

# **AGENDA**

## **REMOTE MEETING NOTICE**

This meeting will be accessible by remote video conferencing. The public may observe and 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 DURING PUBLIC COMMENT USING ZOOM**

- The Board President will announce when it is time for Public Comment.
- Click on the Raise Hand icon if you would like to speak during Public Comment.
- 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.
- You will have three (3) minutes to speak. When your time is up, you will be muted.

### **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.
- You will have three (3) minutes to speak. 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/82329309821?pwd=dnRHM0VvSUhXQVBQTlc1YXV3SHNJQT09>

**Meeting ID: 823 2930 9821**

**Passcode: 725689**

**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

November 6, 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 16, 2023.

**PUBLIC COMMENTS** - Members of the public may address the Board on items within the jurisdiction of the Board. Under provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda. Please limit your remarks to three (3) minutes and if you wish, state your name and address for the record.

**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. REVIEW OF DISTRICT’S CONFLICT OF INTEREST CODE
2. CONSIDERATION OF PARTICIPATION IN THE CENTRAL COAST REGIONAL BIOSOLIDS COOPERATIVE MEMORANDUM OF UNDERSTANDING  
(Board may take action on this item.)
3. REVIEW OF ONGOING SUCCESSION PLANNING EFFORTS

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 16, 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, Rob Mangus, Finance and Human Resources Manager/Board Secretary and Richard Battles, Legal Counsel from Howell Moore & Gough LLP.
- OTHERS PRESENT:** Tom Evans, Director, Goleta Water District  
Craig Geyer, Director, Goleta West Sanitary District  
Jeff Ferre, Partner, Best Best & Krieger, LLP  
Ryan Guiboa, Partner, Best Best & Krieger, LLP
- APPROVAL OF MINUTES:** Director Majoewsky made a motion, seconded by Director Nevins, to approve the minutes of the Regular Board meeting of October 2, 2023. The motion carried by the following vote:
- (23/10/2276)
- |          |   |  |
|----------|---|--|
| AYES:    | 5 | Rose, Fuller, Smith, Majoewsky, Nevins |
| NOES:    |   | None                                   |
| ABSENT:  |   | None                                   |
| ABSTAIN: |   | None                                   |
- POSTING OF AGENDA:** The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

**BUSINESS:**

1. CONSIDERATION OF NEW LEGAL SERVICES AGREEMENT WITH BEST BEST & KRIEGER, LLP

Mr. Wagner gave the staff report and Mr. Ferre and Mr. Guiboa addressed the Board.

Director Smith made a motion, seconded by Director Majoewsky to approve the legal services agreement with Best, Best & Krieger, LLP and to authorize the General Manager to execute the agreement.

The motion carried by the following vote:

(23/10/2277)

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

2. REVIEW OF DISTRICT'S PARTICIPATION IN THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

Mr. Wagner gave the staff report on this presentation item, no Board action was taken.

3. CONSIDERATION OF THE GSD 2023 BIOSOLIDS PAD REHABILITATION PROJECT

Mr. Wagner gave the staff report on this status update item, 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 Nevins – No report.

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

7. PRESIDENT’S REPORT

President Rose – Read her report on the Goleta West Sanitary District meeting she attended.

8. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

9. CORRESPONDENCE

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

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

Director Majoewsky made a motion, seconded by Director Fuller, to ratify and approve the claims, for the period 09/20/2023 to 10/16/2023 as follows:

Running Expense Fund #4640	\$	312,308.62
Capital Reserve Fund #4650	\$	97,652.63
Depreciation Replacement Reserve Fund #4655	\$	562.06

The motion carried by the following vote:

(23/10/2278)

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

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:44 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: November 6, 2023**

**I. NATURE OF ITEM**

Review of District's Conflict of Interest Code

**II. BACKGROUND INFORMATION**

The District adopted a Conflict of Interest Code (the Code) by Resolution No. 07-454 on May 7, 2007. The District last amended the Code by Resolution No.18-636 on August 6, 2018 to reclassify the position of Plant Superintendent to Plant Operations Manager on the list of Designated Employees. The Code incorporates by reference the applicable regulations of the Fair Political Practices Commission (FPPC). The Code also specifies disclosure categories and identifies the Designated Employees who are required to disclose financial interests by filing an annual Statement of Economic Interests (Form 700). Currently, the Code lists the following Designated Employees: (i) Directors, (ii) General Manager, (iii) Assistant General Manager, (iv) General Counsel, (v) Finance and Human Resources Manager/Board Secretary, and (iv) Plant Operations Manager.

Under applicable regulations, any employee who makes or participates in the making of decisions which may foreseeably have a material effect on financial interests is required to be made subject to the agency's Conflict of Interest Code. A position should be covered by an agency's Conflict of Interest Code where the employee has the authority to negotiate decisions on behalf of the agency without significant substantive review. A position should also be covered where the employee advises or make recommendations to the decision-maker by conducting research or an investigation, preparing or presenting a report, analysis or opinion that requires the exercise of judgment on the part of the employee and the employee is attempting to influence the decision.

The position of Finance and Human Resources Manager/Board Secretary was reclassified to Finance Director/Board Secretary as part of a recent departmental reassignment. As such, the position title included on the list of Designated Employees in the Conflict of Interest Code should be amended to reflect this change.

Legal Counsel has reviewed and advised that there are two types of amendments when amending your Code - one is a substantive change which affects a filer, i.e. adding a new position and/or revising disclosure requirements, which require that you amend your Code within 90 days after the date the requirements becomes apparent; the second is a non-substantive change that does not affect the filers, i.e. title changes, deletion of positions and/or correcting or adding clarifying language, these types of changes can wait to be completed until the mandatory biennial review every even-numbered year.

Counsel advises at this time the District has a non-substantive change that does not require the District to amend its Conflict of Interest Code within the 90 day period.

Pursuant to Government Code Section 87306.5(a), no later than July 1 of each even-numbered year, the County of Santa Barbara is required to direct every local agency which has adopted a Conflict of Interest Code to review its Code and, if a change in its Code is necessitated by changed circumstances, to submit an amended Conflict of Interest Code to the County. If the local agency determines that no changes are required, the local agency head is required to submit a written statement to that effect to the County no later than October 1 of the same year.

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

Based on review by legal counsel, no changes to the District's Conflict of Interest Code are required at this time. Staff will incorporate the above referenced non-substantive change in position title, along with any other recommended changes into the next two-year Conflict of Interest Code review process in 2024 and bring it to the Board for review and action as required.

