

BOARD OF DIRECTORS
Regular Meeting Agenda
June 2nd, 2026, 6:30 p.m.
Board Room
19039 Bay Street, El Verano
(707) 996-1037

Board of Directors
Steve Caniglia, President
Gary Bryant, Vice President
Jon Foreman
David Williams
Colleen Yudin-Cowan

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 May 5th, 2026, Board of Directors Regular Meeting

Item 3.B Minutes of May 12th, 2026, Board of Directors Special Meeting

Item 3.C Consider Declaration of Surplus Equipment: Ford F-650 Dump Truck

Item 3.D Consider Ordering an Election to be Held and Request Consolidation with the November 3, 2026, General Election by Resolution No. 260604

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 April 2026 in the amount of \$1,483,768.24.

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

Item 7.A June 1st, Technical Advisory Committee (TAC) Meeting Update

Item 7.B Sonoma Developmental Center (SDC) Update

8. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 8.A Presentation on Fiscal Year 2026-2027 Budget and Consideration of Budget Adoption by Resolutions No. 260601 and No. 260602.

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 July 7th, 2026. Posted this 29th day of May 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
May 5, 2026

A Regular Meeting of the Board of Directors of the Valley of the Moon Water District was held on May 5, 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
David Williams
Colleen Yudin-Cowan |
| District Personnel: | Clayton Church, Water System Manager
Matthew Fullner, General Manager
Amanda Hudson, Administration Manager |
| District Counsel: | Allison Hernandez |
| Public: | See sign-in sheet |

2. PUBLIC COMMENTS

None

3. CONSENT CALENDAR

Item 3.A Minutes of April 7th, 2026, Board of Directors Regular Meeting

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

May 5, 2026 - Draft Minutes until signed
by Board President & Secretary

Director Foreman	Absent
Director Williams	Aye
Director Yudin-Cowan	Aye

Ayes 4 Noes 0 Absent 1 Abstain 0

President Caniglia took Item 8.A out of order.

8. DISCUSSION AND ACTION (GENERAL BUSINESS)

Item 8.A Consider Approval of the Water Supply Assessment (WSA) for the Redevelopment of the former Sonoma Developmental Center (SDC) by Adoption of Resolution No. 260501

Director Yudin-Cowan made a motion, seconded by **Director Bryant**, to approve the attached Water Supply Assessment (WSA) for the Sonoma Developmental Center (SDC) Specific Plan and Redevelopment Project by adoption of Resolution No. 260501.

A roll call vote was taken:

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

Ayes 4 Noes 0 Absent 1 Abstain 0

4. PUBLIC PRESENTATION, HEARING OR WORKSHOP

None

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 March 2026 in the amount of \$480,418.89.

Director Bryant asked if payments were made to Larbre and Craig in March. **Administration Manager Hudson** said that these are when checks were disbursed, that would be for water purchased in the previous month, February.

Director Yudin-Cowan made a motion, seconded by **Director Williams**, to receive and approve by roll call vote, the monthly financial reports & disbursements for the month of March 2026 in the amount of \$480,418.89.

A roll call vote was taken:

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

Ayes 4 Noes 0 Absent 1 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

Item 7.A May 4th, Water Advisory Committee (WAC) and Technical Advisory Committee (TAC) Meeting Update

President Caniglia 7:19 P.M. PST took a short recess then moved closed session at 7:22 P.M. PST.

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 8:43 P.M. PST with nothing to report.

10. REQUEST FOR FUTURE AGENDA ITEMS

None

11. ADJOURNMENT

President Caniglia adjourned the meeting at 8:44 P.M. PST.

Amanda Hudson, Board Secretary

Steve Caniglia, Board President

VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING MINUTES
May 12, 2026

A Special Meeting of the Board of Directors of the Valley of the Moon Water District was held on May 12, 2026. **Members of the public may 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 5:00 P.M. PST.

Roll Call by **General Manager Fullner** noted the following present:

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

2. PUBLIC COMMENTS

None

President Caniglia moved to closed session at 5:01 P.M. PST.

3. CLOSED SESSION

Item 3.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 5:24 P.M. PST with nothing to report.

4. REQUEST FOR FUTURE AGENDA ITEMS

5. ADJOURNMENT

President Caniglia adjourned the meeting at 5:24 P.M. PST.

Amanda Hudson, Board Secretary

Steve Caniglia, Board President

Date: June 2nd, 2026
Item: 3.C

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider Declaration of Surplus Equipment: Ford F-650 Dump Truck

Background

Due to continuing issues with the braking system in the larger of the District's two dump trucks, the decision was made to prioritize its replacement in the current fiscal year. A used, late-model Freightliner dump truck of similar size/capability was purchased as the replacement vehicle. This action takes the place of the planned replacement of the smaller dump truck, which, in staff's estimation, can last another two years with regular maintenance.

Staff is now recommending that the F-650 Dump Truck be declared surplus and sold at auction.

Recommendation

Declare the Ford F-650 Dump Truck as surplus equipment and direct staff to sell it at auction.

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Consider Ordering an Election to be Held and Request Consolidation with the November 3, 2026, General Election by Resolution No. 260604

Background

There will be an election on November 3rd, 2026. The following District Directors' seats will be open for election at that time:

- Director Foreman – Current term: 12/2/2022-12/4/2026. Seat upcoming term: 4 years (December 2026)
- Director Williams – Current term: 12/2/2022-12/4/2026. Seat upcoming term: 4 years (December 2026)

The Sonoma County Department of Elections has a handy [timeline](#) of elections-related deadlines. The key dates, as they apply to board member vacancies are below:

- July 1, 2026: Notification Deadline
- July 13, 2026: Candidate nomination filing period opens
- August 7, 2026:
 - Election consolidation Deadline
 - Candidate nominations filing period closes
- August 10, 2026:
 - Extended candidate nominations filing period opens (only applies to non-incumbent candidates if an incumbent candidate has not filed for that office)
- August 12, 2026
 - Extended candidate nominations filing period closes (only applies to non-incumbent candidates if an incumbent candidate has not filed for that office)

Aside from the above-required items and deadlines, the Board may wish to encourage greater public participation by directing staff to take action concerning public notification of the upcoming election. This can include providing educational and informational material, running advertisements, and posting on social media and public notice boards. These notifications can be done in English and Spanish but must be non-partisan/informational only.

Recommendation

- Discuss options the Board would like District staff to take including:
 - Potentially run advertisements/social media push to get the word out about the election
- Adopt resolution No. 260604
- Direct staff to return the “Notice of Offices to be Filled” and the “Notice of District Boundaries/Statement In Lieu of Map” to the County of Sonoma Clerk and Registrar of Voters (forms attached)

Attachments

- Resolution No. 260604
- Notice of Offices to be Filled and Statement in lieu of District Map

DATED JUNE 2, 2026

RESOLUTION NO. 260604

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY OF THE MOON WATER DISTRICT, COUNTY OF SONOMA STATE OF CALIFORNIA, ORDERING AN ELECTION TO BE HELD AND REQUESTING CONSOLIDATION WITH THE NOVEMBER 3, 2026, GENERAL DISTRICT ELECTION

WHEREAS, an election will be held on NOVEMBER 3, 2026, in the Valley of the Moon Water District (District) for the purpose of electing District Directors to fill positions that will expire in 2030;

BE IT RESOLVED THAT, the District Directors of said district hereby request consolidation with any election that may be held on the same day, in the same territory or in territory that is in part the same.

THE FOREGOING RESOLUTION was introduced by Director _____, who moved its adoption, seconded by Director _____ and then adopted on roll call by the following vote:

Director Bryant	Aye _____ No _____ Abstain _____
Director Caniglia	Aye _____ No _____ Abstain _____
Director Foreman	Aye _____ No _____ Abstain _____
Director Williams	Aye _____ No _____ Abstain _____
Director Yudin-Cowan	Aye _____ No _____ Abstain _____

AYES _____ NOES _____ ABSTAIN _____ ABSENT _____

WHEREUPON, the Chairperson declared the foregoing resolution adopted and SO ORDERED

Board Secretary

MEMORANDUM

TO: EVELYN MENDEZ, COUNTY CLERK & REGISTRAR OF VOTERS

FROM: Valley of the Moon Water DISTRICT

SUBJECT: NOTICE OF DISTRICT BOUNDARIES/STATEMENT IN LIEU OF MAP

DATE: June 2, 2026

Pursuant to Elections Code Section 10522 (which requires notification prior to the 125th day before the election (July 1, 2026) regarding district boundaries in the above named district), we are hereby notifying the Registrar of Voters Office that:

- As of this date, there has been no change in the boundaries of this district since the date of the last election. A map of the district is already on file with your office; therefore this notice is in lieu of providing a duplicate map.
- A map of the above district, with all annexations and detachments shown thereon, is attached to this notification and incorporated for reference herein.
- There have been changes in the boundaries of this district since the date of the last election. A verified map of the above district containing all recent annexations and details shown thereon, is already on file with your office.

Submitted by _____
District Administrator/Secretary

SEAL

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Oscar Madrigal, Finance Manager

SUBJECT: Monthly Financial Reports & Disbursements for April 2026

Revenue

- April's operating revenue was \$741,252, which was over budget by \$128,258 when periodized, and under budget by \$65,661 when using a straight-line average. April's operating revenue was \$184,521, higher than the same period last fiscal year.
- April's water deliveries had an increase and were higher than projected.

Salaries

- Salaries were under budget by \$33,722 in April. Salaries are periodized, accounting for employees' step increases and other earnings paid at set times throughout the year. Grant-funded project reimbursements cover a portion of wages, contributing to savings.

Purchased Water

- Purchased water for April was under budget by \$99,466 when periodized.
- Water production had a slight increase in April. Well-water production and agency-purchased water both saw slight increases in April compared with the previous month.

Transfer to/from Reserves

- The annual O&M allocation to CIP is \$2,702,995. Year-to-date, the District has transferred \$2,252,496 to the CIP.
- O&M is anticipated to have a budget deficit of \$24,125 at the end of the fiscal year. A budgeted transfer from undesignated reserves is intended to cover the O&M deficit.

CIP

- YTD expenditures for CIP as of April 30, 2026, are \$1,914,579. This includes \$602,177 in expenditures for rollover CIP projects from FY 2024/25.

Report of Investment

- The Undesignated Reserves are positive at \$2,047,196
- There are currently no pending grant expense reimbursements.
- The Undesignated Reserves will help fund the capital plan for the next fiscal year.

Expenses

- Expenses without purchased water were under budget by 8%. Some expense accounts are over budget because budgeted items were purchased early in the fiscal year or due to unforeseen expenses. Total expenses are 17% under budget.

Audit Update

- We continue the review of the asset and inventory components of the financials to ensure subsequent years are also reconciled. Once the draft of the FY 2021-2022 audit report is completed, we will expedite the completion of subsequent audits.

Recommendation:

Receive and approve, by roll call vote, the monthly financial reports and disbursements in the amount of \$1,483,768.24 for the month of April.

Attachments:

Monthly Financial Disbursements

Board of Directors Disbursements

Monthly Revenue & Expense Comparison Report

Report of Investments

Capital Improvement Project Summary

Capital Improvement Project – ASR Well Reports

VALLEY OF THE MOON WATER DISTRICT

Monthly Financial Disbursements

April 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
873	ACWA/JPIA	GROUP INSURANCES (MAY)	6,039.66
874	SUE BELLO	CASH FOR GRASS	425.00
875	CERVANTES LANDSCAPE, LLC	LANDSCAPING SERVICES (MAR)	250.00
876	CHECKRITE BACKFLOW SVC.	BF REPAIR : CUSTOMER SERVICE ADDRESS	160.00
877	CINTAS	SERVICE TO REPLENISH EMERGENCY SUPPLIES & AED LEASE AGREEMENT (MAR)	278.73
878	CITY OF SANTA ROSA	UWMP DEMAND & CONSERVATION ANALYSIS-50% PRORATED	5,540.70
879	CORE UTILITIES, INC.	CONSULTING SERVICES (MAR)	2,287.50
880	CSW/ST2 ENGINEERING GROUP, INC	PROF SRVCS RENDERED THRU FEB 2026: LOMITA FF IMROV	6,049.00
881	SONOMA COUNTY PUBLIC INFRASTRU	2025 PAVEMENT PRESERVATION PROJECT	109,010.00
882	DEWITT'S TIRE & BRAKE	TRUCK #39 & E-TRAILER - SERVICE	732.97
883	EKI ENVIRONMENT & WATER	PROJ#C50208.00 - 2025 URBAN WATER MANAGEMENT PLAN	2,530.50
884	EURO STYLE MANAGEMENT	BOLLI WATER TANK RECOATING & RETROFIT PROJECT	735,300.00
885	FRIEDMAN'S HOME IMPROVEMENT	HOSE PARTS; HEX BOLTS, NIPPLE BRASS, BALL VLV, COPPER/CUP BRASS; THHN COPPER 14 WHT, RED, BLK; PRIM WIRE	707.73
886	GAYA COATING CONSULTING INC.	BOLLI TANK - INSPECTION OF SURFACE PREP & COATING	12,032.00
887	GRAINGER	URINE SALT DISSOLVER	100.17
888	MITCHELL GRGICH	CASH FOR GRASS	600.00
889	INFOSEND, INC	MARCH STATEMENT : POSTAGE & BILL PROCESSING	2,772.82
890	ITRON, INC.	CHOICE CONNECT PROJECT KICK OFF AMI SERVER UPGRADE	28,593.85
891	CRAIG LYTER	CASH FOR GRASS	250.00
892	NICK BARBIERI TRUCKING, LLC	FUEL	889.55
893	O'REILLY AUTO PARTS	BUTT SPLICE, 18-14 SPLICE	38.21
894	PARSONS LUMBER & HARDWARE	VAC TRUCK #31 - ADAPTERS; BOLTS; HYDRANT REPAIR PRTS; BLOW OFF CAN, QD FLEC CLEAN, SM SCREW DRIVERS	124.16
895	PACIFIC GAS & ELECTRIC CO	UTILITIES (MAR)	15,664.67
896	PLATT ELECTRIC SUPPLY	GE BOOSTER PUMP, VFD, CHECK VLV	239.86
897	QUINONEZ CLEANING SERVICE	JANITORIAL SERVICES : JANUARY 2026; FEBRUARY 2026; MARCH 2026	1,040.00
898	RECOLOGY SONOMA MARIN	TRASH DISPOSAL (MAR)	557.45
899	NEW ANSWERNET, INC.	ANSWERING SERVICES	65.00
900	COUNTY OF SONOMA/PERMIT &	ENC25-00004 AT-COST PROJECT BILLING	378.40
901	SONOMA MATERIALS	HYDRANT REPAIRS - U CART RENTAL & DEPOSIT, 6K 3/4	152.60
902	STATIONARY ENGINEERS, LOCAL 39	UNION DUES FOR O&M (MAR)	1,034.67
903	STAPLES ADVANTAGE DEPT SNA	OFFICE SUPPLIES	16.92
904	BREANNA TOMASELLO	CASH FOR GRASS	600.00
905	BRODERICK GENERAL ENGINEERING	CUSTOMER REFUND	1,309.29
906	JEROD FREY	CUSTOMER REFUND	111.03
907	VIRGINIA NICHOLS	CUSTOMER REFUND	50.66
908	BRIAN WIRICK	CUSTOMER REFUND	23.68
909	ACWA/JOINT POWERS INS	ACWA JPIA PROPERTY PROGRAM 04/01/26-03/31/27	39,511.84
910	ACWA/JOINT POWERS INS.	WORKERS' COMPENSATION 01/01/26-03/31/26	14,453.04
911	AFLAC	AFLAC PREMIUM (MAR)	1,602.04
912	BURKE, WILLIAMS & SORENSEN, LL	ATTORNEY FEES (MAR) & LABOR NEGOTIATIONS (MAR)	7,693.82
913	CALTEST LABORATORY	ROUTINE WATER TESTING (MAR)	15,088.00
914	CATHERINE COLLIER	CASH FOR GRASS	631.00
915	COMCAST	INTERNET SERVICES (APR)	401.11
916	CORBIN WILLITS SYSTEMS, INC.	MONTHLY ACCOUNTING & BILLING SOFTWARE (MAY)	1,088.28
917	INTEGRITY SHRED LLC	SHREDDING SERVICES	55.00
918	ITRON, INC.	CCU RECERTIFICATION FEE & HARDWARE MTNC	324.45
919	NICK BARBIERI TRUCKING, LLC	FUEL	1,717.44
920	SMILE BUSINESS PRODUCTS	MONTHLY PRINTER LEASE 04/10/26-05/09/26	36.38
921	NAPA AUTO PARTS	TRUCK #46 BATTERY; POWER HOSE QUICK CONNECT; SAW CUTTER REPAIRS	491.22
922	SONOMA CO. WATER AGENCY	WATER PURCHASES 02/26/26-03/30/26	78,662.65
923	SONOMA VALLEY PEST CONT.	OUTSIDE SERVICES - MONTHLY CONTROL (COC)	110.00
924	STANDARD INSURANCE CO.	GROUP INSURANCES LTD (APR)	302.01
925	STEVE'S SMOG & AUTO REPAIR	SMOG CHECK FOR TRUCKS : #36, #39, #40, #41 #43	388.75
926	SOILAND CO., INC.	ROCK MATERIAL : 3/4"	169.37
927	U.S. BANK EQUIPMENT FINANCE	EQUIPMENT REPLACEMENT - SHARP COPIER	104.42
928	VERIZON WIRELESS	CELLPHONE SERVICE 03/04/26-04/03/26	604.66
929	VERIZON WIRELESS	MACHINE TO MACHINE 03/13/26-04/12/26	226.74
930	AFLAC	AFLAC PREMIUM (FEB)	1,602.04
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 04/02/26	4,058.67
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 04/16/26	4,099.58
ACH	CALIFORNIA EMPLOYMENT DEVELOPM	STATE PAYROLL TAXES 04/30/26	4,282.89
ACH	CHARTER SALES CO. (ACH)	SMALL DUMP TRUCK REPLACEMENT	87,482.61
ACH	EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 04/02/26	18,506.81

