BOARD OF DIRECTORS
Regular Meeting Agenda
October 1st, 2026, 6:30 p.m.
Board Room
19039 Bay Street, El Verano
(707) 996-1037

PUBLIC NOTICE

Members of the public may participate in this open, public meeting in person.

Time will be provided for public comment. Any member of the public wishing to speak will be allowed 3 minutes to make a statement. Board President will call for comments prior to the Board deliberating on pending action. However, please note that no action can be taken on any item unless printed on the agenda and included with the meeting notice. Therefore, any item discussed by members of the public and not shown on the agenda will only be received for information. The Board of directors may choose to set such item for future discussion and staff report. A full agenda packet is available at the District office for public view. A fee may be charged for copies. During the meeting, information and supporting materials are available in the Boardroom. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District as soon as possible, but at least two days prior to the meeting.

All open meetings are recorded. Recordings for each meeting are retained for a minimum of 90 calendar days and may be heard upon request, at no cost. Please contact a member of the District staff for assistance. ITEMS ON THIS AGENDA MAY BE TAKEN OUT OF THE ORDER SHOWN.

Any writings or documents provided to a majority of the Board regarding any item on this agenda will be made available for public inspection in the VOMWD office located at the above address during normal business hours.

1. CALL TO ORDER – PLEDGE – ROLL CALL

2. PUBLIC COMMENTS:

This section of the agenda is provided so that the public may express comments on any item within the District's jurisdiction not listed on the agenda. Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or follow Board procedures to direct staff to place a matter of business on a future agenda. The public may express comments on agenda items at the time of Board consideration.

3. CONSENT CALENDAR

It is recommended by the General Manager that these items, which are expected to be routine in nature and without controversy, be received and acted upon by the Board without discussion. If any Board member or interested party requests that an item be removed from the Consent Agenda for discussion, it will be considered separately. The consent calendar may be approved by a single motion.

Item 3.A Minutes of September 1st, 2026, Board of Directors Regular Meeting

Item 3.B Minutes of September 23rd, 2026, Board of Directors Special Meeting

4. PUBLIC PRESENTATION, HEARING OR WORKSHOP

Item 4.A Consider introduction and adoption of Ordinance No. 1017 Amending and Restating Section 12 of the District Code

5. FINANCE, ADMINISTRATIVE & OPERATIONAL REPORTS

Item 5.A Monthly Financial Reports & Disbursements
Staff Recommendation: Receive and approve by roll call vote the monthly financial reports & disbursements for the month of August 2026 in the amount of $801,998.86.

Item 5.B Administrative Report

Item 5.C Water Source Report

Item 5.D Operational Updates

6. DIRECTORS' & COMMITTEE REPORTS

Item 6.A Water Advisory Committee Chair Report on Washington, DC Lobby Meetings and New York City Climate Week

7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS

8. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 8.A Consider Adoption of Resolution No. 261001, Updating the District's Conflict of Interest Code

Item 8.B Consider Approval of PFAS-Affected Well Lease Agreement Extensions

9. CLOSED SESSION

Item 9.A Conference with Labor Negotiator
Pursuant to government code section 54957.6 Negotiator: Allison Hernandez, Counsel
Employee organizations: International Union of Operating Engineers, Stationary Engineers Local 39.

10. REQUEST FOR FUTURE AGENDA ITEMS

11. ADJOURNMENT

The next scheduled Board meeting is a regular meeting at 6:30 p.m. on November 12th, 2026. Posted this 25th day of September 2026, online and in three public places.

Amanda Hudson

Amanda Hudson, Board Secretary

VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING MINUTES
September 1, 2026

A Regular Meeting of the Board of Directors of the Valley of the Moon Water District was held on September 1, 2026. **Members of the public were provided the opportunity to participate in this open, public meeting in person.**

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

President Caniglia called the meeting to order at 6:30 P.M. PST.

Roll Call by **Secretary Hudson** noted the following present:

Directors:	Gary Bryant Steve Caniglia Jon Foreman David Williams Colleen Yudin-Cowan
District Personnel:	Matt Fullner, General Manager Amanda Hudson, Administration Manager Oscar Madrigal, Finance Manager
District Counsel:	Allison Hernandez
Public:	See sign-in sheet

2. PUBLIC COMMENTS

None

3. CONSENT CALENDAR

Item 3.A **Minutes of August 4th, 2026, Board of Directors Regular Meeting**

Item 3.B **Fiscal Year 2026-2027 Non-Represented Employee Market-Based Salary Adjustments**

Director Yudin-Cowan made a motion, seconded by **Director Bryant**, to approve the Consent Calendar.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

4. PUBLIC PRESENTATION, HEARING OR WORKSHOP

5. FINANCE, ADMINISTRATIVE & OPERATIONAL REPORTS

Item 5.A Monthly Financial Reports & Disbursements

Staff Recommendation: Receive and approve by roll call vote the monthly financial reports & disbursements for the month of July 2026 in the amount of $1,101,169.40.

Director Yudin-Cowan made a motion, seconded by **Director Foreman**, to receive and approve by roll call vote the monthly financial reports & disbursements for the month of July 2026 in the amount of $1,101,169.40.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

Item 5.B Administrative Report

Item 5.C Water Source Report

Item 5.D Operational Updates

6. DIRECTORS' COMMITTEE REPORTS

7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS

8. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 8.A Amendment to the Executive Employment Agreement

Director Yudin-Cowan asked what outfitting means. **General Manager Fullner** said having lights installed, District logo, radio installed, etc.

Director Bryant made a motion, seconded by **Director Yudin-Cowan**, approve the proposed Amendment to the Executive Employment Agreement and authorize the Board President to execute the Amendment on behalf of the District.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

Item 8.B Consider Adoption of an Updated Regular Board Meeting Schedule for the Remainder of Calendar Year 2026

Director Foreman made a motion, seconded by **Director Williams**, approve the revised 2026 Regular Board Meeting Schedule and direct staff to post it on the District's website for the remainder of the calendar year.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

President Caniglia moved to closed session at 6:45 PM.

9. CLOSED SESSION

Item 9.A Conference with Labor Negotiator
Pursuant to government code section 54957.6 Negotiator: Allison Hernandez, Counsel
Employee organizations: International Union of Operating Engineers, Stationary Engineers Local 39.

President Caniglia moved to open session at 7:02 PM with nothing to report.

10. REQUEST FOR FUTURE AGENDA ITEMS

11. ADJOURNMENT

President Caniglia adjourned the meeting at 7:02 P.M. PST.

____
Amanda Hudson, Board Secretary

____
Steve Caniglia, Board President

VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING MINUTES
September 23, 2026

A Special Meeting of the Board of Directors of the Valley of the Moon Water District was held on September 23, 2026. **Members of the public were provided the opportunity to participate in this open, public hybrid in-person/remote meeting via Zoom or telephone.**

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

President Caniglia called the meeting to order at 5:30 P.M. PST.

Roll Call by **Secretary Hudson** noted the following present:

Directors:	Gary Bryant Steve Caniglia Jon Foreman – remote for just cause David Williams Colleen Yudin-Cowan
District Personnel:	Matt Fullner, General Manager Amanda Hudson, Administration Manager Oscar Madrigal, Finance Manager
District Counsel:	Leah Castella
Public:	See sign-in sheet

President Caniglia said that Director Foreman is remote for just cause. He asked Director Foreman to state if there are any people over the age of 18 in the room with him and what is the nature of the relationship.

Director Foreman said that there were passengers on the train with him and he is the only one that could view his screen.

2. PUBLIC COMMENTS

None

3. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 3.A Consider Approval of the Exclusive Negotiation and Due Diligence Agreement with Triple C Water Ranch LLC

Director Yudin-Cowan asked if a prior agreement had been with an entity with a different name. **General Manager Fullner** said Triple C was one entity, and Water Farm is another entity with a different owner.

Director Yudin-Cowan made a motion, seconded by **Director Bryant**, to approve the execution of the Exclusive Negotiation and Due Diligence Agreement with Triple C Water Ranch LLC and authorize the General Manager to make minor, non-substantive changes to the Agreement as necessary prior to execution.

A roll call vote was taken:

Director Bryant	Aye
Director Caniglia	Aye
Director Foreman	Aye
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 5 Noes 0 Absent 0 Abstain 0

4. REQUEST FOR FUTURE AGENDA ITEMS

5. ADJOURNMENT

President Caniglia adjourned the meeting at 5:34 P.M. PST.

Amanda Hudson, Board Secretary

Steve Caniglia, Board President

October 1st, 2026
Item: 4.A

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider introduction and adoption of Ordinance No. 1017 Amending and Restating Section 12 of the District Code

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Background:

In 2023, the California Legislature enacted Assembly Bill 1572, which requires public water systems to revise their water-service regulations, ordinances, or policies by January 1, 2027, to prohibit the use of potable water to irrigate nonfunctional turf ("NFT") on specified properties according to phased statutory deadlines. Public water systems must also communicate the requirements to customers by that date. Staff recommends amending and restating Section 12 of the District Code, which already contains the District's permanent water-waste prohibitions and enforcement procedures, to incorporate the new prohibition.

AB 1572 added the nonfunctional-turf irrigation requirements, now codified principally in Water Code sections 10608.12 and 10608.14. The law does not require removal of turf. Instead, it prohibits the use of potable water to irrigate nonfunctional turf after the applicable compliance date. The compliance deadlines under AB 1572, by property type, are as follows:

Property category	Compliance begins
State/local government, local or regional public agency, and public water system property	January 1, 2027
Other institutional, commercial, and industrial property, excluding cemeteries	January 1, 2028
HOA/common-interest-development and similar common areas	January 1, 2029
Certain qualifying public property in disadvantaged communities	Deferred date established by State law

Under Water Code section 10608.14, functional turf in recreational use areas and community spaces may continue to be irrigated, and nonfunctional turf may be irrigated with recycled water or another lawful non-potable source. The law permits potable irrigation to the extent necessary to preserve the health of trees and other perennial non-turf plantings or address an immediate health-and-safety need. It also authorizes the State Water Resources Control Board, rather than individual water suppliers, to grant certain deadline postponements upon a showing of good cause.

Section 12 of the current District Code is the appropriate location for implementation of the NFT prohibition. It already prohibits nonessential uses of District potable water, including irrigation of ornamental turf on public street medians, and provides notice, penalty, appeal, flow-restriction, and service-discontinuance remedies. The proposed amendment retains the existing prohibitions while adding the statutory definitions, phased NFT prohibition, exceptions, determination process, and enforcement authority that applies independently of a declared drought stage.

Key Provisions of the Proposed Ordinance include:

- Defines functional turf, nonfunctional turf, recreational use area, community space, potable water, and covered property.
- Incorporates all phased compliance dates in one permanent provision.
- Preserves the statutory exceptions for trees, perennial non-turf plantings, and immediate health-and-safety needs.
- Creates a written administrative determination process with a 15-day appeal to the Board.
- Clarifies that the District's existing general hardship variance does not authorize staff to waive the State NFT prohibition.
- Provides progressive, education-first enforcement that is available regardless of water-shortage stage.
- Authorizes the General Manager to issue consistent procedures, forms, and customer guidance.

Following adoption, staff will post the ordinance as required, update the District Code and post the updated version to the District's website. Targeted outreach has already been conducted via letters to all CII customers in 2022. The communication explained the phased dates, provided examples of functional and nonfunctional turf, and described available rebates and alternatives.

Recommendation:

Staff recommends that the Board introduce, waive further reading, and adopt Ordinance No. 1017 amending and restating Section 12 of the District Code regarding water waste and the use of potable water to irrigate nonfunctional turf; direct staff to complete required publication and customer communication; and authorize the General Manager to make non-substantive corrections consistent with Board action and counsel review.

Attached:

- Ordinance No. 1017
- Revised and Restated Section 12 of District Code
- Exception Request Form

ORDINANCE NO. 1017

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE VALLEY OF THE MOON WATER DISTRICT AMENDING AND RESTATING SECTION 12 OF THE DISTRICT CODE REGARDING WATER WASTE AND THE USE OF POTABLE WATER TO IRRIGATE NONFUNCTIONAL TURF

*WHEREAS***,** California Assembly Bill 1572 (Chapter 849, Statutes of 2023) added and amended provisions of the California Water Code governing the use of potable water to irrigate nonfunctional turf; and

WHEREAS, Water Code section 10608.14 phases in a prohibition on the use of potable water to irrigate nonfunctional turf on specified commercial, industrial, institutional, public-agency, and common-interest properties; and

WHEREAS, Water Code section 10608.14 requires each public water system, no later than January 1, 2027, to revise its water-service regulations, ordinances, or policies to include the statutory requirements and to communicate those requirements to its customers; and

WHEREAS, The District currently regulates water waste through Section 12 of its District Code, including a prohibition on irrigating ornamental turf on public street medians; and

WHEREAS, Amending and restating Section 12 will integrate the nonfunctional-turf requirements with the District's existing permanent water-waste rules and enforcement procedures; and

WHEREAS, The Board finds that reasonable and efficient water use and compliance with State law protect the District's water supply and serve the public interest;

NOW, THEREFORE, the Board of Directors of the Valley of the Moon Water District does ordain as follows:

SECTION 1. Findings. The foregoing recitals are true and correct and are incorporated into this Ordinance as findings of the Board of Directors.

SECTION 2. Amendment and Restatement of District Code Section 12. Section 12 of the Valley of the Moon Water District Code is amended and restated in its entirety as set forth in Exhibit A, attached and incorporated by this reference.

SECTION 3. No Conflict with State Law. This Ordinance shall be administered and interpreted consistently with California Water Code sections 10608.12 and 10608.14, regulations of the State Water Resources Control Board, and other controlling law. State law controls in the event of a conflict.

SECTION 4. CEQA. The Board finds that adoption of this Ordinance is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that the action will not have a significant effect on the environment. The Ordinance establishes water-use regulations and is intended to conserve potable water.

SECTION 5. Severability. If any section, subsection, sentence, clause, phrase, or application of this Ordinance is held invalid or unconstitutional, that decision shall not affect the validity of the remaining portions or applications. The Board declares that it would have adopted each portion irrespective of the invalidity of any other portion.

SECTION 6. Effective Date. This Ordinance shall take effect immediately upon adoption pursuant to Water Code section 31027, subject to completion of the publication or posting required by law. The substantive prohibitions in Exhibit A shall apply on the compliance dates stated therein.

SECTION 7. Publication and Codification. The Secretary of the Board is directed to cause this Ordinance or a summary to be published or posted as required by Water Code section 31027. The General Manager is authorized to incorporate Exhibit A into the District Code, correct typographical and numbering errors, and make conforming cross-reference changes that do not alter the substance approved by the Board.

SECTION 8. Customer Communication. The General Manager is directed to communicate the requirements of Water Code section 10608.14 and amended District Code Section 12 to District customers on or before January 1, 2027, and to implement continuing outreach appropriate to the phased compliance dates.

On the Motion of Director ______________________ and second by Director ___________________________, the Ordinance was PASSED, APPROVED, AND ADOPTED this 1st day of October 2026, by vote as follows:

Director Caniglia _______ By: _________________________
President

Director Bryant _______

Director Foreman _______ By: _________________________
Secretary

Director Yudin-Cowan _______

Director Williams _______

AYES: __________ NOES: ___________ ABSTAIN: _____________ ABSENT: ___________

CERTIFICATION

I HEREBY CERTIFY that the foregoing Ordinance was duly adopted at a regular meeting of the Board of Directors of Valley of the Moon Water District, held on the 1st day of October 2026, of which meeting all Directors were duly notified and at which meeting a quorum was present at all times and acting.

