

Board of Directors
Jorge Magana, President
Jeff Dotzler, Director
Matt Starbuck, Director
Jim Keeling, Director
Glen McLeod, Director



1550 East Burton Mesa Blvd.
Lompoc, California, 93436-2100
805.733.4366
www.mhcsd.org

Mike Garner, General Manager

Mission Hills Community Services District Board of Directors
Agenda-Regular Meeting
Wednesday, February 18, 2026
4:30 PM

1550 East Burton Mesa Blvd, Lompoc, CA - District Board Room

- 1. Call to Order and Pledge of Allegiance**
- 2. Roll Call**
- 3. Public Comment** – Members of the public may address the Board on any item within the jurisdiction of the Board not included on this agenda for up to 3 minutes. **If you cannot attend, you can submit comments before the meeting to admin@mhcsd.org before 1:00 PM, Tuesday, February 17, 2026.**
- 4. Consent Agenda** - Staff recommends that the Directors approve the Consent Agenda in one motion. Members of the public may comment on a consent item (3 minutes maximum per speaker). Directors may pull a consent item for discussion or a separate vote.
 - A. Consideration of Approval of Minutes from**
 - i.) January 17, 2026
 - B. Receive Activity Reports for December**
 - i) General Manager and Administration Reports
 - ii) Water and Wastewater
 - C. Consideration of Financial Reports for December**
 - i) Revenue and Expenses: Previous Year Comparison
 - ii) Disbursements Journal
 - iii) Variation from Projected Income
 - iv) Bank Account Summary
 - v) Budget to Actual
- 5. Regular Business**
 - A. Discuss and Consider** Election of Board Officers and Committee Assignments for 2026
 - i.) Assignment Form

B. Discuss and Consider Re-issue Preliminary Can and Will Serve Letter-Brisa Encina Supportive Housing

- i.) Can and Will Serve Letter for Brisa Encina

C. Discuss and Consider Resolution No.26-367 -Cost of Living Salary Adjustment

- i.) Resolution No.26-367 Cost of living Salary Adjustments for all permanent District employees, effective July 1,2026, or concurrently with the adoption of the FY 2026/27 Operations Budget.

6. Communications - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide references to staff or other resources for information, and direct staff to place a topic or report on a future committee or regular meeting agenda.

- A. General Manager’s Comments
- B. Directors’ Comments
- C. Public Comments (up to 3 minutes for topics within the district’s jurisdiction)

Regular Board Meetings are held on the third Wednesday of each month beginning at 4:30 PM

Copies of the staff reports, or written materials provided for Mission Hills CSD for Open Session agenda items may be obtained upon request and are also available at the Customer Service Counter of the District Office for public inspection and reproduction during regular business hours. Closed-session items are not available for public review.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting or if you need the agenda or other documents in the agenda packet provided in an alternative format, contact the Board Secretary at 805.733.4366 at least 48 hours before the meeting to ensure that reasonable arrangements can be made. (Agenda Prepared under Government Code Section 54954.2)

Board of Directors
Jorge Magana, President
Steve Dietrich, Vice President
Matthew Starbuck, Director
Jim Keeling, Director
Glen McLeod, Director



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Mike Garner, General Manager

Mission Hills Community Services District Board of Directors
Regular Meeting Minutes
Wednesday, January 21, 2025
1550 East Burton Mesa Blvd, Lompoc, CA – District Board Room

The Regular Meeting of the Board of Directors of the Mission Hills Community Services District was called to order at 4:30 pm on Wednesday, January 21, 2025, at the District Board Meeting Room, 1550 East Burton Mesa Blvd, Lompoc, CA

Directors Present: By Roll Call: Matthew Starbuck, Glen McLeod, Jim Keeling, Steve Dietrich

Directors Absent: Jorge Magana

Staff Present: Mike Garner, Javier Rodriguez, Carol Reynolds, Arleen Block

Others Present: Jeff Dotzler

1. Call to Order and Pledge of Allegiance
2. Roll Call
3. Public Comment – No public comments were received
4. Consent Agenda
 - A. APPROVE MINUTES
 - i.) January 21, 2025
 - B. Activity Reports for January 2026
 - i) General Manager and Administration Reports
 - ii) Water and Wastewater
 - C. Financial Reports for January 2026
 - i) Revenue and Expenses Previous Year Comparison
 - ii) Disbursements Journal
 - iii) Variation from Projected Income
 - iv) Bank Account Summary

- v) Budget to actual

Approved Consent Items:

Motion was made by Director Matthew Starbuck and seconded by Director Jim Keeling to approve the Consent Agenda as presented.

The motion passed by a 5-0 vote

Ayes: Director Matthew Starbuck, Director Glen McLeod, Director Jim Keeling, Director Jeff Dotzler, Director Steve Dietrich

Noes: None

Absent: Director Jorge Magana

5. Regular Business

- A. **Discuss and Consider the** Appointment of Jeff Dotzler to the Vacancy on the Board of Directors. Mr. Dotzler was the only applicant for the position of Board Member; no voting needed.

- B. **Discuss and Consider** Board of Officers and Committee Assignments for 2026 Postponed until February 18,2026 meeting.

6. Communications - The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide references to staff or other resources for information, and direct staff to place a topic or report on a future committee or regular meeting agenda.

A. General Manager's Comments – None

B. Director Comments – Director Jim Keeling Presented to the Board the Brown Act Compliance Manual for Special Districts. (Revised January 2026). Director Jim Keeling brought up the calendar of events for the evaluation of the General Manager.

C. Public Comments - None

With no further business before the Board, the meeting was adjourned at 5:45 pm

Respectfully Submitted:

Arleen Block

X _____

President, Jorge Magana

X _____

Board Secretary, Arleen Block



General Manager and Administrative Activity Reports

General Manager Report

Budget-Continuing to collect estimates for CIP projects.

Valves- Working with field staff to install 5 new water line valves within Burton Mesa Blvd., this will stop us having to shut down the whole district in the future for leaks.

Cell Tower- Contractor is looking at possible solar panels for power.

GIS-Looking into getting the District into a GIS system.

Administrative Services Manager

Participated in Board Meeting & As is customary Board Meeting preparation. Assisted customers, Prepared Bank Deposits. Facilitated money transfers between accounts as warranted. Kept abreast of the District priorities on a weekly basis by both the General Manager and the Operations Supervisor. Evaluated daily Grant Opportunities. Continued Training Office Staff.

Accountant

Property Lien: Courtesy Notice has been sent to the property owner. Lien documentation is prepared, and filing will proceed in accordance with board policy and applicable law.

Board Secretary/Admin Analyst & Customer Service Representative

Compiled Board Packet, Completed Employee Expense Reports, Applied 10% Late Fee for non-payment of January Accounts. Past Due Letters Mailed for January Accounts #370, Worked on shut off notice; 24 shut off calls. Collected \$7,841.36 on delinquent accounts.



Board of Directors:
 President; Jorge Magana
 Vice President; Steve Dietrich
 Director; Jim Keeling
 Director; Matthew Starbuck
 Director; Glen McLeod

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**MISSION HILLS COMMUNITY SERVICES DISTRICT
 Water and Wastewater Report – January**

December	
<u>Water</u>	<u>Wastewater</u>
Monthly Distributed: 10.54 MG	Total Monthly Influent Flow: 5.3 MG
Daily Average: 0.34 MGD	Daily Average: 0.17 MGD
Monthly Sold: 8.48 MG	Ratio of Daily returned Flow: 36%
Unaccounted Water: 2.06 MG (19%)	(0.17/0.34 = 0.50)

Water

Compliance

- Submitted the State Water Resource Control Board (SWRCB) Monthly reports.
- Submitted the 4th Qtr. Maximum Residual Disinfection Level Report (MRDL).
- Submitted Semi-Annual Santa Ynez River Conservation District Report.
- Submitted Quarterly Safer Report.