VALLEY OF THE MOON WATER DISTRICT

Monthly Financial Disbursements

April 2026

CK # Vendor Name	Invoice Description	Amount
ACH EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 04/16/26	18,603.20
ACH EFTPS FEDERAL TAX WITHHOLDING	FEDERAL PAYROLL TAXES 04/30/26	18,910.36
ACH EXPERTPAY.COM	PERSONNEL-RELATED DISBURSEMENT PAYROLL 04/02/26 & PAYMENT FEE	672.57
ACH EXPERTPAY.COM	PERSONNEL-RELATED DISBURSEMENT PAYROLL 04/16/26 & PAYMENT FEE	139.04
ACH EXPERTPAY.COM	PERSONNEL-RELATED DISBURSEMENT PAYROLL 04/30/26 & PAYMENT FEE	139.04
ACH FIRST BANKCARD CENTER	CITY OF SACRAMENTO : PARKING GARAGE (LOBBY DAY)	37.00
ACH PAYMENTUS CORPORATION	TRANSACTION FEES FOR APRIL 2026	1,052.25
ACH PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 04/02/26	1,902.28
ACH PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 04/16/26	1,902.28
ACH PERS	CLASSIC RETIREMENT CONTRIBUTION PAYROLL 04/30/26	1,902.28
ACH PERS	DEFERRED COMP CONTRIBUTION PAYROLL 04/02/26	2,250.00
ACH PERS	DEFERRED COMP CONTRIBUTION PAYROLL 04/16/26	2,150.00
ACH PERS	HEALTH INSURANCE PREMIUM (APR)	34,947.05
ACH PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 04/02/26	9,889.12
ACH PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 04/16/26	9,716.19
ACH PERS	PEPRA RETIREMENT CONTRIBUTION PAYROLL 04/30/26	9,716.19
ACH RETIREES	RETIREES BENEFITS (APR)	3,517.63
ACH VALIC	401A CONTRIBUTION PAYROLL 04/02/26	250.00
ACH VALIC	401A CONTRIBUTION PAYROLL 04/16/26	250.00
ACH VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 04/02/26	700.00
ACH VALIC	DEFERRED COMP CONTRIBUTION PAYROLL 04/16/26	700.00
ACH WESTAMERICA BANK	OFFICE SUPPLIES, DUES, SUBSCRIPTIONS; NEW EV BOLT CONFIGURATION PARTS & MATERIALS; O&M TRAINING	2,475.88

Net Payroll (After Deductions) 142,294.28

BOARD PRESIDENT

1,483,768.24

GENERAL MANAGER

Board of Directors
April Disbursement

	Pay Date	Bryant	Caniglia	Foreman	Williams	Yudin-Cowan
SDC Subcommittee Meeting 02/05/2026	4/16/2026					227.00
Budget Subcommittee Meeting 03/16/2026	4/16/2026		227.00			
Regular Board Meeting 04/07/2026	4/16/2026	227.00	227.00	227.00	227.00	227.00
<hr/>						
Total		227.00	454.00	227.00	227.00	454.00

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING APRIL 30, 2026

17% 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	Forecasting Notes & Significant Changes for 2025-2026
	23-24	24-25	25-26	APRIL	APRIL	APRIL	07/25-06/26	07/25-06/26	07/25-06/26	25-26	25-26	
Revenues												
Interest Income	\$ 173,071	\$ 213,242	\$ 224,858	\$ 18,738	38,109	19,371	\$ 187,382	\$ 244,505	\$ 57,123	\$ (19,647)	-9%	
Gain on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	
Operating Revenue	7,593,965	8,798,103	9,682,951	\$ 612,994	741,252	128,258	\$ 8,106,825	7,568,205	\$ (538,620)	2,114,746	22%	
Backflow Testing Revenue	46,341	46,500	51,596	\$ 4,300	6,051	1,751	\$ 42,996	52,525	\$ 9,529	(929)	-2%	This account offsets the backflow outside service expense account
Customer Penalties & Fees	64,715	62,408	23,640	\$ 1,970	6,872	4,902	\$ 19,700	58,868	\$ 39,168	(35,228)	-149%	
Misc. Income	129,803	32,811	12,000	\$ 1,000	13,092	12,092	\$ 10,000	62,559	\$ 52,559	(50,559)	-421%	
Leak Adjustments	(7,923)	(9,601)	(9,613)	\$ (609)	(507)	102	\$ (8,048)	(8,794)	\$ (745)	(819)	9%	
Total Revenue	7,999,972	9,143,463	9,985,432	638,393	804,869	166,476	8,358,855	7,977,868	(380,987)	2,007,564	20%	
Expenses												
Salaries:												
O&M - Operating Wages	1,016,310	929,744	1,167,868	\$ 135,138	120,564	(14,574)	\$ 986,759	938,962	(47,798)	228,906	20%	
Stand-By	32,150	35,371	35,354	\$ 2,946	3,930	984	\$ 29,462	29,747	285	5,607	16%	
Net O&M Operating Wages	1,048,460	965,115	1,203,222	138,085	124,494	(13,590)	1,016,221	968,709	(47,512)	234,513	19%	
Administration	705,553	760,806	834,827	97,115	93,637	(3,478)	\$ 705,340	707,745	2,405	127,082	15%	
Temporary Employees	-	-	-	-	-	-	\$ -	-	-	-	-	
Total Salaries	1,754,013	1,725,921	2,038,048	235,199	218,131	(17,068)	1,721,561	1,676,454	(45,107)	361,594	18%	
Weighted Wages Transferred to Capital Projects	(438,503)	(431,480)	(509,512)	(58,958)	(54,533)	4,425	(430,499)	(419,113)	11,385	(90,399)	18%	
Net Operating Wages	1,315,510	1,294,441	1,528,536	176,242	163,598	(12,643)	1,291,062	1,257,340	(33,722)	271,196	18%	Net Wages used to calculate Net Position

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING APRIL 30, 2026

17% of year remaining

	Actual 23-24	Actual 24-25	Approved Budget 25-26	Approved Budget (Monthly) APRIL	Current Month Actual APRIL	Variance (Mo) APRIL	Budget (YTD) 07/25-06/26	Fiscal Year To Date Actual 07/25-06/26	Variance (YTD) 07/25-06/26	Budget Remaining 25-26	% Remaining 25-26	Forecasting Notes & Significant Changes for 2025-2026
Benefits:												
O&M - Operating & Maintenance	232,769	249,413	260,745	21,729	22,230	501	\$ 217,287	216,185	(1,102)	44,560	17%	
Administration	125,741	131,384	140,000	11,667	12,018	351	\$ 116,667	116,548	(119)	23,452	17%	
Retirees	49,141	65,186	69,268	5,772	5,818	46	\$ 57,723	57,704	(19)	11,564	17%	
Total Benefits	407,651	445,983	470,013	39,168	40,066	898	391,677	390,437	(1,240)	79,576	17%	
Mandatory Costs												
Workers Comp:												
Operating & Maintenance	50,116	27,745	41,875	3,490	-	(3,490)	\$ 34,896	38,719	3,823	3,156	8%	The premium increase is higher than estimated
Acct/Administration	7,329	4,225	6,234	519	-	(519)	\$ 5,195	6,026	831	208	3%	The premium increase is higher than estimated
FICA/Medicare:												
Operating & Maintenance	79,679	83,768	91,128	7,594	9,429	1,835	\$ 75,940	73,785	(2,155)	17,343	19%	
Administration	48,139	52,032	59,563	4,964	7,210	2,246	\$ 49,635	47,560	(2,075)	12,003	20%	
District Portion/Retirement:												
Operating & Maintenance	97,007	95,651	102,581	8,548	10,531	1,983	\$ 85,484	85,175	(309)	17,406	17%	
Administration	77,011	83,851	89,748	7,479	9,963	2,484	\$ 74,790	75,569	779	14,179	16%	
CalPERS Accrued Liability	229,834	271,613	311,936	25,995	25,931	(63)	\$ 259,946	259,314	(632)	52,621	17%	
Total Mandatory Costs	589,115	618,885	703,064	58,589	63,064	4,476	585,887	586,148	262	116,916	17%	
Travel & Training												
Operating & Maintenance	13,239	13,270	14,192	1,183	-	(1,183)	\$ 11,827	7,002	(4,825)	7,190	51%	
Administration	6,629	12,998	8,735	728	-	(728)	\$ 7,279	6,259	(1,020)	2,476	28%	ACWA Conference
Total Travel & Training	19,868	26,268	22,927	1,911	-	(1,911)	19,106	13,261	(5,845)	9,666	42%	
Board of Directors:												
Meeting Compensation	16,276	15,939	19,440	1,620	1,589	(31)	\$ 16,200	14,133	(2,067)	5,307	27%	
Travel & Training	1,887	592	3,704	309	15	(294)	\$ 3,087	3,538	451	166	4%	ACWA Conference
Total Board Expenses	\$ 18,163	\$ 16,531	\$ 23,144	\$ 1,929	1,604	(325)	19,287	17,671	(1,616)	5,473	24%	
Purchased Water												
Purchased Water	\$ 2,247,293	\$ 2,553,322	\$ 2,826,468	194,753	95,287	(99,466)	\$ 2,437,391	1,286,158	(1,151,233)	1,540,310	54%	
GSA Fee	7,465	15,383	21,422	1,785	1,489	(296)	\$ 17,852	14,894	(2,958)	6,528	30%	
Total Purchased Water	\$ 2,254,758	\$ 2,568,705	\$ 2,847,890	\$ 196,538	\$ 96,776	\$ (99,762)	\$ 2,455,243	\$ 1,301,052	\$ (1,154,191)	\$ 1,546,838	54%	