By: _________________________
Secretary

Attached

Exhibit A, AMENDED AND RESTATED SECTION 12 - WATER WASTE PROHIBITIONS AND NONFUNCTIONAL TURF IRRIGATION

PROPOSED AMENDED SECTION 12

The following language is intended to amend and restate Section 12 of the Valley of the Moon Water District Code.

SECTION 12 - WATER WASTE PROHIBITIONS

12-1 Purpose and Authority

The purpose of this Section is to promote water conservation and the efficient and reasonable use of potable water furnished by the Valley of the Moon Water District; eliminate intentional and unintentional water waste when a reasonable alternative is available; prohibit wasteful water-use practices; and implement California Water Code sections 10608.12 and 10608.14, as they may be amended. This Section is adopted pursuant to the District's authority under applicable law, including Water Code sections 31026 and 31027.

12-2 Definitions

Commercial property. Property used for business or commercial purposes, excluding residential property, as further defined by applicable State law.

Community space. An area designated by a property owner for recreational use or community events or gatherings.

Functional turf. A groundcover surface of turf located in a recreational use area or community space. Functional turf does not include turf permanently enclosed by fencing or other barriers that permanently preclude human access for recreation or assembly.

Industrial property. Property used for manufacturing, processing, assembly, research, storage, warehousing, or similar industrial purposes, as further defined by applicable State law.

Institutional property. Property used for educational, governmental, religious, health-care, civic, cultural, public-service, or similar institutional purposes, as further defined by applicable State law.

Nonfunctional turf. Any turf that is not functional turf. Nonfunctional turf includes turf located within street rights-of-way and parking lots, except to the extent an area qualifies as functional turf under applicable State law.

Potable water. Water that is suitable for human consumption and supplied through the District's potable water system.

Recreational use area. An area designated by a property owner or public agency to accommodate human foot traffic for active play, recreation, or public assembly, including sports fields, picnic grounds, amphitheaters, and similar areas, but excluding areas where turf is merely incidental to, or primarily decorative around, a use.

Turf. A living groundcover surface of mowed grass, as defined by applicable State law. Turf does not include artificial turf or non-turf plantings.

Covered property. A property to which the prohibition in Section 12-4 applies, including the covered portions or common areas of such property.

Terms not separately defined in this Section shall have the meanings assigned in Water Code sections 10608.12 and 10608.14 and regulations adopted by the State Water Resources Control Board. If a definition in this Section conflicts with then-current State law, State law controls.

12-3 Prohibited Nonessential Uses

No customer or other person shall use or permit the use of potable water furnished by the District for any of the following nonessential uses:

- Irrigating ornamental turf with potable water on public street medians.
- Washing sidewalks, walkways, driveways, parking lots, and other hard-surfaced areas by direct hosing, except as necessary to address flammable or dangerous substances, a trip-and-fall hazard, or an immediate public health or safety need.
- Allowing water to escape through breaks or leaks in customer plumbing or a private distribution system for an unreasonable period. Seventy-two hours after discovery or District notice is presumed reasonable to correct the leak or stop the flow, unless the District specifies a shorter period because of the severity of the condition.
- Irrigating in a manner that causes excessive runoff or unreasonable overspray.
- Washing vehicles or machinery with a hose that lacks a shutoff nozzle.
- Supplying water to a non-recirculating decorative fountain.
- Supplying water to a single-pass evaporative cooling system for air conditioning installed after June 6, 2000, unless required for health or safety.
- Supplying water to a new non-recirculating conveyor car wash or industrial clothes-washing system.
- Outdoor irrigation during or within 48 hours after measurable rainfall.
- Serving drinking water at a restaurant except upon request.
- Operating a hotel or motel without offering and promoting an opt-out program for towel and linen service.

12-4 Nonfunctional Turf Irrigation Prohibition

Except as provided in Section 12-5, no owner, operator, customer, tenant, landscape contractor, property manager, or other person shall use, or permit the use of, potable water furnished by the District to irrigate nonfunctional turf on a covered property on or after the applicable compliance date below:

Covered property	Compliance date
Property owned by the State of California	January 1, 2027
Property owned by a local government, local or regional public agency, or public water system, except property qualifying for the statutory disadvantaged-community deferral	January 1, 2027
Other institutional property and commercial or industrial property, excluding a cemetery	January 1, 2028
Common area of a homeowners' association, common interest development, community service organization, or similar entity	January 1, 2029
Qualifying property described in Water Code section 10608.14(a)(5)	The date established by then-current State law

The prohibition is permanent after the applicable compliance date and applies regardless of whether the District has declared a water-shortage stage or not. The prohibition does not require removal of turf and does not prohibit irrigation of nonfunctional turf with recycled water or another non-potable source permitted by law.

12-5 Exceptions and Exempt Uses

The prohibition in Section 12-4 does not apply to the extent potable water irrigation is reasonably necessary for either of the following:

- To ensure the health of trees or other perennial non-turf plantings. Irrigation must be applied in a manner designed to serve the trees or plantings and minimize irrigation of nonfunctional turf.
- To address an immediate health or safety need.

Water used for fire suppression, District water-quality flushing, sanitation, or another use expressly exempted by State law is exempt. Water supplied by a private well, recycled-water system, graywater system, or rainwater-capture system is not potable water furnished by the District, but its use remains subject to all other applicable laws.

12-6 Determinations and Requests

A property owner, customer, or authorized representative may request a written determination from the General Manager or designee regarding whether turf is functional or nonfunctional, whether an area or property is covered, the applicable compliance date, or whether a statutory exception applies. The applicant shall submit a District form and reasonably requested supporting information, which may include photographs, maps, irrigation plans, landscape plans, or an arborist or other qualified professional's statement.

The applicant bears the burden of demonstrating eligibility. A determination may be limited in duration and conditioned on use of irrigation methods that minimize potable water application to nonfunctional turf. Material changes in conditions shall be reported to the District. District staff may conduct a site inspection with the owner's consent or as otherwise authorized by law.

A written determination issued by the General Manager or designee may be appealed to the Board of Directors by filing a written appeal within 15 calendar days after the determination. The general hardship-variance provisions of Section 12-7 do not authorize the District to waive or postpone the requirements of Section 12-4 beyond what State law permits. Requests for a deadline postponement based on economic hardship, critical business need, or similar grounds must be directed to the State Water Resources Control Board when authorized by State law.

12-7 Other Variances

For prohibitions in Section 12-3 only, a customer may submit a written request for a variance. The General Manager may grant a variance upon finding that denial would create an emergency affecting health, sanitation, fire protection, or safety, or an unnecessary and undue hardship, and that the applicant has implemented reasonable water-efficiency measures. This subsection does not authorize a variance from Section 12-4.

12-8 Enforcement and Penalties

A violation of this Section is subject to the following progressive enforcement measures, as appropriate to the circumstances. The District may proceed to a later step when necessary to stop significant or continuing waste, protect water supply, or comply with State law. Penalties, fees, and charges shall be established by Board resolution and are cumulative with other remedies available by law.

Typical Step	District Action	Administrative Penalty
Courtesy notice	Hang door tag notifying customer of the water-waste issue.	No penalty
First infraction	Issue first written notice identifying the water-waste violation and allowing 14 days to comply; District may make a courtesy call to discuss resolution.	No penalty
Second infraction	Issue second written notice and/or hang second door tag for the same water-waste issue; allow 7 days to comply.	*$25
Third infraction	Issue third written notice and/or hang third door tag for the same water-waste issue; allow 7 days to comply.	*$50
Fourth infraction	Install a flow restrictor on a domestic-water service or discontinue a dedicated irrigation service, when legally permissible.	*$125
Continued violation	Continued water waste after installation of a flow restrictor or discontinuance notice; pursue additional remedies authorized by this Section and applicable law.	*$250 per occurrence and notification

*Applicable to Section 12-8 Charges: On July 1 of each year, charges contained in Section 12-8 shall be escalated in proportion to the annual increase in the Consumer Price Index (CPI) published by the State of California, Department of Industrial Relations, Division of Labor and Statistics and Research and calculated for the City of San Francisco, Oakland and San Jose, all urban customers. Resulting values shall be rounded to the nearest whole dollar.

Nonfunctional-turf violations may be enforced after the applicable compliance date regardless of drought stage. Flow restriction or discontinuance of a service supplying residential domestic water shall be used only when authorized by law and after consideration of applicable health-and-safety and residential-service protections. Nothing in this Section limits civil liability or penalties imposed under State law.

12-9 Administration

The General Manager is authorized to administer this Section; issue forms, procedures, and interpretive guidance consistent with State law; designate enforcement personnel; and make non-substantive updates to forms and guidance. The General Manager shall not adopt an administrative procedure that expands an exception or postpones a statutory compliance deadline beyond what State law permits.

12-10 Severability and Controlling Law

If any provision or application of this Section is held invalid, the remaining provisions and applications shall remain effective. This Section shall be interpreted consistently with controlling State law, including future amendments and State Water Resources Control Board regulations.

NONFUNCTIONAL TURF REQUEST FORM

Determination / Statutory Exception (Customer Variance Request)

Use this form to ask the District to determine whether an area is covered by the nonfunctional-turf rules or whether a statutory exception applies. The District cannot grant a general economic-hardship waiver or postpone a State compliance deadline unless State law expressly authorizes it.

1. Applicant and Property

Applicant name:

____

Property owner (if different):

____

Service address:

____

Mailing address:

____

Phone: ______________________________

Email: ____

☐ I am the property owner.

☐ I am the District customer of record.

☐ I am authorized to act for the owner/customer. Authorization is attached.

2. Type of Request

☐ Functional-turf determination: the turf is within a recreational use area.

☐ Nonfunctional-turf determination: confirmation of whether the area is covered.

☐ Property classification or applicable compliance-date determination.

☐ Tree or perennial non-turf planting exception.

☐ Immediate health-and-safety exception.

☐ Other interpretation permitted by State law (describe below).

3. Property Category

☐ Local government/public agency/public water system property

☐ Other institutional property

☐ Commercial property

☐ Industrial property

☐ HOA/common-interest-development common area

☐ Cemetery

☐ Residential property

☐ Unsure/other

4. Area and Current Irrigation

Approximate turf area (square feet): ____________________

Irrigation water source: ____

☐ District potable water

☐ Recycled water

☐ Private well

☐ Graywater/rainwater

☐ Unknown/other

Irrigation schedule/frequency:

____

Describe how the area is currently used:

____

____

____

5. Basis for Request

Explain why the turf is functional, why a statutory exception applies, or why a classification/compliance-date determination is requested. For a tree/perennial exception, identify the plants and explain why potable irrigation is necessary and how irrigation of turf will be minimized. For health and safety, describe the immediate condition and requested duration.

____

____

____

____

____

____

6. Supporting Materials

☐ Site map showing the turf area

☐ Current photographs

☐ Landscape or irrigation plan

☐ Description/calendar of recreation or community events

☐ Arborist or qualified professional statement

☐ Owner authorization

☐ Other supporting documentation

7. Applicant Certification

I certify under penalty of perjury that the information submitted is true and complete to the best of my knowledge. I understand that approval may be conditioned, limited in duration, revoked if conditions change or information is inaccurate, and may require reasonable verification. I will notify the District of material changes.

Applicant signature: ____

Date: ____________________

District Use Only

Date received: ________________

Account number: ________________

Reviewer: ____________________________

- ☐ Approved
- ☐ Approved with conditions
- ☐ Denied
- ☐ Additional information required

Determination/conditions:

____

____

____

____

Authorized signature: ____

Date: ____________________

Appeal: A written appeal may be filed with the District within 15 calendar days after the determination, consistent with District Code Section 12-6.

Meeting Date: October 1, 2026
Agenda Item: 5.A

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Oscar Madrigal, Finance Manager

SUBJECT: Monthly Financial Reports & Disbursements for August 2026

Revenue

- August's operating revenue was $1,140,537, which was under budget by $36,596 when periodized, and over budget by $304,140 when using a straight-line average. August’s operating revenue was $75,216, higher than the same period last fiscal year.
- Water deliveries increased but were slightly shy of projections.

Salaries

- Salaries were under budget by 3% ($35,148) in August. Salaries are periodized to account for employees' step increases and other earnings paid at set times throughout the year.

Purchased Water

- Purchased water for August was under budget by $151,482 when periodized.
- Water production had a decrease in August. Well-water production remained about the same, and agency-purchased water decreased in August compared to July.

Transfer to/from Reserves

- The annual O&M allocation to CIP is $4,504,080. Year to date, the District has transferred $750,680 to the CIP.
- O&M is anticipated to have a budget deficit of $2,065,069 at the end of the fiscal year. A budgeted transfer from undesignated reserves will cover the O&M deficit.

CIP

- YTD expenditures for CIP as of August 31, 2026, are $174,787. This includes $108,328 in expenditures for rollover CIP projects from FY 2025/26.

Report of Investment

- The Undesignated Reserves are positive at $1,981,206
- There is $10,000 in retention funds pending from the grant.
- The Undesignated Reserves will help cover the anticipated O&M budget deficit and fund the capital plan for the next fiscal year.

Expenses

- Expenses without purchased water were over budget by 1%. Some expense accounts are over budget because we purchased budgeted items early in the fiscal year or due to unforeseen expenses. Overall total expenses are within budget.

Audit Update

- We continue to review the asset and inventory components of the financial statements to ensure subsequent fiscal years are also reconciled. Once we complete the draft FY 2021–2022 audit report, we will expedite the remaining audits.

Recommendation:
Receive and approve, by roll call vote, the monthly financial reports and disbursements in the amount of $801,998.86 for the month of August.

Attachments:
Monthly Financial Disbursements
Board of Directors Disbursements
Monthly Revenue & Expense Comparison Report
Report of Investments
Capital Improvement Project Summary

VALLEY OF THE MOON WATER DISTRICT

Monthly Financial Disbursements

August 2026

The following demands made against the District are listed for approval and authorization to pay, in accordance with Section 31302 of the California Water Code, being a part of the County Water District Law:

CK #	Vendor Name	Invoice Description	Amount
1127	HANSEL FORD OF PETALUMA	RANGER REPAIRS #43	10,620.97
1128	ACWA/JPIA	GROUP INSURANCES (SEPT)	3,019.83
1129	CDW GOVERNMENT LLC	DIGI LTE DIPLE ANTENNA; UBIQUITI CLOUD GATEWAY ULTRA ROUTER	2,773.80
1130	CERVANTES LANDSCAPE, LLC	LANDSCAPING SERVICES (JULY)	250.00
1131	CINTAS	AED LEASE AGREEMENT (JULY)	239.21
1132	COMCAST	INTERNET SERVICES (AUG)	401.11
1133	CORE UTILITIES, INC.	IT SERVICES (JULY)	4,607.50
1134	EKI ENVIRONMENT & WATER	PROJ#C60057.00 - AWSDA 2026 AND EVALUATE PFAS TREATMENT @ AC WELL	29,450.00
1135	JON L. FOREMAN	REIMBURSEMENT : TRAVEL TO WAC MEETING	32.07
1136	FRIEDMAN'S HOME IMPROVEMENT	ARV FLUSH VALVE - PARTS AND MATERIALS	188.70
1137	INFOSEND, INC	JULY STATEMENT : BILL PROCESSING AND BILL PROCESSING (2 OF 2)	1,913.89
1138	ITRON, INC.	MLOGONLINE - HOSTED SERVICE 1-999 9/1/26-8/31/27 AND MILESTONE 5: TRANSFER TO SUPPORT	30,566.96
1139	OSCAR MADRIGAL	REIMBURSEMENT : ACWA JPIA LEADERSHIP HOTEL AND TRAVEL	425.17
1140	MARIN MUNICIPAL WATER DISTRICT	INVOICE #INV5805 CCIA	1,874.00
1141	M. MASELLI & SONS, INC	SURPLUS LANGE & H.D. FLANGE	121.28
1142	NICK BARBIERI TRUCKING, LLC	FUEL	1,684.14
1143	O'REILLY AUTO PARTS	BRAKE FLUID;BATT FILTER; IMPACT BITS	40.76
1144	OIL CHANGERS	OIL CHANGE : TRUCK #43	73.73
1145	PARSONS LUMBER & HARDWARE	THREADED ROD; POLY TUBE; DOWL; FAST SET; BEAN POLES; LUMBER FEES	164.79
1146	PACIFIC GAS & ELECTRIC CO	UTILITIES (JULY)	19,224.79
1147	RECOLOGY SONOMA MARIN	TRASH DISPOSAL (JULY)	574.15
1148	SAFETY-KLEEN CORP.	SHOP PARTS WASHER	1,208.38
1149	NEW ANSWERNET, INC.	ANSWERING SERVICES	67.88
1150	NAPA AUTO PARTS	BRAKE FLUID; PSCK OF TOWELS; AIR FILTER(S); SUPERFINE OIL DRY	203.36
1151	SONOMA CO. WATER AGENCY	WATER PURCHASES 06/30/26-07/31/26	343,247.39
1152	SONOMA MATERIALS	SHOVEL	56.68
1153	STAPLES ADVANTAGE DEPT SNA	OFFICE SUPPLIES	85.68
1154	MICHAEL BURNS	CUSTOMER REFUND	74.67
1155	DAVID GUNTER	CUSTOMER REFUND	51.11
1156	VOIDED	VOIDED	-
1157	AFLAC	AFLAC PREMIUM (AUG)	1,602.04
1158	BAY AREA AIR QUALITY	INV#T210087 AIR QUALITY PERMIT 10/01/26-10/01/27	300.00
1159	BURKE, WILLIAMS & SORENSEN, LL	JULY: ATTORNEY FEES; LABOR NEGOTIATIONS; ANALYSIS OF HR ISSUES; SDC WATER SUPPLY ASSESSMENT	11,566.00
1160	B.W.S. DISTRIBUTORS, INC	FILTER SET, CALIBRATION, HOURLY LABOR RATE	347.56
1161	CALTEST LABORATORY	ROUTINE WATER TESTING (JULY)	5,973.50
1162	CAL-WEST RENTALS INC.	RENTAL : EXCAVATOR, BUCKET 12"	877.00
1163	CDW GOVERNMENT, INC.	UBIQUITI POWER SWITCH	3,576.86
1164	CINTAS	SERVICE TO REPLENISH EMERGENCY SUPPLIES	34.61
1165	CORE & MAIN LP	SONOMA MT LEAK: ELECTROFUSION, GENERATOR; HDPE PIPE BLK, CLPG BLK	2,096.75
1166	CORBIN WILLITS SYSTEMS, INC.	MONTHLY ACCOUNTING & BILLING SOFTWARE (SEPT)	1,088.28
1167	ROBERT DUSENBURY	CASH FOR GRASS	1,100.00
1168	EKI ENVIRONMENT & WATER	PROJ#C30174.00ALTIMIRA FIRE FLOW IMPROVEMENT(JULY)	25,479.74
1169	FRYE'S PRINTING, INC.	#10 REG ENVELOPES W/ LOGO	408.26
1170	NICK BARBIERI TRUCKING, LLC	FUEL	1,494.65
1171	PACIFIC GAS & ELECTRIC CO	UTILITIES (AUG)	17,993.06
1172	PROFESSIONAL CONTRACTOR SUPPLY	RIGID HAMMER CHUCK THREADING MACHINE 1/2"-2" AND RIGID UNIVERSAL WHEEL & CABINET STAND	11,598.30
1173	PITNEY BOWES BANK INC RESERVE	PREPAID POSTAGE	500.00
1174	SAFETY-KLEEN CORP.	SHOP PARTS WASHER	757.53
1175	SMILE BUSINESS PRODUCTS	MONTHLY PRINTER LEASE 08/10/26-09/09/26	41.83
1176	SONOMA VALLEY PEST CONT.	PEST CONTROL - MONTHLY SERVICE (COC)	110.00
1177	SONOMA MATERIALS	SERVICE REPAIR - MARTIN STREET	142.03
1178	STANDARD INSURANCE CO.	GROUP INSURANCES LTD (AUG)	305.74
1179	STATIONARY ENGINEERS, LOCAL 39	UNION DUES FOR O&M (AUG)	968.93
1180	STAPLES ADVANTAGE DEPT SNA	OFFICE SUPPLIES	65.27
1181	SOILAND CO., INC.	ROCK MATERIAL : 3/4" AND 7/16"	2,604.67
1182	TWO BROTHERS CATHODIC SERVICES	ANNUAL INSPECTION ON TANKS	3,000.00
1183	VERIZON WIRELESS	CELLPHONE SERVICE 07/04/26-08/03/26	588.89
1184	VERIZON WIRELESS	MACHINE TO MACHINE 07/13/26-08/12/26	193.94
1185	JACOB VAVRICKA	ANNUAL BACKFLOW TESTING 2026 (TEM HOA)	21,645.00
1186	WSP USA INC	LHMP 02/28/26-05/01/26	10,918.00
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 08/06/26	4,278.96
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 08/20/2026	4,284.40
ACH	EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 08/06/26	19,381.67
ACH	EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 08/20/26	19,426.92
ACH	EXPERTPAY.COM	PERSONNEL-RELATED PAYROLL DISBURSEMENT 08/06/26 AND PAYMENT FEE	139.04
ACH	EXPERTPAY.COM	PERSONNEL-RELATED PAYROLL DISBURSEMENT 08/20/26 AND PAYMENT FEE	139.04

VALLEY OF THE MOON WATER DISTRICT
Monthly Financial Disbursements
August 2026

CK #	Vendor Name	Invoice Description	Amount
ACH	FIRST BANKCARD CENTER	8X8 INC: OFFICE PHONES; SUBSCRIPTIONS: SONOMA INDEX, PRESS DEMOCRAT, TING.COM, MICROSOFT 365, AX VOICE	1,437.35
ACH	PAYMENTUS CORPORATION	TRANSACTION FEES FOR AUGUST 2026	1,528.50
ACH	PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 08/06/26	1,900.50
ACH	PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 08/20/26	1,900.50
ACH	PERS	DEFERRED COMP CONTRIBUTION PAYROLL 08/06/26	2,150.00
ACH	PERS	DEFERRED COMP CONTRIBUTION PAYROLL 08/20/26	2,150.00
ACH	PERS	HEALTH INSURANCE PREMIUM (AUG)	34,947.05
ACH	PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 08/06/26	9,957.42
ACH	PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 08/20/26	9,939.44
ACH	RETIREES	RETIREES BENEFITS (AUG)	3,517.63
ACH	VALIC	401A CONTRIBUTION PAYROLL 08/06/26	250.00
ACH	VALIC	401A CONTRIBUTION PAYROLL 08/20/26	250.00
ACH	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 08/06/26	450.00
ACH	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 08/06/26	100.00
ACH	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 08/06/26	150.00
ACH	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 08/20/26	450.00
ACH	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 08/20/26	100.00
ACH	VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 08/20/26	150.00
ACH	WESTAMERICA BANK	AMAZON: CLOTHING ALLOWANCE; EE RELATIONS, TRAININGS; OFFICE SUPP; SUBSCRIPTIONS; GPS-ING; LEVELER KIT	6,473.99

Net Payroll (After Deductions) 95,926.01

801,998.86

BOARD PRESIDENT

GENERAL MANAGER

Board of Directors
August Disbursement

	Pay Date	Bryant	Caniglia	Foreman	Williams	Yudin-Cowan
Special Board Meeting 07/20/2026	8/6/2026	233.00	233.00	233.00	233.00	233.00
Water Supply Coordination Council 07/21/2026	8/6/2026			233.00		
WAC Meeting in Santa Rosa 08/03/2026	8/20/2026			233.00		
Regular Board Meeting 08/04/2026	8/20/2026	233.00	233.00	233.00	233.00	233.00
	Total	466.00	466.00	932.00	466.00	466.00

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING AUGUST 31, 2026

83% of year remaining

	Actual	Actual	Approved Budget	Approved Budget (Monthly)	Current Month Actual	Variance (Mo)	Budget (YTD)	Fiscal Year To Date Actual	Variance (YTD)	Budget Remaining	% Remaining	
	24-25	25-26	26-27	AUGUST	AUGUST	AUGUST	07/26-06/27	07/26-06/27	07/26-06/27	26-27	26-27	Forecasting Notes & Significant Changes for 2026-2027
Revenues												
Interest Income	$ 213,965	$ 268,144	$ 262,521	$ 21,877	19,902	(1,975)	$ 43,754	61,871	$ 18,117	$ 200,651	76%	
Gain on Sale of Assets	-	-	-	$ -	-	-	$ -	-	$ -	-	-	
Operating Revenue	8,798,103	9,104,598	10,036,773	$ 1,177,134	1,140,537	(36,596)	$ 2,037,647	1,973,447	$ (64,199)	8,063,326	80%	
Backflow Testing Revenue	46,500	60,437	52,628	$ 4,386	5,682	1,296	$ 8,771	7,995	$ (776)	44,633	85%	This account offsets the backflow outside service expense account
Customer Penalties & Fees	62,408	70,541	23,640	$ 1,970	6,764	4,794	$ 3,940	12,279	$ 8,339	11,361	48%	
Misc. Income	32,811	86,558	12,000	$ 1,000	152	(848)	$ 2,000	1,098	$ (902)	10,902	91%	
Leak Adjustments	(9,601)	(9,004)	(9,613)	$ (1,127)	(2,145)	(1,018)	$ (1,952)	(2,145)	$ (194)	(7,468)	78%	
Total Revenue	**9,144,186**	**9,581,274**	**10,377,949**	**1,205,239**	**1,170,892**	**(34,347)**	**2,094,160**	**2,054,545**	**(39,616)**	**8,323,405**	**80%**	
Expenses												
Salaries:												
O&M - Operating Wages	929,744	1,097,732	1,203,925	$ 92,235	76,699	(15,536)	$ 184,470	155,770	(28,700)	1,048,155	87%	
Stand-By	35,371	35,192	35,354	$ 2,946	2,673	(273)	$ 5,892	5,393	(499)	29,961	85%	
Net O&M Operating Wages	**965,115**	**1,132,924**	**1,239,279**	**95,181**	**79,372**	**(15,809)**	**190,362**	**161,163**	**(29,199)**	**1,078,116**	**87%**	
Administration	760,806	833,790	967,897	74,069	65,405	(8,664)	$ 147,795	130,289	(17,506)	837,608	87%	
Temporary Employees	-	-	-	-	-	-	$ -	-	-	-		
Total Salaries	**1,725,921**	**1,966,714**	**2,207,177**	**169,250**	**144,777**	**(24,473)**	**338,157**	**291,452**	**(46,705)**	**1,915,725**	**87%**	
Weighted Wages Transferred to Capital Projects	(431,480)	(491,679)	(551,794)	(42,253)	(36,194)	6,059	$ (84,420)	(72,863)	11,557	(478,931)	87%	
Net Operating Wages	**1,294,441**	**1,475,036**	**1,655,383**	**126,997**	**108,583**	**(18,414)**	**253,737**	**218,589**	**(35,148)**	**1,436,793**	**87%**	*Net Wages used to calculate Net Position*

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING AUGUST 31, 2026

83% of year remaining

	Actual	Actual	Approved Budget	Approved Budget (Monthly)	Current Month Actual	Variance (Mo)	Budget (YTD)	Fiscal Year To Date Actual	Variance (YTD)	Budget Remaining	% Remaining	
	24-25	25-26	26-27	AUGUST	AUGUST	AUGUST	07/26-06/27	07/26-06/27	07/26-06/27	26-27	26-27	Forecasting Notes & Significant Changes for 2026-2027
Benefits:												
O&M - Operating & Maintenance	249,413	260,798	282,459	23,538	22,306	(1,232)	$ 47,076	44,613	(2,463)	237,846	84%	
Administration	131,384	140,584	178,473	14,873	12,022	(2,851)	$ 29,746	24,043	(5,703)	154,430	87%	
Retirees	65,186	69,743	70,479	5,873	5,818	(55)	$ 11,746	11,232	(514)	59,247	84%	
Total Benefits	**445,983**	**471,125**	**531,411**	**44,284**	**40,146**	**(4,138)**	**88,569**	**79,888**	**(8,681)**	**451,523**	**85%**	
Mandatory Costs												
Workers Comp:												
Operating & Maintenance	27,745	51,806	43,216	3,601	-	(3,601)	$ 7,203	-	(7,203)	43,216	100%	
Acct/Administration	4,225	8,203	7,095	591	-	(591)	$ 1,182	-	(1,182)	7,095	100%	
FICA/Medicare:						-	$ -		-			
Operating & Maintenance	83,768	86,240	93,887	7,824	6,275	(1,549)	$ 15,648	12,533	(3,115)	81,354	87%	
Administration	52,032	57,470	67,209	5,601	5,143	(458)	$ 11,202	10,138	(1,064)	57,071	85%	
District Portion/Retirement:						-	$ -		-			
Operating & Maintenance	95,651	99,654	105,440	8,787	7,267	(1,520)	$ 17,573	14,515	(3,058)	90,925	86%	
Administration	83,851	89,620	100,516	8,376	7,184	(1,192)	$ 16,753	14,352	(2,401)	86,164	86%	
CalPERS Accrued Liability	271,613	311,177	342,323	28,527	28,527	0	$ 57,054	57,054	0	285,269	83%	
Total Mandatory Costs	**618,885**	**704,170**	**759,686**	**63,307**	**54,396**	**(8,911)**	**126,614**	**108,592**	**(18,022)**	**651,094**	**86%**	
Travel & Training												
Operating & Maintenance	13,270	7,227	29,933	2,494	295	(2,199)	$ 4,989	3,658	(1,331)	26,275	88%	
Administration	12,998	7,264	12,750	1,062	22	(1,040)	$ 2,125	1,991	(134)	10,759	84%	
Total Travel & Training	**26,268**	**14,491**	**42,683**	**3,557**	**317**	**(3,240)**	**7,114**	**5,649**	**(1,465)**	**37,034**	**87%**	
Board of Directors:												
Meeting Compensation	15,939	19,581	19,572	1,631	2,796	1,165	$ 3,262	4,188	926	15,384	79%	
Travel & Training	592	3,560	4,587	382	65	(317)	$ 765	96	(669)	4,491	98%	
Total Board Expenses	**$ 16,531**	**$ 23,141**	**$ 24,159**	**$ 2,013**	**2,861**	**848**	**4,027**	**4,284**	**257**	**19,875**	**82%**	
Purchased Water												
Purchased Water	$ 2,553,322	$ 1,648,765	$ 3,228,684	417,584	266,102	(151,482)	$ 900,521	609,350	(291,171)	2,619,334	81%	
GSA Fee	15,383	17,873	$ 21,958	1,830	1,671	(159)	$ 3,660	3,342	(318)	18,616	85%	
Total Purchased Water	**$ 2,568,705**	**$ 1,666,638**	**$ 3,250,642**	**$ 419,414**	**$ 267,773**	**$ (151,641)**	**$ 904,181**	**$ 612,692**	**$ (291,489)**	**$ 2,637,950**	**81%**	