### **IV. REFERENCE MATERIALS**

Resolution No. 07-454

Resolution No. 18-636

RESOLUTION NO. 07-454

RESOLUTION OF THE GOVERNING BOARD OF  
THE GOLETA SANITARY DISTRICT ADOPTING  
REVISED CONFLICT OF INTEREST CODE

WHEREAS, pursuant to the Political Reform Act (California Government Code §§ 81000 et seq.) and the regulations thereunder, the Goleta Sanitary District (the "District") adopted an amended Conflict of Interest Code on March 2, 1993 by passing Resolution No. 93-261 and adopted a revised Conflict of Interest Code on September 7, 2006 by passing Resolution No. 06-446 (the "Existing Code"); and

WHEREAS, the Governing Board of the District deems it to be in the District's best interests to adopt a new Conflict of Interest Code to update and supersede the District's Existing Code.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Governing Board of the District hereby adopts the attached Conflict of Interest Code as the Conflict of Interest Code for the District. The attached Conflict of Interest Code shall supercede and replace the Existing Code.
2. The General Manager of the District is hereby authorized and directed to submit a certified copy of the attached Conflict of Interest Code to the Santa Barbara County Board of Supervisors for approval.
3. The Conflict of Interest Code shall take effect immediately following approval by the Santa Barbara County Board of Supervisors.

PASSED AND ADOPTED this 7th day of May, 2007, by the following vote of the Governing Board of the Goleta Sanitary District:

AYES: Emerson, Trantow, Fox, Carter, Majoewsky

NOES: None

ABSENT: None

ABSTAIN: None

ATTEST:  
**COPY**  
Kamil S. Azoury, Board Secretary

**COPY**  


George W. Emerson, Board President

CERTIFICATION MADE UNDER PENALTY OF PERJURY (C.C.P. 2015.5)  
COUNTY OF SANTA BARBARA

I certify (or declare) under penalty of perjury that the foregoing is a full, true and correct copy of the Resolution duly adopted by the Governing Board of the Goleta Sanitary District on May 7, 2007.

Dated: May 8, 2007

**COPY**  
Kamil S. Azoury, Board Secretary

**GOLETA SANITARY DISTRICT  
CONFLICT OF INTEREST CODE  
Adopted May 7, 2007**

The Political Reform Act, Government Code sections 81000 et seq., requires state and local governmental agencies to promulgate and adopt conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations section 18730, which contains the terms of a standard conflict of interest code. Section 18730 can be adopted by governmental agencies through incorporation by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. The Conflict of Interest Code of the Goleta Sanitary District (the "District") is hereby amended and is hereafter comprised of (i) the terms of 2 California Code of Regulations section 18730, together with any amendments to it duly adopted by the Fair Political Practices Commission, (ii) the attached Appendix A (Designated Employees), and (iii) the attached Appendix B (Disclosure Categories).

Designated Employees shall annually file statements of economic interests with the District. Upon receipt of these statements, the District shall make and retain a copy and forward the original of each statement to the Elections Division of the Santa Barbara County Clerk-Recorder.

*Appendix A*  
GOLETA SANITARY DISTRICT  
DESIGNATED EMPLOYEES

It has been determined that the persons occupying the designated positions (“Designated Employees”) listed below make or participate in the making of decisions which may foreseeably have a material effect on financial interests. Designated Employees must disclose financial interests in those categories described in *Appendix B*, which are listed opposite the respective Designated Employees.

<u>Designated Employees</u>	<u>Disclosure Categories</u>
Directors	1-4
General Manager	1-4
Board Secretary	1-4
General Counsel	1-4



*Appendix B*  
GOLETA SANITARY DISTRICT  
DISCLOSURE CATEGORIES

CATEGORY 1

Any real property in which the Designated Employee has a direct or indirect interest, but only if the real property is located in whole or in part within the jurisdiction of the Goleta Sanitary District. Real property interests include any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is \$2,000.00 or more.

CATEGORY 2

Business positions or direct or indirect investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of real property within the jurisdiction of the Goleta Sanitary District.

CATEGORY 3

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

- (a) The business entities or the source or sources of income are of the type which, within the previous two years, have provided or contracted to provide, or in the future with reasonable foreseeability might provide or contract to provide services, supplies, materials, machinery or equipment to or for the use of the Goleta Sanitary District; and
- (b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official

position to influence the governmental decision to obtain or procure services, supplies, materials, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Goleta Sanitary District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

#### CATEGORY 4

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

- (a) The business entities or the source or sources of income are of the type which, within the previous two years, have furnished or contracted to furnish, or in the future with reasonable foreseeability might furnish or contract to furnish services, supplies, materials, machinery or equipment as a subcontractor in any contract with the Goleta Sanitary District; and
- (b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, material, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Goleta Sanitary District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

#### CATEGORY 5

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

- (a) The business entities or the source or sources of income are of the type which are subject to the regulation or supervision of the Goleta Sanitary District; and
- (b) The Designated Employee's duties involve the supervision or regulation (including, but not limited to, the issuance of permits) of that type of business entity or source of income.

\* \* \* \* \*

For purposes of the foregoing Disclosure Categories 1 through 5:

- (a) "Indirect investment" or "indirect interest" includes any investment or interest with a fair market value of \$2,000.00 or more that is owned by the spouse or dependent child of a Designated Employee, by an agent on behalf of a Designated Employee, or by a business entity or trust in which the Designated Employee, the Designated Employee's agents, spouse, and dependent children own directly, indirectly, or beneficially a ten percent (10%) interest or greater.
- (b) "Sources of income" shall include gifts, but shall exclude loans from commercial lending institutions made in the regular course of business on terms which are available to the public without regard to official status.

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**RESOLUTION NO. 18-636**

**RESOLUTION OF THE GOVERNING BOARD OF  
THE GOLETA SANITARY DISTRICT AMENDING  
CONFLICT OF INTEREST CODE**

**WHEREAS**, pursuant to the Political Reform Act (California Government Code §§ 81000 et seq.) and the regulations thereunder, the Goleta Sanitary District (the "District") adopted an amended Conflict of Interest Code on May 7, 2007 by passing Resolution No. 07-454 (the "Conflict of Interest Code").

**WHEREAS**, on September 15, 2014 and August 4, 2016 the Governing Board of the District adopted resolutions amending the Conflict of Interest Code to revise the list of Designated Employees which is attached to the Conflict of Interest Code as Appendix A.

**WHEREAS**, the Governing Board of the District desires to further amend the Conflict of Interest Code to reclassify the position of Plant Superintendent to Plant Operations Manager on the list of Designated Employees which is attached to the Conflict of Interest Code as Appendix A.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The Conflict of Interest Code is hereby amended by deleting Appendix A attached thereto and replacing it with the Amended Appendix A attached to this Resolution.
2. The General Manager of the District is hereby authorized and directed to submit a certified copy of this Resolution amending the Conflict of Interest Code to the Santa Barbara County Board of Supervisors for approval.
3. This amendment to the Conflict of Interest Code shall take effect immediately following approval by the Santa Barbara County Board of Supervisors.

**PASSED AND ADOPTED** this 6th day of August, 2018, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES:** Majoewsky, Emerson, Rose, Wageneck, Smith

**NOES:** None


**ABSENT:** None

**ABSTAIN:** None

**COPY**  


Steven T. Majoewsky  
President of the Governing Board

Countersigned

**COPY**  


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

*Amended Appendix A*  
**GOLETA SANITARY DISTRICT**  
**DESIGNATED EMPLOYEES**

It has been determined that the persons occupying the designated positions ("Designated Employees") listed below make or participate in the making of decisions which may foreseeably have a material effect on financial interests. Designated Employees must disclose financial interests in those categories described in *Appendix B*, which are listed opposite the respective Designated Employees.