VALLEY OF THE MOON WATER DISTRICT
MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING APRIL 30, 2026

17% 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	Forecasting Notes & Significant Changes for 2025-2026
	23-24	24-25	25-26	APRIL	APRIL	APRIL	07/25-06/26	07/25-06/26	07/25-06/26	25-26	25-26	
Services & Supplies												
Safety & Clothing Allowance	19,960	8,155	16,398	1,366	144	(1,222)	\$ 13,665	6,437	(7,228)	9,961	61%	
Vehicle Maintenance	22,279	13,915	17,130	1,428	1,083	(345)	\$ 14,275	21,871	7,596	(4,741)	-28%	Dump truck rental
Election Costs	-	21,598	-	-	-	-	\$ -	-	-	-		
Employee Relations	4,229	5,945	5,823	485	(28)	(513)	\$ 4,853	2,698	(2,155)	3,125	54%	
Legal Fees	106,375	78,884	82,031	6,836	6,500	(336)	\$ 68,359	76,668	8,309	5,363	7%	FERC
SDC Expenses	14,559	11,311	82,160	6,847	2,864	(3,983)	\$ 68,467	50,110	(18,356)	32,050	39%	
HR Expenses	3,605	2,943	77,025	6,419	8,914	2,495	\$ 64,188	29,166	(35,022)	47,860	62%	
Engineering General Support	7,275	-	2,708	226	-	(226)	\$ 2,256	-	(2,256)	2,708	100%	
Advertising	6,834	19	1,027	86	-	(86)	\$ 856	2	(854)	1,025	100%	
Outside Services	24,837	26,722	79,148	6,596	2,247	(4,349)	\$ 65,957	39,635	(26,322)	39,513	50%	
Outside Services Backflow	57,429	37,299	51,596	4,300	470	(3,830)	\$ 42,996	38,601	(4,395)	12,995	25%	This account offsets the backflow testing revenue account
Annual Audit	-	10,427	22,270	1,856	-	(1,856)	\$ 18,558	830	(17,728)	21,440	96%	
Bad Debts/Collections	8,135	20,686	17,479	1,457	-	(1,457)	\$ 14,566	13,689	(877)	3,790	22%	
Building MTNC.	21,195	25,079	44,157	3,680	631	(3,049)	\$ 36,797	43,742	6,945	415	1%	Parking Lot asphalt repair and seal
Dues and Subscriptions	25,991	29,193	29,504	2,459	2,131	(328)	\$ 24,587	26,899	2,312	2,605	9%	
Equipment MTNC./Repairs	25,162	29,560	25,023	2,085	4,933	2,848	\$ 20,852	42,331	21,479	(17,308)	-69%	Diesel Tank Cleaning
Fees (County/State)	66,595	73,168	74,963	6,247	265	(5,982)	\$ 62,469	70,137	7,668	4,826	6%	Annual Service Connection Fees
Fuel	36,475	33,858	31,717	2,643	3,134	491	\$ 26,431	30,695	4,264	1,022	3%	
Bank Charges	19,072	19,432	14,397	1,200	1,057	(143)	\$ 11,998	13,490	1,492	907	6%	
Liability Ins. (Incl. Losses)	88,758	99,918	109,135	9,095	10,987	1,892	\$ 90,946	101,692	10,746	7,443	7%	
Postage	22,666	24,325	26,600	2,217	1,836	(381)	\$ 22,167	20,432	(1,735)	6,168	23%	
Public Information	4,346	5,218	16,268	1,356	4,313	2,957	\$ 13,557	5,816	(7,741)	10,452	64%	
Service Contracts	64,458	77,032	94,780	7,898	11,596	3,698	\$ 78,983	89,258	10,275	5,522	6%	
Office Supplies	6,630	9,838	16,951	1,413	441	(972)	\$ 14,126	18,228	4,102	(1,277)	-8%	Computer upgrades
Telephone-Internet	16,720	23,888	21,681	1,807	1,546	(261)	\$ 18,067	17,702	(365)	3,979	18%	
Small Tools & Equipment	30,869	24,182	30,932	2,578	-	(2,578)	\$ 25,777	11,325	(14,452)	19,607	63%	
Trash Disposal	7,025	9,116	7,222	602	574	(28)	\$ 6,018	5,833	(185)	1,389	19%	
Utilities - PG&E	200,358	215,324	199,244	16,604	13,946	(2,658)	\$ 166,036	170,561	4,525	28,683	14%	
Professional Services	47,093	30,469	200,187	16,682	32,117	15,435	\$ 166,822	123,660	(43,162)	76,527	38%	
Water Testing	36,787	59,870	46,925	3,910	4,637	727	\$ 39,104	58,468	19,364	(11,543)	-25%	
Water Main Maintenance	7,525	38,089	38,831	3,236	2,106	(1,130)	\$ 32,359	17,107	(15,252)	21,724	56%	
Service Line Maintenance	3,957	8,938	11,255	938	1,394	456	\$ 9,379	9,924	545	1,331	12%	
Hydrant Repairs	175	262	2,054	171	-	(171)	\$ 1,712	993	(718)	1,061	52%	
Misc. System Maintenance	21,542	9,245	5,674	473	320	(153)	\$ 4,728	7,693	2,965	(2,019)	-36%	
Wells Maintenance	9,598	12,354	39,446	3,287	-	(3,287)	\$ 32,872	44,259	11,387	(4,813)	-12%	
Pump Maintenance	21,306	9,399	28,360	2,363	85	(2,278)	\$ 23,633	11,224	(12,409)	17,136	60%	
Storage Tank Maintenance	12,909	6,388	63,674	5,306	-	(5,306)	\$ 53,062	21,156	(31,906)	42,518	67%	
Water Conservation Program	6,599	23,669	74,166	6,180	32,711	26,531	\$ 61,805	38,356	(23,449)	35,810	48%	
Equipment Replacement	1,373	2,631	3,047	254	104	(150)	\$ 2,539	1,044	(1,495)	2,003	66%	
Total Services & Supplies	1,080,700	1,138,349	1,710,987	142,582	153,058	10,475	\$ 1,425,823	1,281,732	(144,090)	429,255	25%	
Total Expenses	5,685,765	6,109,161	7,306,562	616,958	518,166	(98,792)	6,188,085	4,847,642	(1,340,443)	2,458,920	34%	
Revenues Less Expenses	2,314,207	3,034,301	2,678,870	21,435	286,702	265,267	2,170,770	3,130,226	959,456	(451,356)	-17%	
O&M Allocation to CIP	(682,323)	(2,069,401)	(2,702,995)	(225,250)	(225,250)	-	\$ (2,252,496)	(2,252,496)	-	(450,499)	17%	
Transfer to/from Undesignated Reserves	\$ 1,631,884	\$ 964,900	\$ (24,125)	\$ (203,815)	\$ 61,453	\$	\$ (81,726)	\$ 877,730	\$	\$ (901,855)	3738%	

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

Start of Fiscal Year

	LAIF	\$	2,798,746
	SCIP		133,955
	TVI		2,175,032
Westamerica Bank Checking/Petty Cash			39,040
Five Star Bank Checking/Money Market			1,336,232
Total Beginning Cash	\$		<u>6,483,005</u>

			<u>Average Rate of Interest</u>
<u>Year To Date</u>			
	LAIF	\$	2,887,252
	SCIP		138,096
	TVI		2,235,482
Westamerica Bank Checking/Petty Cash			37,234
Five Star Bank Checking/Money Market			2,505,318
Total ending Cash	\$		<u>7,803,382</u>

	Outstanding Payments	\$	(203,306)
	Adjusted Cash/Investment Balance		<u>7,600,076</u>
<hr/>			
(1) Board Designated Reserves (Board Approved with 25/26 Budget)			
(a) Operations & Maintenance Reserve (3 Months Operations)			(1,826,640)
(b) Rate Stabilization Reserve			(806,913)
(c) Capital Improvement Program			(980,000)
Total Board Designated Reserves			<u>(3,613,553)</u>
Remaining Cash/Investment Balance	\$		3,986,523
			Previous Capacity Fees Balance (455,876)
(2) Year To Date Capacity Fees Collected FY 25/26			(300,120)
Capacity Fees to CIP FY 25/26			374,400
Total Capacity Fees Restricted Funds			<u>(381,596)</u>
			(3) FY 2025-2026 Board Approved Capital Projects (3,077,395)
Year to Date Capital Project Disbursements			1,312,402
Remaining Transfer of Current Year Revenues to Capital Project Fund			512,899
Rollover Projects FY24-25			(907,814)
Year to Date Rollover Projects Disbursements			602,177
YTD Capital Project Unexpended funds			<u>(1,557,731)</u>
Undesignated Reserves- funding for remaining 5-Year Capital Plan	\$		<u>2,047,196</u>
			Pending Grant Expense Reimbursements \$ -
Adjusted Undesignated Reserves	\$		<u>2,047,196</u>
			Remaining 5-Year Capital Plan \$ 14,279,441

Project #	Project	Improvement Description	CIP Roll Over	Current CIP Budget	Total CIP Budget	Current Month - APR	YTD Expenditures	Budget Remaining	% Remaining
			2024/25	2025/26	2025/26				
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.	-	110,793	110,793	-	109,010	1,783	2%
CIP-6001	New Services	Customer pays 100%.	-	-	-	14,937	54,065		
CIP-6004	All Service Replacements	All service replacements combined.	-	59,000	59,000	4,054	33,135	25,865	44%
CIP-8100	Valve Replacement Program	Valve replacement for system reliability and control.	-	59,000	59,000	-	14,356	44,644	76%
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.	-	180,000	180,000	29,494	73,453	106,547	59%
CIP-3047	Seismic Vulnerability Assessment (LHMP)	From LHMP. District to pay 100% of assessment. District will seek FEMA grant funds for resulting projects.	208,097	-	208,097	9,308	167,514	40,583	20%
CIP-3070	Small Dump Truck Replacement	Move to Diesel	-	77,025	77,025	87,483	87,483	(10,458)	-14%
CIP-3071	Replace Small Ranger	Buy a used Chevy Bolt (or like), include computer, light, radio, megaphone	-	35,945	35,945	(221)	17,561	18,384	51%
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)	-	20,540	20,540	-	-	20,540	100%
CIP-3053	Spare Generator purchase	In case of faillure in generator (The District operates many older generators that may fail at any time).	108,722	7,189	115,911	-	97,637	18,274	16%
CIP-2991	GPS Facilities	Finish GPSing the meters and valves. Assumes \$50 per location.	-	30,000	30,000	4,298	37,247	(7,247)	-24%
CIP-3057	1-1/2 & 2" PB service line replacement	Re-evaluate after first year for future funding.	-	30,000	30,000	-	12,859	17,141	57%
CIP-3060	SDC Evaluation	Evalute water treatment plant and transmission systems for needed upgrades and provide OPC for construction.	125,000	287,560	412,560	-	98,452	314,108	76%
Total Facilities and Maintenance Projects			441,820	897,052	1,338,871	149,352	802,772	536,099	40%
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 Altamira 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.	111,954	1,084,021	1,195,974	3,217	45,464	1,150,510	96%
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.	-	48,783	48,783	9,772	17,046	31,737	65%
Total Pipeline Projects			111,954	1,132,803	1,244,757	12,989	62,509	1,182,247	95%

Project #	Project	Improvement Description	CIP Roll Over	Current CIP Budget	Total CIP Budget	Current Month - APR	YTD Expenditures	Budget Remaining	% Remaining
			2024/25	2025/26	2025/26				
Wells, Pumping, & Supply									
CIP-2989	Redrill Park	Drilled next to & operated with existing well. Develop a minimum 100gpm District owned Well.	325,906	-	325,906	-	167,920	157,986	48%
CIP-3046	Pump Station Battery Wall - Hanna and Glen Ellen Boosters	A battery wall would operate the remote site during power outages unless a large power demand occurs (i.e. water pumps are called by SCADA) in which case the existing generator would turn on and supply the needed power. This would reduce the number of fuel deliveries needed in an emergency , increasing the District's staff time to respond to the emergency in other ways (i.e. leak response/system inspections etc.)	28,135	-	28,135	1,013	25,190	2,945	10%
CIP-3073	Glen Ellen Booster pump, VFD and check valve	Replace Softronics Slow Close system and include one new pump and motor.	-	41,080	41,080	5,050	46,741	(5,661)	-14%
CIP-3074	Replace Generator at AC Booster	This Generator is now 24 years old and is beginning to experience mechanical issues. It is proposed that this generator be replaced with a Blue Star Final Tier 4 generator.	-	30,810	30,810	600	22,971	7,839	25%
Total Wells			354,041	71,890	425,931	6,663	262,823	163,108	38%
Tanks									
CIP-3029	Bolli Tanks Recoating & Railing/Solar Retrofit	Original interior coating is failing. Good time to add the required handrails and add solar mounting brackets. Includes \$50K for two electric water mixers.	-	975,650	975,650	1,187	786,474	189,176	19%
Total Tanks			-	975,650	975,650	1,187	786,474	189,176	19%
		Total	FY 23-24	FY 24-25	FY 24-25	Current Month - APR	YTD Expenditures	Budget Remaining	% Remaining
		Total Water System Improvements:	\$ 907,814	\$ 3,077,395	\$ 3,985,209	\$ 170,191	\$ 1,914,579	\$ 2,070,630	52%
ASR Projects									
CIP-3038	Park Well ASR	Grant Funded Projects	-	-	-	(170,490)	(21,902)	-	-
CIP-3039	Verano Well ASR	Grant Funded Projects	-	-	-	(350,669)	(6,888)	-	-
Total ASR Projects			-	-	-	(521,159)	(28,789)	-	-

MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING APRIL 30, 2026

	Current Month Actual	Project To Date Actual	
PARK WELL ASR - CIP 3038	Apr-26	Jun 2022 - Apr 2026	Notes
Revenues			
Grant Revenue	170,490	1,259,461	
Total Revenue	170,490	1,259,461	
Expenses			
Salaries:			
O&M - Operating Wages	-	33,912	
Administration	-	2,862	
Total Salaries	-	36,773	
Services & Supplies			
Services & Supplies	-	1,200,786	
Total Services & Supplies	-	1,200,786	
Total Expenses	-	1,237,559	
Revenues Less Expenses	170,490	21,902	

MONTHLY REVENUE AND EXPENSE COMPARISON
PERIOD ENDING APRIL 30, 2026

VERANO WELL ASR - CIP 3039	Current Month Actual	Project To Date Actual	Notes
	Apr-26	Jun 2022 - Apr 2026	
Revenues			
Grant Revenue	350,669	960,682	
Total Revenue	350,669	960,682	
Expenses			
Salaries:			
O&M - Operating Wages	-	29,080	
Administration	-	4,942	
Total Salaries	-	34,022	
Services & Supplies			
Services & Supplies	-	919,772	
Total Services & Supplies	-	919,772	
Total Expenses	-	953,794	
Revenues Less Expenses	350,669	6,888	

MEMORANDUM

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:

Regulation

Consumer Confidence Report (CCR)

- The District's CCR (water quality report) for the 2025 reporting year will be available in the office and on our website at <https://www.vomwd.org/waterquality> by July 1, 2026.

Plans

Local Hazard Mitigation Plan

- The Final Draft Local Hazard Mitigation Plan was submitted to CalOES for review on 5/26/2026.
- A reviewer will be assigned and the initial review completed within 45 calendar days.

Grants

DWR

Urban and Multibenefit Drought Relief Grant

- The District is still awaiting the final retention billing check (\$10,914.14)

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. As of the writing of this report, there has been no update.

Admin time toward FEMA projects \$56,291.68

- In February, CalOES contacted us requesting information supporting the admin time spent on managing our FEMA projects.
- Staff is working to fulfill the detailed FEMA request.

Donald Hillside Stabilization project \$8,543.60

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

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

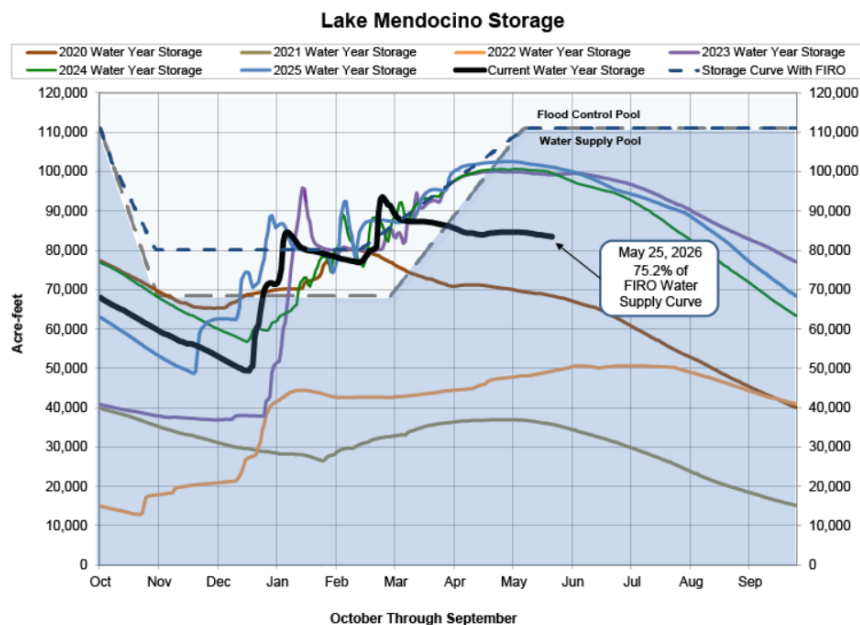
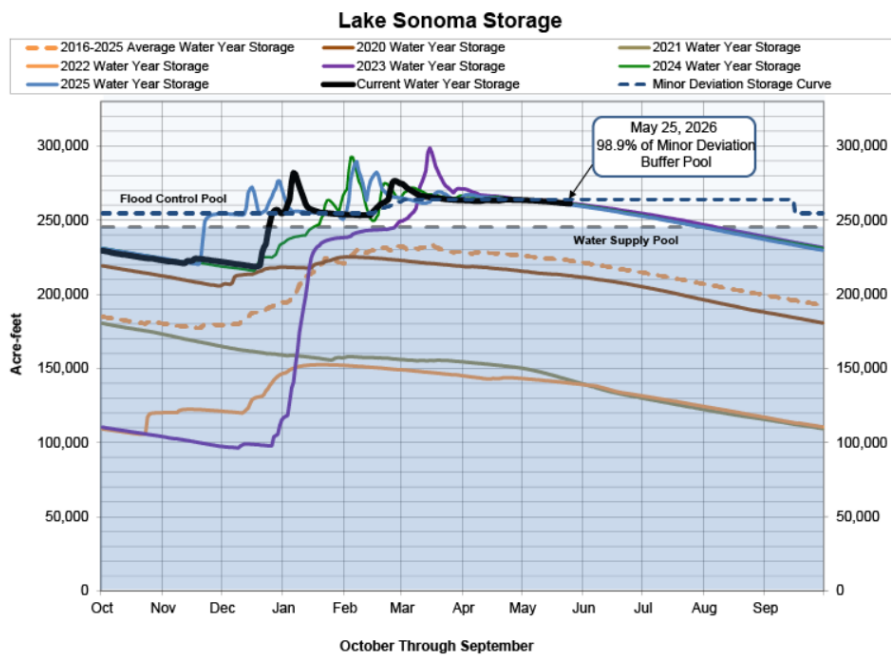
FROM: Clayton Church, Water System Manager