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING AUGUST 31, 2026

83% of year remaining

	Actual	Actual	Approved Budget	Approved Budget (Monthly)	Current Month Actual	Variance (Mo)	Budget (YTD)	Fiscal Year To Date Actual	Variance (YTD)	Budget Remaining	% Remaining	
	24-25	25-26	26-27	AUGUST	AUGUST	AUGUST	07/26-06/27	07/26-06/27	07/26-06/27	26-27	26-27	Forecasting Notes & Significant Changes for 2026-2027
Services & Supplies												
Safety & Clothing Allowance	8,155	6,896	16,366	1,364	1,596	232	$ 2,728	1,596	(1,132)	14,770	90%	
Vehicle Maintenance	13,915	23,711	21,709	1,809	1,420	(389)	$ 3,618	12,564	8,946	9,145	42%	Ranger Repairs
Election Costs	21,598	-	32,800	2,733	-	(2,733)	$ 5,467	-	(5,467)	32,800		
Employee Relations	5,945	4,595	6,171	514	1,127	613	$ 1,028	1,051	23	5,120	83%	
Legal Fees	78,884	83,168	92,250	7,688	6,500	(1,188)	$ 15,375	15,014	(361)	77,236	84%	
SDC Expenses	11,311	84,873	82,000	6,833	485	(6,348)	$ 13,667	485	(13,182)	81,515	99%	
HR Expenses	2,943	37,170	15,375	1,281	4,581	3,300	$ 2,563	12,732	10,169	2,643	17%	Labor Negotiations
Engineering General Support	-	-	2,770	231	-	(231)	$ 462	-	(462)	2,770	100%	
Advertising	19	694	1,051	88	-	(88)	$ 175	-	(175)	1,051	100%	
Outside Services	26,722	42,769	86,689	7,224	1,870	(5,354)	$ 14,448	4,300	(10,148)	82,389	95%	
Outside Services Backflow	37,299	38,601	52,628	4,386	21,645	17,259	$ 8,771	21,645	12,874	30,983	59%	This account offsets the backflow testing revenue account
Annual Audit	10,427	830	22,227	1,852	-	(1,852)	$ 3,704	-	(3,704)	22,227	100%	
Bad Debts/Collections	20,686	20,774	17,881	1,490	(51)	(1,541)	$ 2,980	(51)	(3,031)	17,932	100%	
Building MTNC.	25,079	45,392	53,260	4,438	61	(4,377)	$ 8,877	170	(8,707)	53,090	100%	
Dues and Subscriptions	29,193	30,843	29,447	2,454	2,040	(414)	$ 4,908	3,824	(1,084)	25,623	87%	
Equipment MTNC./Repairs	29,560	50,307	48,125	4,010	2,307	(1,703)	$ 8,021	2,753	(5,268)	45,372	94%	
Fees (County/State)	73,168	70,769	76,687	6,391	1,091	(5,300)	$ 12,781	13,704	923	62,983	82%	
Fuel	33,858	38,047	35,756	2,980	3,179	199	$ 5,959	3,956	(2,003)	31,800	89%	
Bank Charges	19,432	16,108	16,952	1,413	1,532	119	$ 2,825	2,751	(74)	14,201	84%	
Liability Ins. (Incl. Losses)	99,918	123,666	143,479	11,957	10,998	(959)	$ 23,913	21,995	(1,918)	121,484	85%	
Postage	24,325	25,372	26,600	2,217	2,430	213	$ 4,433	4,561	128	22,039	83%	
Public Information	5,218	10,227	21,736	1,811	-	(1,811)	$ 3,623	-	(3,623)	21,736	100%	
Service Contracts	77,032	103,598	99,020	8,252	7,819	(433)	$ 16,503	15,002	(1,501)	84,018	85%	
Office Supplies	9,838	18,554	15,845	1,320	711	(609)	$ 2,641	10,970	8,329	4,875	31%	Computer upgrades
Telephone-Internet	23,888	23,565	23,853	1,988	2,283	295	$ 3,975	3,869	(106)	19,984	84%	
Small Tools & Equipment	24,182	12,015	21,279	1,773	12,012	10,239	$ 3,547	12,856	9,309	8,423	40%	Rigid Threading Machine
Trash Disposal	9,116	6,982	7,402	617	574	(43)	$ 1,234	1,148	(86)	6,254	84%	
Utilities - PG&E	215,324	201,422	213,191	17,766	17,993	227	$ 35,532	37,218	1,686	175,973	83%	
Professional Services	30,469	143,688	130,559	10,880	28,581	17,701	$ 21,760	31,083	9,323	99,476	76%	LHMP, AWSDA
Water Testing	59,870	78,544	68,449	5,704	13,670	7,966	$ 11,408	15,961	4,553	52,488	77%	
Water Main Maintenance	38,089	23,106	39,710	3,309	14,294	10,985	$ 6,618	17,632	11,014	22,078	56%	Paving
Service Line Maintenance	8,938	11,976	11,514	959	6,187	5,228	$ 1,919	6,187	4,268	5,327	46%	Paving
Hydrant Repairs	262	1,561	2,101	175	-	(175)	$ 350	-	(350)	2,101	100%	
Misc. System Maintenance	9,245	8,016	5,805	484	75	(409)	$ 967	75	(892)	5,730	99%	
Wells Maintenance	12,354	44,281	52,489	4,374	1,340	(3,034)	$ 8,748	1,482	(7,266)	51,007	97%	
Pump Maintenance	9,399	11,303	12,417	1,035	-	(1,035)	$ 2,070	-	(2,070)	12,417	100%	
Storage Tank Maintenance	6,388	21,156	33,825	2,819	3,843	1,024	$ 5,638	3,843	(1,795)	29,982	89%	
Water Conservation Program	23,669	41,323	32,390	2,699	10,235	7,536	$ 5,398	11,245	5,847	21,145	65%	Large Meter Tester
Equipment Replacement	2,631	1,374	3,169	264	-	(264)	$ 528	104	(424)	3,065	97%	
Total Services & Supplies	**1,138,349**	**1,507,276**	**1,674,975**	**139,581**	**182,428**	**42,847**	**279,163**	**291,725**	**12,562**	**1,383,250**	83%	
Total Expenses	6,109,161	5,861,876	7,938,939	799,154	656,504	(142,650)	1,663,404	1,321,419	(341,985)	6,617,520	83%	
Revenues Less Expenses	**3,035,024**	**3,719,398**	**2,439,011**	**406,085**	**514,388**	**108,303**	**430,756**	**733,126**	**302,369**	**1,705,885**	70%	
O&M Allocation to CIP	(2,069,401)	(2,702,995)	(4,504,080)	(375,340)	(375,340)	-	$ (750,680)	(750,680)	-	(3,753,400)	83%	
Transfer to/from Undesignated Reserves	**$ 965,623**	**$ 1,016,403**	**$ (2,065,069)**	**$ 30,745**	**$ 139,048**		**$ (319,924)**	**$ (17,554)**		**$ (2,047,515)**	**99%**	

VALLEY OF THE MOON WATER DISTRICT
REPORT OF INVESTMENTS AND RESERVES
For the Month Ended August 2026

Start of Fiscal Year			
LAIF	$	2,915,437	
SCIP		139,517	
TVI		2,252,651	
Westamerica Bank Checking/Petty Cash		36,935	
Five Star Bank Checking/Money Market		2,784,911	
Total Beginning Cash	$	8,129,451	

Year To Date			Average Rate of Interest
LAIF	$	2,915,437	3.863%
SCIP		139,517	4.115%
TVI		2,265,532	4.120%
Westamerica Bank Checking/Petty Cash		36,836	
Five Star Bank Checking/Money Market		2,867,409	3.863%
Total ending Cash	$	8,224,730	

Outstanding Payments	$	(129,159)
Adjusted Cash/Investment Balance		8,095,571
(1) Board Designated Reserves (Board Approved with 26/27 Budget)		
(a) Operations & Maintenance Reserve (3 Months Operations)		(1,984,735)
(b) Rate Stabilization Reserve		(836,398)
(c) Capital Improvement Program		(1,010,000)
Total Board Designated Reserves		(3,831,133)
Remaining Cash/Investment Balance	$	4,264,438
Previous Capacity Fees Balance		(418,068)
(2) Year To Date Capacity Fees Collected FY 26/27		(43,982)
Capacity Fees to CIP FY 26/27		389,376
Total Capacity Fees Restricted Funds		(72,674)
(3) FY 2026-2027 Board Approved Capital Projects		(4,893,457)
Year to Date Capital Project Disbursements		66,458
Remaining Transfer of Current Year Revenues to Capital Project Fund		4,077,881
Rollover Projects FY25-26		(1,569,768)
Year to Date Rollover Projects Disbursements		108,328
YTD Capital Project Unexpended funds		(2,210,558)
Undesignated Reserves- funding for remaining 5-Year Capital Plan	$	1,981,206
Pending Grant Expense Reimbursements	$	10,000
Adjusted Undesignated Reserves	$	1,991,206
Remaining 5-Year Capital Plan	$	14,747,114

Project #	Project	Improvement Description	CIP Roll Over	Current CIP Budget	Total CIP Budget	Current Month - AUG	YTD Expenditures	Budget Remaining	% Remaining
			2025/26	2026/27	2026/27				
Facilities and Maintenance Projects									
CIP-5107	County of Sonoma Paving Projects requiring adjustments and or relocation of District facilities	Work done by the County of Sonoma affecting District facilities on Cherry Avenue and Riverside Drive.	-	57,971	57,971	-	-	57,971	100%
CIP-6001	New Services	Customer pays 100%.	-	-	-	23,551	23,551		
CIP-6004	All Service Replacements	All service replacements combined.	-	59,000	59,000	10,390	11,481	47,519	81%
CIP-8100	Valve Replacement Program	Valve replacement for system reliability and control.	-	59,000	59,000	7,165	7,165	51,835	88%
CIP-9300	Meter Replacement Program	Fiscal year 2025/26 represents replacing the AMI servers to keep the existing system operational. Beginning in year FY2028/29, the district will pilot a new AMI system and begin replacing all meters and end-points in subsequent years.	77,653	300,000	377,653	924	59,836	317,817	84%
CIP-3078	Replace Vac Truck	The Vac trucks are critical emergency and leak response vehicles. It is important to replace them while they are still very reliable (est. 15 years). F600 with new or rebuilt pacific tech.		342,553	342,553	-	-	342,553	100%
CIP-3072	Facility assessment and cameras replace all/ same brand	Year 1 system-wide security assessment. Year 2 equipment upgrades ($50K place holder, actual cost TBD)	14,607	52,701	67,308	10,830	17,331	49,977	74%
CIP-2991	GPS Facilities	Finish GPSing the meters and valves. Assumes $50 per location.	-	41,324	41,324	3,846	8,352	32,972	80%
CIP-3060	SDC Evalution	Evalute water treatment plant and transmission systems for needed upgrades and provide OPC for construction.	314,108	-	314,108	-	-	314,108	100%
CIP-3079	District Metered Area 2 (PZ-1G)	Install new 8-inch PRV station with flow metering at the intersection of Kearney Avenue and East Agua Caliente Road, running parallel to the existing zone separating closed valve, and new 12-inch PRV stations with flow metering (1) on West Agua Caliente Road east of the roundabout (2) on Highway 12 between Vailetti Drive and Sunnyside Avenue to create new pressure zone 1G in the Agua Caliente Knolls area.	-	121,211	121,211	-	-	121,211	100%
CIP-3080	Temelec Tank Road	Grade and pave tank road and repave tank rings	-	126,481	126,481	887	887	125,594	99%
CIP-3077	Fuel System upgrades and fuel polishing	Diesel issues in generators see attached. Combination of treatment and polishing of existing tanks. Filter and treatments for existing equipment.	-	55,863	55,863	12,298	12,298	43,564	78%
CIP-3081	Replace 10 C-More HMI units to upgraded model. Fuel level sensors for gensets, SCADA. Engineer back-up plans for both hydro pneumatic sites	Current C more HMIs discontinued. New models can be more customized for each site. 10 total this year. Allow for viewing fuel tank levels at all of our backup gensets via SCADA. Develop thorough plans to follow in event of pumping station failure at either Donald or Chestnut Hydro systems. Develop a backup system to be deployed when repairs need to be made on either hydro tank or related system.	-	36,890	36,890	-	-	36,890	100%
CIP-3082	Replace Generac 30kw genset at Chestnut and Electrical Upgrades	This genset is unreliable and a more robust model would protect against power outages. Reaplce old components (10k)	-	52,701	52,701	-	-	52,701	100%
Total Facilities and Maintenance Projects			**406,368**	**1,305,695**	**1,712,063**	**69,891**	**140,902**	**1,571,161**	**92%**
Pipeline Projects									
CIP-3022	WMP: P-7. Altamira Middle School Fire Flow Improvement and P-31 Arnold Drive and Agua Caliente Road Roundabout Improvement	Replace existing 6-inch and 8-inch PVC and ACP water mains with new 12-inch PVC water mains along Arnold Drive, replace existing 6-inch pipe with new 8 and 12-inch pipe adjacent to Altimira Middle School, replace 15 existing service connections, and replace three existing fire hydrants. This project will be combined with P-31 for efficiency. Replace existing 8-inch ACP water mains with new 12-inch PVC water mains and relocate the existing Hannah Lower PRV out of the center of the new roundabout. This project has been identified as high priority due to the safety concerns with operating this PRV. This project could be combined with P-7 for efficiency.	1,131,663	3,129,900	4,261,563	25,862	33,101	4,228,462	99%
CIP-3069	Lomita Avenue Commercial Fire Flow Improvement	Replace existing 6-inch ACP water main with new 12-PVC water main along Lomita Avenue, replace two service connections, and replace one hydrant.	31,737	247,060	278,797	784	784	278,013	100%
Total Pipeline Projects			**1,163,400**	**3,376,960**	**4,540,360**	**26,646**	**33,885**	**4,506,475**	**99%**

Project #	Project	Improvement Description	CIP Roll Over	Current CIP Budget	Total CIP Budget	Current Month - AUG	YTD Expenditures	Budget Remaining	% Remaining
			2025/26	**2026/27**	**2026/27**				
Wells, Pumping, & Supply									
CIP-3083	Agua Caliente Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	-	-	52,701	100%
CIP-3084	Craig Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	-	-	52,701	100%
CIP-3085	Larbre Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	-	-	52,701	100%
CIP-3086	Pedroncelli Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	-	-	52,701	100%
Total Wells			**-**	**210,802**	**210,802**	**-**	**-**	**210,802**	**100%**
Tanks									
				-	-	-	-	-	
Total Tanks			**-**	**-**	**-**	**-**	**-**	**-**	
		Total	**2025/26**	**2026/27**	**2026/27**	**Current Month - AUG**	**YTD Expenditures**	**Budget Remaining**	**% Remaining**
		Total Water System Improvements:	**$ 1,569,768**	**$ 4,893,457**	**$ 6,463,225**	**$ 96,537**	**$ 174,787**	**$ 6,288,438**	**97%**

Agenda Item: 5.B

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Amanda Hudson, Administration Manager

SUBJECT: Administrative Report

The following are some areas the Administrative Department has been focusing on:

Employee Relations

Water Professionals Appreciation Week

- Water Professionals Appreciation Week is October 3 to October 11, 2026
- The District will be celebrating our staff from October 5 to October 8 in various ways, including a special lunch and more.

Grants

DWR

Urban and Multibenefit Drought Relief Grant

- The District is still awaiting the final retention billing check ($10,914.14)
- Staff reached out to DWR regarding final retention billing. As of September 15, they have rectified the issue on their side, and the final check is being processed.

FEMA

Saddle Tank project $659,422

- On 4/29/2026, staff received a letter rejecting the additional funds requested for the construction of Saddle Tank. FEMA is **not** de-obligating from the $659,422, but is rejecting the request for the additional $463,023.91.
- Next steps: staff has to respond to the letter sent by FEMA to move forward with the closeout request for the $659,422. On 5/6/2026, the District's CalOES closeout specialist confirmed that the CalOES team would confirm with FEMA at their biweekly meeting what an appropriate response to the letter would be.
- The task has been added to the high-priority list for FEMA leadership review. As of September 23, 2026, CalOES said that there is no update.

Admin time toward FEMA projects $56,291.68

- As of August 26, 2026, staff fulfilled the entirety of the FEMA request.