Distribution System Maintenance/Repair

- Replaced 4 Hersey meters to Kamstrup meters. 1097 of 1312 meters total were replaced.
- Water main line repairs: 2
- Water service line repair: 2

Preventative Maintenance Program:

January

- Hydrants Maintenance: **11** **11/106 YTD**
- Valves exercised: **16** **16/175 YTD**



Wastewater

Compliance

- Submitted 2025 4th Qtr. Self-Monitoring Report (SMR.)
- Submitted Wastewater Annual Report.
- Collected all weekly and quarterly settleable solids samples.
- Submitted the Monthly No Spill Report.

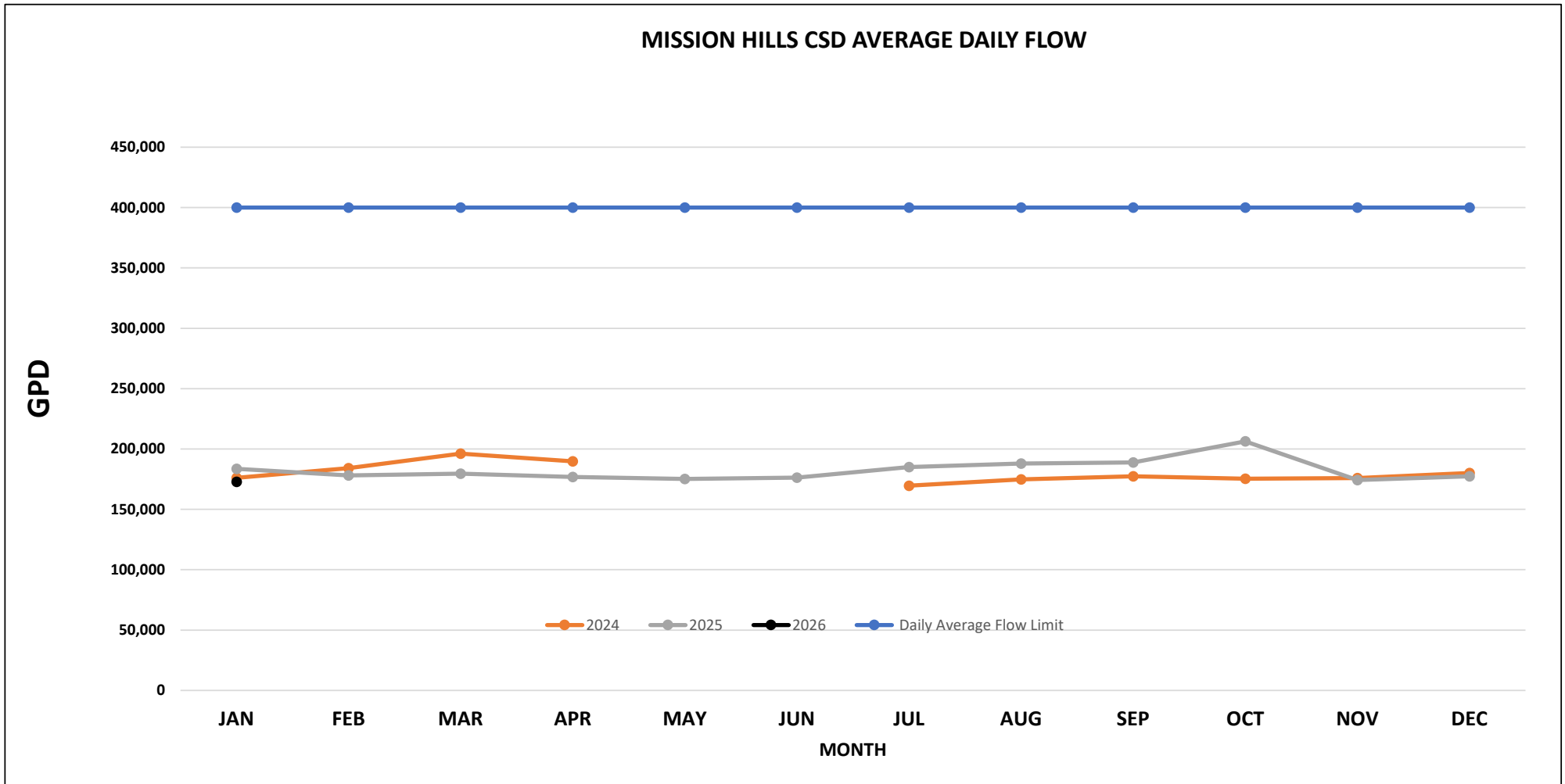
Wastewater Plant

- Performed weekly laboratory in-house samples.

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MHCSD AVERAGE DAILY WASTEWATER FLOW (GPD)

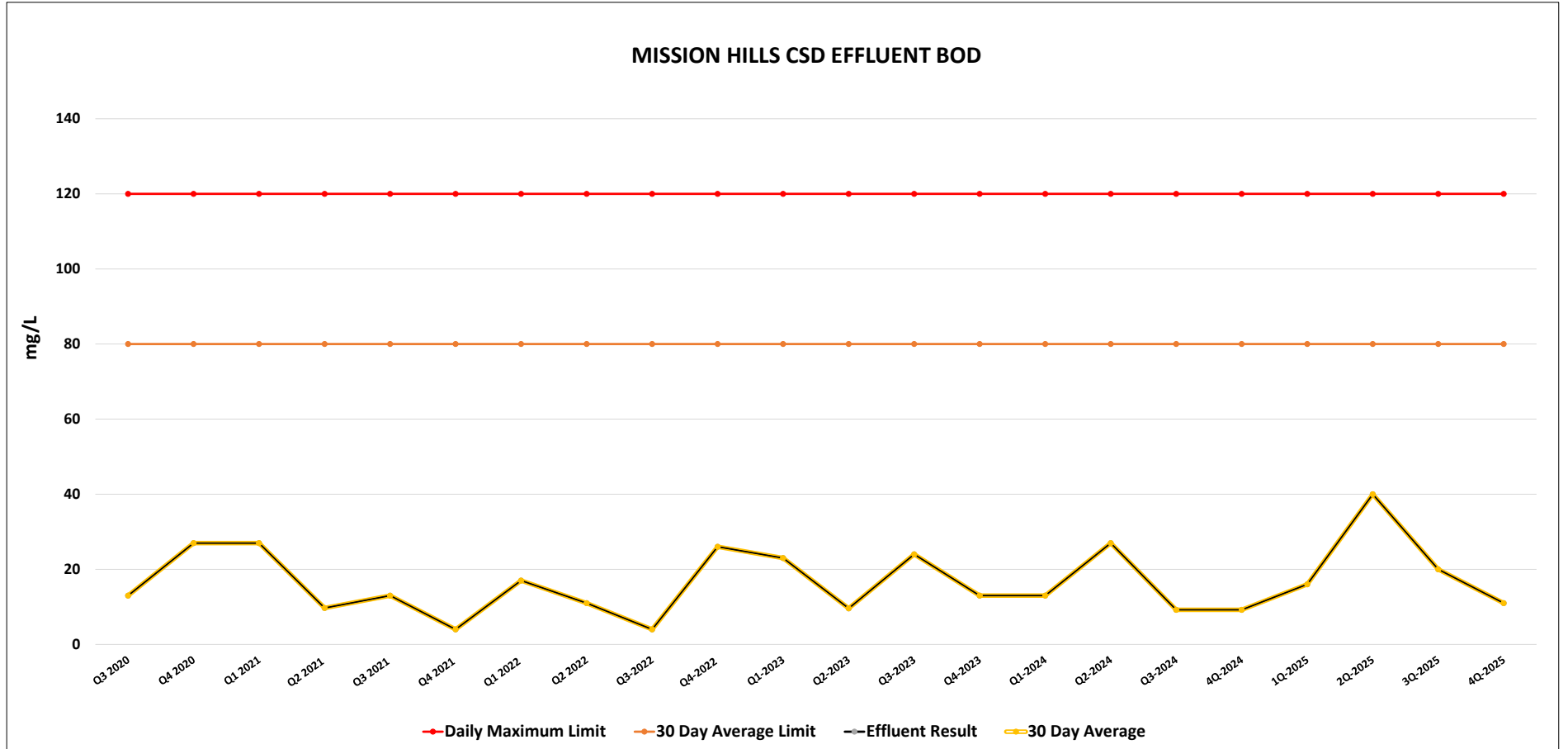
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Daily Average Flow Limit	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
2024	176,039	184,061	196,175	189,774			169,626	174,891	177,358	175,452	176,004	180,042
2025	183,577	178,078	179,587	176,856	175,259	176,370	185,035	187,896	188,808	206,308	174,291	177,419
2026	172,798											