<u>Designated Employees</u>	<u>Disclosure Categories</u>
Directors	1-4
General Manager	1-4
Assistant General Manager	1-4
General Counsel	1-4
Finance and Human Resources Manager/Board Secretary	1-4
Plant Operations Manager	1-4

CERTIFICATION MADE UNDER PENALTY OF PERJURY (C.C.P 2015.5)

COUNTY OF SANTA BARBARA

I certify (or declare) under penalty of perjury that the foregoing is a full, true and correct copy of the Resolution duly adopted by the Governing Board of the Goleta Sanitary District on August 6, 2018.

Dated: August 6, 2018

**COPY**  
\_\_\_\_\_  
Robert O. Mangus, Jr.  
Secretary of the Governing Board

# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: November 6, 2023**

**I. NATURE OF ITEM**

Consideration of Participation in the Central Coast Regional Biosolids Cooperative Memorandum of Understanding

**II. BACKGROUND INFORMATION**

Costs associated with the management of biosolids have been increasing for the District. In addition to increased hauling costs and tipping fees, uncertainty surrounding regulation of PFAS (per- and polyfluoroalkyl substances) in biosolids is preventing our ability to establish a definitive plan for biosolids disposal in the future. Other Central Coast facilities which generate biosolids have felt the same pressure, and in 2021, the Cities of Paso Robles and San Luis Obispo began to collectively explore ways to advance the processing of their biosolids regionally and eliminate potential future liabilities associated with PFAS. They discovered new technologies are available, such as high-temperature pyrolysis, which are capable of eliminating PFAS in biosolids and converting biosolids into valuable products such as biochar. These technologies would be very expensive for any individual generator to install and operate, but may be cost-effective if all wastewater agencies in the region pool their biosolids waste streams and process it all at one regional facility.

In 2022 and 2023, the following fifteen biosolids generators on the Central Coast participated in a series of workshops to explore interest in a regional biosolids cooperative:

- City of San Luis Obispo
- City of Paso Robles
- City of Santa Maria
- City of Atascadero
- San Luis Obispo County Public Works Department
- City of Morro Bay
- Cayucos Sanitary District
- South San Luis Obispo County Sanitation District
- Avila Beach Community Services District
- San Miguelito Mutual Water Company
- Templeton Community Services District
- San Miguel Community Services District
- Cambria Community Services District
- City of Pismo Beach
- City of Santa Barbara



In May and June 2023, representatives from each of the fifteen parties agreed informally to participate in a cooperative with the purpose of establishing a regional facility capable of advanced processing of biosolids.

The Memorandum of Understanding for Central Coast Regional Biosolids Cooperative (MOU) is an agreement between all signatories to support further efforts in the planning and development of a regional advanced biosolids processing facility. The MOU does not include any financial obligation other than staff time to be contributed in further workshops or letters of support for grant funding.

The MOU does not create any legally binding obligations between the parties and no party shall be bound to any action as a result of this MOU.

Staff contacted the preparers of the MOU and asked if the District could be added as a signatory upon approval by the District Board, and they said yes. Several other agencies are taking this MOU to their legislative bodies for approval as signatories.

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

The prospect of a regional solution to biosolids disposal, supported by other regional facilities, is of great benefit to the District. Such a facility would provide security for the District to have a guaranteed local receiver of biosolids for a comparable fee to the current regional average.

Staff recommends that the Board authorize the General Manager to sign the MOU and thereby commit to assisting in the development of a Regional Biosolids Cooperative.

### **IV. REFERENCE MATERIAL**

Memorandum of Understanding for Central Coast Regional Biosolids Cooperative

## **Memorandum of Understanding for Central Coast Regional Biosolids Cooperative**

This Memorandum of Understanding (“MOU”), effective as of the last date signed below, is by and among the following government entities in the Central Coast region of California: City of San Luis Obispo, City of Paso Robles, City of Santa Maria, City of Atascadero, San Luis Obispo County Public Works Department, City of Morro Bay, Cayucos Sanitary District, South San Luis Obispo County Sanitation District, Avila Beach Community Services District, San Miguelito Mutual Water Company, Templeton Community Services District, San Miguel Community Services District, Cambria Community Services District, City of Pismo Beach, and the City of Santa Barbara. These agencies are individually referred to herein as a “Party,” and collectively as “Parties”.

Whereas, all the Parties operate wastewater treatment systems that generate biosolids. The volume of biosolids each Party generates varies, depending on the size and type of its wastewater system (e.g., ponds systems vs. mechanical treatment processes), but all Parties have a similar need to properly dispose biosolids.

Whereas, biosolids contain pollutants and are closely regulated by the State of California (Central Coast Regional Water Quality Control Board) and U.S. Environmental Protection Agency. The County of San Luis Obispo has a moratorium on land application of biosolids. Landfill regulations recently changed and biosolids may no longer be disposed in landfills. Due to a lack of local disposal options, most Parties haul their biosolids to facilities in Santa Maria or Kern County, where it is mixed with other organic waste streams and composted, then applied to land.

Whereas, the State of California recently required most Parties to test their biosolids for polyfluorinated alkyl substances (PFAS), which are commonly referred to as “forever chemicals” due to their resistance to degradation in the environment. PFAS have been widely used in common household and personal care products for many years. In general, all Parties have low levels of various PFAS species in their biosolids.

Whereas, composting does not break down PFAS, because very high temperatures are required to break the strong carbon-fluorine bonds in PFAS. Consequently, compost derived from biosolids contains PFAS. Compost also contains micro-plastics, which is an emerging concern for local farmers. Existing biosolids receiving facilities do not have plans to address these issues, and rather, are counting on classification as PFAS passive receivers in order to be exempt from liability, which is uncertain.

Whereas, in 2021, representatives of the Cities of Paso Robles and San Luis Obispo began to collectively explore ways to advance the processing of their biosolids and eliminate potential future liabilities associated with PFAS. They discovered new technologies are available, such as high-temperature pyrolysis, which are capable of

eliminating PFAS in biosolids and converting biosolids into valuable products such as biochar. These technologies would be very expensive for any individual Party to install and operate, but may be cost-effective if all wastewater agencies in the region pool their biosolids waste streams and process it all at one regional facility.

