-3.35	19.45	5.95	6.46	9.01	12/01/08	0.26%	\$2.60
<i>SIP 2045 Policy Benchmark<sup>6</sup></i>	-3.22	19.34	6.12	6.69	9.50			
CalPERS Target Retirement 2050	-3.35	19.46	5.95	6.46	9.08	12/01/08	0.26%	\$2.60
<i>SIP 2050 Policy Benchmark<sup>6</sup></i>	-3.22	19.34	6.12	6.69	9.50			
CalPERS Target Retirement 2055	-3.35	19.46	5.95	-	6.36	10/07/13	0.26%	\$2.60
<i>SIP 2055 Policy Benchmark<sup>6</sup></i>	-3.22	19.34	6.12	-	6.65			
CalPERS Target Retirement 2060	-3.35	19.45	-	-	7.70	11/01/18	0.26%	\$2.60
<i>SIP 2060 Policy Benchmark<sup>6</sup></i>	-3.22	19.34	-	-	7.89			
CalPERS Target Retirement 2065	-3.35	-	-	-	4.63	12/01/22	0.26%	\$2.60
<i>SIP 2065 Policy Benchmark<sup>6</sup></i>	-3.22	-	-	-	5.07	-		
<b>Broad-Based Benchmarks<sup>7</sup></b>								
<i>Russell 3000 Index</i>	-3.25	20.46	9.14	11.28	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	-3.49	20.19	2.57	3.48	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	-3.23	0.64	0.10	1.13	-	-	-	-

## Part II. Explanation of CalPERS 457 Plan Expenses September 30, 2023

<https://calpers.voya.com>

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

Table 2 - Fees and Expenses				
Individual Expenses <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	0.23% (\$2.30 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

### Footnotes for Table 1 and Table 2:

- <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

MultiFund

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 10/10/2023	YTD as of 10/10/2023	YTD as of 09/29/2023	1 Mo as of 09/29/2023	3 Mo as of 09/29/2023	Average Annual Total Return (%) as of 9/29/2023					
							1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	
<b>Maximum Capital Appreciation</b>												
DWS Alternative Asset Allocation VIP Portfolio - Class B <sup>1, 5, 6, 7, 8</sup>	MCA	02/02/2009	0.42	-1.00	-0.48	-2.11	-2.12	2.75	3.46	2.37	1.27	3.28
LVIP Baron Growth Opportunities Fund - Service Class <sup>3, 11</sup>	MCA	10/01/1998	0.54	9.42	7.92	-4.58	-4.49	19.17	3.91	6.27	8.29	10.05
LVIP Delaware SMID Cap Core Fund - Service Class <sup>3, 4, 11</sup>	MCA	07/12/1991	1.16	2.18	2.27	-5.38	-5.09	11.03	10.18	3.17	6.82	8.27
LVIP Franklin Templeton Multi-Factor Emerging Markets Equity Fund - Service Class <sup>1, 10, 11</sup>	MCA	06/18/2008	1.34	1.43	1.53	-2.20	-2.77	15.57	5.62	-1.13	-0.15	1.24
LVIP SSGA Small-Cap Index Fund - Service Class <sup>3, 11, 22</sup>	MCA	04/18/1986	1.13	0.79	1.32	-6.00	-5.49	7.17	5.48	0.72	4.91	5.98