MISSION HILLS CSD EFFLUENT BOD (mg/L)

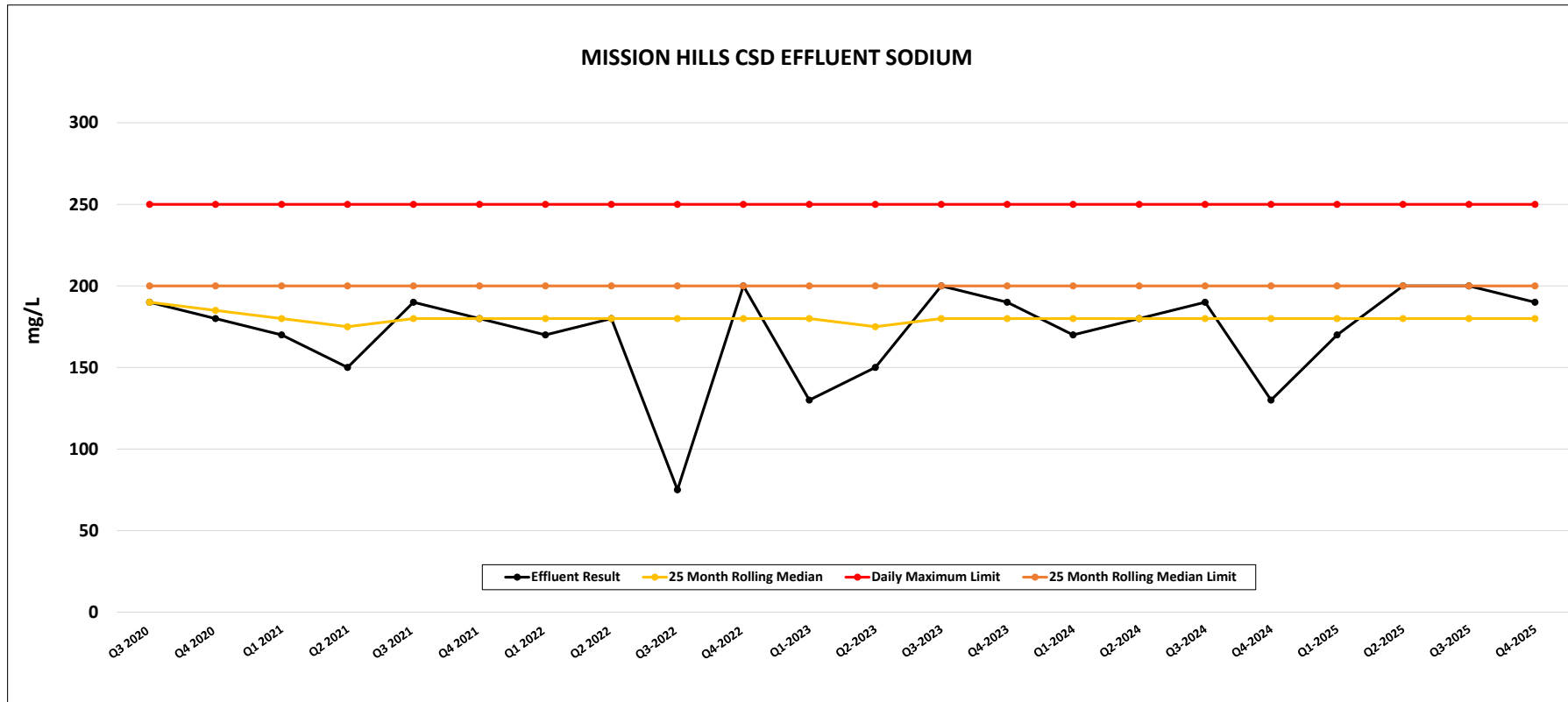
MONTH	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Daily Maximum Permit Limit	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120
30 Day Average Permit Limit	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80
Effluent Result	13	27	27	10	13	<4.0	17	11	<4.0	26	23	10	24	13	13	27	9	9	16	40	20	11
30 Day Average	13	27	27	10	13	<4.0	17	11	<4.0	26	23	10	24	13	13	27	9	9	16	40	20	11

Non-detect, estimated, and greater than (>) results are graphed at their reporting levels or as reported by lab.



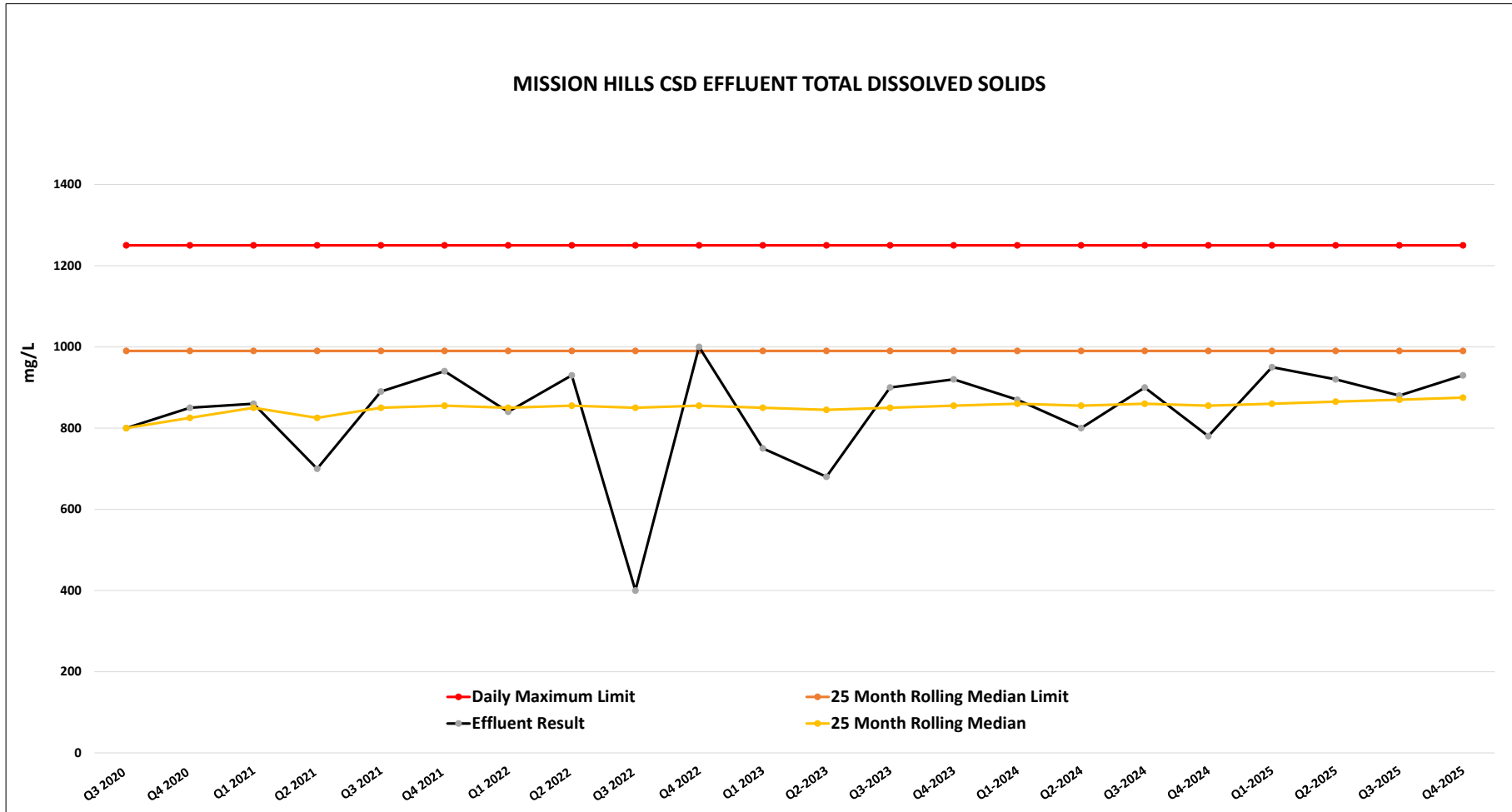
MISSION HILLS CSD EFFLUENT SODIUM (mg/L)