In 2022 and 2023, the Parties convened a series of workshops, conducted by a professional facilitator, to explore interest in a regional biosolids cooperative. The Parties learned:

- a. Most of the communities between northern San Luis Obispo County and northern Santa Barbara County already cooperate on a variety of common areas of interest, including water and solid waste management;
- b. Pending regulatory changes at the State and Federal level could lead to a prohibition of land application of biosolids or compost derived from biosolids;
- c. Cooperating would enable a facility to be large enough that it would be economical to install advanced processing equipment;
- d. A local facility would reduce out-of-county truck trips, thus help control long-term costs and reduce greenhouse gas emissions;
- e. Advanced processing would greatly reduce the volume of biosolids and convert the material into valuable products such as renewable natural gas and biochar. These products may be sold to markets and the revenue may be used to offset the cost of an advanced processing facility;
- f. Cooperating increases the likelihood that private enterprises will participate in establishing a new facility, by ensuring the facility receives enough feedstock to justify a large expenditure for advanced equipment;
- g. Several regional biosolids cooperatives are presently forming throughout California;
- h. State Senate Bill (SB) 1383 has created demand for new facilities that divert organic waste streams from landfills and process it into valuable products such as renewable natural gas;
- i. Grant funding is available from the State of California for establishment of new organic waste processing facilities;
- j. There may be potential to further improve the economics of a regional facility by making it large enough to receive and process all organic waste streams, including green waste collected by waste haulers, spoiled packaged food waste, agricultural waste, etc.; and
- k. Additional work is needed, such as evaluating available technologies, visiting model facilities in other areas, and soliciting proposals from professional engineering firms to help with project delivery.

In May and June 2023, representatives of the Parties each stated informally their commitment to participate in a cooperative with the purpose of establishing a regional facility capable of advanced processing of biosolids. The purpose of this MOU is to formalize that commitment and clarify how the Parties will participate.

**NOW, THEREFORE, the Parties do hereby agree as follows:**

- a. The Parties will support further efforts to plan a regional advanced biosolids processing facility by allowing appropriate staff to participate in any future workshops and providing any non-confidential information about their biosolids reasonably requested.
- b. Parties will, in each Party's reasonable discretion, cooperate on applications to the State and Federal government for grant funding. For example, if any one Party takes the lead on a grant application, the other Parties agree to provide information and timely letters of support as needed.
- c. Grant programs often require "matching funds" in the form of "in-kind" or "cost share," which can be fulfilled by staff time spent working on the funded project. If necessary, Parties agree to the extent reasonably feasible to track and report their staff time spent on the grant-funded activity.
- d. The Parties will endeavor to establish a regional facility that receives and processes biosolids for a fee that is no greater than the average cost of what all Parties are currently paying (e.g., \$70 per ton) for biosolids hauling and disposal. However, the Parties acknowledge that current costs are projected to rise and will take that into consideration when evaluating the cost of a new regional facility. The Parties will also consider the many other less quantifiable benefits of a new regional facility, such as environmental improvements (e.g., reduction of greenhouse gas emissions) and reduction of liabilities associated with pollutants such as PFAS.
- e. Many private entities are well-equipped to efficiently deliver advanced biosolids processing facilities. The Parties or a Party may solicit proposals from private entities to design, build, operate, and finance a new regional advanced biosolids processing facility. This MOU is intended to signal to such private entities that the Parties will commit to supporting the facility by entering into long-term agreements to deliver their biosolids.
- f. This MOU does not include any financial obligations for the Parties other than staff time at this time. However, this MOU may be amended from time-to-time, as needed, to address the evolving needs of the Parties as they explore establishing a regional facility. For example, if funding is needed for planning, siting, or environmental permitting, the Parties may decide to share the costs.
- g. This MOU shall not be changed or amended except upon written consent of the Parties.
- h. This MOU is not intended to and does not create any legally binding obligations, rights or remedies between the Parties. This MOU reflects the good-faith intention of the Parties to cooperate in the manner set forth herein, while recognizing that no Party shall be bound to any action as a result of this MOU.

- i. Each Party represents that each such Party signing this MOU has been duly authorized by that entity to execute this Memorandum of Understanding on its behalf.
- j. Any Party may withdraw from this MOU at any time for any reason. However, the Parties will use best efforts to provide not less than 60 days' notice of a Party's intent to withdraw.
- k. This MOU may be executed in counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement.
- l. Each Party agrees and acknowledges that this MOU does not commit any agency to take any action, expend any funds or commit to any specific project. Any future facility will be subject to review pursuant to the California Environmental Quality Act.
- m. This MOU shall become effective on the last date set forth below.

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Aaron Floyd  
 Utilities Director  
 City of San Luis Obispo

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Christopher Alakel  
 Utilities Director  
 City of Paso Robles

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Shad Springer  
 Utilities Director  
 City of Santa Maria

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Nick DeBar  
 Public Works Director  
 City of Atascadero

By: \_\_\_\_\_ Date: \_\_\_\_\_  
John Diodati  
Public Works Director  
County of San Luis Obispo

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Greg Kwolek  
Public Works Director  
City of Morro Bay

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Rick Koon  
District Manager  
Cayucos Sanitary District

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jeremy Ghent  
District Administrator  
South San Luis Obispo County Sanitation District

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Brad Hagemann  
General Manager  
Avila Beach Community Services District

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Dwayne Chisam  
General Manager  
San Miguelito Mutual Water Company

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Jeff Britz  
General Manager  
Templeton Community Services District

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Kelly Dodds  
General Manager  
San Miguel Community Services District

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Matthew McElhenie  
General Manager  
Cambria Community Services District

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Ben Fine  
Public Works Director  
City of Pismo Beach

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Clifford Maurer  
Public Works Director  
City of Santa Barbara

**END OF DOCUMENT**

# **AGENDA ITEM #3**



**AGENDA ITEM: 3**

**MEETING DATE: November 6, 2023**

**I. NATURE OF ITEM**

Review of Ongoing Succession Planning Efforts

**II. BACKGROUND INFORMATION**

Succession planning continues to be a priority for the District as over a third of our current staff will retire in the next five years, including most of our executive team. Developing and updating succession plans for each of these positions is included in both our 2020 Strategic Plan and our FY23 Action Plan.

Our approach to succession planning prioritizes training and preparing existing staff to be promoted into leadership positions as senior staff retire. This approach has several benefits including avoiding the higher personnel costs associated with recruiting and hiring senior staff from outside the organization.

The ongoing implementation of the employee leadership academy will be crucial to ensuring staff receive the training necessary to fill these vacant positions.

A copy of the District's organizational chart that shows the positions where employees are eligible to retire now or will be eligible in the next five years is attached to this report.

**III. COMMENTS AND RECOMMENDATIONS**

The goal of our succession planning efforts is to ensure that the organization is ready for this change over in personnel, and that a smooth transition in leadership occurs with little or no loss in the overall functional capacity of our teams.

While we have done a good job in promoting from within and filling entry level positions at a lower cost, we must continue to monitor our key management positions along with other positions that may be affected as promotions occur. The development and implementation of the employee leadership academy will assist the organization in getting existing staff ready for promotion when vacancies occur.

Succession plans for positions that are likely to turn over due to upcoming retirements have been developed that consider several factors including, but not limited to the following:

- a) The estimated retirement dates for current employees as they become known.
- b) The potential for promotion of existing staff to higher level positions that become vacant due to the retirement of senior staff.
- c) The training and/or leadership development courses required to prepare staff for possible promotion.