Donald Hillside Stabilization project $8,543.60

- On January 26th, 2026, CalOES forwarded a response from FEMA stating that they approved the total eligible funding request for the District's disaster application submitted in December 2017.

Agenda Item: 5.C

M E M O R A N D U M

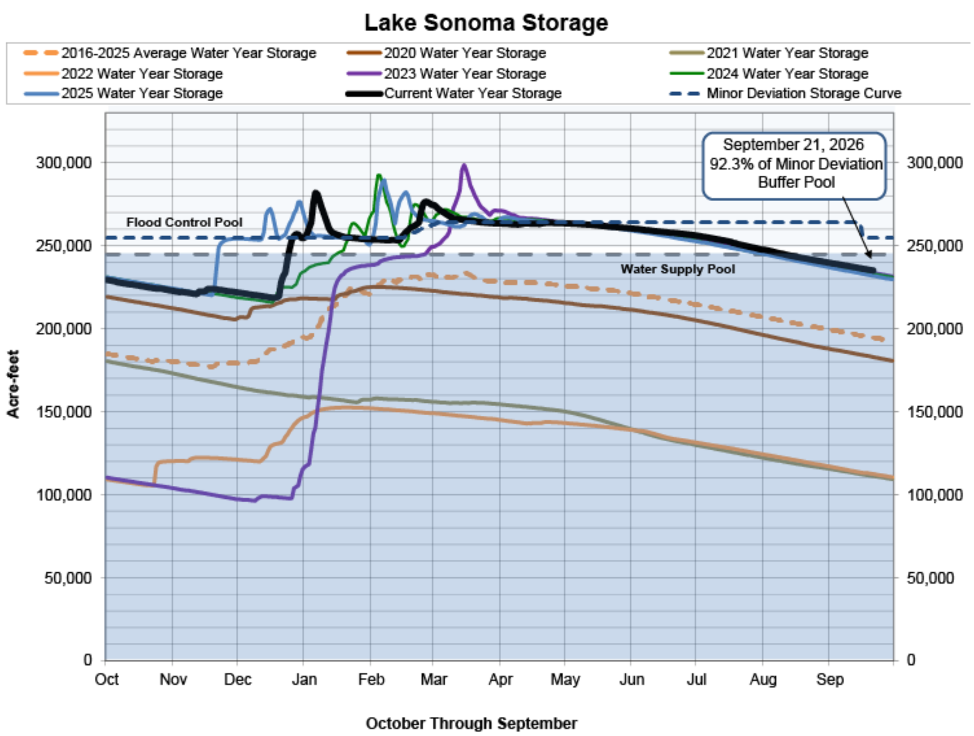
TO: Valley of the Moon Water District Board of Directors

FROM: Clayton Church, Water System Manager

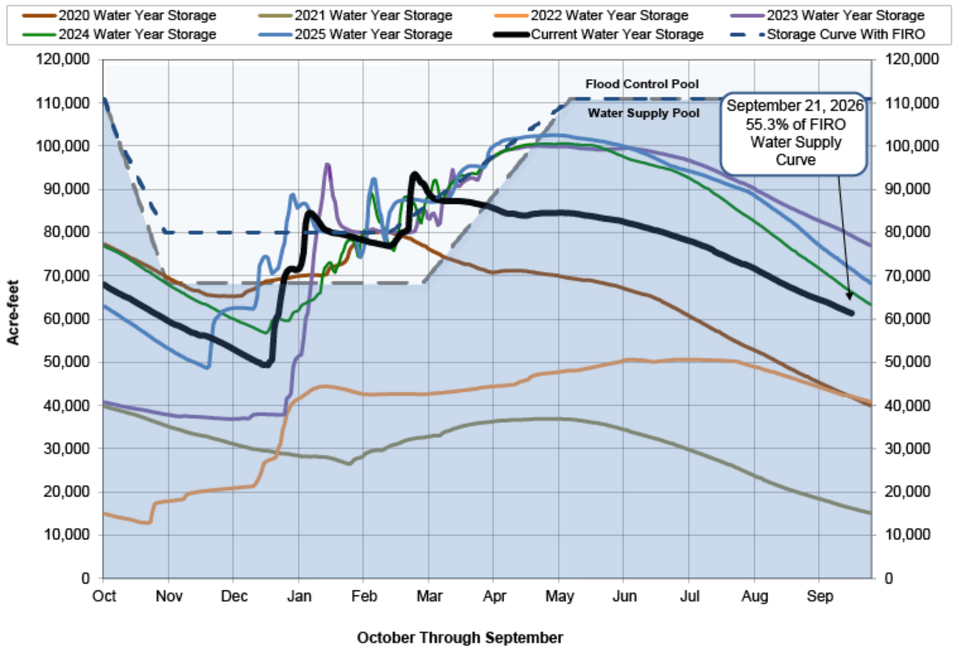
SUBJECT: Water Supply & Water Source Update

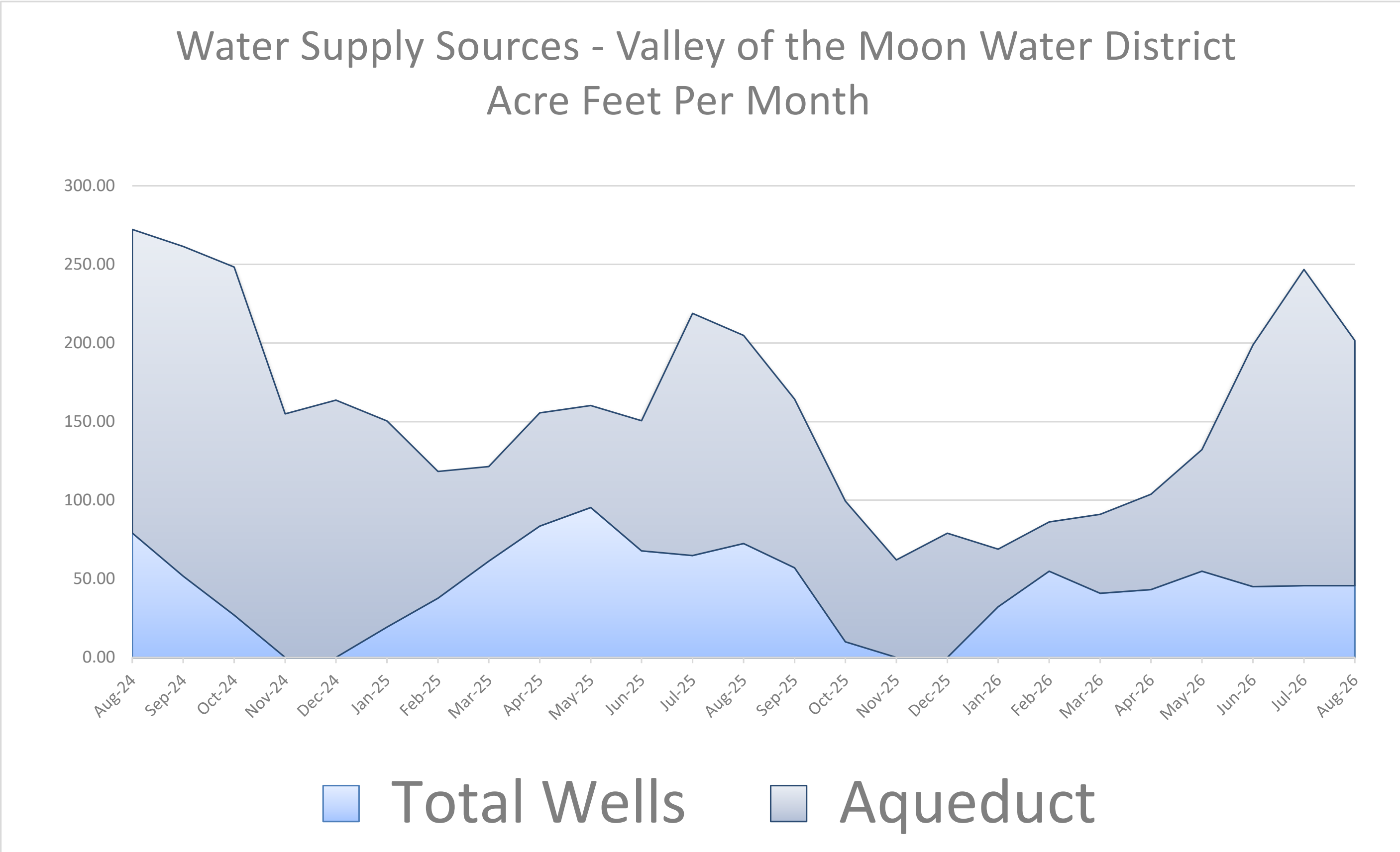
Water source report:
The wells produced 22.62% of the District's overall demand for the month of August 2026.

Lake Sonoma was at 92.3% of the minor deviation buffer pool, and Lake Mendocino was at 55.3% of the FIRO Target Curve as of September 21, 2026.

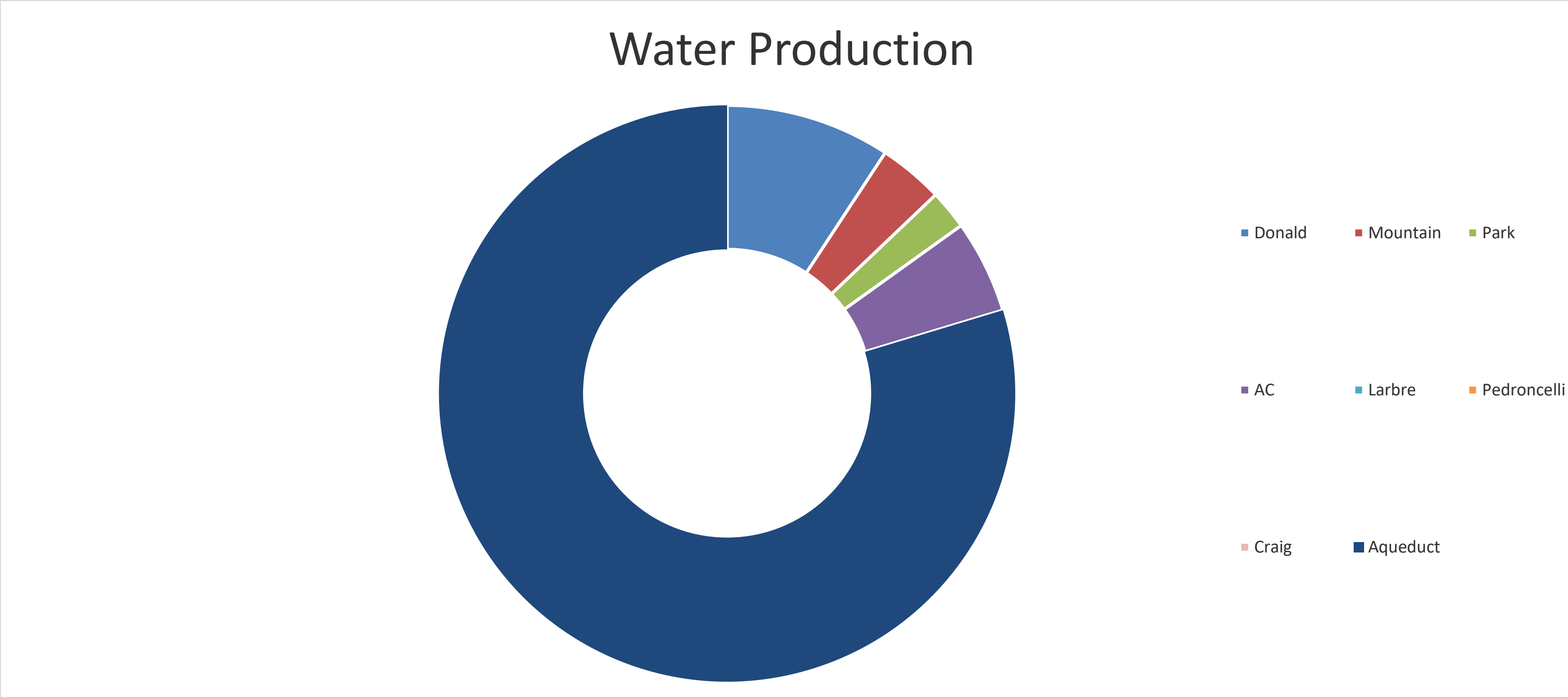


Lake Mendocino Storage





Month	Donald	Mt Ave	Park Ave	Agua Cal	Larbre	Pedroncelli	Craig	Aqueduct	Total Wells	Wells %	Total AF Produced	Total AF Deliveries
Aug-24	17.10	10.17	7.84	14.06	15.35	0.00	14.56	193.17	79.08	29.05%	272.25	295.04
Sep-24	12.97	4.15	5.74	10.95	10.43	0.00	7.52	209.67	51.76	19.80%	261.43	231.01
Oct-24	6.32	3.86	3.37	5.41	4.64	0.00	3.35	221.38	26.96	10.86%	248.33	262.02
Nov-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	154.90	0.00	0.00%	154.90	195.76
Dec-24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	163.67	0.00	0.00%	163.67	172.44
Jan-25	0.00	4.93	0.00	7.97	0.00	0.00	6.42	131.10	19.32	12.84%	150.42	119.90
Feb-25	0.00	4.72	0.00	12.38	2.09	4.66	13.77	80.67	37.62	31.80%	118.28	118.01
Mar-25	10.01	8.73	0.00	8.17	5.13	14.13	15.10	60.05	61.27	50.50%	121.32	106.81
Apr-25	15.93	8.78	5.45	12.00	12.38	15.40	13.50	72.06	83.44	53.66%	155.50	116.02
May-25	19.05	8.55	10.68	16.54	12.42	19.17	8.89	64.86	95.30	59.50%	160.16	138.45
Jun-25	15.07	7.52	8.57	12.76	9.08	8.34	6.47	82.69	67.80	45.05%	150.50	212.05
Jul-25	14.70	7.56	8.54	12.34	8.59	7.34	5.71	154.14	64.78	29.59%	218.92	188.41
Aug-25	17.67	7.35	10.18	14.53	10.04	6.38	6.25	132.48	72.39	35.34%	204.87	272.82
Sep-25	13.70	7.61	8.42	11.38	8.17	3.13	4.57	107.37	56.98	34.67%	164.35	212.50
Oct-25	2.50	1.32	1.48	2.04	1.40	0.41	0.74	89.55	9.89	9.94%	99.44	262.54
Nov-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	61.95	0.00	0.00%	61.95	177.37
Dec-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	79.03	0.00	0.00%	79.03	132.98
Jan-26	10.23	0.00	0.00	8.04	8.18	5.73	0.00	36.69	32.18	46.72%	68.87	120.94
Feb-26	18.27	6.63	0.00	11.72	11.34	6.93	0.00	31.26	54.89	63.72%	86.15	118.34
Mar-26	21.18	8.05	0.00	11.61	0.00	0.00	0.00	50.13	40.83	44.89%	90.96	103.79
Apr-26	25.30	6.34	0.00	11.46	0.00	0.00	0.00	60.72	43.10	41.52%	103.82	157.54
May-26	32.42	8.07	0.00	14.31	0.00	0.00	0.00	77.31	54.79	41.48%	132.11	156.41
Jun-26	25.42	8.31	0.00	11.23	0.00	0.00	0.00	153.75	44.97	22.63%	198.71	206.88
Jul-26	25.36	8.53	0.00	11.67	0.00	0.00	0.00	201.17	45.56	18.47%	246.74	161.81
Aug-26	16.12	7.76	9.91	11.80	0.00	0.00	0.00	155.96	45.59	22.62%	201.55	276.63
FY to date (Acre Feet)	41.48	16.30	9.91	23.47	-	-	-	357.13	91.15	20.33%	448.28	438.44



Actual	Wells											Aqueduct
Month	Donald	Mountain	Park	AC	Larbre	Pedroncelli	Craig	Total	Aqueduct	Total	Wells %	flow rate*
Jul-26	25.36	8.53	0.00	11.67	0.00	0.00	0.00	46	201.17	247	18%	2.11
Aug-26	16.12	7.76	9.91	11.80	0.00	0.00	0.00	46	155.96	202	23%	1.64
Sep-26								0		0	0%	0.00
Oct-26								0		0	0%	0.00
Nov-26								0		0	0%	0.00
Dec-26								0		0	0%	0.00
Jan-27								0		0	0%	0.00
Feb-27								0		0	0%	0.00
Mar-27								0		0	0%	0.00
Apr-27								0		0	0%	0.00
May-27								0		0	0%	0.00
Jun-27								0		0	0%	0.00
Sub-Total	41	16	10	23	0	0	0	91	357	448	20%	
* Average daily rate of flow during the month (in millions of gallons per day)												
Annual Target	94	55	119	0	0	0	0	268	1,892	2,161	12%	
% of Target	44%	30%	8%					34%	19%	21%		

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Clayton Church, Water System Manager

SUBJECT: Operations Update

Background:

The month of September was focused on completing and mobilizing for O&M and in-house CIP projects. Project and routine maintenance for the year continue. Below, please see a brief list and description of these items.