MONTH	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Daily Maximum Permit Limit	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
25 Month Rolling Median Limit	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200	200
Effluent Result	190	180	170	150	190	180	170	180	75	200	130	150	200	190	170	180	190	130	170	200	200	190
25 Month Rolling Median	190	185	180	175	180	180	180	180	180	180	180	175	180	180	180	180	180	180	180	180	180	180



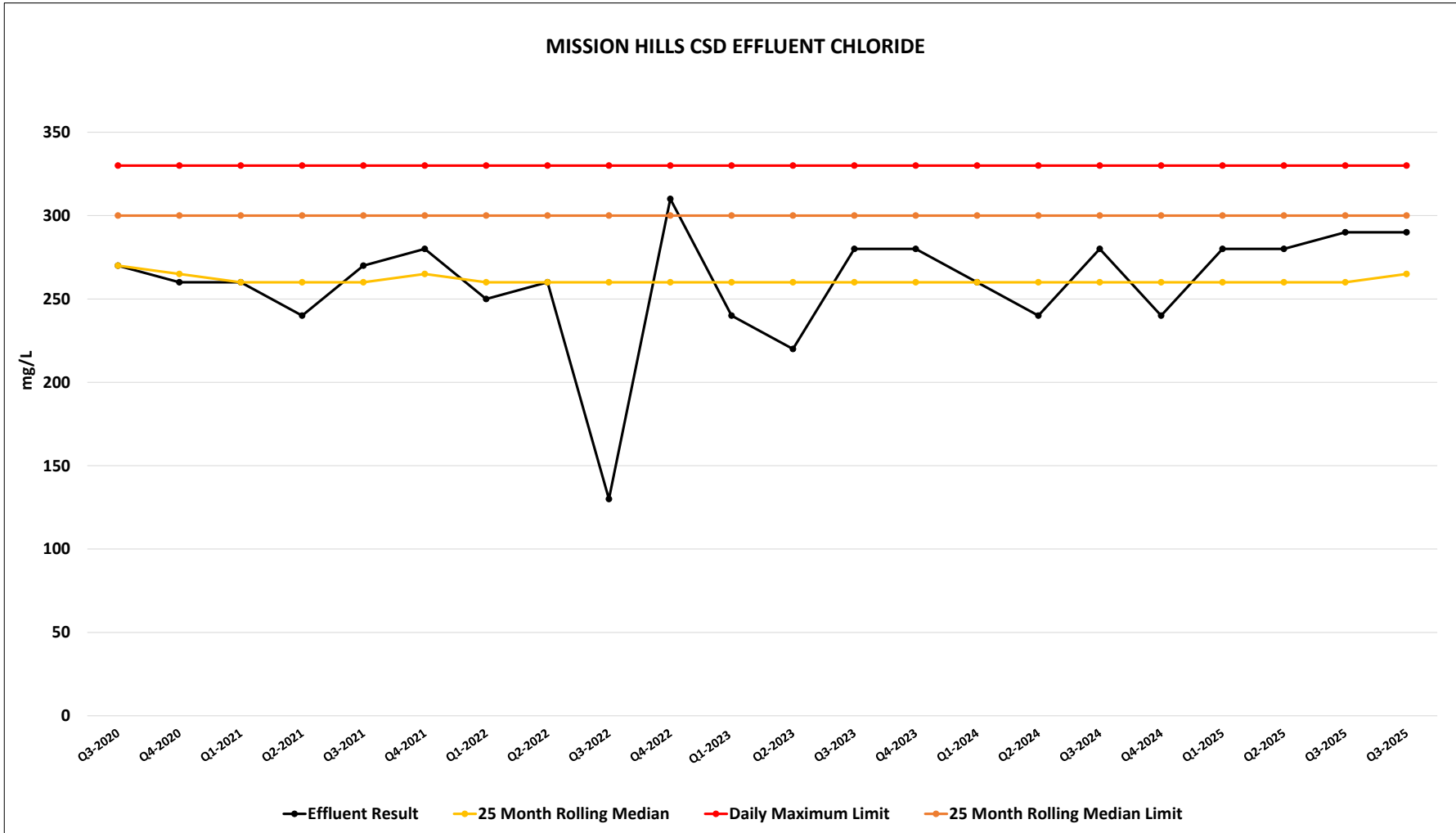
MISSION HILLS CSD EFFLUENT TOTAL DISSOLVED SOLIDS (mg/L)

MONTH	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Daily Maximum Permit Limit	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
25 Month Rolling Median Limit	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990	990
Effluent Result	800	850	860	700	890	940	840	930	400	1,000	750	680	900	920	870	800	900	780	950	920	880	930
25 Month Rolling Median	860	855	860	855	860	860	860	860	860	860	860	855	860	860	860	860	860	860	860	860	860	875



MISSION HILLS CSD EFFLUENT CHLORIDE (mg/L)

MONTH	Q3-2020	Q4-2020	Q1-2021	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Daily Maximum Permit Limit	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330	330
25 Month Rolling Median Limit	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Effluent Result	270	260	260	240	270	280	250	260	130	310	240	220	280	280	260	240	280	240	280	280	290	290
25 Month Rolling Median	250	255	260	255	260	260	260	260	260	260	260	255	260	260	260	260	260	260	260	260	260	265



MISSION HILLS CSD EFFLUENT TOTAL NITROGEN (mg/L)

MONTH	Q2-2020	Q3-2020	Q4-2020	Q1-2021	Q2-2021	Q3-2021	Q4-2021	Q1-2022	Q2-2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q3-2024	Q1-2025	Q2-2025	Q3-2025	Q4-2025
Daily Maximum Permit Limit	30	20	30	30	30	20	30	30	30	20	30	30	30	20	30	30	30	20	30	30	30	30	30
Monthly Average Limit	15	10	15	15	15	10	15	15	15	10	15	15	15	10	15	15	15	10	15	15	15	15	15
Effluent Result	26	8	7	13	9	6	5	14	26	3	8	13	12	9	5	9	14	4	5	19	12	7	5



Mission Hills Community Services District
Revenue and Expenses Prev Year Comparison
January 2026