SUBJECT: Water Supply & Water Source Update

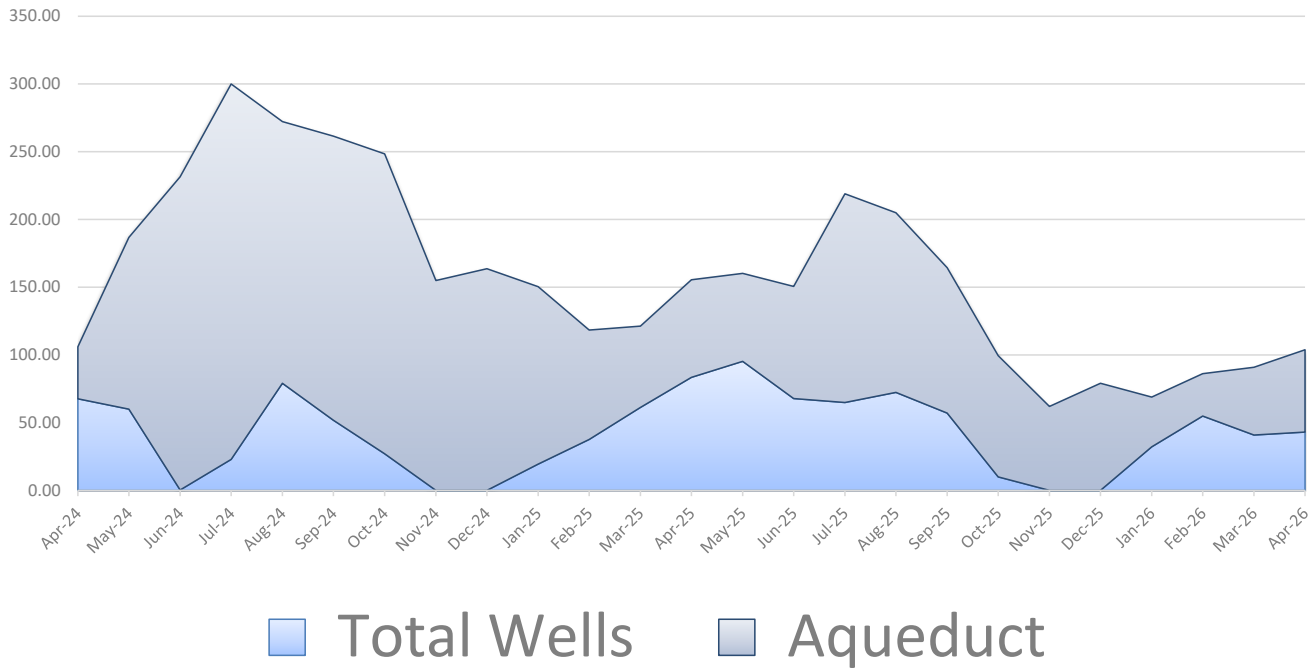
Water source report:

The wells produced 41.52% of the District’s overall demand for the month of April 2026.

Lake Sonoma was at 98.9% of the minor deviation buffer pool, and Lake Mendocino was at 75.2% of the FIRO Target Curve as of May 25th, 2026.

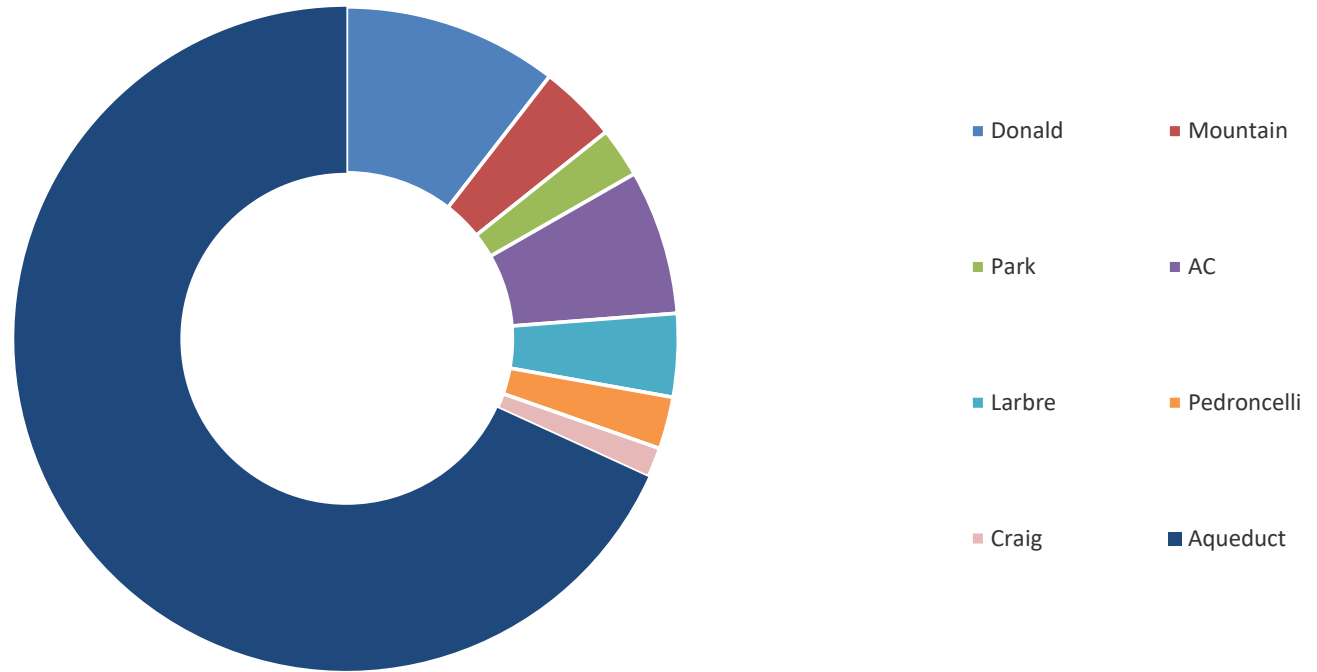


Water Supply Sources - Valley of the Moon Water District Acre Feet Per Month



Month	Donald	Mt Ave	Park Ave	Agua Cal	Larbre	Pedroncelli	Craig	Aqueduct	Total Wells	Wells %	Total AF Produced	Total AF Deliveries
Apr-24	14.18	7.70	6.75	11.60	13.91	0.00	13.44	38.38	67.57	63.78%	105.95	111.99
May-24	11.33	8.34	6.14	9.90	13.02	0.00	11.28	126.64	60.02	32.15%	186.67	127.34
Jun-24	0.22	0.00	0.00	0.01	0.00	0.00	0.00	231.19	0.23	0.10%	231.42	207.41
Jul-24	4.94	2.58	2.51	6.03	6.82	0.00	0.01	277.11	22.89	7.63%	300.00	210.69
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
FY to date (Acre Feet)	123.56	44.85	28.62	83.12	47.71	29.92	17.27	803.32	375.05	31.83%	1,178.36	1,747.22

Water Production



Actual Month	Wells								Total	Aqueduct	Total	Wells %	Aqueduct flow rate*
	Donald	Mountain	Park	AC	Larbre	Pedroncelli	Craig						
Jul-25	14.70	7.56	8.54	12.34	8.59	7.34	5.71	65	154.14	219	30%	1.62	
Aug-25	17.67	7.35	10.18	14.53	10.04	6.38	6.25	72	132.48	205	35%	1.39	
Sep-25	13.70	7.61	8.42	11.38	8.17	3.13	4.57	57	107.37	164	35%	1.17	
Oct-25	2.50	1.32	1.48	2.04	1.40	0.41	0.74	10	89.55	99	10%	0.94	
Nov-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	61.95	62	0%	0.67	
Dec-25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	79.03	79	0%	0.83	
Jan-26	10.23	0.00	0.00	8.04	8.18	5.73	0.00	32	36.69	69	47%	0.39	
Feb-26	18.27	6.63	0.00	11.72	11.34	6.93	0.00	55	31.26	86	64%	0.36	
Mar-26	21.18	8.05	0.00	11.61	0.00	0.00	0.00	41	50.13	91	45%	0.53	
Apr-26	25.30	6.34	0.00	11.46	0.00	0.00	0.00	43	60.72	104	42%	0.66	
May-26								0		0	0%	0.00	
Jun-26								0		0	0%	0.00	
Sub-Total	124	45	29	83	48	30	17	375	803	1,178	32%		

* Average daily rate of flow during the month (in millions of gallons per day)

Annual Target	94	55	64	89	65	53	60	480	1,856	2,335	21%
% of Target	131%	82%	45%	93%	74%	56%	29%	78%	43%	50%	

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Clayton Church, Water System Manager

SUBJECT: Operations Update

Background:

The month of May 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:** The District has completed its review of the 90% plans and specs and has submitted notes to EKI. District staff met with EKI on 05/28 and discussed updates to the plans/specs, project phasing, and project scheduling.
- **CIP 2991 System GPS:** Continues to progress. GPS of all system assets is approximately 50% complete. Staff continues to GPS assets, moving onto service lines and identifying next best steps for the asset management program for budget recommendations. GPS crew has been working on 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. The RFQ was advertised 05/20/2026 with questions due 06/10/2026, and all quotes due 6/22/2026. The District has already sent out one set of responses to questions. The District plans to award up to five contractors this July 2026.
- **CIP 3047 Seismic Vulnerability Assessment:** Staff has completed the final review of the assessment and has tasked Infra Terra with providing project detail sheets for all mainline projects called out in the seismic assessment. Staff and Infra Terra plan to present the study at the July Board Meeting.
- **CIP 3073 Glen Ellen Booster Pump, VFD and CV:** Staff has completed the installation of the VFD with the completion of **3046 Pump Station Battery Wall- Glen Ellen Booster**. Staff has completed the installation of the new pump.
- **CIP 3029 Bolli Tanks Recoating & Railing Project:** Both tanks were inspected. Tank B had a minor repair on the floor near the east manway. Both tanks have been disinfected and put back online. Solar panels and all other appurtenances have been installed.
- **CIP 3070 Dump Truck Replacement:** The District has replaced the larger dump truck with a 2023 Freightliner dump truck. The vehicle is being outfitted with beacon lights and a radio.
- **Fuel Tank Conditioning and Fuel Polishing:** Staff continues to compete with fuel contamination problems at various sites. Staff has employed Stroupe Petroleum for the cleaning and treatment of the Office Generator for heavy contamination. Staff has generated a short-term and long-term plan to manage fuel issues. In the short term, all tanks will be maintained full, all tanks will undergo sludge treatment, and all tanks will be monitored weekly. In the long term, staff has put a project package together for the purchase of a portable fuel polishing unit and related filter components. The dolly-mounted fuel polishing unit has been ordered; it has a 12-14 week lead time.
- **Vegetation abatement all sites:** Vegetation abatement for fire and comms clearance was done at the beginning of the month. Staff is planning a final round (touch-up) for the end of June.

- **Temelec 1MG drain and inspect:** Minor repairs were needed to just finish the coat on the belly panels around the north man way. All repairs were minor; the tank will be disinfected on 05/04 and sampled on 05/05. All water quality testing came back clear, and the tank has been put back online.
- **Leak Survey:** The District contracted with WaterNet Survey for leak detection. Five leaks were located. Three service line leaks and two main line leaks have been repaired or scheduled for repair.
- **ARV inventory and repairs:** Staff are working their way through the system, inventorying, GPSing, and conducting needed repairs to all the District ARVs. Staff have inventoried over 100 ARVs, and currently, there are repair parts on order to repair the existing 20+ devices. All other devices that didn't require repairs were taken offline, thoroughly cleaned, and the gaskets replaced.
- **Safety:** The focus of the training calendar for 2026 is to satisfy all JPIA's commitment to excellence criteria. This month's training is focused on new MMS functions.

The month of June will be focused on vegetation abatement, 3072 Facility Assessment and Cameras, prep for upcoming FY 26/27 in-house CIP, 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 2989: Park Well Drilling	100%
Project 2991: GPS Facilities	50%
Project 3022: Altamira Fire Flow Improvement & P-31 Arnold Dr & Aqua Caliente Rd Roundabout Improvement	65%
Project 3029: Bolli Tanks recoating & Railing /Solar Retro	100%
Project 3046: Pump Station Battery Wall- Glen Ellen Booster	100%
Project 3047: Seismic Vulnerability Assessment (LHMP)	85%
Project 3053: Spare Generator purchase	100%
Project 3057: 1-1/2 & 2" PB service line replacement	100%
Project 3060: SDC Evaluation	50%
Project 3069: Lomita Ave Commercial Fire Flow Improvement	40%
Project 3070: Small Dump Truck purchase	100%
Project 3071: Replace Small Ranger	100%
Project 3072: Facility Assessment security camera assessment	20%
Project 3073: Glen Ellen Booster Pump, VFD and check valve	100%
Project 3074: Replace Generator at AC Booster	100%
Project 5107: County of Sonoma Paving Project requiring adjustment and/or relocation of District facilities	100%
Project 8100: Valve Replacement Program	30%
Average Percent Complete	79%

Date: June 2nd, 2026
Item 7.A

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: June 1st Technical Advisory Committee (TAC) Meeting Update

General Manager Fullner will be attending the June 1st TAC meeting and will provide a verbal update at the Board meeting.

Date: June 2nd, 2026
Item 7.B

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Sonoma Developmental Center (SDC) Update

Background

As the Board is aware, the State Department of General Services (“DGS”) and the District have been working toward an agreement under which the District would provide leak response services at the former Sonoma Developmental Center (“SDC”) site during the interim period prior to redevelopment activities. The purpose of the agreement is to help identify and manage water losses at the site.

In recent days, District staff and DGS representatives have been in close coordination regarding several outstanding contract provisions, and good progress has been made.

Staff is hopeful that a draft agreement will be ready for Board review and consideration soon. If finalized in time, the agreement will be brought forward at the next Board meeting.

Date: June 2, 2026

Item: 8.A

MEMORANDUM

TO: Valley of the Moon Water District Board of Directors

FROM: Matt Fullner, General Manager

SUBJECT: Presentation on Fiscal Year 2026-2027 Budget and Consideration of Budget Adoption by Resolutions No. 260601 and No. 260602.