- **CIP 3022 Altimira Fire Flow Improvement:** Staff continues to meet weekly for preparation for inspection and contract management of CIP 3022. Continued coordination with contractors and consultants is taking place. Tentative start pending County Encroachment permit mid-October.
- **CIP 3072 Facility Security Camera Assessment:** All parts are on hand. Parts that require programming have been coordinated with the District's IT department for integration. Hardware has begun to be installed, starting with pumping stations.
- **CIP 2991 System GPS:** Continues to progress. GPS of all system assets is approximately 50% complete. Staff continues to GPS assets, moving on to service lines and identifying next best steps for the asset management program for budget recommendations. The GPS crew continues developing shutdown plans and coordinating asset management for multiple ongoing maintenance projects. Training and development of SOPs to integrate GPS practices into daily duties continues; most recently, the GPS team has engaged with management in preparation for the upcoming year.
- **Backflow Prevention Assembly RFQ:** The District advertised an RFQ for Backflow Prevention Assembly (BPA) testing and received multiple responsive quotes. Two contracts have been executed, and both testers have been assigned routes.
- **CIP 3077 Fuel Tank Conditioning and Fuel Polishing:** All tanks continue to be monitored weekly. Fuel condition has improved in all tanks. Scheduled conditioning and polishing will continue.
- **CIP 3080 Temelec Tank Road:** Staff started work on the Temelec Tank road rehab. The asphalt rings around the tanks have been demo'd and asphalt recycled. Staff will cut and compact grade in preparation for paving and continue work on drainage and road improvements.
- **Seismic Study review and inventory:** Staff has begun to inventory and has developed lists of inventory parts based on the findings from the recently completed system-wide seismic study. Three key areas were considered for repair parts to consider for inventory: backbone distribution mains, backbone creek crossings, and the greater distribution system. Next steps include inventorying all existing repair parts and outfitting the existing E trailer for increased inventory.
- **Safety:** The focus of the training calendar for 2026 is to satisfy all JPIA's commitment to excellence criteria. This month's training focuses on Asbestos Concrete Pipe(ACP) training and Excavation Safety.

The month of October will continue with a focus on 3072 Facility Assessment and Cameras, CIP 3080 Temelec Tank Road, CIP 3022 Altimira Fire Flow Improvement mobilization, CIP 3077 Fuel Tank Conditioning and Fuel Polishing, continued tracking, and progress on numerous preventative maintenance projects and programs. GPS, MMS, and CCCP activities will continue with coordination supporting the mobilization of the Cross-Connection Control Program and asset tracking of all District assets. Numerous staff are pursuing advanced certification; staff and management alike take the time to support and encourage advanced certification and education. Staff continue to gain ground on work orders, catch up on equipment maintenance, and manage various RFIs the District is currently engaged in.

The table below shows a subjective percentage completed for each of the CIP projects based on an estimate of the time requirement remaining. The percentage will not match the one shown on the CIP budget update, because that number accounts only for the budget remaining.

Project Number and Description	Percent Complete
Project 2991: GPS Facilities	**15%**
Project 3022: Altamira Fire Flow Improvement & P-31 Arnold Dr & Aqua Caliente Rd Roundabout Improvement	**15%**
Project 3014: Craig Well Tow Behind Gen	**15%**
Project 3078: Replace Vac Truck	**10%**
Project 3069: Temelec Tank Road	**25%**
Project 3077: Fuel System Upgrades and Fuel Polishing	**15%**
Project 3057: 1-1/2 & 2” PB service line replacement	**10%**
Project 3060: SDC Evaluation	**50%**
Project 3069: Lomita Ave Commercial Fire Flow Improvement	**20%**
Project 3081: Replace HMI units various SCADA Upgrades	**0%**
Project 3082: Replace Generac 30kW	**15%**
Project 3072: Facility Assessment security camera assessment	**5%**
Project 3083: AC Well PFAS Treatment	**5%**
Project 3084: Craig Well PFAS Treatment	**0%**
Project 3085: Labre Well PFAS Treatment	**0%**
Project 3086: Pedroncelli Well PFAS Treatment	**0%**
Project 5107: County of Sonoma Paving Project requiring adjustment and/or relocation of District facilities	**0%**
Project 8100: Valve Replacement Program	**20%**
Average Percent Complete	**12%**

Date: October 1st, 2026
Item 6.A

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Jon Foreman, Director

SUBJECT: Water Advisory Committee Chair Report on Washington, DC Lobby Meetings and New York City Climate Week

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Director Foreman, in his capacity as Water Advisory Committee Chair, attended a lobbying trip to Washington, DC, followed by a climate event in New York City, and will provide a verbal update at the Board meeting.

October 1st, 2026
Item: 8.A

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider Adoption of Resolution No. 261001, Updating the District's Conflict of Interest Code

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Background:

The Political Reform Act requires the District to maintain a conflict of interest code identifying positions that must file Statements of Economic Interests (Form 700) and the financial interests those positions must disclose. The proposed 2026 code incorporates the Fair Political Practices Commission's standard code regulation and updates the District's designated positions and filing instructions. District legal counsel has reviewed the proposed code.

The primary reason for the update is Senate Bill 852, effective January 1, 2026. It requires public officials who manage public investments to file their Form 700 electronically with the Fair Political Practices Commission (FPPC). The proposed code identifies the Board of Directors, General Manager, Finance Manager, Administration Manager, Water System Manager, and District counsel, for direct FPPC filing. Other designated positions continue to file through the County Clerk's electronic system as stated in the proposed code.

The updated Appendix A includes positions that were not previously required to file, including District counsel and additional staff positions. The attached code lists the Water System Manager, Administration Manager, Senior Administrative Specialist, Finance Manager, Senior Accounting Specialist, consultants, Attorney/General Counsel, and auditor, in addition to the Board and General Manager. These filers will disclose interests according to the categories assigned in Appendix A. SB 852 changes the filing destination for qualifying public investment officials; the additional designated positions reflect the District's review of duties and its proposed code.

The draft also includes candidate filing provisions and financial training requirements associated with SB 827. Staff will notify affected personnel of their filing and training obligations and coordinate electronic filing with the applicable filing officer.

Recommendation:

Adopt the attached resolution approving the proposed update to the District Conflict of Interest Code, subject to approval by the Sonoma County Board of Supervisors, and authorize staff to submit the code and supporting materials for that review.

Attached:

- Resolution No. 261001
- Proposed 2026 Conflict of Interest Code (Exhibit A to Resolution 261001).

Resolution No. 261001

A RESOLUTION OF THE BOARD OF DIRECTORS APPROVING THE 2026 UPDATE TO THE DISTRICT CONFLICT OF INTEREST CODE AND DIRECTING ITS SUBMISSION FOR REVIEW

WHEREAS, the Political Reform Act of 1974 (Government Code section 81000 et seq.) requires public agencies to adopt and maintain conflict of interest codes; and

WHEREAS, the District has reviewed its designated positions, disclosure categories, and filing procedures and determined that the updates to the Conflict of Interest Code, attached as Exhibit A, are necessary to reflect current conditions and comply with existing laws; and

WHEREAS, the District has determined that the Conflict of Interest Code should be revised to reflect changes to filing requirements established by Senate Bill 852, effective January 1, 2026, which requires public officials who manage public investments to file Statements of Economic Interests electronically with the Fair Political Practices Commission; and

WHEREAS, the District has identified additional positions, including District counsel and staff, that it has determined should be added to the list of positions designated by the District to file Statements of Economic Interests; and

WHEREAS, the District has further determined that the Conflict of Interest Code should be revised to include a new section called "Financial Training Requirements" which explains the required biennial financial training established by Senate Bill 827 and those District positions subject to the training requirement; and

WHEREAS, District legal counsel has reviewed the proposed update;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Valley of the Moon Water District as follows:

1. The Board approves the proposed 2026 Conflict of Interest Code attached as Exhibit A and incorporated by this reference, subject to approval by the Sonoma County Board of Supervisors pursuant to Government Code section 87303.

2. The General Manager or designee is authorized and directed to submit the proposed code and any required supporting materials to the Sonoma County Board of Supervisors and to take the administrative steps necessary to implement the code upon its approval.

3. Upon approval by the Sonoma County Board of Supervisors, the updated code shall supersede the District's prior conflict of interest code. The District shall provide notice of applicable disclosure and filing procedures to persons serving in designated positions.

THIS RESOLUTION PASSED AND ADOPTED THIS 1ST DAY OF October 2026 by the following votes:

Director Caniglia ___________

Director Bryant ___________

Director Foreman ___________

Director Yudin-Cowan ___________

Director Williams ___________

By ____________________________
President

By ____________________________
Secretary

AYES ___________ NOES ___________ ABSENT ___________ ABSTAIN ___________

I HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of the Board of Directors of Valley of the Moon Water District held on the 1st Day of October 2026, of which meeting all Directors were notified and at which meeting a quorum was present at all times and acting.

By ____________________________
Secretary

Exhibit A: 2026 Valley of the Moon Water District Conflict of Interest Code (attached separately)

Exhibit A

Valley of the Moon Water District
19039 Bay Street
El Verano, CA 95433

CONFLICT OF INTEREST CODE
Valley of the Moon Water District
Month: _____________, Day: ___________, 2026

Incorporation of FPPC Regulation 18730 by Reference

The Political Reform Act, Government Code Section 81000 et seq, requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission ("FPPC") has adopted a regulation, California Code of Regulations Title 2 section 18730 ("CCR 18730"), which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the FPPC after public notice and hearings to conform to amendments in the Political Reform Act. Therefore, the terms of CCR 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference and along with the attached Appendices, in which members and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the Valley of the Moon Water District.

Place of Filing of Statements of Economic Interests

Filing through the County Clerk: The designated officials and employees listed on the attached **Appendix** shall file statements of economic interests with the County Clerk through its electronic NetFile system. The Secretary of the District shall make copies of the statements available for public inspection and reproduction. (Gov't Code § 81008.)

Filing through the FPPC: Pursuant to SB 852 which was signed into law in October 2025, the officials and employees who manage public investments must file Form 700 disclosure statements directly with the Fair Political Practices Commission using its electronic filing system, rather than filing forms with the County Clerk. For purposes of the District's Conflict of Interest Code, the following individuals are required to submit Form 700 disclosure statements directly to the FPPC:

- Members of the Board of Directors
- General Manager
- Finance Manager
- Administration Manager
- Water System Manager
- Counsel for the District

Filing Requirements for Candidates for the District Board of Directors

In addition to any other requirements of 2 California Code of Regulations Section 18730 and any amendments thereto, a candidate for the Board of Directors of Valley of the Moon Water District shall file, no later than the final filing date of a declaration of candidacy, a statement of economic interests, pursuant to Government Code section 87200 et seq.

Financial Training Requirements

Pursuant to SB 827 which became effective on January 1, 2026, certain District officials and employees are required to complete at least two hours of fiscal and financial training every two years. The goal of this requirement is to facilitate the strengthening of financial oversight for specific individuals involved in the budgetary process.

Timing of Initial Training: Each of the individuals listed below must complete an initial financial training as follows:

- Officials who began service to the District prior to January 1, 2026 must complete the initial training by January 1, 2028; and

- Officials who began service on or after January 1, 2026 must complete training within six months of the date they took office.

Individuals Required to Complete Financial Training: Following the initial training, each individual listed below must take the financial training at least every two years. For purposes of the District and this Conflict of Interest Code, the following individuals must complete the biennial financial training:

- Members of the Board of Directors
- General Manager
- Finance Manager
- Administration Manager
- Water System Manager
- Senior Accounting Specialist
- Senior Administrative Specialist
- All Finance Department Staff

Steve Caniglia, President

APPENDIX A

DESIGNATED POSITIONS CATEGORY	DISCLOSURE
All Members of the Board of Directors*	1, 2, 3, and 4
General Manager*	1, 2, 3, and 4
Water System Manager	1, 2, 3, and 4
Administration Manager	1, 2, 3, and 4
Senior Administrative Specialist	1, 2, 3, and 4
Finance Manager	1, 2, 3, and 4
Senior Accounting Specialist	1, 2, 3, and 4
Consultants**	1, 2, 3, and 4
Attorney/General Counsel	1, 2, 3, and 4
Auditor	4

*Subject to the disclosure requirements of the Political Reform Act (Government Code Section 87200 *et seq*.) and shall disclose pursuant to the broadest disclosure category in the code.

**Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The General Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range-of-duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

APPENDIX B

General Provisions

An investment, interest in real property, income, or position of management is reportable if the business entity in which the investment is held, the interest in real property, the income or source of income, or position of management may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Each designated employee shall disclose his or her financial interests pursuant to the appropriate disclosure category as indicated in Appendix B.

"Financial interests" are reportable only if located within or subject to the jurisdiction of the District, or if the business entity is doing business or planning to do business in the District, or has done business within the District at any time during the two (2) years prior to the filing of the statement. In addition to other activities, a business entity is doing business within the District if it owns real property within the District. Reportable real property interests include those located within two miles of the District or within two (2) miles of any land owned or used by the District.

A designated officer or employee required to disclose interests pursuant to disclosure Category 3 shall be disqualified from advising, recommending, or counseling the District on any matter wherein the advice, recommendations or counsel will foreseeably have a material effect, distinguishable from its effect on the public generally, on a client required to be listed under disclosure Category 3. The Board may, by motion duly recorded in its minutes, determine there are reasons why the designated officer or employee should not be so disqualified and, in the instance, allow the designated officer or employee to provide such advice, recommendations, or counsel.

Disclosure Categories

Category 1: Designated officers and employees in Category 1 must report:

(1) Investments, interests in real property, income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position in management, if such business entity is located in, or doing business with, the District.

Category 2: Designated officers and employees in Category 2 must report:

(1) Investments in any business entity and income from any source of the type which is subject to the regulation of the District which, within the previous two (2) years, was regulated by the District.

(2) His or her status as a director, officer, partner, trustee, employee or holder of any position of management in any business entity described in paragraph (1) above.

Category 3: Designated officers and employees in Category 3 must report:

(1) The name of each of its clients, including governmental agencies, which has had a matter subject to the regulation or recommendations of the Valley of the Moon Water District during the two (2) years prior to the filing of the statement.

(2) The name of each of its clients, including governmental agencies, which it is foreseeable to assume will be subject to the regulation of the Valley of the Moon Water District during the one (1) year subsequent to the filing of the statement.