# Performance Update

MultiFund

## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 10/10/2023	YTD as of 10/10/2023	YTD as of 09/29/2023	1 Mo as of 09/29/2023	3 Mo as of 09/29/2023	Average Annual Total Return (%) as of 9/29/2023				
								1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.
LVIP T. Rowe Price Structured Mid-Cap Growth Fund - Service Class <sup>3, 11</sup>	MCA	02/03/1994	0.99	8.88	7.11	-5.19	-6.29	12.93	2.35	6.20	9.02	6.17
<b>Long Term Growth</b>												
American Funds Global Growth Fund - Class 2 <sup>1</sup>	LTG	04/30/1997	1.03	9.59	8.13	-5.13	-5.71	21.19	1.93	6.53	8.16	8.28
American Funds Growth Fund - Class 2	LTG	02/08/1984	0.84	22.32	19.89	-4.82	-3.50	22.56	6.08	10.91	12.57	11.51
American Funds International Fund - Class 2 <sup>1</sup>	LTG	05/01/1990	1.51	4.98	4.55	-5.01	-6.50	17.36	-0.98	-0.57	2.18	5.74
Delaware VIP Small Cap Value <sup>3, 4</sup>	LTG	12/27/1993	0.92	-3.96	-3.05	-5.32	-4.18	8.13	13.85	2.03	5.47	8.30
Fidelity® VIP Contrafund® Portfolio - Service Class 2	LTG	01/03/1995	0.45	21.58	18.71	-3.94	-1.28	24.35	5.48	8.84	10.10	9.80
Fidelity® VIP Growth Portfolio - Service Class 2	LTG	10/09/1986	0.68	21.71	18.77	-5.63	-3.00	22.34	6.60	11.34	12.82	9.47
LVIP BlackRock Real Estate Fund - Service Class <sup>1, 3, 11, 15, 16</sup>	LTG	04/30/2007	0.72	-3.74	-3.48	-5.75	-5.57	2.09	-0.95	-0.82	1.10	-0.51
LVIP Delaware Mid Cap Value Fund - Service Class <sup>3, 4, 11</sup>	LTG	12/28/1981	0.89	-2.13	-2.05	-4.61	-4.35	9.33	12.24	3.51	6.97	9.52
LVIP Dimensional U.S. Core Equity 1 Fund - Service Class <sup>11</sup>	LTG	12/28/1981	0.64	10.07	8.98	-4.55	-3.06	18.64	10.07	7.34	9.39	9.17
LVIP Mondrian International Value Fund - Service Class <sup>1, 11</sup>	LTG	05/01/1991	1.40	8.98	8.88	-2.47	-2.84	27.81	7.31	0.76	1.88	4.68
LVIP SSGA International Index Fund - Service Class <sup>1, 11, 22, 23</sup>	LTG	04/30/2008	1.55	5.90	5.42	-3.66	-4.94	24.53	4.15	1.75	2.25	0.87
LVIP SSGA S&P 500 Index Fund - Service Class <sup>11, 22, 24</sup>	LTG	05/01/2000	0.52	13.66	11.83	-4.89	-3.63	19.83	8.54	8.28	10.27	5.14
LVIP Vanguard Domestic Equity ETF Fund - Service Class <sup>6, 7</sup>	LTG	04/29/2011	0.58	12.31	10.82	-4.83	-3.68	18.63	7.85	7.62	9.43	9.34

# Performance Update

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 10/10/2023	YTD as of 10/10/2023	YTD as of 09/29/2023	1 Mo as of 09/29/2023	3 Mo as of 09/29/2023	Average Annual Total Return (%) as of 9/29/2023				
								1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.
LVIP Vanguard International Equity ETF Fund - Service Class <sup>1, 6, 7</sup>	LTG	04/29/2011	1.37	4.22	3.78	-3.66	-4.52	18.55	1.96	1.14	2.18	1.88
MFS® VIT Utilities Series - Service Class <sup>15</sup>	LTG	01/03/1995	1.81	-13.78	-12.19	-6.07	-10.82	-3.60	3.76	4.28	4.50	8.80
<b>Growth and Income</b>												
American Funds Growth-Income Fund - Class 2	GI	02/08/1984	0.57	12.32	10.67	-4.31	-3.03	21.86	7.81	6.68	9.55	9.70
Fidelity® VIP Freedom 2020 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/26/2005	0.51	2.74	2.51	-3.41	-3.97	8.96	0.21	2.75	4.07	4.55
Fidelity® VIP Freedom 2025 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/26/2005	0.64	3.35	3.01	-3.67	-4.23	10.11	0.80	3.17	4.58	5.05
Fidelity® VIP Freedom 2030 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/26/2005	0.64	3.95	3.61	-3.76	-4.32	11.47	1.67	3.67	5.26	5.33
Fidelity® VIP Freedom 2035 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/08/2009	0.85	5.42	4.88	-4.02	-4.41	14.22	3.36	4.53	6.05	9.31
Fidelity® VIP Freedom 2040 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/08/2009	0.93	6.79	6.07	-4.29	-4.53	16.88	4.65	5.24	6.46	9.68
Fidelity® VIP Freedom 2045 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/08/2009	1.01	7.19	6.37	-4.34	-4.58	17.36	4.73	5.28	6.49	9.78
Fidelity® VIP Freedom 2050 Portfolio <sup>SM</sup> - Service Class 2 <sup>6, 9</sup>	GI	04/08/2009	1.02	7.18	6.38	-4.33	-4.58	17.39	4.74	5.28	6.49	9.86
LVIP Delaware U.S REIT Fund - Service Class <sup>3, 4, 11, 15, 16</sup>	GI	05/04/1998	0.45	-4.04	-4.14	-6.64	-8.22	-0.01	2.97	0.25	3.29	6.01
LVIP Delaware Value Fund - Service Class <sup>4, 11</sup>	GI	07/28/1988	0.61	-6.03	-6.99	-5.05	-5.63	5.36	7.14	2.19	6.40	7.09
LVIP Delaware Wealth Builder Fund - Service Class <sup>4, 5, 11</sup>	GI	08/03/1987	0.32	-0.22	-0.45	-3.99	-4.14	6.31	1.27	1.60	2.83	5.20