Background

Attached for your review is the 2026-2027 Budget Packet. This includes the Operations and Maintenance (O&M) budget, five-year Capital Improvement Plan (CIP) budget, and Five-Year Reserve Forecast for FY 2026-2027 through 2030-2031.

Staff has also prepared a budget presentation that will cover:

1. Proposed Rate Increase and Bill Comparison
2. The Proposed Organization Chart
3. The O&M Budget
4. The CIP Budget; and
5. The Five-Year Reserve Forecast

Recommendation

View the budget presentation prepared by staff and, by roll call vote, adopt:

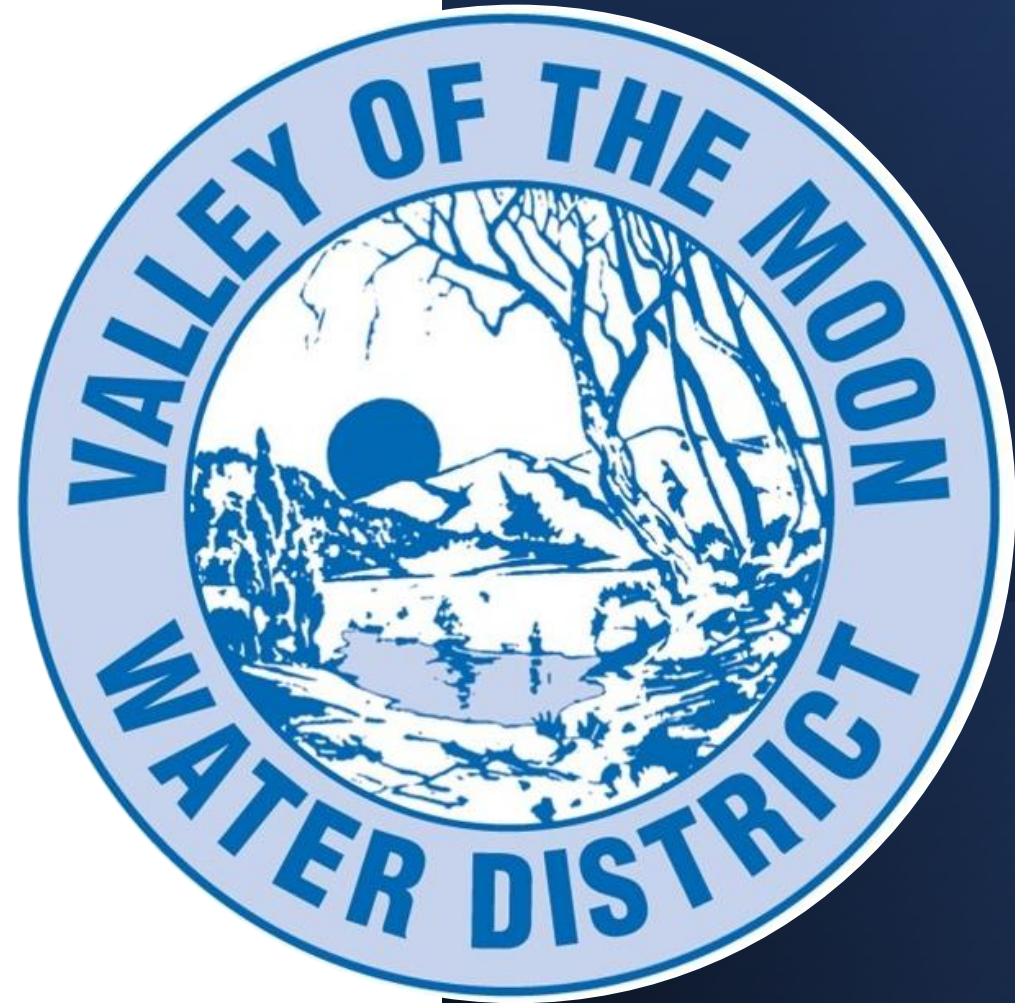
- Resolution No. 260601, approving the Fiscal Year 2026-2027 Operations and Maintenance budget, and the Annual designation of District Treasurer.
- Resolution No. 260602, approving the Five-Year Capital Improvement Plan for Fiscal Years 2026-2027 through 2030-2031 and approving funds for Fiscal Year 2026-2027 Capital Improvement Plan budget.

Attachments

1. Fiscal Year 2026-2027 Budget Presentation
2. Final Budget Packet, including:
 - a. Operations and Maintenance Budget
 - b. Capital Improvement Plan Budget
 - c. Five-Year Forecasted Reserves; and
 - d. Resolution No. 260601 and Resolution No. 260602

Valley of the Moon Water District Fiscal Year 2026- 2027 Budget

Special thanks to the Budget
Subcommittee (Directors Caniglia
and Bryant)



What Will We Cover?



Proposed Rate Increase and Bill Comparison



The Organization Chart



The O&M Budget



The CIP Budget; and



The Five-Year Reserve Forecast

Proposed Rate Increase and Bill Comparison

The below represents a 7% rate increase for FY '26-'27, as anticipated in the District's Rate Study.

Bi-Monthly Water Rate Schedule (for typical meter sizes)	Current Rates	Proposed Rates	Difference vs. Current Rates
Fixed Service Charge			
Fixed Service Charge - 5/8" meter (SFR)	\$41.16	\$44.04	\$2.88
Fixed Service Charge - 5/8" meter (Commercial)	\$78.59	\$84.09	\$5.50
Commodity Charge (per 1,000 gallons)			
SFR Volumetric Rates			
Tier 1: 0-4	\$5.45	\$5.83	\$0.38
Tier 2: 4+	\$9.41	\$10.07	\$0.66
Commercial Uniform Rate	\$8.47	\$9.06	\$0.59

Bi-Monthly Bill Comparisons - Current vs. Proposed Rates

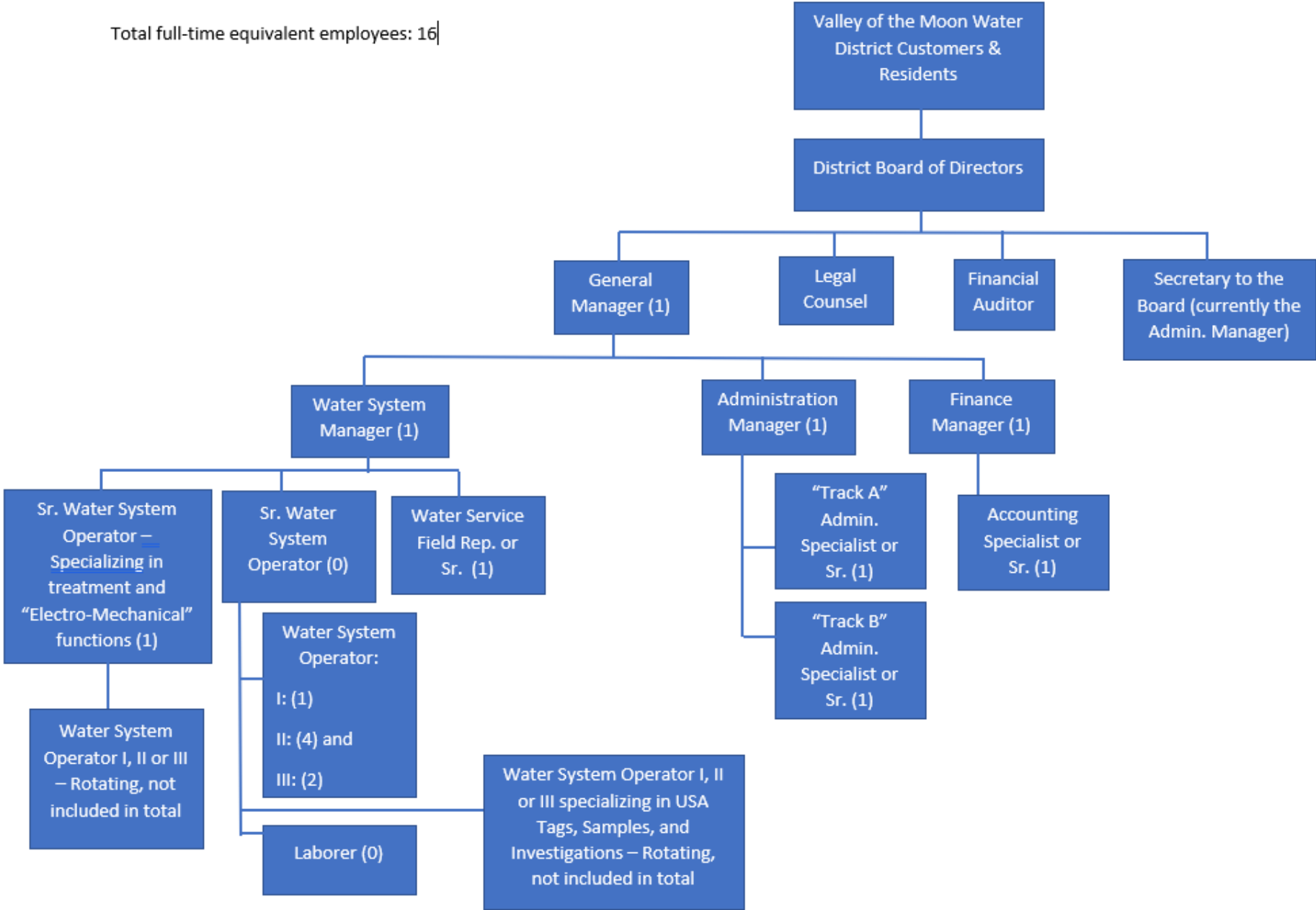
Residential	Water Consumption (1,000 gallons)		
	4	14	24.0
SFR Bill - Current Rates	\$62.96	\$157.10	\$251.25
SFR Bill - Proposed	\$67.37	\$168.10	\$268.83
<i>Difference (in \$) vs. Current Rates</i>	\$4.41	\$11.00	\$17.59
<i>Difference (in %) vs. Current Rates</i>	7.0%	7.0%	7.0%

Bi-Monthly 'Bill Comparisons - Current vs. Proposed Rates

Commercial Bill Comparison with a 5/8 inch meter	Water Consumption (1,000 gallons)		
	4	14.0	24.0
Comm Bill - Current Rates	\$112.47	\$197.15	\$281.83
Comm Bill - Proposed	\$120.34	\$210.95	\$301.56
<i>Difference (in \$) vs. Current Rates</i>	\$7.87	\$13.80	\$19.73
<i>Difference (in %) vs. Current Rates</i>	7.0%	7.0%	7.0%

Proposed FY 2026-2027 Organization Chart

Total full-time equivalent employees: 16



Operations and Maintenance (O&M) Budget

In building the O&M budget this year, several factors were considered. Chief among them was how to keep costs under control, given the need to shut down several wells due to PFAS contamination, and the resulting higher-than-usual water purchases from our wholesaler, Sonoma Water.

Per the standard process, each expense line was reviewed and compared to several previous years. From there a “baseline” or “actual recurring cost” was determined by reviewing accounts payable data and invoices from past years. If any area was found to require a special project in the upcoming fiscal year, the estimated cost of that project was added to the baseline for that expense.

Valley of the Moon Water District Proposed Budget FY 2026-2027						
	Approved Budget	Estimated Year End Actual	Proposed Budget			
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end acutal	Forecasting Notes & Significant Changes for 2026-2027
Revenues						
Interest Income	\$ 224,858	\$ 283,529	\$ 262,521	17%	-7%	
Gain on Sale of Assets	-	-	-	0%	0%	
Operating Revenue	9,682,951	9,080,506	10,036,773	4%	11%	
Backflow Testing Revenue	51,596	\$ 61,965	52,628			
Customer Penalties & Fees	23,640	\$ 69,328	23,640	0%	-66%	
Misc. Income	12,000	\$ 65,956	12,000	0%	-82%	
Leak Adjustments	(9,613)	\$ (11,049)	(9,613)	0%	-13%	
Total Revenue	9,985,432	9,550,235	10,377,949	4%	9%	
Expenses						
Salaries:						
O&M - Operating Wages	1,167,868	1,091,197	1,203,925	3%	10%	
Stand-By	35,354	34,423	35,354	0%	3%	
Net O&M Operating Wages	1,203,222	1,125,619	1,239,279	3%	10%	
Administration	834,827	818,809	967,897	16%	18%	
Total Salaries	2,038,048	1,944,429	2,207,177	8%	14%	
Weighted Wages Transferred to Capital Projects	(509,512)	(486,107)	(551,794)	8%	14%	
Net Operating Wages	1,528,536	1,458,322	1,655,383	8%	14%	<i>Net Wages used to calculate Net Position</i>

Valley of the Moon Water District Proposed Budget FY 2026-2027						
	Approved Budget	Estimated Year End Actual	Proposed Budget			
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	Forecasting Notes & Significant Changes for 2026-2027
Benefits:						
O&M - Operating & Maintenance	260,745	258,607	282,459	8%	9%	Based on actual employee enrollment
Administration	140,000	139,373	178,473	27%	28%	Based on actual employee enrollment
Retirees	69,268	69,181	70,479	2%	2%	Based on active retiree health plans
Total Benefits	470,013	467,161	531,411	13%	14%	
Mandatory Costs						
Workers Comp:						
Operating & Maintenance	41,875	51,625	43,216	3%	-16%	Confirmed rate with ACWA/JPIA
Acct/Administration	6,234	8,035	7,095	14%	-12%	Confirmed rate with ACWA/JPIA
FICA/Medicare:		-				
Operating & Maintenance	91,128	85,809	93,887	3%	9%	Proportionate to salaries.
Administration	59,563	53,800	67,209	13%	25%	Proportionate to salaries.
District Portion/Retirement:		-				
Operating & Maintenance	102,581	99,525	105,440	3%	6%	Proportionate to salaries.
Administration	89,748	87,475	100,516	12%	15%	Proportionate to salaries.
CalPERS Accrued Liability	311,936	311,177	342,323	10%	10%	The District will save 3% by prepaying a lump sum in July 2026.
Total Mandatory Costs	703,064	697,446	759,686			
Travel & Training						
Operating & Maintenance	14,192	9,336	29,933	111%	221%	Includes Mandatory Programs and Trainings
Administration	8,735	8,345	12,750	46%	53%	Includes ACWA Conference
Total Travel & Training	22,927	17,681	42,683			
Board of Directors:						
Meeting Compensation	19,440	16,725	19,572	1%	17%	Includes COLA
Travel & Training	3,704	4,697	4,587	24%	-2%	Includes ACWA Conference
Total Board Expenses	23,144	21,423	24,159			