Category 4:

Designated officers and employees in this category shall disclose all income from and investments in businesses that provide or sell services or supplies of the type associated with job assignment and utilized by the District.

October 1st, 2026

Item: 8.B

M E M O R A N D U M

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider Approval of PFAS-Affected Well Lease Agreement Extensions

Background:

The District historically has obtained supplemental water from three privately owned wells: the Craig Well, the Pedroncelli Well, and the Larbre Well. The Craig and Pedroncelli water-purchase agreements were executed on October 21, 2021, and are scheduled to expire on October 21, 2026. The 2018 Larbre agreement expired on May 1, 2023; after expiration, the parties continued limited aspects of the prior arrangement, including payment at the CPI-adjusted per-acre-foot rate when the District purchased water.

Following detections of per- and polyfluoroalkyl substances (PFAS), the District isolated the privately owned wells from the drinking-water system and initiated evaluation of treatment alternatives. The District is also evaluating treatment at the District-owned Agua Caliente Well. The State Water Resources Control Board has identified a potential Emerging Contaminants funding pathway for PFAS treatment. Although the District appears to meet threshold system-size criteria, no eligibility determination or funding commitment has been made. State staff have encouraged the District to begin the application process, and site control, engineering, environmental review, and long-term assurances may be required before construction funding can be awarded.

The proposed agreements provide a limited bridge through October 31, 2027. That period will allow the District to complete engineering, coordinate with regulators and the State funding program, evaluate each well's condition and treatment feasibility, and determine which sources should advance. All three owners have indicated a willingness to proceed with a one-year bridge arrangement, and District Counsel has reviewed the agreements.

Key Agreement Terms

Well / Owner	Document	Well-Specific Terms
Craig / Water Farm LLC	Bridge Amendment No. 1	Extends the 2021 agreement; concludes the 2022 production re-opener without guaranteeing future yield; preserves the January 16, 2026, PFAS notice.
Pedroncelli / Triple C Water Ranch LLC	Bridge Amendment No. 3	Extends the 2021 agreement; confirms the prior entrained-air work and reimbursements are fully satisfied; preserves the March 26, 2026, PFAS notice.
Larbre / October 1990 Trust	New interim agreement	Creates a prospective interim arrangement because the 2018 agreement expired; provides payment only for water actually delivered at the applicable CPI-adjusted rate; recognizes the well's age and uncertain remaining useful life.

The agreements also share the following safeguards:

- The wells may remain offline, and the District has no obligation to pump, purchase a minimum quantity of water, or guarantee owner revenue.
- The District retains access needed for sampling, inspection, testing, design, regulatory review, and funding activities, while permanent treatment construction requires a later written agreement.
- The agreements do not allocate PFAS design, construction, media, power, monitoring, residual-disposal, or replacement costs and do not commit either party to a successor agreement.
- Any District-funded planning or engineering does not constitute acceptance of sole responsibility for future project costs and may be considered in later negotiations.
- The District may terminate if treatment is infeasible or uneconomic, funding or regulatory conditions are unacceptable, or a well is not selected for further advancement, subject to the terms of the applicable agreement.

Approval of the bridge agreements does not authorize PFAS treatment construction or establish a treatment cost share. No minimum, standby, or reservation payment is required under the proposed agreements. Water-purchase payments would be due only for water actually delivered and accepted by the District at the applicable contract rate. Because the wells are currently isolated, no water-purchase costs are anticipated unless a well is returned to service.

The District expects to incur planning and engineering costs as part of its PFAS response, potentially before grant funding is secured and without assurance of reimbursement. Those services and expenditures are or will be addressed through the District's adopted budget and separate professional-services authorization. Any proposed construction expenditure, or long-term operating commitment, will return to the Board for separate consideration.

Recommendation:

Staff recommends that the Board of Directors:

- Approve Bridge Amendment No. 1 with Water Farm LLC for the Craig Well;
- Approve Bridge Amendment No. 3 with Triple C Water Ranch LLC for the Pedroncelli Well;
- Approve the Interim Water Well Easement and Water Purchase Agreement with Suzanne Larbre, Trustee of the October 1990 Trust, for the Larbre Well; and
- Authorize the Board President to execute the agreements and the Board Secretary to attest, subject to minor, non-substantive revisions approved by the General Manager and District Counsel.

Attachments:

- Bridge Amendment No. 1 - Water Farm LLC (Craig Well)
- Bridge Amendment No. 3 - Triple C Water Ranch LLC (Pedroncelli Well)
- Interim Water Well Easement and Water Purchase Agreement - Suzanne Larbre, Trustee of the October 1990 Trust (Larbre Well)

VALLEY OF THE MOON WATER DISTRICT - WATER FARM LLC

WATER WELL SUBLEASE AND WATER PURCHASE AGREEMENT - BRIDGE AMENDMENT NO. 1

This Bridge Amendment No. 1 ("Bridge Amendment") is made and entered into effective ____________, 2026 ("Effective Date"), by and between the VALLEY OF THE MOON WATER DISTRICT, a political subdivision of the State of California ("DISTRICT"), and WATER FARM LLC, a California limited liability company ("WATER FARM"). DISTRICT and WATER FARM are collectively the "Parties."

RECITALS

A. The Parties entered into the Valley of the Moon Water District - Water Farm Water Well Sublease and Water Purchase Agreement dated October 21, 2021 (the "Original Agreement") concerning the well located at 18701 Arnold Drive, Sonoma, California, APN 052-521-037, commonly identified by the District as the Craig Well (the "Well").

B. The Original Agreement has a five-year term and is scheduled to expire on October 21, 2026. The related access sublicense, easement, waterline, and site rights are intended to remain coterminous with the Original Agreement.

C. By letter dated November 15, 2022, DISTRICT invoked Section 15 based on production capacity. DISTRICT continued to operate and purchase water from the Well, and the production condition later improved, although WATER FARM has not guaranteed and does not guarantee any particular sustainable production rate.

D. By letter dated January 16, 2026, DISTRICT invoked Section 15 based on detections of per- and polyfluoroalkyl substances (PFAS), halted water purchases, and temporarily isolated the Well from the drinking water system (the "PFAS Notice").

E. The Parties wish to preserve the existing relationship and site control for a limited bridge period while DISTRICT performs planning, engineering, regulatory coordination, and funding evaluation. The Parties do not yet have sufficient information to allocate PFAS treatment capital, operating, residuals-management, or replacement costs.

NOW, THEREFORE, the Parties agree as follows:

1. Extension of Term and Related Rights

Section 13 of the Original Agreement is amended so that the term continues through October 31, 2027, unless earlier terminated in accordance with the Original Agreement or this Bridge Amendment. All access, sublicense, easement, waterline, and other ancillary rights that are coterminous with the Original Agreement are likewise continued through that date. Except as expressly amended herein, the Original Agreement remains in full force and effect.

2. Limited Bridge Purpose; No Successor Commitment

This Bridge Amendment provides temporary continuity while the Parties evaluate the Well's future. Neither Party is obligated to enter into a successor agreement, construct treatment, contribute to treatment costs, or continue the relationship beyond October 31, 2027. Any long-term arrangement must be set forth in a separate written agreement duly approved and executed by both Parties.

3. Status of November 2022 Production Re-opener

The Parties acknowledge that DISTRICT continued operating the Well after the November 15, 2022 notice and that production subsequently improved. The negotiations initiated by that notice are deemed concluded solely for purposes of the condition described in that notice. This acknowledgment is not a representation or guarantee of future capacity and does not waive or limit future rights under Section 15.

4. PFAS Notice Remains Effective

The January 16, 2026 PFAS Notice remains in full force. DISTRICT may keep the Well isolated and has no obligation to operate the Well or purchase water unless and until DISTRICT determines, in its sole discretion and following all required regulatory approvals, that water from the Well can be accepted into the drinking water system. Notwithstanding Section 15 of the Original Agreement, during the bridge term WATER FARM shall not exercise any right to terminate the Original Agreement or this Bridge Amendment arising from the PFAS Notice, the reopened negotiations, or the six-month negotiation period referenced in Section 15; the extended term set forth in Section 1 controls over that six-month period. This does not limit DISTRICT's termination rights under Section 15, Section 10 of this Bridge Amendment, or otherwise.

5. Existing Compensation and Property-Service Benefits

The Purchase Water Rate and the property-service benefits established by Sections 5, 6, and 19 of the Original Agreement continue during the bridge term. Consistent with Section 6, no payment for water is due for any month in which no water is taken from the Well. Nothing in this Bridge Amendment creates a minimum purchase, minimum pumping schedule, or guaranteed revenue obligation.

6. Planning, Testing, and Design Access

In addition to the access rights provided in the Original Agreement, WATER FARM grants DISTRICT and its authorized employees, engineers, consultants, laboratories, contractors, regulatory personnel, and funding-agency representatives access to the Well site at all times as reasonably necessary to inspect, operate, maintain, secure, sample, test, evaluate, and plan improvements to the Well and related facilities. Authorized activities include water sampling; bench- or pilot-scale testing; surveying; utility locating; geotechnical, structural, environmental, and other site investigations; preparation of plans and specifications; grant and funding review; and regulatory and permit review. DISTRICT will endeavor to conduct scheduled, non-emergency activities during normal business hours and to provide advance notice when reasonably practicable. However, advance notice is not a condition of access, and access outside normal business hours is permitted when reasonably necessary for operations, security, sampling schedules, emergency response, protection of public health or property, or other time-sensitive circumstances. DISTRICT shall reasonably coordinate its activities to minimize unnecessary interference with the property and shall repair material physical damage caused by its activities. This Section does not, by itself, authorize permanent construction or installation of permanent PFAS treatment facilities.

7. Treatment Costs Expressly Deferred

No treatment-cost allocation is established by this Bridge Amendment. Neither Party's execution, cooperation, site access, receipt of information, or participation in planning shall be construed as an agreement or admission concerning responsibility for PFAS, the source of PFAS, or payment of design, pilot testing, permitting, construction, media, electricity, monitoring, residual disposal, replacement, or other treatment costs. Any such allocation requires a later written agreement approved and executed by both Parties after additional engineering and funding information is available. Neither Party's expenditures during the Bridge Term shall create any presumption, credit, reimbursement right, or cost-allocation entitlement in any future agreement; however, either Party may identify such expenditures for consideration and discussion in any future negotiation, without creating any obligation on the other Party.

8. No Construction Authorization

DISTRICT may undertake non-destructive planning and investigations under Section 6. Permanent construction, material modification of the Well or site, or installation of permanent PFAS treatment equipment requires a separate written site and cost agreement, except for routine maintenance or emergency work already authorized by the Original Agreement.

9. Funding and Regulatory Cooperation

Each Party shall reasonably cooperate, at no uncompensated cost to that Party, with requests for site-control confirmation, environmental review, funding applications, regulatory review, and inspections. Cooperation does not obligate either Party to accept a grant condition, lien, long-term commitment, consolidation requirement, capital contribution, or operating-cost obligation unless separately approved in writing.

10. Bridge Termination for Funding or Feasibility

DISTRICT may terminate this Bridge Amendment and the Original Agreement on thirty (30) days' written notice if DISTRICT determines that treatment is infeasible or uneconomic; adequate funding is unavailable; a funding or regulatory condition is unacceptable; the Well is not selected for further advancement; or the Parties do not reach a mutually acceptable long-term agreement. This right supplements, and does not limit, Section 15 or any other termination right.

11. No Waiver; No Course of Performance

Except for the express conclusion of the November 2022 production re-opener stated in Section 3, neither this Bridge Amendment nor conduct during the bridge term waives the PFAS Notice, Section 15 rights, defenses, claims, or remedies. Maintenance, testing, planning, payment of property-service benefits, or other interim performance shall not create an implied duty to pump, purchase water, construct treatment, or extend the agreement.

12. Priority and Counterparts

If this Bridge Amendment conflicts with the Original Agreement, this Bridge Amendment controls. It may be executed in counterparts and by electronic signature, each of which is deemed an original. All capitalized terms not defined here retain the meanings assigned in the Original Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

VALLEY OF THE MOON WATER DISTRICT

By: ______________________________

Name: ____________________________

Title: President of the Board

Date: _____________________________

ATTEST:

By: ______________________________

Name: ___________________________

Title: Board Secretary

WATER FARM LLC

By: ______________________________

Mike Larbre

Managing Member

Date: _____________________________

EXHIBIT A - AGREEMENT STATUS AND PRESERVED NOTICES

Instrument or Matter	Status Under This Bridge Agreement
October 21, 2021 Original Agreement	Continued through October 31, 2027, as amended by this Bridge Amendment.
November 15, 2022 production re-opener	Concluded for the specific historic condition; no guarantee of future production and future Section 15 rights preserved.
January 16, 2026 PFAS Notice	Remains effective; Well may remain isolated and no water-purchase obligation applies while no water is taken.
PFAS treatment cost allocation	Expressly deferred to a later written agreement after funding and engineering information is available.

VALLEY OF THE MOON WATER DISTRICT - TRIPLE C WATER RANCH LLC

WATER WELL SUBLEASE AND WATER PURCHASE AGREEMENT - BRIDGE AMENDMENT NO. 3

This Bridge Amendment No. 3 ("Bridge Amendment") is made and entered into effective ____________, 2026 ("Effective Date"), by and between the VALLEY OF THE MOON WATER DISTRICT, a political subdivision of the State of California ("DISTRICT"), and TRIPLE C WATER RANCH LLC, a California limited liability company ("TRIPLE C"). DISTRICT and TRIPLE C are collectively the "Parties."

RECITALS

A. The Parties entered into the Valley of the Moon Water District - Triple C Water Ranch LLC Water Well Sublease and Water Purchase Agreement dated October 21, 2021 (the "Original Agreement") concerning the well located at 18775 Arnold Drive, Sonoma, California, APN 052-251-035, commonly identified as the Pedroncelli Well (the "Well").

B. The Parties subsequently executed Amendment No. 1 in 2023 and Amendment No. 2 in 2024 concerning entrained-air investigation, equipment, and cost reimbursement (collectively, the "Prior Amendments").

C. The work contemplated by the Prior Amendments was performed. TRIPLE C has fully satisfied its reimbursement obligations through direct payments and credits against water purchases, and the District paid TRIPLE C for water delivered after the applicable credits were exhausted.

D. By letter dated March 26, 2026, DISTRICT invoked Section 15 based on PFAS detections, halted water purchases, and temporarily isolated the Well from the drinking water system (the "PFAS Notice").

E. The Original Agreement has a five-year term and is scheduled to expire on October 21, 2026. The Parties wish to preserve the relationship for a limited bridge period while DISTRICT performs planning, engineering, regulatory coordination, and funding evaluation, without presently allocating PFAS treatment costs.

NOW, THEREFORE, the Parties agree as follows:

1. Extension of Term and Related Rights

Section 13 of the Original Agreement is amended so that the term continues through October 31, 2027, unless earlier terminated in accordance with the Original Agreement or this Bridge Amendment. All access, sublicense, easement, waterline, and other ancillary rights coterminous with the Original Agreement are likewise continued through that date. The Original Agreement and Prior Amendments, as modified herein, are collectively the "Agreement."

2. Prior Work and Reimbursement Fully Satisfied

The Parties acknowledge that the work and reimbursement obligations established by the Prior Amendments have been completed and fully satisfied. No balance remains owing by either Party under those provisions, and this Bridge Amendment does not revive any reimbursement credit, withholding right, or payment obligation relating to that completed work. This acknowledgment does not limit future Section 15 rights.

3. Limited Bridge Purpose; No Successor Commitment

This Bridge Amendment provides temporary continuity while the Parties evaluate the Well's future. Neither Party is obligated to enter a successor agreement, construct treatment, contribute to treatment costs, or continue the relationship beyond October 31, 2027. Any long-term arrangement must be set forth in a separate written agreement duly approved and executed by both Parties.