	Jan 26	Jan 25	\$ Change	Explanation
Ordinary Income/Expense				
Income				
4005 · 48 hour notice fees	360.00	225.00	135.00	
4025 · Construction hydrant meter	250.00	0.00	250.00	
4045 · Late fees	4,633.95	5,141.46	-507.51	
4060 · Reconnection fees	0.00	650.00	-650.00	
4075 · Returned check fees	25.00	25.00	0.00	
4085 · Sewer basic charges	115,430.10	106,200.34	9,229.76	Rate Increase 2026
4095 · Street sweeping charges	1,502.16	1,503.48	-1.32	
4105 · Water basic charges	64,929.75	62,296.95	2,632.80	Rate Increase 2026
4115 · Water usage charges	45,558.28	47,127.06	-1,568.78	Decrease in Consumption 2026
Total Income	232,689.24	223,169.29	9,519.95	
Gross Profit	232,689.24	223,169.29	9,519.95	
Expense				
6000 · Salaries and wages				
6005 · Wage expense	67,142.39	99,107.94	-31,965.55	3 Pay Periods 2025
6010 · Payroll tax expense	5,324.64	7,736.16	-2,411.52	3 Pay Periods 2025
Total 6000 · Salaries and wages	72,467.03	106,844.10	-34,377.07	
6050 · Employee benefits				
6060 · Disability insurance	297.49	314.13	-16.64	
6065 · Health insurance	15,594.98	18,241.98	-2,647.00	Rate Change 2026 Plan Changes
6075 · Retirement expenses	2,069.32	2,771.08	-701.76	
6085 · Workers compensation expe	6,804.21	0.00	6,804.21	Timing of Audit Payment 2026
6090 · Vacation & Sick Leave	1,835.31	1,409.20	426.11	
6095 · Benefit Administration	92.56	89.82	2.74	
Total 6050 · Employee benefits	26,693.87	22,826.21	3,867.66	
6100 · Director fees	625.00	625.00	0.00	
6105 · Election fees	0.00	3,739.61	-3,739.61	No Charges Yet 2026
6110 · Depreciation expense	26,784.66	26,784.66	0.00	
6140 · Vehicle expenses				
6145 · Tractor and equipment	0.00	126.24	-126.24	
6150 · Vehicle fuel	1,356.10	1,266.07	90.03	
6155 · Vehicle maintenance	419.21	332.00	87.21	
6160 · Automobile Allowance	350.00	350.00	0.00	
Total 6140 · Vehicle expenses	2,125.31	2,074.31	51.00	
6190 · Dues and memberships	0.00	106.00	-106.00	
6200 · Office expenses				
6220 · Licenses and fees	180.00	0.00	180.00	
6230 · Office supplies	0.00	451.00	-451.00	
6235 · Postage expense	0.00	21.44	-21.44	
Total 6200 · Office expenses	180.00	472.44	-292.44	
6300 · Operating supplies and expenses				
6310 · Miscellaneous supplies	161.13	247.13	-86.00	
6330 · Shop supplies	249.53	0.00	249.53	
6340 · Chemicals				
6344 · Chlorine	0.00	1,346.40	-1,346.40	Timing of Payment 2025
Total 6340 · Chemicals	0.00	1,346.40	-1,346.40	
Total 6300 · Operating supplies and ex	410.66	1,593.53	-1,182.87	
6350 · Safety expenses				
6370 · Safety training	0.00	129.91	-129.91	
6375 · Other safety expenses	0.00	161.48	-161.48	
Total 6350 · Safety expenses	0.00	291.39	-291.39	
6410 · Contractual services				

Mission Hills Community Services District
Revenue and Expenses Prev Year Comparison
January 2026

	Jan 26	Jan 25	\$ Change	Explanation
6420 · Cleaning service	200.00	200.00	0.00	
6425 · Office equip maintenance	347.37	547.48	-200.11	
6430 · Internet access	190.92	182.68	8.24	
6435 · Landscaping services	283.83	0.00	283.83	
6437 · Pest Control	124.00	0.00	124.00	
6445 · Security expense	249.33	112.50	136.83	
6450 · Software support	1,452.50	2,128.24	-675.74	
6452 · Credit Card Processing	1,960.04	217.66	1,742.38	Timing of Entry 2026
6453 · Software Subscriptions	237.60	721.27	-483.67	
6455 · Street sweeping services	1,530.00	1,530.00	0.00	
6460 · Uniforms	0.00	704.70	-704.70	
6470 · Other contractual services	4,711.75	28.50	4,683.25	Wallace Group & PR Firm 2026
Total 6410 · Contractual services	11,287.34	6,373.03	4,914.31	
6475 · Professional services				
6490 · Legal services	527.19	5,635.11	-5,107.92	Less Legal Fees 2026
Total 6475 · Professional services	527.19	5,635.11	-5,107.92	
6500 · Printing and publication	4,963.20	648.58	4,314.62	Bills & Envelopes Ordered 2026
6505 · Equipment lease and rentals	416.87	427.32	-10.45	
6525 · Research and monitoring				
6530 · Lab & Testing Expenses	351.67	0.00	351.67	
6535 · Monitoring expense	945.39	343.00	602.39	
Total 6525 · Research and monitoring	1,297.06	343.00	954.06	
6600 · Travel and meetings				
6610 · Meals	27.43	300.29	-272.86	
Total 6600 · Travel and meetings	27.43	300.29	-272.86	
6650 · Utilities				
6655 · Cell phones	50.00	256.74	-206.74	
6665 · Electrical	15,295.50	18,906.40	-3,610.90	Off Peak Usage 2026
6670 · Natural gas	1,627.19	424.91	1,202.28	Well #5 Running 2026
6685 · Telephone	553.89	302.91	250.98	
6691 · Trash & Recycling	342.37	330.42	11.95	
Total 6650 · Utilities	17,868.95	20,221.38	-2,352.43	
6700 · Government fees and charges	681.00	4,631.81	-3,950.81	Timing of Payment 2025 SYRWCD
6720 · Repairs and maintenance				
6730 · Distribution expense	1,736.74	2,100.51	-363.77	
6740 · Hydrants	97.88	0.00	97.88	
6750 · Collection expense	6,525.00	0.00	6,525.00	Famon Pipe 2026
6755 · Reservoirs	6,910.00	0.00	6,910.00	Surveyor 2026
6760 · Shop and equip repairs	0.00	387.22	-387.22	
6765 · Supplies and small tools	55.01	6,748.35	-6,693.34	Famon Pipe 2025
6785 · Wells and pumping	0.00	48,925.88	-48,925.88	Well #7 Rehab 2025-CIP
6795 · Other repairs and mainten	4,268.36	11,500.00	-7,231.64	Manley Dr Leak 2025
Total 6720 · Repairs and maintenance	19,592.99	69,661.96	-50,068.97	
Total Expense	185,948.56	273,599.73	-87,651.17	
Net Ordinary Income	46,740.68	-50,430.44	97,171.12	
Other Income/Expense				
Other Income				
7006 · Market Appreciation/(Depr)	0.00	319.58	-319.58	
7010 · Interest income	7,359.73	12,485.11	-5,125.38	CIP Expenditures & Lower Interest 2026
Total Other Income	7,359.73	12,804.69	-5,444.96	
Other Expense				
8060 · Misc Expense	0.00	215.15	-215.15	

Mission Hills Community Services District
Revenue and Expenses Prev Year Comparison
 January 2026

	Jan 26	Jan 25	\$ Change	Explanation
Total Other Expense	0.00	215.15	-215.15	
Net Other Income	7,359.73	12,589.54	-5,229.81	
Net Income	54,100.41	-37,840.90	91,941.31	