- d) The potential for overlap training during the transition from outgoing to incoming staff.
- e) The implementation timeline required to either train existing staff or complete an external recruitment.

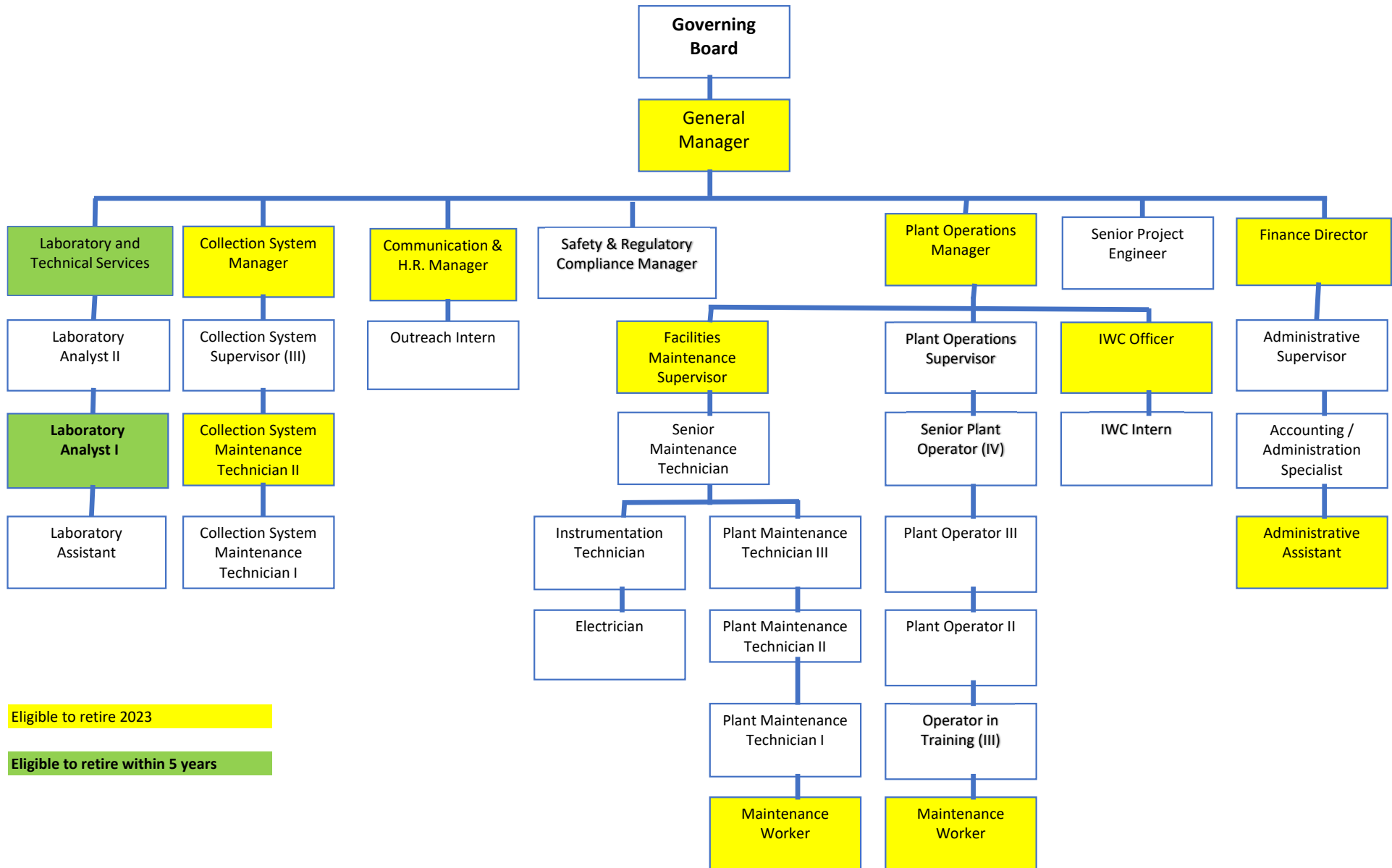
A summary of the succession planning efforts for each position that will be vacated in the next 5 years due to employee retirements is attached to this report.

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

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

District Organizational Chart Showing Positions Indicating Eligible Retirement

Summary of Succession Planning Efforts by Position



## Goleta Sanitary District Succession Plan Summary

Position Title	Estimated Retirement Year	Succession Plan Method	Eligible In-House Candidates	Implementation Timeline	Initiation	Other Positions Affected	Other Actions Required
Collection System Manager	2024	Internal Recruitment	Yes	4 mo	2023	Yes	External Recruitment of CSMT I
IWC Officer	2025	Internal Recruitment	Yes	6 mo	2025	Yes	External Recruitment of Lab Analyst 1
Laboratory Analyst 1	2026	External Recruitment	No	3 mo	2026	No	None
Maintenance Worker (1)	2026	External Recruitment	No	3 mo	2026	No	None
General Manager	2027	External Recruitment of Assistant General Manager	No	2 yrs	2025	No	Appointment of GM or External Recruitment
Finance Director	2027	Internal Recruitment	Yes	2 yrs	2025	Yes	External Recruitment of Accounting Tech I
Communications and HR Manager	2027	External Recruitment	No	3 mo	2027	No	Reconsideration of position title and duties
Maintenance Worker (2)	2027	External Recruitment	No	3 mo	2026	No	None
Facilities Maintenance Supervisor	2028	Internal Recruitment	Yes	1 yr	2026	Yes	External Recruitment of Maintenance Tech I
Plant Operations Manager	2028	Internal Recruitment of Plant Operations Supervisor	Yes	2 yrs	2026	Yes	External Recruitment of OIT III
Laboratory and Technical Services Manager	2028	External Recruitment of Laboratory Supervisor	No	2 yrs	2023	Yes	External Recruitment of New Lab Supervisor
Administrative Assistant	2028	External Recruitment	No	3 mo	2028	No	None
Collection System Maint Tech II	2029	Internal Recruitment	Yes	1 mo	2028	Yes	External Recruitment of CSMT I

# **GENERAL MANAGER'S REPORT**

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

The following summary report describes the District's activities from October 17, 2023, through November 6, 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 routine lines cleaning in the area of Hollister Avenue and S. Turnpike Road.

#### **CCTV INSPECTION**

Staff has been conducting routine Closed-Circuit Television (CCTV) inspections in the area of Hollister Avenue and Modoc Road.

#### **REPAIR AND MAINTENANCE**

Staff has initiated the annual winter storm preparation program by sending out letters to various local contractors inviting them to be included as a District force account resource for storm related emergency work. Staff had begun to clear easements as part of this program. The CCTV inspection camera was sent to Cues for replacement of the lights and related seals. It has been returned to service. Staff replaced the transmission fluid on the Vactor vacuum fan.

#### **COLLECTION SYSTEM MAINTENCE TECHNICIAN I RECRUITMENT**

The District has issued a Conditional Offer of Employment letter to Alex Cardenas for the anticipated CSMT I vacancy. Mr. Cardenas has worked for another public agency and is experienced with heavy equipment and road maintenance operations. He will begin employment once his pre-employment physical and background checks have been completed.