4. PFAS Notice Remains Effective

The March 26, 2026 PFAS Notice remains in full force. DISTRICT may keep the Well isolated and has no obligation to operate the Well or purchase water unless and until DISTRICT determines, in its sole discretion and following all required regulatory approvals, that water from the Well can be accepted into the drinking water system. Notwithstanding Section 15 of the Original Agreement, during the bridge term TRIPLE C shall not exercise any right to terminate the Agreement arising from the PFAS Notice, the reopened negotiations, or the six-month negotiation period referenced in Section 15; the extended term set forth in Section 1 controls over that six-month period. This does not limit DISTRICT's termination rights under Section 15, Section 10 of this Bridge Amendment, or otherwise.

5. Existing Compensation and Property-Service Benefits

The Purchase Water Rate and property-service benefits established by Sections 5, 6, and 19 of the Original Agreement continue during the bridge term. Consistent with Section 6, no payment for water is due for any month in which no water is taken from the Well. The payment issued for water delivered before the PFAS shutdown was payment for water actually taken and does not create a minimum purchase, minimum pumping schedule, or guaranteed revenue obligation.

6. Planning, Testing, and Design Access

In addition to the access rights provided in the Original Agreement, TRIPLE C grants DISTRICT and its authorized employees, engineers, consultants, laboratories, contractors, regulatory personnel, and funding-agency representatives access to the Well site at all times as reasonably necessary to inspect, operate, maintain, secure, sample, test, evaluate, and plan improvements to the Well and related facilities. Authorized activities include water sampling; bench- or pilot-scale testing; surveying; utility locating; geotechnical, structural, environmental, and other site investigations; preparation of plans and specifications; grant and funding review; and regulatory and permit review. DISTRICT will endeavor to conduct scheduled, non-emergency activities during normal business hours and to provide advance notice when reasonably practicable. However, advance notice is not a condition of access, and access outside normal business hours is permitted when reasonably necessary for operations, security, sampling schedules, emergency response, protection of public health or property, or other time-sensitive circumstances. DISTRICT shall reasonably coordinate its activities to minimize unnecessary interference with the property and shall repair material physical damage caused by its activities. This Section does not, by itself, authorize permanent construction or installation of permanent PFAS treatment facilities.

7. Treatment Costs Expressly Deferred

No PFAS treatment-cost allocation is established by this Bridge Amendment. Neither Party's execution, cooperation, site access, receipt of information, or participation in planning shall be construed as an agreement or admission concerning responsibility for PFAS, the source of PFAS, or payment of design, pilot testing, permitting, construction, media, electricity, monitoring, residual disposal, replacement, or other treatment costs. Any allocation requires a later written agreement approved and executed by both Parties after additional engineering and funding information is available. DISTRICT expressly reserves the right to have its documented planning, engineering, pilot-testing, design, and permitting expenditures relating to the Well considered and credited to DISTRICT in any future cost-allocation, operating-cost, equipment-ownership, or successor arrangement, without obligating TRIPLE C to reimburse those expenditures during the bridge term. The cost-sharing formula in the Prior Amendments does not apply to PFAS treatment costs.

8. No Construction Authorization

DISTRICT may undertake non-destructive planning and investigations under Section 6. Permanent construction, material modification of the Well or site, or installation of permanent PFAS treatment equipment requires a separate written site and cost agreement, except for routine maintenance or emergency work already authorized by the Agreement.

9. Funding and Regulatory Cooperation

Each Party shall reasonably cooperate, at no uncompensated material cost to that Party, with requests for site-control confirmation, environmental review, funding applications, regulatory review, and inspections. Cooperation does not obligate either Party to accept a grant condition, lien, long-term commitment, consolidation requirement, capital contribution, or operating-cost obligation unless separately approved in writing.

10. Bridge Termination for Funding or Feasibility

DISTRICT may terminate the Agreement on thirty (30) days' written notice if DISTRICT determines that treatment is infeasible or uneconomic; adequate funding is unavailable; a funding or regulatory condition is unacceptable; the Well is not selected for further advancement; or the Parties do not reach a mutually acceptable long-term agreement. This right supplements, and does not limit, Section 15 or any other termination right.

11. No Waiver; No Course of Performance

Neither this Bridge Amendment nor conduct during the bridge term waives the PFAS Notice, Section 15 rights, defenses, claims, or remedies. Maintenance, testing, planning, payment of property-service benefits, or other interim performance shall not create an implied duty to pump, purchase water, construct treatment, or extend the Agreement.

12. Priority and Counterparts

If this Bridge Amendment conflicts with the Original Agreement or Prior Amendments, this Bridge Amendment controls. It may be executed in counterparts and by electronic signature, each of which is deemed an original. All capitalized terms not defined here retain the meanings assigned in the Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

VALLEY OF THE MOON WATER DISTRICT

By: ______________________________

Name: ____________________________

Title: President of the Board

Date: _____________________________

ATTEST:

By: ______________________________

Name: ___________________________

Title: Board Secretary

TRIPLE C WATER RANCH LLC

By: ______________________________

PJ Pedroncelli

Managing Member

Date: _____________________________

EXHIBIT A - AGREEMENT STATUS AND PRESERVED NOTICES

Instrument or Matter	Status Under This Bridge Agreement
October 21, 2021 Original Agreement	Continued through October 31, 2027, as amended.
Amendment Nos. 1 and 2	Work completed; all reimbursement obligations and credits fully satisfied; no balance remains.
March 26, 2026 PFAS Notice	Remains effective; Well may remain isolated and no water-purchase obligation applies while no water is taken.
PFAS treatment cost allocation	Expressly deferred to a later written agreement after funding and engineering information is available.

VALLEY OF THE MOON WATER DISTRICT - LARBRE
INTERIM WATER WELL EASEMENT AND WATER PURCHASE AGREEMENT

This Interim Water Well Easement and Water Purchase Agreement ("Interim Agreement") is made and entered into effective ____________, 2026 ("Effective Date"), by and between the VALLEY OF THE MOON WATER DISTRICT, a political subdivision of the State of California ("DISTRICT"), and SUZANNE LARBRE, Trustee of the October 1990 Trust ("LARBRE"). DISTRICT and LARBRE are collectively the "Parties."

RECITALS

A. The Parties entered into the Valley of the Moon Water District - Larbre Water Well Easement Agreement effective May 1, 2018 (the "2018 Agreement") concerning the existing well located on APN 052-251-033 and commonly identified as the Larbre Well (the "Well").

B. The 2018 Agreement expired by its terms on May 1, 2023. The Parties thereafter continued aspects of their relationship without executing a new fixed-term agreement.

C. The Well is an older facility constructed with aging materials, including mild-steel and torch-cut casing components. The remaining service life and suitability of the Well for permanent PFAS treatment are uncertain and must be evaluated before the Parties make long-term commitments.

D. PFAS detections have caused DISTRICT to isolate the Well from the drinking water system while DISTRICT evaluates regulatory requirements, treatment feasibility, and available State funding.

E. The Parties wish to establish clear written terms for a limited bridge period, preserve the historic operational and access framework where practicable, and defer all allocation of PFAS treatment costs until sufficient engineering and funding information is available.

NOW, THEREFORE, the Parties agree as follows:

1. New Interim Agreement; No Retroactive Renewal

This Interim Agreement establishes the Parties' rights and obligations from the Effective Date through October 31, 2027. It is a new agreement and is not a representation that the expired 2018 Agreement automatically renewed for any fixed term. Except for accrued payment or performance obligations that the Parties expressly acknowledge in writing, neither Party admits liability arising from the period after May 1, 2023 and before the Effective Date.

2. Interim Easement, Exclusive Well Use, and Access

For the interim term, LARBRE grants DISTRICT the exclusive right to operate and take water from the Well and a nonexclusive right of entry and egress to operate, inspect, sample, maintain, repair, and evaluate the Well, pipeline, meter, valves, building, electrical facilities, and related equipment. The easement area and access route shall be the same areas historically used under the 2018 Agreement unless the Parties agree otherwise in writing.

3. Term and No Successor Commitment

The term begins on the Effective Date and ends October 31, 2027, unless earlier terminated under this Interim Agreement. Neither Party is obligated to enter a successor agreement, construct treatment, contribute to treatment costs, or continue the relationship after that date.

4. Well Isolation; No Duty to Pump

DISTRICT may keep the Well isolated because of PFAS or other water-quality, regulatory, operational, or reliability concerns. DISTRICT is not obligated to pump, accept, or purchase any minimum quantity of water, operate the Well for any minimum period, or return the Well to service.

5. Payment for Water Actually Delivered

If DISTRICT takes water from the Well during the interim term, DISTRICT shall pay LARBRE for the quantity of water actually delivered through the production meter. The per-acre-foot Purchase Water Rate shall be the rate most recently applied by the Parties following the annual CPI adjustments historically made each May under Section 4 of the 2018 Agreement, and that rate shall continue to be adjusted each May using the same CPI methodology. Payment shall be made monthly for water delivered during the preceding month. No minimum payment, standby payment, reservation fee, or other compensation is due for any period during which DISTRICT takes no water from the Well.

6. Operating and Maintenance Costs

During the interim term, DISTRICT shall pay electricity, chemicals, routine water testing, and normal maintenance and repair costs it elects to incur for District purposes. Normal maintenance may include pump or motor work. DISTRICT is not obligated to repair, rehabilitate, line, or replace the Well casing, screens, seal, bore, or structural components, or to extend the Well's useful life.

7. Planning, Testing, and Design Access

In addition to the access rights granted elsewhere in this Interim Agreement, LARBRE grants DISTRICT and its authorized employees, engineers, consultants, laboratories, contractors, regulatory personnel, and funding-agency representatives access to the Well site at all times as reasonably necessary to inspect, operate, maintain, secure, sample, test, evaluate, and plan improvements to the Well and related facilities, including to assess the condition and remaining useful life of the Well. Authorized activities include water sampling; video and structural inspection; bench- or pilot-scale testing; surveying; utility locating; geotechnical, structural, environmental, and other site investigations; preparation of plans and specifications; grant and funding review; and regulatory and permit review. DISTRICT will endeavor to conduct scheduled, non-emergency activities during normal business hours and to provide advance notice when reasonably practicable. Advance notice is not a condition of access, and access outside normal business hours is permitted when reasonably necessary for operations, security, sampling schedules, emergency response, protection of public health or property, or other time-sensitive circumstances. DISTRICT shall reasonably coordinate its activities to minimize unnecessary interference with the property and shall repair material physical damage caused by its activities. This Section does not, by itself, authorize permanent construction or installation of permanent PFAS treatment facilities.

8. Treatment Costs Expressly Deferred

No PFAS treatment-cost allocation is established by this Interim Agreement. Neither Party's execution, cooperation, site access, receipt of information, or participation in planning shall be construed as an agreement or admission concerning responsibility for PFAS, the source of PFAS, or payment of design, pilot testing, permitting, construction, media, electricity, monitoring, residual disposal, replacement, or other treatment costs. Any allocation requires a later written agreement approved and executed by both Parties after additional engineering and funding information is available. DISTRICT expressly reserves the right to have its documented planning, engineering, pilot-testing, design, and permitting expenditures relating to the Well considered and credited to DISTRICT in any future cost-allocation, operating-cost, equipment-ownership, or successor arrangement, without obligating LARBRE to reimburse those expenditures during the interim term.

9. No Construction Authorization

DISTRICT may undertake non-destructive planning and investigations under Section 7. Permanent construction, structural rehabilitation, material modification of the Well or site, or installation of permanent PFAS treatment equipment requires a separate written site and cost agreement. Routine maintenance, temporary testing equipment, and emergency measures reasonably necessary to protect District equipment or public health do not require a separate agreement.

10. Well Age, Condition, and Feasibility

LARBRE does not guarantee the Well's water quality, quantity, structural condition, remaining service life, or suitability for treatment. DISTRICT may discontinue evaluation or terminate this Interim Agreement if inspection or engineering indicates that the Well's age, materials, casing, screens, seal, yield, reliability, or anticipated remaining life makes treatment or continued operation impractical or uneconomic. Nothing requires DISTRICT to rehabilitate or replace the Well.

11. Funding and Regulatory Cooperation

Each Party shall reasonably cooperate, at no uncompensated material cost to that Party, with requests for site-control confirmation, environmental review, funding applications, regulatory review, and inspections. Cooperation does not obligate either Party to accept a grant condition, lien, long-term commitment, consolidation requirement, capital contribution, or operating-cost obligation unless separately approved in writing.

12. Termination

DISTRICT may terminate this Interim Agreement on thirty (30) days' written notice for convenience or immediately if necessary to protect public health or safety. LARBRE may terminate on thirty (30) days' written notice if DISTRICT fails to pay an undisputed amount due for water actually delivered and does not cure within ten (10) days after written notice, or if DISTRICT materially breaches another obligation and does not cure within thirty (30) days after written notice. Any undisputed payment for water delivered through the termination date remains due after termination.

13. Equipment and Restoration

LARBRE-owned and DISTRICT-owned equipment shall remain as identified in Exhibit A to the 2018 Agreement, subject to replacement or removal since that date. Upon expiration or termination, DISTRICT may remove its equipment within one hundred twenty (120) days and shall reasonably restore disturbed surface areas. DISTRICT is not responsible for age-related deterioration or failure of the Well or LARBRE-owned equipment.

14. Indemnification

The mutual indemnification provisions in Sections 6 and 7 of the 2018 Agreement, a copy of which is attached as Exhibit B, are incorporated into this Interim Agreement as though fully stated, but only with respect to acts, omissions, ownership, operations, or use occurring during this Interim Agreement.

15. No Waiver; Prior Conduct

This Interim Agreement supersedes any informal month-to-month or holdover understanding concerning the Well from and after the Effective Date. The Parties' prior conduct does not create an implied promise to operate the Well, make payments other than for water actually delivered, construct treatment, rehabilitate or replace the Well, or enter a successor agreement. No waiver is effective unless in a writing signed by the waiving Party.

16. Notices

Notices shall be delivered to: Valley of the Moon Water District, Attn: General Manager, P.O. Box 280, El Verano, CA 95433; and LARBRE at 18715 Arnold Drive, Sonoma, CA 95476, or to any replacement address provided in writing.

17. Entire Agreement; Amendment; Successors

This Interim Agreement contains the entire agreement governing the Well during the interim term and supersedes inconsistent prior or informal understandings. It may be amended only in a writing duly approved and executed by both Parties. It binds permitted successors and assigns, but DISTRICT may not assign its rights without LARBRE's written consent, which shall not be unreasonably withheld.

18. Governing Law; Severability; Counterparts

California law governs. If a provision is unenforceable, the remainder remains effective unless an essential purpose is defeated. This Interim Agreement may be executed in counterparts and by electronic signature, each deemed an original.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

VALLEY OF THE MOON WATER DISTRICT

By: ______________________________

Name: ______________________________

Title: President of the Board

Date: ______________________________

ATTEST:

By: ______________________________

Name: ________________________

Title: Board Secretary

LARBRE

By: ______________________________

Suzanne Larbre

Trustee of the October 1990 Trust

Date: ______________________________

EXHIBIT A - AGREEMENT STATUS AND PRESERVED NOTICES

Instrument or Matter	Status Under This Bridge Agreement
May 1, 2018 Water Well Easement Agreement	Expired May 1, 2023; used as the historical framework but not retroactively renewed by this document.
Interim term	Effective Date through October 31, 2027, subject to early termination.
Water-purchase compensation	Payment only for water actually delivered, using the current CPI-adjusted per-acre-foot rate; no minimum, standby, or reservation payment.
Well condition	No guarantee of remaining life; District has no duty to rehabilitate or replace aging casing or structural components.
PFAS treatment cost allocation	Expressly deferred to a later written agreement after funding, engineering, and well-condition information is available.