Valley of the Moon Water District Proposed Budget FY 2026-2027	Approved Budget	Estimated Year End Actual	Proposed Budget			Forecasting Notes & Significant Changes for 2026-2027
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	
Purchased Water						
Purchased Water	2,826,468	1,587,828	3,228,684	14%	103%	
GSA Fee	21,422	17,873	21,958	3%	23%	Sonoma Valley Groundwater Sustainability Agency (Estimated Fee)
Total Purchased Water	2,847,890	1,605,701	3,250,642	14%	102%	
Services & Supplies						
Safety & Clothing Allowance	16,398	12,391	16,366	0%	32%	
Vehicle Maintenance	17,130	27,717	21,709	27%	-22%	
Election Costs	-	-	32,800			
Employee Relations	5,823	4,635	6,171	6%	33%	
Legal Fees	82,031	93,557	92,250	12%	-1%	
SDC Expenses	82,160	62,996	82,000	0%	30%	Includes Legal expenses for SDC.
HR Expenses	77,025	67,002	15,375	-80%	-77%	Includes Legal expenses for HR and MOU.
Engineering General Support	2,708	-	2,770	2%	0%	
Advertising	1,027	903	1,051	2%	16%	
Outside Services	79,148	59,851	86,689	10%	45%	
Outside Services BackFlow	51,596	50,841	52,628			This account offsets the backflow testing revenue account
Annual Audit	22,270	21,107	22,227	0%	5%	
Bad Debts/Collections	17,479	18,252	17,881	2%	-2%	
Building MTNC.	44,157	57,481	53,260	21%	-7%	
Dues and Subscriptions	29,504	33,024	29,447	0%	-11%	
Equipment MTNC./Repairs	25,023	49,865	48,125	92%	-3%	
Fees (County/State)	74,963	93,163	76,687	2%	-18%	
Fuel	31,717	36,748	35,756	13%	-3%	

Valley of the Moon Water District Proposed Budget FY 2026-2027						
	Approved Budget	Estimated Year End Actual	Proposed Budget			
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	Forecasting Notes & Significant Changes for 2026-2027
Bank Charges	14,397	16,577	16,952	18%	2%	
Liability Ins. (Incl. Losses)	109,135	120,940	143,479	31%	19%	
Postage	26,600	24,795	26,600	0%	7%	
Public Information	16,268	7,004	21,736	34%	210%	Prop 218; Cross Connections Outreach
Service Contracts	94,780	103,548	99,020	4%	-4%	
Office Supplies	16,951	23,717	15,845	-7%	-33%	
Telephone-Internet	21,681	21,543	23,853	10%	11%	
Small Tools & Equipment	30,932	25,100	21,279	-31%	-15%	
Trash Disposal	7,222	7,012	7,402	2%	6%	
Utilities - PG&E	199,244	208,820	213,191	7%	2%	
Professional Services	200,187	172,057	130,559	-35%	-24%	Includes AWSDA, ERP, Rate & Fee Study.
Water Testing	46,925	71,775	68,449	46%	-5%	
Water Main Maintenance	38,831	30,001	39,710	2%	32%	Budgeted on average.
Service Line Maintenance	11,255	11,373	11,514	2%	1%	Budgeted on average.
Hydrant Repairs	2,054	1,324	2,101	2%	59%	Budgeted on average.
Misc. System Maintenance	5,674	9,831	5,805	2%	-41%	Budgeted on average.
Wells Maintenance	39,446	59,012	52,489	33%	-11%	
Pump Maintenance	28,360	24,852	12,417	-56%	-50%	Budgeted on average.
Storage Tank Maintenance	63,674	58,208	33,825	-47%	-42%	Budgeted on average.
Water Conservation Program	74,166	67,527	32,390	-56%	-52%	
Equipment Replacement	3,047	2,253	3,169	4%	41%	
Total Services & Supplies	1,710,987	1,756,802	1,674,975	-2%	-5%	
Total Expenses	7,306,562	6,024,537	7,938,939	9%	32%	
Revenues Less Expenses	2,678,870	3,525,698	2,439,011	-9%	-31%	
O&M Allocation to CIP	(2,069,401)	(1,227,019)	(4,504,080)			
Net Position	609,469	2,298,679	(2,065,069)			

Capital Improvement Plan (CIP)

- The general structure of the five-year CIP is such that:
 - Each year, a mainline project is under construction, while the next is being designed.
 - The only exception to this, is year 2 (FY 2027-2028) where a break was created in mainline replacement to accommodate the installation of PFAS treatment systems at four of the District's wells.
 - Spikes in CIP cost allocation over the five-year plan are kept to a minimum by distributing projects across the timeframe in a way that makes financial and operational sense, and by planning to loan fund the construction portion of specific types of projects (typically wells and booster stations).
 - Any rollover will remain in a project account until that project is completed. These funds will show on the bottom line of the current fiscal year, but were funded by previous fiscal years. Until expended, these funds will show as part of the "Undesignated Reserves- funding for remaining 5-Year Capital Plan" on monthly reports to the Board.
- Please note that while the five-year plan is shown, only funds for the next fiscal year, 2026-2027, in this case, are being sought (except for any intentional savings for a future CIP as shown in the five-year reserve forecast). The five-year CIP will also be re-evaluated and rebalanced each year.

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
Facilities and Maintenance Projects					-				
CIP-3014	Craig Well Tow-Behind Generator	This generator will be necessary to maintain consistent system performance during PSPSs and emergencies.	-	-	-	-	83,264	-	-
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	59,495	61,060	62,666	64,314
CIP-6001	New Services	Customer pays 100%.	-	-	-	-	-	-	-
CIP-6004	All Service Replacements	All service replacements combined.	-	59,000	59,000	59,000	59,000	59,000	59,000
CIP-8100	Valve Replacement Program	Valve replacement for system reliability and control.	-	59,000	59,000	59,000	59,000	59,000	59,000
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.	107,447	300,000	407,447	1,081,731	832,635	854,533	877,008
CIP-TBD	Seismic Vulnerability Assessment Investigation	Additional Investigation from the 2026 Seismic Vulnerability Assessment to determine the final scope of specific projects. District to pay 100% of the assessment. District will seek FEMA grant funds for resulting projects.	-	-	-	54,087	-	-	-
TBD	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	-	-	-	-
TBD	Small Dump Truck Replacement	Move to Diesel	-	-	-	81,130	-	-	-
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)	20,540	52,701	73,241	-	-	-	-
CIP-2991	GPS Facilities	Finish GPSing the meters and valves. Assumes \$50 per location.	-	41,324	41,324	40,000	-	-	-
TBD	Electric Forklift	6,000 LB capacity with pneumatic tires	-	-	-	-	-	76,338	-
CIP-3060	SDC Evaluation	Evaluate water treatment plant and transmission systems for needed upgrades and provide OPC for construction.	308,100	-	308,100	-	-	-	-
P-29	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	539,062	-	-	-

[No Title]

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
TBD	Temelec Tank Road	Grade and pave tank road and repave tank rings	-	126,481	126,481	-	-	-	-
TBD	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	-	-	-	-
TBD	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	-	-	-	-
TBD	Replace Generac 30kw genset at Chestnut and Electrical Upgrades	This genset is unreliable and a more robust model would protect against power outages. Reaplace old components (10k)	-	52,701	52,701	-	-	-	-
TBD	Placeholder	vehicles/equipment etc.	-	-	-	270,433	277,545	284,844	292,336
Total Facilities and Maintenance Projects			436,087	1,305,694	1,741,781	2,243,937	1,372,503	1,396,382	1,351,657

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
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 Altamira 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.	1,124,021	3,129,900	4,253,921	-	-	-	-
CIP-3023	WMP: P-8. Upper Sobre Vista Fire Flow Improvement	Replace existing 6-inch PVC and HDPE water mains with new 8-inch PVC water mains, and replace two existing fire hydrants.	-	-	-	162,260	865,940	-	-
P-17 (2)	Eldridge Fire Flow Improvement	Replace existing 4-inch ACP water mains with new 8-inch PVC water mains, replace 49 existing service connections, and replace three existing fire hydrants in the Eldridge area. Abandon the 4-inch ACP water main on Madrone Avenue and reconnect services to existing 8-inch water main. This project has been identified as high priority due to the condition of the ACP water mains in this zone.	-	-	-	-	456,284	1,170,597	1,201,383
CIP-3020	WMP: P-4. Warm Springs Road Fire Flow Improvement	Replace existing 6-inch PVC, ACP, and DIP water mains with new 8-inch and 10-inch PVC water mains, replace 47 existing service connections, and replace four existing fire hydrants.	-	-	-	-	-	-	608,176
TBD	Richards - Steel Pipe	Replace or abandon steel pipe.	-	-	-	59,000	-	-	-
TBD	Carmel - Steel Pipe	Replace or abandon steel pipe.	-	-	-	-	59,000	-	-
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.	41,312	247,060	288,372	-	-	-	-
TBD	Seismic Vulnerability Main Line replacement Placeholder	Will be prioritized based on Seismic Vulnerability Assessment and assuming 25% local match.	-	-	-	-	333,054	341,813	350,803
Total Pipeline Projects			1,165,333	3,376,960	4,542,293	221,260	1,714,278	1,512,410	2,160,362

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
Wells, Pumping, & Supply									
P-5B (1)	Chestnut BPS Upgrades Projects	Replace existing Chestnut BPS with two (2) 100-gpm domestic pumps and one (1) 1,000 gpm fire pump at 60 ft total dynamic head (TDH).	-	-	-	-	541,546	-	123,582
TBD	Recommended in Energy Eval report 2024 - Agua Caliente well pump replacement	Replace well pump with high efficiency, add VFD, video well, replace column pipe & add sounding tube. Evaluate booster pumps (possibly replace) add VFD to booster pumps slow close checks on booster system and add battery wall.	-	-	-	167,019	-	-	-
TBD	Replacement of Donald Well	Replace aging well with new ASR capable on same property.	-	-	-	-	277,545	-	85,460
TBD	Agua Caliente Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
TBD	Craig Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
TBD	Larbre Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
TBD	Pedroncelli Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
Placeholder	Future pump replacements	This will result in further projects from the 2024 Energy Evaluation report.	-	-	-	21,635	22,204	22,788	23,387
Total Wells			-	210,802	210,802	1,054,038	841,294	22,788	232,429
Tanks									
TBD	Tank Cleaning & Inspection	All tanks	-	-	-	54,087	-	-	-
TBD	Donald Tank Recoating	Recoating	-	-	-	-	-	569,689	-
Total Tanks			-	-	-	54,087	-	569,689	-
		Total	FY 25-26	FY 26-27	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
		Total Water System Improvements:	\$ 1,601,419	\$ 4,893,456	\$ 6,494,875	\$ 3,573,321	\$ 3,928,076	\$ 3,501,268	\$ 3,744,449

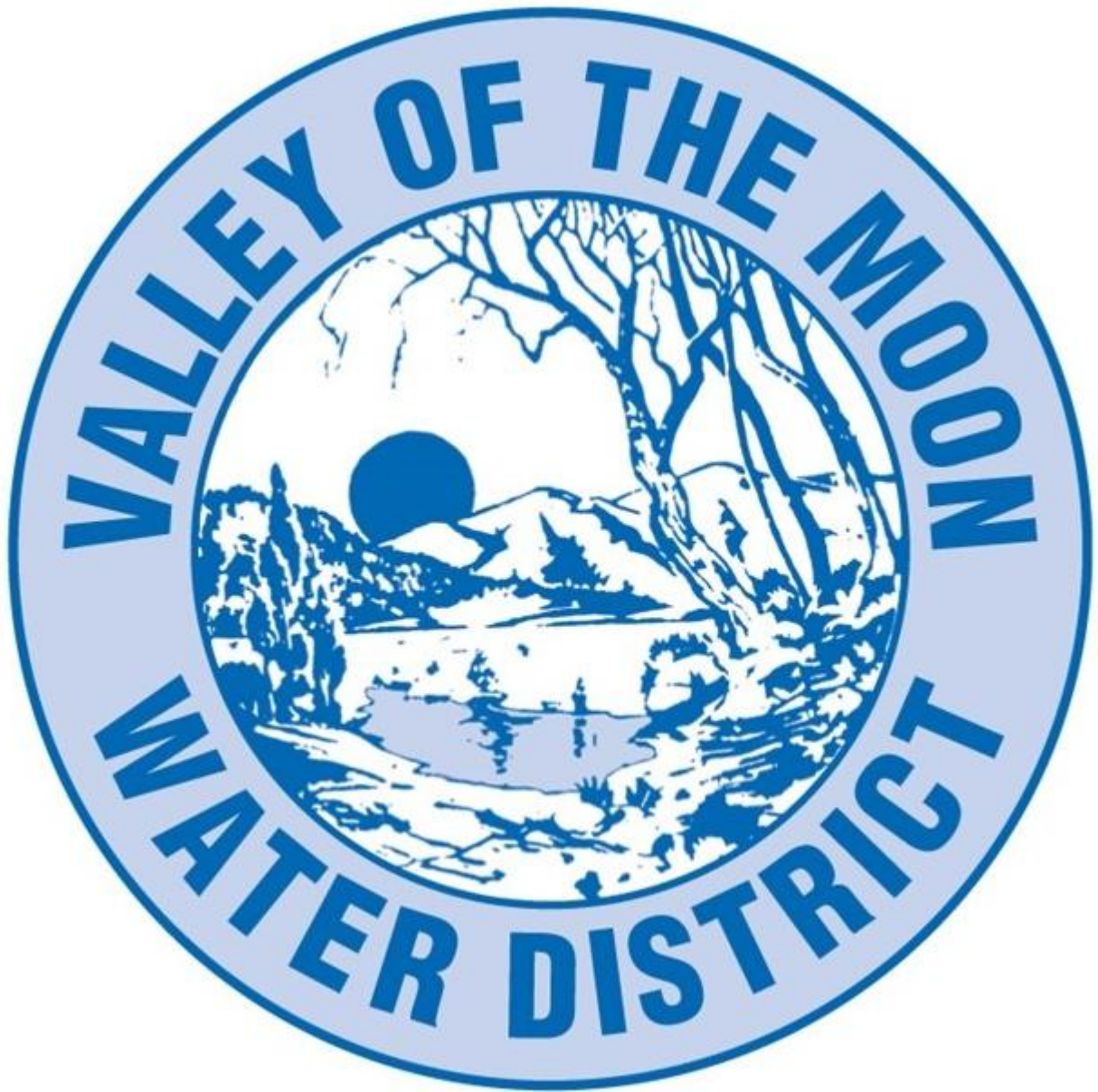
Five-Year Forecasted Reserves:

- The Estimated Year End Actual 25-26 column is based on current projections of the District's position on June 30th for CIP and O&M.
- Fiscal year 26-27 shows the projected position based on a 7% rate increase and current projections.
- The Board-designated reserves are currently fully funded and are shown across each of the five years forecasted.
- The Undesignated Reserves are projected to be positive at the end of FY 26-27, but will go negative in FY 27-28 due to large CIP expenses. This is despite projecting that the District will receive the FEMA payment for the replacement of the Saddle Tank that same year.
- Fiscal years 27-28 through 30-31 are assumed to be 5.6% rate increases (per the rate study).