Mission Hills Community Services District
Disbursements Journal
January 2026

	Date	Num	Name	Amount	Explanation
1000 · FSB - Operating 1535412					
	01/08/2026	34844	ACWA	-14,600.00	Annual Membership Dues
	01/08/2026	34845	ACWA Joint Powers Insurance Au	-6,804.21	WC Audit
	01/08/2026	34846	Carmel & Naccasha LLP	-527.19	
	01/08/2026	34847	Clinical Labs of San Bernardino Inc	-610.50	
	01/08/2026	34848	Comcast	-190.92	
	01/08/2026	34849	Converged	-1,452.50	Ongoing IT Services
	01/08/2026	34850	Core & Main	-39,537.95	CIP- Water Meters
	01/08/2026	34851	County of Santa Barbara- Gen Svc	-407.65	
	01/08/2026	34852	De Lage Landen Financial Service	-231.57	
	01/08/2026	34853	Downtown Ford Sales	-105,073.93	CIP-2026 Ford F650 Dump Truck
	01/08/2026	34854	Famcon Pipe & Supply Inc.	-5,735.47	Replacement Hydrant
	01/08/2026	34855	Flextg	-332.37	
	01/08/2026	34856	Fluid Resource Management	-92.50	
	01/08/2026	34857	Reimbursement	-27.43	
	01/08/2026	34858	Auto & Phone Allowance	-400.00	
	01/08/2026	34859	Home Depot	-350.98	
	01/08/2026	34860	ICONIX Waterworks (US) Inc.	-293.63	
	01/08/2026	34861	JB Dewar Inc	-611.56	
	01/08/2026	34862	Jim Vreeland Ford	-103.89	
	01/08/2026	34863	Jon's Lawn Mowing	-379.25	
	01/08/2026	34864	Linde Gas & Equipment Inc	-54.15	
	01/08/2026	34865	Marborg Industries	-342.37	
	01/08/2026	34866	MNS Engineers, Inc.	-1,125.00	CIP-WWTP Upgrade
	01/08/2026	34867	O'Connor Pest Control	-134.00	
	01/08/2026	34868	Quadient Leasing USA, Inc.	-490.46	
	01/08/2026	34869	Reimbursement	-66.14	
	01/08/2026	34870	Shade Farm Management Inc	-13,000.00	Brush Clearance
	01/08/2026	34871	Smith Alarms & Electronics, Inc.	-112.50	
	01/08/2026	34872	SoCalGas	-47.16	
	01/08/2026	34873	SP Maintenance Services, Inc.	-1,530.00	Street Sweeping
	01/08/2026	34874	Standard Insurance Company	-297.49	
	01/08/2026	34875	State Water Resources Control Bo	-70.00	
	01/08/2026	34876	Underground Service Alert of SC	-28.00	
	01/08/2026	34877	Universal Blower Pac	-2,030.11	Various Items
	01/08/2026	34878	Valley Rock Ready Mix, Inc.	-1,664.74	Sand & Slurry Lewis Dr
	01/08/2026	34879	Wallace Group	-483.75	
	01/09/2026	EFT	Frontier Communications	-89.14	
	01/21/2026	34880	American Industrial Supply	-104.69	
	01/21/2026	34881	California Special Districts Associa	-920.30	
	01/21/2026	34882	Clinical Labs of San Bernardino Inc	-473.00	
	01/21/2026	34883	Converged	-1,452.50	Ongoing IT Services
	01/21/2026	34884	DM Baker Media Relations	-2,400.00	PR Work
	01/21/2026	34885	Famcon Pipe & Supply Inc.	-258.83	
	01/21/2026	34886	Flextg	-15.00	
	01/21/2026	34887	Haaker Equipment Company	-676.30	
	01/21/2026	34888	Inklings Printing Company	-4,963.20	Bills & Envelopes Ordered
	01/21/2026	34889	JB Dewar Inc	-296.24	
	01/21/2026	34890	Mission Paving Inc	-717.50	
	01/21/2026	34891	MNS Engineers, Inc.	-4,118.75	CIP-WWTP Upgrade
	01/21/2026	34892	Moss, Levy & Hartzheim LLP	-2,140.00	Audit Expense
	01/21/2026	34893	Pro3 Automation Inc	-2,198.00	CIP- SCADA
	01/21/2026	34894	Reese Water & Land Surveying Se	-6,910.00	Surveying
	01/21/2026	34895	Santa Ynez River Water Conserv I	-4,036.10	Semi-Annual Groundwater Production Report
	01/21/2026	34896	Smith Alarms & Electronics, Inc.	-136.83	
	01/21/2026	34897	State Water Resources Control Bo	-120.00	
	01/21/2026	34898	USA BlueBook	-351.67	
	01/21/2026	34899	Valley Rock Ready Mix, Inc.	-1,664.74	Sand & Slurry Lewis Dr
Total 1000 · FSB - Operating 1535412				-233,282.16	
1060 · CHCU - General 4163					

Mission Hills Community Services District
Disbursements Journal
January 2026

		Date	Num	Name	Amount	Explanation
		01/09/2026	EFT	SoCalGas	-1,792.65	Well #5
		01/09/2026	EFT	PG&E	-4,363.21	WWTP
		01/22/2026	EFT	PG&E	-403.90	Office
		01/22/2026	EFT	PG&E	-626.16	Shop
		01/22/2026	EFT	PG&E	-53.66	Well #6
		01/22/2026	EFT	PG&E	-5,817.81	Well #7
		01/22/2026	EFT	PG&E	-2,770.45	Lift Station
		01/22/2026	EFT	PG&E	-417.97	Well #5
		01/22/2026	EFT	PG&E	-12.02	Street Light
		01/26/2026	EFT	TASC	-92.56	
Total 1060 · CHCU - General 4163					-16,350.39	
1070 · CHCU - Payroll 4155						
		01/02/2026	E-pay	EDD	-2,117.64	
		01/02/2026	E-pay	IRS USATAXPYMT	-6,191.24	
		01/02/2026	EFT	CA State Disbursement Unit/Exper	-299.07	
		01/08/2026	1457	Matrix Trust Company	-6,366.69	401K 457
		01/14/2026		Payroll	-23,638.38	
		01/16/2026	E-pay	EDD	-1,959.11	
		01/16/2026	E-pay	IRS USATAXPYMT	-5,679.76	
		01/16/2026	EFT	CA State Disbursement Unit/Exper	-299.07	
		01/21/2026	1458	Matrix Trust Company	-6,030.35	401K 457
		01/28/2026		Payroll	-23,385.32	
		01/28/2026		BOD Payroll	-341.43	
		01/29/2026	1459	BOD Payroll	-113.81	
		01/29/2026	1460	BOD Payroll	-113.81	
		01/30/2026	E-pay	EDD	-1,918.82	
		01/30/2026	E-pay	IRS USATAXPYMT	-5,683.50	
		01/30/2026	EFT	CA State Disbursement Unit/Exper	-299.07	
Total 1070 · CHCU - Payroll 4155					-84,437.07	
1075 · CHCU - ACH 4130						
		01/16/2026	EFT	Springbrook (ACH Services)	-222.25	
Total 1075 · CHCU - ACH 4130					-222.25	
TOTAL					-334,291.87	

Variation From Projected Income

Fiscal Year Ending 6-30-2026

Billing Month	Water			Wastewater			Total (Loss) / Gain	Current Year Units Sold	Last Year Units Sold	Previous 5 Year Average Units Sold
	Budgeted Income*	Actual Income	Variation	Budgeted Income	Actual Income	Variation				
Jul-25	\$ 161,820	\$ 124,314	\$ (37,506)	\$ 114,923	\$ 106,180	\$ (8,743)	\$ (46,249)	22,768	23,485	23,802
Aug-25	\$ 151,157	\$ 144,420	\$ (6,737)	\$ 114,923	\$ 115,171	\$ 248	\$ (6,489)	21,920	20,007	22,462
Sep-25	\$ 132,500	\$ 140,913	\$ 8,413	\$ 114,923	\$ 115,374	\$ 451	\$ 8,864	22,055	22,404	21,164
Oct-25	\$ 130,375	\$ 140,595	\$ 10,220	\$ 114,923	\$ 115,225	\$ 302	\$ 10,522	16,433	19,571	19,997
Nov-25	\$ 118,208	\$ 118,502	\$ 294	\$ 114,923	\$ 115,233	\$ 310	\$ 604	12,123	14,420	16,076
Dec-25	\$ 128,765	\$ 102,158	\$ (26,607)	\$ 114,923	\$ 115,236	\$ 313	\$ (26,294)	14,496	15,608	13,462
Jan-26	\$ 120,926	\$ 110,488	\$ (10,438)	\$ 114,923	\$ 115,430	\$ 507	\$ (9,931)	11,305	14,052	12,579
Feb-26	\$ 100,123	\$ -	\$ -	\$ 114,923	\$ -	\$ -	\$ -	-	12,670	12,850
Mar-26	\$ 111,783	\$ -	\$ -	\$ 114,923	\$ -	\$ -	\$ -	-	13,524	12,842
Apr-26	\$ 120,926	\$ -	\$ -	\$ 114,923	\$ -	\$ -	\$ -	-	17,953	15,689
May-26	\$ 114,100	\$ -	\$ -	\$ 114,923	\$ -	\$ -	\$ -	-	20,202	19,740
Jun-26	\$ 120,890	\$ -	\$ -	\$ 114,921	\$ -	\$ -	\$ -	-	19,340	20,768
Total	\$ 1,511,573	\$ 881,390	\$ (62,361)	\$ 1,379,074	\$ 797,849	\$ (6,612)	\$ (68,973)	121,100	213,236	211,431
YTD avg	100%	58%		100%	58%			Year to Date Monthly Averages		
								10,092	17,770	17,619
								Yearly Average	17,770	17,619
* Projected Income is calculated by using current year and previous 5 year average monthly units sold.										
Units Sold by Calendar Year (1 Unit = 1 HCF = 748 Gallons)										