#### **PROFESSIONAL DEVELOPMENT**

Staff attended the CWEA Southern Safety Training Workshop held in Ontario, CA on Thursday, October 26, 2023. The workshop featured multiple classes on collections systems worker safety and operations.

#### **UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT UPDATE (UPCCAA)**

The annual District Notice Inviting Interested Contractors to be included on the District List of Qualified Contractors under the UPCCAA was published in the Santa Barbara Independent and sent to various plan rooms and contractor associations. The Qualified Contractor list is being updated by staff. Participation in the UPCCAA allows the District to streamline the informal bidding process and raises the dollar amount of force account and informal bid projects that the District is able to utilize before the formal bid process is required to be used for public works projects.

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

Plant flows to date in October have been averaging 5.4 million gallons a day. University

of California, 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. 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. On October 25, 2023 the construction company, Gateway Pacific, with the help of the Operations department, did a Plant shutdown to put a blind flange at Biofilter # 1. Excavation of the Primary Effluent 24-inch line 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 Synagro has begun hauling our Biosolids to their Liberty Farms composting facility.

The 2023 Biosolids Pad Rehabilitation Project was completed by Ramsey Construction. The project came in on time and on budget.

## **GENERAL AND ADMINISTRATIVE ITEMS**

### **Financial Report**

The District account balances as of November 6, 2023 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 909,074
Investment Accounts:	<u>\$ 30,486,330</u>
Total District Funds:	\$ 31,395,403

The following transactions are reported herein for the period 10/17/23 – 11/06/23

Regular, Overtime, Cash-outs and Net Payroll:	\$ 265,155
Claims:	\$ 492,162
Total Expenditures:	\$ 757,317
Total Deposits:	\$ 683,832

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 – October, 2023

LAIF Quarterly Report – Previously submitted.

PMIA/LAIF Performance – Previously submitted.

PMIA Effective Yield – Previously submitted.

**CA-Class Investment Account**

CA-Class Investment Account – October, 2023

**Community West Bank (CWB)**

CWB Money Market and ICS Accounts – October, 2023

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – Previously submitted.

Lincoln 457 Deferred Compensation Plan – October, 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

November 01, 2023

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

GOLETA SANITARY DISTRICT

GENERAL MANAGER  
 ONE WILLIAM MOFFETT PLACE  
 GOLETA, CA 93117

[Tran Type Definitions](#)

//

**Account Number:** 70-42-002

October 2023 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/13/2023	10/12/2023	QRD	1740582	N/A	SYSTEM	3,653.49

**Account Summary**

Total Deposit:	3,653.49	Beginning Balance:	232.85
Total Withdrawal:	0.00	Ending Balance:	3,886.34

# Multi-Fund<sup>®</sup> Select

## Performance Update

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

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

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

## Monthly hypothetical performance adjusted for contract fees \*

INVESTMENT OPTIONS	ASSET CLASS	INCEP. DATE	CHANGE FROM PREVIOUS DAY 11/01/2023	YTD AS OF 11/01/2023	YTD AS OF 10/31/2023	1 MO. AS OF 10/31/2023	3 MO. AS OF 10/31/2023	AVERAGE ANNUAL TOTAL RETURN (%) AS OF 10/31/2023				
								1 YR.	3 YR.	5 YR.	10 YR.	SINCE INCEP.
<b>MAXIMUM CAPITAL APPRECIATION MCA</b>												
DWS Alternative Asset Allocation VIP Portfolio - Class B1, 5, 6, 7, 8	Maximum Capital Appreciation	02/02/2009	0.50	-1.15	-1.64	-1.16	-4.87	0.45	3.30	2.79	1.02	3.18
LVIP Baron Growth Opportunities Fund - Service Class3, 11	Maximum Capital Appreciation	10/01/1998	0.51	0.70	0.19	-7.16	-13.69	-0.88	1.92	7.17	7.03	9.69
LVIP Delaware SMID Cap Core Fund - Service Class3, 4, 11	Maximum Capital Appreciation	07/12/1991	0.23	-2.71	-2.93	-5.09	-13.59	-3.45	7.03	4.66	5.81	8.07
LVIP Franklin Templeton Multi-Factor Emerging Markets Equity Fund - Service Class1, 10, 11	Maximum Capital Appreciation	06/18/2008	0.50	-1.28	-1.77	-3.25	-10.76	12.25	4.35	-0.08	-0.86	1.01
LVIP SSGA Small-Cap Index Fund - Service Class3, 11, 22	Maximum Capital Appreciation	04/18/1986	0.45	-5.29	-5.71	-6.94	-17.03	-10.04	2.31	1.61	3.91	5.76
LVIP T. Rowe Price Structured Mid-Cap Growth Fund - Service Class3, 11	Maximum Capital Appreciation	02/03/1994	0.29	1.54	1.25	-5.47	-13.19	0.06	0.31	6.95	8.13	5.95
<b>LONG TERM GROWTH LTG</b>												
American Funds Global Growth Fund - Class 2 <sup>1</sup>	Long Term Growth	04/30/1997	1.15	7.35	6.13	-1.86	-9.38	13.38	1.90	8.35	7.62	8.18
American Funds Growth Fund - Class 2	Long Term Growth	02/08/1984	1.27	17.35	15.87	-3.36	-10.14	13.37	5.86	12.10	11.84	11.39
American Funds International Fund - Class 2 <sup>1</sup>	Long Term Growth	05/01/1990	1.04	0.93	-0.11	-4.45	-14.01	7.90	-2.53	0.32	1.37	5.58
Delaware VIP Small Cap Value <sup>3, 4</sup>	Long Term Growth	12/27/1993	0.86	-7.25	-8.04	-5.15	-13.90	-9.35	10.33	3.20	4.54	8.09
Fidelity <sup>®</sup> VIP Contrafund <sup>®</sup> Portfolio - Service Class 2	Long Term Growth	01/03/1995	1.45	18.61	16.91	-1.52	-6.02	15.82	6.10	10.78	9.50	9.71
Fidelity <sup>®</sup> VIP Growth Portfolio - Service Class 2	Long Term Growth	10/09/1986	1.20	17.50	16.10	-2.24	-8.47	14.39	6.39	13.09	12.32	9.38
LVIP BlackRock Real Estate Fund - Service Class1, 3, 11, 15, 16	Long Term Growth	04/30/2007	0.86	-7.39	-8.18	-4.88	-13.27	-4.58	-1.38	-0.88	0.33	-0.81
LVIP Delaware Mid Cap Value Fund - Service Class3, 4, 11	Long Term Growth	12/28/1981	0.68	-5.32	-5.96	-3.99	-11.33	-5.50	10.08	4.90	6.03	9.39
LVIP Dimensional U.S. Core Equity 1 Fund - Service Class11	Long Term Growth	12/28/1981	0.88	6.43	5.51	-3.18	-9.47	4.99	9.37	8.40	8.64	9.07
LVIP Mondrian International Value Fund - Service Class1, 11	Long Term Growth	05/01/1991	1.11	6.64	5.48	-3.13	-8.21	17.72	7.47	1.40	1.10	4.57
LVIP SSGA International Index Fund - Service Class1, 11, 22, 23	Long Term Growth	04/30/2008	1.14	2.91	1.74	-3.49	-10.52	13.63	4.36	2.77	1.58	0.63
LVIP SSGA S&P 500 Index Fund - Service Class11, 22, 24	Long Term Growth	05/01/2000	1.05	10.48	9.33	-2.23	-8.60	8.51	8.74	9.36	9.54	5.01
LVIP Vanguard Domestic Equity ETF Fund - Service Class6, 7	Long Term Growth	04/29/2011	0.92	8.91	7.91	-2.62	-9.23	6.89	7.70	8.69	8.71	9.04
LVIP Vanguard International Equity ETF Fund - Service Class1, 6, 7	Long Term Growth	04/29/2011	0.98	1.19	0.20	-3.45	-11.16	10.70	1.62	2.30	1.52	1.59
MFS <sup>®</sup> VIT Utilities Series - Service Class15	Long Term Growth	01/03/1995	0.91	-11.38	-12.17	0.02	-11.76	-7.04	2.55	4.74	4.10	8.77
<b>GROWTH AND INCOME GI</b>												
American Funds Growth-Income Fund - Class 2	Growth and Income	02/08/1984	0.95	10.00	8.97	-1.54	-7.25	11.10	8.38	7.95	8.90	9.63
Fidelity <sup>®</sup> VIP Freedom 2020 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/26/2005	0.96	1.18	0.21	-2.23	-7.42	4.13	-0.22	3.38	3.61	4.40
Fidelity <sup>®</sup> VIP Freedom 2025 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/26/2005	0.95	1.45	0.49	-2.45	-8.07	4.66	0.33	3.86	4.05	4.88
Fidelity <sup>®</sup> VIP Freedom 2030 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/26/2005	0.94	1.84	0.89	-2.63	-8.49	5.33	1.15	4.54	4.70	5.15
Fidelity <sup>®</sup> VIP Freedom 2035 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/08/2009	1.00	2.88	1.86	-2.87	-9.21	6.73	2.82	5.57	5.43	9.04
Fidelity <sup>®</sup> VIP Freedom 2040 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/08/2009	1.00	3.86	2.83	-3.06	-9.90	8.05	4.08	6.31	5.82	9.39