Valley of the Moon Water District	Forecasted Reserves					
	Estimated Year End Actual	Proposed Budget	Forecast	Forecast	Forecast	Forecast
	25-26	26-27	27-28	28-29	29-30	30-31
Revenue:						
Beginning Enterprise Fund Balance	\$ 3,646,507	\$ 5,945,186	\$ 3,880,116	\$ 3,185,476	\$ 4,026,488	\$ 5,097,236
Annual CIP Allocation	1,227,019	4,504,080	3,168,370	3,506,927	3,063,273	3,288,934
Capacity Charges	374,400	389,376	404,951	421,149	437,995	455,515
FEMA Reimbursement			659,422			
Total	5,247,926	10,838,642	8,112,859	7,113,553	7,527,757	8,841,685
Less:						
Capital Improvement Projects	(1,601,419)	(4,893,456)	(3,573,321)	(3,928,076)	(3,501,268)	(3,744,449)
Transfer from Undesignated Reserves to O&M	2,298,679	(2,065,069)	(1,354,062)	841,012	1,070,748	(467,377)
Total Expenditures	697,260	(6,958,525)	(4,927,383)	(3,087,064)	(2,430,520)	(4,211,826)
Less Board Designated Reserves:						
Operations & Maintenance Reserve (3 Months Operations)	1,826,640	1,984,735	1,942,000	2,047,000	2,193,000	2,332,000
Rate Stabilization Reserve	806,913	836,398	790,000	840,000	900,000	950,000
CIP Reserve	980,000	1,010,000	1,070,000	1,120,000	1,170,000	1,230,000
Total Board Designated Reserves	3,613,553	3,831,132	3,802,000	4,007,000	4,263,000	4,512,000
Undesignated Reserves available for Capital Improvement Plan	\$ 2,331,633	\$ 48,984	\$ (616,524)	\$ 19,488	\$ 834,236	\$ 117,859

Questions and Discussion





2026-2027
ANNUAL BUDGET
ADOPTED 06/02/2026
RESOLUTIONS NO. 260601 & 260602

Valley of the Moon
Water District

Board of Directors

Steven Caniglia, President
Gary Bryant, Vice President
Jon Foreman, Director
Colleen Yudin-Cowan, Director
David Williams, Director

Staff

General Manager – Matt Fullner
Water System Manager – Clayton Church
Administration Manager – Amanda Hudson
Finance Manager – Oscar Madrigal
District Counsel – Burke, Williams & Sorensen, LLP
District Auditor – Harshwal, LLP

- I. INTRODUCTION TO VALLEY OF THE MOON WATER DISTRICT..... 4
 - A. HISTORY..... 4
 - B. GOVERNING BOARD 4
 - C. DISTRICT GOALS 5

- II. DEPARTMENT DESCRIPTIONS..... 5
 - A. BOARD OF DIRECTORS..... 5
 - B. GENERAL MANAGER..... 5
 - C. ADMINISTRATION..... 5
 - D. FINANCE 6
 - E. OPERATIONS & MAINTENANCE..... 7
 - F. ORGANIZATION CHART 8

- III. OPERATIONS & MAINTENANCE BUDGET 9
 - A. OPERATIONS & MAINTENANCE BUDGET DESCRIPTION 9
 - B. 2026-2027 OPERATIONS & MAINTENANCE BUDGET DISPLAY10

- IV. ACCOUNT DESCRIPTIONS:16

- V. CAPITAL IMPROVEMENT PLAN18
 - A. CAPITAL IMPROVEMENT PLAN DESCRIPTION18
 - B. 2026-2027 CAPITAL IMPROVEMENT PLAN DISPLAY.....19

- VI. BOARD DESIGNATED RESERVES AND FORECASTED FUNDS AVAILABLE FOR THE CAPITAL IMPROVEMENT PLAN32
 - A. ANNUAL REVENUE FROM WATER USE AND SERVICE CHARGES:.....33
 - B. OTHER SOURCES OF FUNDS:33

- VII. ENABLING DOCUMENTS34
 - A. RESOLUTION NO. 26060134
 - B. RESOLUTION NO. 26060235

- VIII. EXHIBITS:36
 - A. EXHIBIT A: “2026-2027 STRATEGIC PLAN: GOALS AND OBJECTIVES UPDATE”36

I. Introduction to Valley of the Moon Water District

A. History

Valley of the Moon Water District (District) was formed in 1960 through a special election under Water Code Section 30000 et seq. for the primary purpose of providing a dependable supply of potable water in the Valley of the Moon.

The service area covers approximately 7,545 acres and includes the unincorporated communities of Agua Caliente, Boyes Hot Springs, El Verano, Feters Hot Springs, Glen Ellen, Eldridge, and the Temelec subdivision of Sonoma County.

The District began operations on June 1, 1962, with the acquisition of the assets of Sonoma Water and Irrigation Company and the Mountain Avenue Water System. In 1963, the District acquired the facilities of the Glen Ellen Water Company and annexed its service area.

Today, water is purchased from the Sonoma County Water Agency and delivered through an aqueduct running from the Russian River. The District also uses wells within the service area to augment its water supply.

District customers authorized the purchase and improvement of existing facilities and procurement of Russian River water through the Sonoma Aqueduct with \$1,250,000 of voter-approved 30-year General Obligation bonds, which were issued in 1962. All District assets, including land, water rights, water production, distribution, and storage facilities, are by law held in trust by the District for the benefit of all property owners and customers within the District.

B. Governing Board

The Board of Directors of the Valley of the Moon Water District consists of five members who are elected officials. They each serve four-year terms, which are staggered with elections held during November of each even-numbered year.

The Board of Directors sets the overall goals for the District and the policies to accomplish those goals. The Board appoints a General Manager who is charged with carrying out the policy direction of the Board. The Board also appoints a Counsel, Auditor, and Board Secretary. All persons appointed to these positions serve at the pleasure of the Board. The Board performs its duties during regularly scheduled Board meetings held at 6:30 p.m. on the first Tuesday of each month. The Board may also schedule special meetings of the Board. The public is notified in advance of all regular and special meetings of the Board as well as any meetings of standing committees, as required by law.

The Board may appoint standing or ad hoc committees to assist it in developing policy. It may also confer with consultants or other experienced specialists in water resource management in determining appropriate policies for the District.

C. District Goals

- Ensure ethical behavior in the conduct of District business.
- Openly conduct District business, providing information, reasons for decisions, and access to the decision-makers.
- Please refer to the District’s “2026-2027 Strategic Plan: Goals and Objectives Update”, included in this document as Exhibit A, for detailed goals and objectives.

II. Department Descriptions

A. Board of Directors

The Board of Directors oversees all District operations by hiring and setting goals for the General Manager. The five-member Board adopts policies to guide the General Manager and District staff in providing efficient and effective services to present and future District customers.

B. General Manager

The General Manager is responsible for organizing, supervising, and directing activities of the District and carrying out policies set by the Board of Directors to ensure that efficient and effective services are provided through the approved policies and budget.

C. Administration

The administrative staff consists of an Administration Manager a full-time Administrative Specialist *or* Senior (Track A), and a full-time Administrative Specialist *or* Senior (Track B), for a total of three employees in the department.

Responsibilities of this group include customer services, office services, human resources, risk management, regulatory compliance, project administration, grant administration, public information, and Board administration.

Customer Service: Billing, payments, conservation, and responding to water service-related inquiries.

Office Services: Correspondence, purchase orders, file maintenance/archiving, and meeting/travel coordination.

Human Resources: Monitor employee agreements/compliance to agreements, recruitment, CalPERS, retirees, orientation of new hires, Workers Comp Administration, and employee evaluations.

Risk Management: Contracts and Insurance.

Compliance: Department of Water Resource Reporting, Urban Water Management Plan, Prop 218 Notices, Sanitation Reports, OSHA, and FEMA.

Project Administration: Request for Proposals writing & advertising, contract/agreement writing & review, notarization, contract compliance monitoring and file management, lien & retention management, quitclaim deeds, and recording.

Grant Administration: grant contract compliance and tracking, compiling of required reports, delineation of District and contractor billing, and grant agency communications.

Public Information: Public notices, newsletters, website management, social media, news releases, and annual Consumer Confidence Report.

Board Administration: Agenda preparation, staff reports, minutes preparation, Public Official ethics, harassment, financial interest compliance, tracking & reporting.

D. Finance

The finance department consists of a Finance Manager and one full-time Accounting Specialist or Senior for a total of two employees in the department.

Responsibilities of this group include accounting and finance, budgeting & forecasting, and overlap in the areas of risk management, regulatory compliance, project administration, and customer service.

Accounting and finance: Accounts receivable, accounts payable, payroll, general ledger, financial statements, collections, audits, inventory, actuarial, monthly/annual/periodic/management reports & analysis, rates, budgets & forecasts.

Office Services: Correspondence, purchase orders, file maintenance/archiving, and meeting/travel coordination.

Risk Management: Contracts and Insurance.

Compliance: Department of Water Resource Reporting, Urban Water Management Plan, Prop 218 Notices, Sanitation Reports, OSHA, and FEMA.

Project Administration: Request for Proposals writing & advertising, contract/agreement writing & review, contract compliance monitoring, and file management.

Public Information: Provide input on the financial aspects of public notices, newsletters, news releases, and annual Consumer Confidence Report.

E. Operations & Maintenance

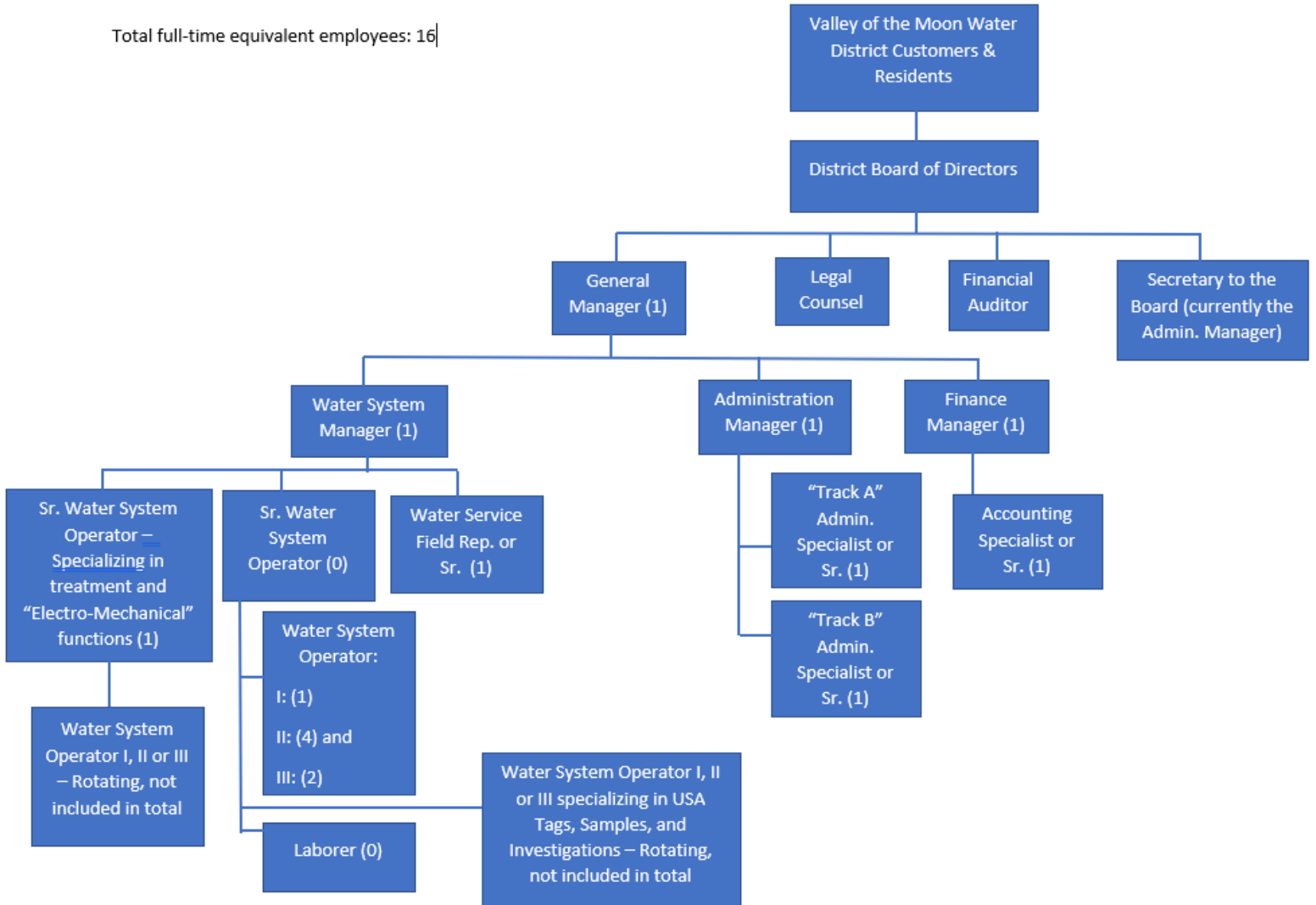
The Operations and Maintenance Department consists of a Water System Manager, eight Water Distribution/Treatment System Operators, and one Field Services Representative.

The Water System Manager coordinates the operation and maintenance of a 24-hour water delivery system; plans, assigns, and directs personnel involved; trains employees in operations, procedures, and safety equipment; sets up and modifies the operating and preventive maintenance schedules; prepares requisitions for stock and material for operations and maintenance of plant and pipeline and in-house projects; participates in annual inventory; responds to, investigates, and resolves inquiries and complaints from public about water usage.

The primary responsibility of this department is to assure the uninterrupted delivery of water by locating and fixing leaks, flushing lines, repairing mains, operating wells, and replacing aging infrastructure. The department also monitors water quality, inspects construction projects in progress, performs preventive maintenance and repairs of all water system facilities, and performs building and ground maintenance of District facilities.

F. Organization Chart

Total full-time equivalent employees: 16



III. Operations & Maintenance Budget

A. Operations & Maintenance Budget Description

The total revenue for FY 2026-2027 is projected to be \$10,377,949 including \$262,521 in estimated interest earnings. The total O&M expenses are projected to be \$7,938,939. This represents a 9% increase over FY 2025-2026 budget (32% over year-end-actual estimates). Total revenue less Operations & Maintenance (O&M) expenses is projected to be \$2,439,011 all of which will be transferred to the capital improvement plan (CIP). The remainder of the O&M allocation to CIP (\$2,065,069) will be funded by the “undesigned” reserve, saved for this year’s CIP in past fiscal years, and will be supplemented by a transfer of capacity fees in the amount of \$389,376.

The District is currently projecting a small surplus by the end of the fiscal year, in the amount of \$48,984.

The operating revenue (water rates and service charge) for FY 2026-2027 is projected to be \$10,036,773. This is an increase of \$956,268 from the FY 2025-2026 year-end estimated operating revenue and represents a 7% rate increase and no additional rebound in water sales following the drought. The operating revenue projection is also based on the 2022 Rate Study carried out by NBS, and inclusive of the rate passthrough from FY 2023-2024 as a result of the larger than anticipated wholesale rate increase from Sonoma Water.

The net position of the O&M Budget at the end of FY 2026-2027 is anticipated to be \$(2,065,069) (negative) which will be covered by the “undesigned” reserves if realized.