# Performance Update

MultiFund

## Monthly hypothetical performance adjusted for contract fees \*

		Average Annual Total Return (%) as of 9/29/2023										
Investment Options		Inception Date	Change from Previous Day 10/10/2023	YTD as of 10/10/2023	YTD as of 09/29/2023	1 Mo as of 09/29/2023	3 Mo as of 09/29/2023	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.
LVIP JPMorgan Retirement Income Fund - Service Class <sup>4, 5, 11</sup>	GI	04/27/1983	0.37	2.74	2.56	-2.90	-3.06	6.89	-0.77	1.15	2.25	5.83
<b>Income</b>												
LVIP BlackRock Inflation Protected Bond Fund - Service Class <sup>1, 11, 14</sup>	I	04/30/2010	0.13	0.17	0.48	-1.16	-1.05	2.15	-0.40	1.17	0.38	0.96
LVIP Delaware Bond Fund - Service Class <sup>4, 11, 14</sup>	I	12/28/1981	0.02	-2.76	-2.27	-2.87	-3.67	-0.46	-6.54	-1.15	-0.04	5.55
LVIP Delaware Diversified Floating Rate Fund <sup>4, 11, 14, 17, 18</sup>	I	04/30/2010	-0.08	2.70	2.75	0.15	1.00	4.05	0.41	0.53	0.30	0.31
LVIP Delaware Diversified Income Fund - Service Class <sup>4, 11, 14</sup>	I	05/16/2003	0.08	-2.59	-2.04	-2.82	-3.50	0.27	-5.99	-0.66	0.18	2.70
LVIP Delaware High Yield Fund - Service Class <sup>4, 11, 14, 19</sup>	I	07/28/1988	0.84	4.04	4.47	-1.25	0.56	8.10	-0.04	1.69	1.96	4.79
LVIP Mondrian Global Income Fund - Service Class <sup>1, 11, 14</sup>	I	05/04/2009	0.14	-6.03	-5.95	-3.72	-5.05	-1.53	-9.16	-3.61	-1.87	-0.01
LVIP SSGA Bond Index Fund - Service Class <sup>11, 14, 22</sup>	I	04/30/2008	-0.07	-2.49	-2.13	-2.66	-3.60	-0.94	-6.68	-1.44	-0.44	0.71
PIMCO VIT Total Return Portfolio - Administrative Class <sup>14</sup>	I	12/31/1997	-0.11	-2.12	-1.62	-2.58	-3.05	-0.12	-6.30	-1.03	0.02	3.13
<b>Risk Managed - Asset Allocation</b>												
LVIP Global Conservative Allocation Managed Risk Fund - Service Class <sup>1, 5, 6, 11, 20</sup>	RMAA	05/03/2005	0.33	0.71	0.61	-3.75	-3.93	2.45	-1.66	0.17	1.86	3.31
LVIP Global Growth Allocation Managed Risk Fund - Service Class <sup>1, 5, 6, 11, 20</sup>	RMAA	05/03/2005	0.68	2.82	2.29	-4.16	-4.12	4.08	-0.32	-0.02	2.02	3.06