								AVERAGE ANNUAL TOTAL RETURN (%) AS OF 10/31/2023				
Fidelity <sup>®</sup> VIP Freedom 2045 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/08/2009	1.00	4.08	3.05	-3.12	-10.10	8.30	4.15	6.35	5.84	9.48
Fidelity <sup>®</sup> VIP Freedom 2050 Portfolio <sup>SM</sup> - Service Class 26, 9	Growth and Income	04/08/2009	1.00	4.06	3.02	-3.15	-10.11	8.25	4.13	6.34	5.83	9.56
LVIP Delaware U.S REIT Fund - Service Class3, 4, 11, 15, 16	Growth and Income	05/04/1998	0.73	-7.29	-7.96	-3.98	-13.54	-8.22	2.52	0.08	2.44	5.82
LVIP Delaware Value Fund - Service Class4, 11	Growth and Income	07/28/1988	-0.17	-8.00	-7.84	-0.91	-8.81	-6.42	7.93	3.27	5.81	7.04
LVIP Delaware Wealth Builder Fund - Service Class4, 5, 11	Growth and Income	08/03/1987	0.75	-1.73	-2.47	-2.03	-7.50	-0.11	1.20	1.90	2.31	5.12
LVIP JPMorgan Retirement Income Fund - Service Class4, 5, 11	Growth and Income	04/27/1983	0.73	1.31	0.58	-1.93	-6.03	2.76	-1.10	1.47	1.83	5.76
<b>INCOME</b>												
LVIP BlackRock Inflation Protected Bond Fund - Service Class1, 11, 14	Income	04/30/2010	0.46	0.77	0.30	-0.17	-1.70	0.47	-0.36	1.25	0.32	0.94
LVIP Delaware Bond Fund - Service Class4, 11, 14	Income	12/28/1981	1.02	-3.35	-4.32	-2.10	-5.73	-1.20	-7.07	-1.37	-0.34	5.48
LVIP Delaware Diversified Floating Rate Fund4, 11, 14, 17, 18	Income	04/30/2010	0.11	2.86	2.75	-0.01	0.38	3.92	0.44	0.57	0.27	0.31
LVIP Delaware Diversified Income Fund - Service Class4, 11, 14	Income	05/16/2003	0.97	-3.15	-4.09	-2.09	-5.68	-0.62	-6.57	-0.86	-0.15	2.59
LVIP Delaware High Yield Fund - Service Class4, 11, 14, 19	Income	07/28/1988	0.41	3.41	3.00	-1.41	-2.06	3.65	-0.63	1.79	1.57	4.74
LVIP Mondrian Global Income Fund - Service Class1, 11, 14	Income	05/04/2009	0.63	-6.80	-7.38	-1.52	-6.72	-2.20	-9.58	-3.71	-2.12	-0.12
LVIP SSGA Bond Index Fund - Service Class11, 14, 22	Income	04/30/2008	0.94	-2.91	-3.81	-1.72	-5.04	-1.21	-7.02	-1.59	-0.68	0.59
PIMCO VIT Total Return Portfolio - Administrative Class14	Income	12/31/1997	1.07	-2.41	-3.44	-1.85	-5.13	-0.11	-6.72	-1.31	-0.24	3.04
<b>RISK MANAGED - ASSET ALLOCATION RMAA</b>												
LVIP Global Conservative Allocation Managed Risk Fund - Service Class1, 5, 6, 11, 20	Risk Managed - Asset Allocation	05/03/2005	0.77	-0.84	-1.60	-2.19	-7.32	0.23	-2.03	0.52	1.39	3.17
LVIP Global Growth Allocation Managed Risk Fund - Service Class1, 5, 6, 11, 20	Risk Managed - Asset Allocation	05/03/2005	0.83	0.28	-0.54	-2.76	-8.98	0.50	-0.54	0.66	1.46	2.88
LVIP Global Moderate Allocation Managed Risk Fund - Service Class1, 5, 6, 11, 20	Risk Managed - Asset Allocation	05/03/2005	0.75	-0.13	-0.87	-2.50	-8.36	0.25	-1.14	0.56	1.37	3.07
LVIP SSGA Global Tactical Allocation Managed Volatility Fund - Service Class1, 5, 6, 11, 13	Risk Managed - Asset Allocation	05/03/2005	0.81	1.44	0.63	-2.41	-8.16	3.55	2.25	1.96	1.67	2.54
<b>PRESERVATION OF CAPITAL PC</b>												
LVIP Government Money Market Fund - Service Class11, 21	Preservation of Capital	01/07/1982	0.01	2.81	2.80	0.32	0.94	3.16	0.58	0.35	-0.22	2.46
<b>ASSET ALLOCATION ASA</b>												
Fidelity <sup>®</sup> VIP Freedom 2055 Portfolio <sup>SM</sup> - Service Class 26, 10	Asset Allocation	04/11/2019	0.98	4.02	3.01	-3.11	-10.12	8.22	4.11	N/A	N/A	5.26
Fidelity <sup>®</sup> VIP Freedom 2060 Portfolio <sup>SM</sup> - Service Class 26, 10	Asset Allocation	04/11/2019	0.99	4.06	3.04	-3.15	-10.15	8.27	4.12	N/A	N/A	5.27
LVIP BlackRock Global Allocation Fund - Service Class1, 5, 11	Asset Allocation	04/26/2019	0.76	1.60	0.84	-1.56	-7.44	3.57	0.30	N/A	N/A	2.77
LVIP T. Rowe Price 2020 Fund - Service Class6, 9, 11	Asset Allocation	05/01/2007	0.79	2.18	1.39	-2.12	-7.14	3.82	0.72	3.36	2.71	2.68
LVIP T. Rowe Price 2030 Fund - Service Class6, 9, 11	Asset Allocation	05/01/2007	0.85	3.08	2.21	-2.62	-8.47	4.87	2.22	4.37	3.15	2.90
LVIP T. Rowe Price 2040 Fund - Service Class6, 9, 11	Asset Allocation	05/01/2007	0.87	4.55	3.65	-2.99	-9.56	6.38	4.01	5.50	3.71	2.94
LVIP T. Rowe Price 2050 Fund - Service Class6, 9, 11	Asset Allocation	04/29/2011	0.85	5.22	4.33	-3.06	-9.81	7.10	4.69	5.88	4.18	3.82
LVIP T. Rowe Price 2060 Fund - Service Class6, 9, 11	Asset Allocation	04/30/2020	0.87	5.16	4.25	-3.14	-9.96	7.01	5.25	N/A	N/A	8.19
<b>RISK MANAGED - US LARGE CAP RMUSL</b>												
LVIP BlackRock Dividend Value Managed Volatility Fund - Service Class11, 12, 13	Risk Managed - US Large Cap	02/03/1994	0.45	-3.36	-3.79	-2.45	-8.97	-2.26	10.28	4.36	4.40	5.97
LVIP Blended Large Cap Growth Managed Volatility Fund - Service Class11, 12, 13	Risk Managed - US Large Cap	02/03/1994	1.01	16.68	15.52	-1.17	-7.60	11.97	6.92	8.37	7.06	6.31
<b>RISK MANAGED - US MID CAP RMUSM</b>												
LVIP Blended Mid Cap Managed Volatility Fund - Service Class3, 11, 12, 13	Risk Managed - US Mid Cap	05/01/2001	0.33	1.52	1.19	-3.78	-11.01	0.19	0.19	5.26	3.94	3.36
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund - Service Class3, 11, 12, 13	Risk Managed - US Mid Cap	05/01/2001	0.59	-2.85	-3.42	-3.36	-10.17	-3.22	9.33	3.34	3.29	5.03
<b>RISK MANAGED - GLOBAL/INTERNATIONAL RMGI</b>												
LVIP Franklin Templeton Global Equity Managed Volatility Fund - Service Class1, 11, 12, 13	Risk Managed - Global/International	08/01/1985	0.61	2.74	2.12	-3.60	-10.12	5.14	6.62	3.95	2.17	6.23
LVIP SSGA International Managed Volatility Fund - Service Class1, 6, 11, 13	Risk Managed - Global/International	12/31/2013	1.15	2.83	1.66	-3.52	-10.63	12.45	3.24	0.15	N/A	-0.70
<b>ESG/SOCIALLY CONSCIOUS ESC</b>												