Bank Account Summary												Consent Item 4.C. iv
	7/31/2025	8/31/2025	9/30/2025	10/31/2025	11/30/2025	12/31/2025	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026
	LAIF	\$335,359	\$335,359	\$335,359	\$339,023	\$339,023	\$339,023	\$342,607				
California Class	\$2,167,689	\$2,175,653	\$2,183,293	\$2,191,060	\$2,198,332	\$2,205,571	\$2,106,821					
Charles Schwab	\$96,589	\$96,592	\$0	\$0	\$0	\$0	\$0					
Coast Hills FCU												
Checking	\$227,349	\$277,549	\$213,676	\$253,280	\$299,252	\$236,792	\$293,039					
Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
Investment Checking	\$202	\$202	\$202	\$202	\$202	\$202	\$202					
Savings	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
Payroll	\$34,982	\$31,158	\$10,173	\$21,662	\$9,417	\$28,085	\$23,863					
ACH (Sweep Account)	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000					
Total Coast Hill FCU	\$263,533	\$309,910	\$225,051	\$276,144	\$309,871	\$266,079	\$318,104					
Five Star Bank												
Operating	\$352,714	\$125,706	\$304,919	\$267,069	\$223,193	\$229,482	\$190,431					
Development	\$13,047	\$13,048	\$13,049	\$13,050	\$13,051	\$13,052	\$13,053					
Money Market	\$134,472	\$134,959	\$135,432	\$135,918	\$136,384	\$136,860	\$137,330					
ACH (Sweep Account)	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0					
Total Five Star Bank	\$500,233	\$273,712	\$453,400	\$416,037	\$372,628	\$379,394	\$340,814					
Combined Balance	\$3,363,403	\$3,191,226	\$3,197,103	\$3,222,264	\$3,219,854	\$3,190,067	\$3,108,346					
Monthly Change	-\$83,036	-\$172,176	\$5,877	\$25,161	-\$2,410	-\$29,787	-\$81,721					
Fiscal Year Monthly Change To Date												
	-\$338,093											

Mission Hills Community Services District							7
Budget to Actual Comparison							0.58
Thru 01/31/2026							5
	Budgeted	Prorated Budget	Actual Thru		Remainder	% of Budget	Explanation
	Fiscal Year 25-26	Jan-26	Jan-26	Difference	Budgeted Amount	58%	
Income							
Late Fees/Charges	\$ 40,000	\$ 23,333	\$ 28,130	\$ 4,797	\$ 11,870	70%	Higher Than Budgeted
Water Service	\$ 1,511,573	\$ 881,751	\$ 880,389	\$ (1,362)	\$ 631,184	58%	On Track with Budget
Sewer Service	\$ 1,379,074	\$ 804,460	\$ 797,849	\$ (6,611)	\$ 581,225	58%	On Track with Budget
Street Sweeping	\$ 18,076	\$ 10,544	\$ 10,253	\$ (291)	\$ 7,823	57%	Slightly Lower Than Budgeted
	\$ 2,948,723	\$ 1,720,088	\$ 1,716,621	\$ (3,467)	\$ 1,232,102	58%	Revenue On Track with Budget
	Budgeted	Prorated Budget	Actual Thru		Remainder		
	Fiscal Year 25-26	Jan-26	Jan-26	Difference	Budgeted Amount		
Expense							
Salaries & Wages	\$ 1,114,208	\$ 649,955	\$ 614,929	\$ 35,026	\$ 499,279	55%	Lower Than Budgeted
Employee Benefits	\$ 242,393	\$ 141,396	\$ 181,297	\$ (39,901)	\$ 61,096	75%	Increased # People on Insurance
Director Fees	\$ 12,000	\$ 7,000	\$ 4,375	\$ 2,625	\$ 7,625	36%	Lower Than Budgeted (Less Meetings)
WMA GSA Allocation	\$ 40,000	\$ 23,333	\$ 8,067	\$ 15,266	\$ 31,933	20%	Groundwater Extraction Fees
Election Expense	\$ 3,000	\$ 1,750	\$ -	\$ 1,750	\$ 3,000	0%	No Election Expense Yet
Vehicle Expense	\$ 37,000	\$ 21,583	\$ 19,034	\$ 2,549	\$ 17,966	51%	Lower Than Budgeted
Insurance	\$ 43,000	\$ 25,083	\$ 16,316	\$ 8,767	\$ 26,684	38%	Lower Than Budgeted
Memberships	\$ 35,000	\$ 20,417	\$ 25,944	\$ (5,527)	\$ 9,056	74%	Higher Than Budgeted, Timing of Payments
Office Expenses	\$ 7,500	\$ 4,375	\$ 9,401	\$ (5,026)	\$ (1,901)	125%	Includes Bulk Postage Refill
Operating Supplies	\$ 8,500	\$ 4,958	\$ 12,536	\$ (7,578)	\$ (4,036)	147%	Includes Lawn Mower Rental
Chemicals	\$ 78,500	\$ 45,792	\$ 20,192	\$ 25,600	\$ 58,308	26%	Lower Than Budgeted
Safety	\$ 7,500	\$ 4,375	\$ 12,292	\$ (7,917)	\$ (4,792)	164%	Includes Winch Purchase & Axial Blower Purchase
Contractual Services	\$ 85,000	\$ 49,583	\$ 76,969	\$ (27,386)	\$ 8,031	91%	Includes Emissions Testing
Professional Services	\$ 60,000	\$ 35,000	\$ 29,383	\$ 5,617	\$ 30,617	49%	Lower Than Budgeted
Printing & Publication	\$ 5,000	\$ 2,917	\$ 5,389	\$ (2,472)	\$ (389)	108%	Envelopes and Bills Ordered
Equipment Lease	\$ 6,000	\$ 3,500	\$ 3,306	\$ 194	\$ 2,694	55%	Lower Than Budgeted
Monitoring	\$ 20,000	\$ 11,667	\$ 13,567	\$ (1,900)	\$ 6,433	68%	Higher Than Budgeted, Includes Quarterly Monitoring
Travel/Meetings/Meals	\$ 20,000	\$ 11,667	\$ 4,578	\$ 7,089	\$ 15,422	23%	Lower Than Budgeted
Utilities	\$ 280,000	\$ 163,333	\$ 171,520	\$ (8,187)	\$ 108,480	61%	Summer Usage
Government Fees	\$ 40,000	\$ 23,333	\$ 37,096	\$ (13,763)	\$ 2,904	93%	Higher Than Budgeted
Repairs & Maintenance	\$ 210,000	\$ 122,500	\$ 83,937	\$ 38,563	\$ 126,063	40%	Lower Than Budgeted
	\$ 2,354,601	\$ 1,373,517	\$ 1,350,128	\$ 23,389	\$ 1,004,473	57%	Expenses are 1% Below Budget
Resolution 15-229 - Budget Preparation and Approval Process							
C.3. - Whenever a budgeted expense line item has circumstances where a projected expense exceeds a 5% variance of the total budget, the GM will be required to seek a super majority approval from the BoD before the expense is finalized, when possible.							
				5% =	\$ 117,730.05		



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Mission Hills Community Services District Board of Directors

FROM: Mike Garner, General Manager
Arleen Block, Board Secretary / Admin Analyst

DATE: February 18, 2026

SUBJECT: Discuss and Consider Officer Nominations & Committee
Assignments for 2026

Recommendation:

Consider making Officer Nominations for 2026 BOD
Consider making the 2026 Committee Assignments

Fiscal Impact:

None

Discussion:

Board to Discuss & Nominate Board Position's in accordance with the District By-Laws, the newly elected Board President is responsible for reviewing and making Committee Assignments for the coming calendar year.