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# Performance Update

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options	Inception Date	Change from Previous Day 10/10/2023	YTD as of 10/10/2023	YTD as of 09/29/2023	1 Mo as of 09/29/2023	3 Mo as of 09/29/2023	Average Annual Total Return (%) as of 9/29/2023					
							1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	
<b>LVIP Global Moderate Allocation Managed Risk Fund - Service Class<sup>1, 5, 6, 11, 20</sup></b>	<b>RMAA</b>	05/03/2005	0.52	2.03	1.68	-3.96	-4.01	3.05	-0.91	-0.02	1.91	3.22
<b>LVIP SSGA Global Tactical Allocation Managed Volatility Fund - Service Class<sup>1, 5, 6, 11, 13</sup></b>	<b>RMAA</b>	05/03/2005	0.66	3.56	3.11	-3.68	-3.72	9.58	2.59	1.28	2.17	2.69
<b>Preservation of Capital</b>												
<b>LVIP Government Money Market Fund - Service Class<sup>11, 21</sup></b>	<b>PC</b>	01/07/1982	0.01	2.58	2.47	0.31	0.92	2.95	0.45	0.29	-0.26	2.46
<b>Asset Allocation</b>												
<b>Fidelity® VIP Freedom 2055 Portfolio<sup>SM</sup> - Service Class<sup>2, 9, 10</sup></b>	<b>AsA</b>	04/11/2019	0.95	7.11	6.32	-4.39	-4.63	17.29	4.72	N/A	N/A	6.11
<b>Fidelity® VIP Freedom 2060 Portfolio<sup>SM</sup> - Service Class<sup>2, 9, 10</sup></b>	<b>AsA</b>	04/11/2019	1.05	7.20	6.39	-4.35	-4.60	17.32	4.75	N/A	N/A	6.13
<b>LVIP BlackRock Global Allocation Fund - Service Class<sup>1, 5, 11</sup></b>	<b>AsA</b>	04/26/2019	0.69	3.23	2.43	-3.73	-4.29	8.75	0.11	N/A	N/A	3.19
<b>LVIP T. Rowe Price 2020 Fund - Service Class<sup>6, 9, 11</sup></b>	<b>AsA</b>	05/01/2007	0.47	3.86	3.58	-3.36	-3.34	9.45	1.07	2.75	3.16	2.83
<b>LVIP T. Rowe Price 2030 Fund - Service Class<sup>6, 9, 11</sup></b>	<b>AsA</b>	05/01/2007	0.61	5.43	4.96	-3.85	-3.72	12.31	2.66	3.63	3.68	3.08
<b>LVIP T. Rowe Price 2040 Fund - Service Class<sup>6, 9, 11</sup></b>	<b>AsA</b>	05/01/2007	0.77	7.63	6.84	-4.23	-3.85	16.06	4.52	4.65	4.33	3.15
<b>LVIP T. Rowe Price 2050 Fund - Service Class<sup>6, 9, 11</sup></b>	<b>AsA</b>	04/29/2011	0.82	8.55	7.62	-4.30	-3.78	17.47	5.22	5.02	4.82	4.11
<b>LVIP T. Rowe Price 2060 Fund - Service Class<sup>6, 9, 11</sup></b>	<b>AsA</b>	04/30/2020	0.83	8.57	7.63	-4.37	-3.87	17.52	5.76	N/A	N/A	9.43
<b>Risk Managed - US Large Cap</b>												



# Performance Update

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## Monthly hypothetical performance adjusted for contract fees \*