								AVERAGE ANNUAL TOTAL RETURN (%) AS OF 10/31/2023				
AB VPS Sustainable Global Thematic Portfolio - Class B1, 2	ESG/Socially Conscious	01/11/1996	0.86	-0.23	-1.08	-4.30	-12.63	3.73	-0.51	8.08	7.10	4.82
LVIP Delaware Social Awareness Fund - Service Class 2, 4, 11	ESG/Socially Conscious	05/02/1988	0.99	12.70	11.59	-2.40	-9.46	10.50	8.25	9.48	8.89	9.19

\* 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.

**Risk disclosures:** 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 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.

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

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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.

**DISTRICT  
CORRESPONDENCE**  
**Board Meeting of November 6, 2023**



- | <b><u>Date:</u></b> | <b><u>Correspondence Sent To:</u></b>  |
|---------------------|--|
| 1. 10/13/2023       | Crystal Chan<br>Vanguard Planning, Inc.<br><b>Subject:</b> Sewer Service Availability<br>Proposed Sewer Service Connection for One Existing SFR and One Guest House<br>A.P.N. 067-210-012 at 400 N. San Marcos Rd., Santa Barbara, CA  |
| 2. 10/17/2023       | Jason Schwan<br><b>Subject:</b> Proposed Sewer Service Connection for an Existing Maintenance and Equipment Storage Yard<br>A.P.N. 071-090-083 at 20 S. Kellogg Ave., Goleta, CA   |
| 3. 10/19/2023       | Pat Geier<br>Service Master Anytime<br><b>Subject:</b> Notice Inviting Contractors and Vendors to be included in the Goleta Sanitary District Emergency Response Plan for Force Account Services<br><br>Letters also sent to: <ul style="list-style-type: none"><li>- Alan Nash, Lash Construction, Inc.</li><li>- Shane Alexander, Cushman Contracting Corporation</li><li>- Michelle Beason, National Plant Services, Inc.</li><li>- Blair Douglas, Tierra Contracting, Inc.</li><li>- Nicholas Brooks, United Rentals</li></ul> |
| 4. 10/25/2023       | Mike Prater, Executive Officer<br>Santa Barbara LAFCO<br><b>Subject:</b> Proposed Annexation to Goleta Sanitary District Meyer and Santa Barbara Elixir, LLC<br>A.P.N. 065-250-032 and 065-250-031 respectively at 1405 and 1385 Anderson Lane, Santa Barbara, CA  |

# DISTRICT CORRESPONDENCE

Board Meeting of November 6, 2023

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5. 10/25/2023 Morgan Krapes-Kiah  
Flowers & Associates  
**Subject:** Sewer Service Availability  
Sewer Service Connection for Kellogg Storage Facility  
A.P.N. 071-170-079 at 891 S. Kellogg Avenue near  
Technology Drive, Goleta CA

Letters also sent for parcels at:

- A.P.N. 071-170-079 at 891 S. Kellogg Avenue near Technology Drive,  
Goleta, CA
- A.P.N. 071-170-080 near Thornwood Drive and Technology Drive,  
Goleta, CA
- A.P.N. 071-170-083 Pine Avenue near Thornwood Drive and  
Technology Drive, Goleta, CA

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