The 2026 proposed Committee Assignments are shown in the Attachment to the Staff Report

Attachment: Committee Assignments for 2026

BOARD OFFICERS AND COMMITTEE ASSIGNMENTS FOR 2026

President:

Vice President:

Finance Officer:

Director:

Director:

Standing Committees	Committee Members	Alternate
Operations		
1) Water/Wastewater		
2) Legal/Personnel		
3) Finance/Budget		
Representatives / Point of Contact	Committee Members	Alternate
4) VAFB-IR Programs		
5) ACWA/JPIA		
6) CSDA (California Special District Association)		
7) Santa Ynez River Water Conservation District - Western Management Area Committee for Groundwater Sustainability		



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Mike Garner, General Manager
DATE: February 18, 2026
SUBJECT: **Re-issue Preliminary Can and Will Serve Letter – Brisa Encina Supportive Housing**

Recommendation / Proposed Motion

- Recommendation: Approve the Re-Issue of a Preliminary Can and Will Serve letter to Brisa Encina Supportive Housing. The project will be subject to approval of a Development Plan and Conditional Use Permit pursuant to the requirements of Santa Barbara County,
- Proposed Motion: Approve the Re- Issuance of a Preliminary Can and Will Serve letter to Brisa Encina Supportive Housing.

Policy Reference

The Board approves, and issues preliminary can-and-will serve letters.

Budget Resource

Capacity Charges from this development and continuous monthly revenue is expected to contribute to water and wastewater funds.

Alternatives Considered

None

Background

The board originally issued the Can and Will Serve letter on July 27, 2018, and re-issued the letter on November 17, 2021. The last letter expired on December 6, 2025. Brisa Encina is expected to break ground later this year, so they need a current Can and Will serve letter. This development is expected to bring in over \$900,000 in connection fees.

The Address of the proposed development is 1498 Burton Mesa Boulevard.

Discussion

Mission Hills Community Services District is responsible for the operations and maintenance of water, wastewater, and street sweeping services. Mission Hills CSD is not responsible for planning and development decisions. The County of Santa Barbara renders planning decisions.

The permit process will involve a Development Plan and Conditional Use Permit requiring discretionary review under the requirements of the Santa Barbara County Code. If approved, this Preliminary Can-and-Will-Serve is one of many steps for the developer to complete an application with the County. The District will be advised of the status of the applications and their progression through the review process.

Supportive Housing is defined as Housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. See Government Code Section 65582(g), and Section 65582(i) for additional information.

The District has Customer Policy 7013 - commercial, institutional, or industrial applicant are required to furnish the District with an estimate of the quantity and characteristics of the waste proposed to be discharged into the wastewater system. If in the District's judgment, the waste discharge will have a harmful effect upon the wastewater works, processes, plant, equipment, or which otherwise creates a hazard to life or constitutes a public nuisance, the District may:

- Reject the waste
- Require pretreatment to an acceptable condition for discharge into the wastewater system
- Require control over quantities and rates of discharge
- Require the construction of control manholes for monitoring, measuring and testing the quantity and characteristics of waste to be discharged
- Require, as a condition of service, periodic reports on flows and characteristics of discharged wastes to ensure compliance with the rules of the District and conditions of service

Attachment(s):

1. Preliminary Can and Will Serve Letter

Board of Directors

Jorge Magana, President
Jeff Dotzler, Director
Jim Keeling, Financial Director
Glen McLeod, Director
Matthew Starbuck, Director



1550 East Burton Mesa Blvd, Lompoc
California, 93436-2100
805.733.4366
www.mhcsd.org

Mike Garner, General Manager

February 18, 2026

Mr. Frank Thompson
Thompson Housing Consultants
114 E. Gutierrez Street
Santa Barbara, CA 93101

Sent via email to: frank@thompsonhousing.com

Subject: Reissuance of Preliminary Can and Will Serve Letter for Brisa Encina Supportive Housing Project, 1494 Burton Mesa Blvd., Lompoc, CA APN 097-111-004

Dear Mr. Thompson:

The District issued you your original Can and will Serve letter on July 18, 2019, and was reissued-on November 17, 2021, which expired on December 6, 2025.

The purpose of this letter is to formally extend the Preliminary Can and Will Serve Letter for the Brisa Encina Project until December 6, 2026. This letter will also include the updated Child Care Center.

This letter is subject to District Ordinances, Resolutions, Policies, Rules, Regulations and Legal Requirements, including the California Environmental Quality Act (CEQA). The District reserves the right to change, alter, amend, supplement, add to or repeal any of its Ordinances, Resolutions, Policies, Rules and Regulations, including but not limited to design standards, capacity charges, connection fees, service fees and service rules. Although we don't anticipate doing so, the District can adopt a moratorium, or system of rationing water and wastewater services, that could affect our ability to serve the subject property.

The applicant shall provide the District with preliminary construction documents at the same time they are submitted to the County of Santa Barbara for initial County plan check. Staff will review the construction documents and advise the applicant if the proposed water/sewer improvements are consistent with District standards and once approved, staff will administratively issue a Final Can and Will Serve Letter.

This letter will expire on December 6, 2026, unless construction of the Supportive Housing Project has begun.

Sincerely,

Mike Garner
General Manager
Mission Hills Community Services District



MISSION HILLS COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Mike Garner, General Manager
Arleen Block, Board Secretary
DATE: February 18, 2026
SUBJECT: Resolution No. 26-367 – Cost of Living Salary Adjustment

Recommendation / Proposed Motion

Proposed Motion: Approve Resolution No. 26-367 Approving Cost of Living Salary Adjustments for all permanent District employees, effective July 1, 2026, or concurrently with the adoption of the FY 2026/27 Operations Budget.

Policy Reference

- The Board of Directors has authority to determine the compensation for District employees pursuant to Government Code Section 61060(f).

Budget Resource

A cost-of-living allowance is included in the pay schedule of the Final Fiscal Year 2026/2027 budget.

Alternatives Considered

The Board may consider adjusting to a higher or lower cost of living.

Discussion

The recommendation is for a 2.6% cost-of-living adjustment as part of the FY 2026-2027 budget. This number is calculated by the US Department of Labor, Bureau of Labor Statistics, and can be found on the Consumer Price Index for West Size Class B/C Urban Wage Earners and Clerical Workers (CPI-W). This index specifically reflects the economic adjustments for our region.

https://data.bls.gov/timeseries/CWURN400SA0&output_view=pct_12mths

Attachment(s):

1. Resolution No. 26-367 – Approval of Cost-of-Living Adjustments Resolution

RESOLUTION NO. 26-367

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MISSION HILLS COMMUNITY SERVICES DISTRICT APPROVING COST OF LIVING ADJUSTMENTS FOR ALL PERMANENT DISTRICT EMPLOYEES

WHEREAS the Mission Hills Community Services District (the “District”) is formed pursuant to California Government Code Section 61000 et seq; and

WHEREAS, the District Board of Directors (“Board”) has the authority to fix the compensation of District employees pursuant to Government Code Section 61060(f); and-

WHEREAS, on February 18, 2026, the Board reviewed the COLA for fiscal year 2026/2027 which included a revision to the District’s pay schedule that incorporated the 2025 Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W) cost of living adjustment for all permanent District employees; and

WHEREAS, on February 18, 2026, the Board finds that it is in the best interests of the District and the community to adjust employee compensation consistent with the cost of living in the area.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Mission Hills Community Services District hereby approves a 2.6% cost-of-living increase to all District employees’ compensation. This Resolution shall become effective on the **1st of July 2026** or concurrently with the adoption of the FY 2026/27 Operations Budget. whichever is later

On motion of Director, seconded by Director, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

The foregoing Resolution was passed and adopted on this **18th day of February 2026**

By: _____
Jorge Magana, President, Board of Directors

Attest:

By: _____
Arleen Block, Board Secretary



MISSION HILLS COMMUNITY SERVICES DISTRICT

6. COMMUNICATIONS- The Board of Directors may ask a question for clarification, make an announcement, or report briefly on recent activities or conferences. Also, Directors may provide a reference to staff or other resources for information and request the Board President consider placing an item on a future committee meeting or regular meeting.

A. General Manager Comments

MHCSD COMMITTEE MEETING UPDATES

February 18, 2026 Board Meeting

Committee	Summary Discussion	Completed Meeting Date
Finance/Budget Dietrich/Keeling Alt. Magana	Did not meet.	
Legal/Personal Magana/Keeling Alt. McLeod	Did not meet.	
Water/Wastewater McLeod/Starbuck Alt. Dietrich	Did not meet.	
WMA GSA JPA Keeling Alt. GM	Did not meet.	

B. Director's Comments

C. Public Comments

THE LAST PAGE OF THE BOARD PACKET