Investment Options		Inception Date	Change from Previous Day 10/10/2023	YTD as of 10/10/2023	YTD as of 09/29/2023	1 Mo as of 09/29/2023	3 Mo as of 09/29/2023	Average Annual Total Return (%) as of 9/29/2023				
								1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.
<b>Investment Options</b>												
LVIP BlackRock Dividend Value Managed Volatility Fund - Service Class <sup>11, 12, 13</sup>	RMUSL	02/03/1994	0.82	-1.45	-1.38	-3.22	-4.06	8.25	10.65	3.78	4.97	6.08
LVIP Blended Large Cap Growth Managed Volatility Fund - Service Class <sup>11, 12, 13</sup>	RMUSL	02/03/1994	0.36	20.08	16.88	-5.20	-4.19	16.00	6.35	6.69	7.43	6.37
<b>Risk Managed - US Mid Cap</b>												
LVIP Blended Mid Cap Managed Volatility Fund - Service Class <sup>3, 11, 12, 13</sup>	RMUSM	05/01/2001	0.89	6.97	5.17	-5.36	-5.77	6.45	1.26	3.94	4.40	3.55
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund - Service Class <sup>3, 11, 12, 13</sup>	RMUSM	05/01/2001	0.67	0.19	-0.07	-4.11	-4.24	6.05	10.74	2.45	3.91	5.21
<b>Risk Managed - Global/International</b>												
LVIP Franklin Templeton Global Equity Managed Volatility Fund - Service Class <sup>1, 11, 12, 13</sup>	RMGI	08/01/1985	0.93	6.62	5.93	-3.83	-4.43	16.21	6.86	3.02	2.95	6.34
LVIP SSGA International Managed Volatility Fund - Service Class <sup>1, 6, 11, 13</sup>	RMGI	12/31/2013	1.59	5.86	5.37	-3.70	-5.05	22.19	3.02	-0.67	N/A	-0.34
<b>ESG/Socially Conscious</b>												
AB VPS Sustainable Global Thematic Portfolio - Class B <sup>1, 2</sup>	ESC	01/11/1996	1.03	4.93	3.37	-5.04	-7.04	13.69	0.91	6.85	7.84	5.00
LVIP Delaware Social Awareness Fund - Service Class <sup>2, 4, 11</sup>	ESC	05/02/1988	0.46	16.39	14.33	-5.22	-3.71	21.75	8.44	8.17	9.51	9.29

\* 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.

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**Risk disclosure(s):** The following summarizes some of the risks associated with the underlying funds available for investment. For risks specific to each investment option, please see each fund's prospectus.

## 1: 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.

## 2: 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.

## 3: 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.

## 4: 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.

## 5: Asset Allocation Portfolios

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

## 6: 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.

## 7: 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.

## 8: 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

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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.

## **9: 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.

## **10: 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.

## **11: Manager of managers funds**

Subject to approval of the fund's board, Lincoln Financial Investments Corporation (LFI) 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. LFI is responsible for overseeing all subadvisors for funds relying on this exemptive order.

## **12: Multimanager**

For those LVIP funds that employ a multimanager structure, Lincoln Financial Investments Corporation (LFI) 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, 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.

## **13: 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.

## **14: 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.

## **15: Sector Funds**

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

# Performance Update

## 16: 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.

## 17: 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 possible to lose money by investing in this investment option.

## 18: 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.

## 19: 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.

## 20: 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.

## 21: 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.

## 22: Index

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

## 23: 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.

## 24: S&P

The Index to which this fund is managed is a product of S&P Dow Jones Indices LLC (SPDJ) 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 SPDJ 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 SPDJ and its affiliates.

# Performance Update

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## Important Disclosures

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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

MCA	= Maximum Capital Appreciation
LTG	= Long Term Growth
GI	= Growth and Income
I	= Income
RMAA	= Risk Managed - Asset Allocation
PC	= Preservation of Capital
AsA	= Asset Allocation
RMUSL	= Risk Managed - US Large Cap
RMUSM	= Risk Managed - US Mid Cap
RMGI	= Risk Managed - Global/International
ESC	= ESG/Socially Conscious

**DISTRICT  
CORRESPONDENCE**  
**Board Meeting of October 16, 2023**



- | <b><u>Date:</u></b> | <b><u>Correspondence Sent To:</u></b>   |
|---------------------|---|
| 1. 09/29/2023       | Carol Brown<br><b>Subject:</b> Sewer Service Availability<br>Sewer Main Extension and Connection of One Existing Single-Family Residence<br>A.P.N. 065-290-023 at 5155 Camino Floral, Santa Barbara, CA |
| 2. 09/29/2023       | Riechers Engineering<br>Peter Riechers<br><b>Subject:</b> PM 14,874<br>A.P.N. 067-171-011 at 440 Venado Drive, Santa Barbara, CA  |

Letters also sent for the below listed properties to Riechers Engineering:

- PM 14,877  
A.P.N. 061-061-008 at 4606 Vista Buena Road, Santa Barbara, CA
- PM 14,878  
A.P.N. 061-082-022 at 195 Nogal Drive, Santa Barbara, CA
- PM 14,871  
A.P.N. 057-030-059 at 3910 Pueblo Avenue, Santa Barbara, CA

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