B. 2026-2027 Operations & Maintenance Budget Display

Valley of the Moon Water District Proposed Budget FY 2026-2027	Approved Budget	Estimated Year End Actual	Proposed Budget			Forecasting Notes & Significant Changes for 2026-2027
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	
Revenues						
Interest Income	\$ 224,858	\$ 283,529	\$ 262,521	17%	-7%	
Gain on Sale of Assets	-	-	-	0%	0%	
Operating Revenue	9,682,951	9,080,506	10,036,773	4%	11%	
Backflow Testing Revenue	51,596	\$ 61,965	52,628			
Customer Penalties & Fees	23,640	\$ 69,328	23,640	0%	-66%	
Misc. Income	12,000	\$ 65,956	12,000	0%	-82%	
Leak Adjustments	(9,613)	\$ (11,049)	(9,613)	0%	-13%	
Total Revenue	9,985,432	9,550,235	10,377,949	4%	9%	
Expenses						
Salaries:						
O&M - Operating Wages	1,167,868	1,091,197	1,203,925	3%	10%	
Stand-By	35,354	34,423	35,354	0%	3%	

Valley of the Moon Water District Proposed Budget FY 2026-2027	Approved Budget	Estimated Year End Actual	Proposed Budget			Forecasting Notes & Significant Changes for 2026-2027
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	

Net O&M Operating Wages	1,203,222	1,125,619	1,239,279			
Administration	834,827	818,809	967,897	16%	18%	
Total Salaries	2,038,048	1,944,429	2,207,177	8%	14%	
Weighted Wages Transferred to Capital Projects	(509,512)	(486,107)	(551,794)	8%	14%	
Net Operating Wages	1,528,536	1,458,322	1,655,383	8%	14%	<i>Net Wages used to calculate Net Position</i>
Benefits:						
O&M - Operating & Maintenance	260,745	258,607	282,459	8%	9%	Based on actual employee enrollment
Administration	140,000	139,373	178,473	27%	28%	Based on actual employee enrollment
Retirees	69,268	69,181	70,479	2%	2%	Based on active retiree health plans
Total Benefits	470,013	467,161	531,411	13%	14%	
Mandatory Costs						
Workers Comp:						
Operating & Maintenance	41,875	51,625	43,216	3%	-16%	Confirmed rate with ACWA/JPIA
Acct/Administration	6,234	8,035	7,095	14%	-12%	Confirmed rate with ACWA/JPIA

Valley of the Moon Water District Proposed Budget FY 2026-2027	Approved Budget	Estimated Year End Actual	Proposed Budget			
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	Forecasting Notes & Significant Changes for 2026-2027

FICA/Medicare:		-				
Operating & Maintenance	91,128	85,809	93,887	3%	9%	Proportionate to salaries.
Administration	59,563	53,800	67,209	13%	25%	Proportionate to salaries.
District Portion/Retirement:		-				
Operating & Maintenance	102,581	99,525	105,440	3%	6%	Proportionate to salaries.
Administration	89,748	87,475	100,516	12%	15%	Proportionate to salaries.
CalPERS Accrued Liability	311,936	311,177	342,323	10%	10%	The District will save 3% by prepaying a lump sum in July 2026.
Total Mandatory Costs	703,064	697,446	759,686			
Travel & Training						
Operating & Maintenance	14,192	9,336	29,933	111%	221%	Includes Mandatory Programs and Trainings
Administration	8,735	8,345	12,750	46%	53%	Includes ACWA Conference
Total Travel & Training	22,927	17,681	42,683			
Board of Directors:						
Meeting Compensation	19,440	16,725	19,572	1%	17%	Includes COLA
Travel & Training	3,704	4,697	4,587	24%	-2%	Includes ACWA Conference
Total Board Expenses	23,144	21,423	24,159			

Valley of the Moon Water District Proposed Budget FY 2026-2027						
	Approved Budget	Estimated Year End Actual	Proposed Budget			
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	Forecasting Notes & Significant Changes for 2026-2027

Purchased Water						
Purchased Water	2,826,468	1,587,828	3,228,684	14%	103%	
GSA Fee	21,422	17,873	21,958	3%	23%	Sonoma Valley Groundwater Sustainability Agency (Estimated Fee)
Total Purchased Water	2,847,890	1,605,701	3,250,642	14%	102%	
Services & Supplies						
Safety & Clothing Allowance	16,398	12,391	16,366	0%	32%	
Vehicle Maintenance	17,130	27,717	21,709	27%	-22%	
Election Costs	-	-	32,800			
Employee Relations	5,823	4,635	6,171	6%	33%	
Legal Fees	82,031	93,557	92,250	12%	-1%	
SDC Expenses	82,160	62,996	82,000	0%	30%	Includes Legal expenses for SDC.
HR Expenses	77,025	67,002	15,375	-80%	-77%	Includes Legal expenses for HR
Engineering General Support	2,708	-	2,770	2%	0%	
Advertising	1,027	903	1,051	2%	16%	
Outside Services	79,148	59,851	86,689	10%	45%	
Outside Services BackFlow	51,596	50,841	52,628			This account offsets the backflow testing revenue account

Valley of the Moon Water District Proposed Budget FY 2026-2027	Approved Budget	Estimated Year End Actual	Proposed Budget			Forecasting Notes & Significant Changes for 2026-2027
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	
Annual Audit	22,270	21,107	22,227	0%	5%	
Bad Debts/Collections	17,479	18,252	17,881	2%	-2%	
Building MTNC.	44,157	57,481	53,260	21%	-7%	
Dues and Subscriptions	29,504	33,024	29,447	0%	-11%	
Equipment						
MTNC./Repairs	25,023	49,865	48,125	92%	-3%	
Fees (County/State)	74,963	93,163	76,687	2%	-18%	
Fuel	31,717	36,748	35,756	13%	-3%	
Bank Charges	14,397	16,577	16,952	18%	2%	
Liability Ins. (Incl. Losses)	109,135	120,940	143,479	31%	19%	
Postage	26,600	24,795	26,600	0%	7%	
Public Information	16,268	7,004	21,736	34%	210%	Prop 218; Cross Connections Outreach
Service Contracts	94,780	103,548	99,020	4%	-4%	
Office Supplies	16,951	23,717	15,845	-7%	-33%	
Telephone-Internet	21,681	21,543	23,853	10%	11%	
Small Tools & Equipment	30,932	25,100	21,279	-31%	-15%	
Trash Disposal	7,222	7,012	7,402	2%	6%	
Utilities - PG&E	199,244	208,820	213,191	7%	2%	
Professional Services	200,187	172,057	130,559	-35%	-24%	Includes AWSDA, ERP, Rate & Fee Study.

Valley of the Moon Water District Proposed Budget FY 2026-2027						
	Approved Budget	Estimated Year End Actual	Proposed Budget			
	2025-2026	2025-2026	2026-2027	% change from previous budget	% change from estimated year end actual	Forecasting Notes & Significant Changes for 2026-2027
Water Testing	46,925	71,775	68,449	46%	-5%	
Water Main Maintenance	38,831	30,001	39,710	2%	32%	Budgeted on average.
Service Line Maintenance	11,255	11,373	11,514	2%	1%	Budgeted on average.
Hydrant Repairs	2,054	1,324	2,101	2%	59%	Budgeted on average.
Misc. System Maintenance	5,674	9,831	5,805	2%	-41%	Budgeted on average.
Wells Maintenance	39,446	59,012	52,489	33%	-11%	
Pump Maintenance	28,360	24,852	12,417	-56%	-50%	Budgeted on average.
Storage Tank Maintenance	63,674	58,208	33,825	-47%	-42%	Budgeted on average.
Water Conservation Program	74,166	67,527	32,390	-56%	-52%	
Equipment Replacement	3,047	2,253	3,169	4%	41%	
Total Services & Supplies	1,710,987	1,756,802	1,674,975	-2%	-5%	
Total Expenses	7,306,562	6,024,537	7,938,939	9%	32%	
Revenues Less Expenses	2,678,870	3,525,698	2,439,011	-9%	-31%	
O&M Allocation to CIP	(2,069,401)	(1,227,019)	(4,504,080)			
Net Position	609,469	2,298,679	(2,065,069)			

IV. Account Descriptions:

Purchased Water: Water purchased from the Sonoma County Water Agency and leased wells.

GSA Fee: Sonoma Valley Groundwater Sustainability Agency groundwater extraction fees for District wells within the GSA boundary.

Safety & Clothing Allowance: Personal protection and safety equipment, and personnel clothing allowance.

Vehicle Maintenance: All repair and maintenance costs to District vehicles, including SMOG tests and certification, tire repair/replacement, and lube and oil changes, as necessary.

Election Costs: Costs incurred by the District for the election of Directors.

Employee Relations: Expenses related to improving employee relations and team building.

Legal Fees: Attorney fees for service.

SDC Expense: Expenses related to the District's involvement of the water supply and distribution system redevelopment at the former Sonoma Developmental Center (SDC)

HR Expense: Human resources expenses which are sensitive in nature.

Engineering General Support: Includes updates to hydraulic modeling and non-CIP specific services.

Advertising: Public hearings, meetings, legal notices, employment openings.

Outside Services: Alarm monitoring, answering service, billing service, janitorial, landscaping, tree trimming, pest control services, annual weed abatement at District-owned properties, and Underground Service Alert services.

Outside Services Backflow: Backflow prevention device testing district wide. The Backflow Testing Revenue account offsets this account.

Annual Audit: Annual financial statement audit and periodic consultation with the District auditor.

Bad Debts/Collections: All uncollectible closed customer accounts that are sent for collection. If collection is made, an entry is made to offset the amount.

Building Maintenance: Maintenance and repairs to District-owned facilities.

Leak Adjustments: District leak adjustment policy.

Dues and Subscriptions: Water-related association and organization memberships.

Equipment Maintenance & Repairs: All maintenance to equipment other than vehicles and buildings.

Fees (County/State): Any work done by the Drinking Water Program is charged to the District at an hourly rate. Also includes Hazardous Materials Program fees assessed by the Sonoma County Emergency Services, LAFCO annual fees, annual sewer fees, and miscellaneous permits.

Fuel: Fuel for District vehicles including backhoes and various pieces of equipment.

Bank Charges: Fees for direct deposit, stop payments, and wire transfers.

Liability Insurance: Insurance for District-owned facilities, including all buildings and structures, and covers liability claims relating to District operations.

Postage: Postage for District correspondence and customer billing.

Public Information: Materials and services including Proposition 218 notification, annual water quality report, and billing inserts.

Service Contracts: Maintenance for handheld meter reader devices, copier and printer equipment, computer system software, maintenance, and updates.

Office Supplies: All supplies required for the operation of the District.

Telephone-Internet: All telephone charges including cellular phones, data, and internet.

Small Tools & Equipment: Small tools, new and replacement.

Trash Disposal: Weekly garbage pick-up and disposal.

Utilities – PG&E: Gas and electricity for office, corporation building, pumps, and booster stations.

Professional Services: All non-engineering professional services, including but not limited to the Urban Water Management Plan required every five years, rate studies, etc.

Water Testing: Water is tested from various locations throughout the District weekly. There are additional tests required periodically throughout the year.

Water Main Maintenance: Materials used in the repair and maintenance of main lines.

Service Line Maintenance: Materials used in the repair of service lines connecting mains to customer meters.

Misc. System Expenses: Includes materials other than to repair water mains and service lines.

Wells Maintenance: Materials used in the repair and maintenance of wells.

Pump Maintenance: Materials used in the repairs and maintenance of pumping equipment.

Storage Tank Maintenance: Materials used in the repairs and maintenance of storage tanks.

Water Conservation Program: Water-conserving devices, educational programs, and compliance with the Best Management Practices (BMP).

Interest Expense: Interest for loans.

Equipment Replacement: Fixed assets \$5,000 and under.

V. Capital Improvement Plan

A. Capital Improvement Plan Description

The District's five-year Capital Improvement Plan (CIP) is updated annually. The updated CIP covers fiscal years 2026-2027 through 2030-2031. The basis for the plan is "The Water Master Plan and Capital Improvement Plan Update" by EKI, February 2025, the "Energy Evaluation and Prioritized Pump Replacement Plan" prepared by STEA, February 2024, the "Draft Seismic Vulnerability Assessment" prepared by InfraTerra, February 2026, and capital projects and purchases known to be a priority at the time of the creation of this budget.

Resolution No. 260602 authorizes the budget for the first year of CIP (FY 2026-2027) for \$6,494,875 of which \$1,601,419 is rollover funded by FY 2025-2026 (or an earlier fiscal year) and \$4,893,456 is new CIP. The largest project contributing to the high level of rollover funding is the Altimira Fire Flow project. This project is in the final stage of design and will be put out to bid as soon as possible. The projected CIP needs for fiscal years 2027-2028 through 2030-2031 have been reviewed by the Board and are considered best estimates at this time.

Significant projects in the CIP for FY 2026-2027 include:

- The Altimira Fire Flow Project
- The AMI Replacement Pilot
- The Replacement of the older Vactor Truck
- The Lomita Ave. Fire Flow Improvement Project; and
- Design work for PFAS treatment systems at four of the District's well sites

B. 2026-2027 Capital Improvement Plan Display

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
Facilities and Maintenance Projects					-				
CIP-3014	Craig Well Tow-Behind Generator	This generator will be necessary to maintain consistent system performance during PSPSs and emergencies.	-	-	-	-	83,264	-	-
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	59,495	61,060	62,666	64,314
CIP-6001	New Services	Customer pays 100%.	-	-	-	-	-	-	-
CIP-6004	All Service Replacements	All service replacements combined.	-	59,000	59,000	59,000	59,000	59,000	59,000
CIP-8100	Valve Replacement Program	Valve replacement for system reliability and control.	-	59,000	59,000	59,000	59,000	59,000	59,000

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
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.	107,447	300,000	407,447	1,081,731	832,635	854,533	877,008
CIP-TBD	Seismic Vulnerability Assessment Investigation	Additional Investigation from the 2026 Seismic Vulnerability Assessment to determine the final scope of specific projects. District to pay 100% of the assessment. District will seek FEMA grant funds for resulting projects.	-	-	-	54,087	-	-	-

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
TBD	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	-	-	-	-
TBD	Small Dump Truck Replacement	Move to Diesel	-	-	-	81,130	-	-	-
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)	20,540	52,701	73,241	-	-	-	-
CIP-2991	GPS Facilities	Finish GPSing the meters and valves. Assumes \$50 per location.	-	41,324	41,324	40,000	-	-	-

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
TBD	Electric Forklift	6,000 LB capacity with pneumatic tires	-	-	-	-	-	76,338	-
CIP-3060	SDC Evaluation	Evaluate water treatment plant and transmission systems for needed upgrades and provide OPC for construction.	308,100	-	308,100	-	-	-	-
P-29	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	-	121,211	121,211	539,062	-	-	-

		Sunnyside Avenue to create new pressure zone 1G in the Agua Caliente Knolls area.							
Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
TBD	Temelec Tank Road	Grade and pave tank road and repave tank rings	-	126,481	126,481	-	-	-	-
TBD	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	-	-	-	-
TBD	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	-	36,890	36,890	-	-	-	-

		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.							
Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
TBD	Replace Generac 30kw genset at Chestnut and Electrical Upgrades	This genset is unreliable and a more robust model would protect against power outages. Reaplace old components (10k)	-	52,701	52,701	-	-	-	-
TBD	Placeholder	vehicles/equipment etc.	-	-	-	270,433	277,545	284,844	292,336
Total Facilities and Maintenance Projects			436,087	1,305,694	1,741,781	2,243,937	1,372,503	1,396,382	1,351,657

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
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 Altamira 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.	1,124,021	3,129,900	4,253,921	-	-	-	-

		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.							
Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
CIP-3023	WMP: P-8. Upper Sobre Vista Fire Flow Improvement	Replace existing 6-inch PVC and HDPE water mains with new 8-inch PVC water mains, and replace two existing fire hydrants.	-	-	-	162,260	865,940	-	-
P-17 (2)	Eldridge Fire Flow Improvement	Replace existing 4-inch ACP water mains with new 8-inch PVC water mains, replace 49 existing service connections, and replace three existing fire hydrants in the Eldridge area. Abandon the 4-inch ACP water main on Madrone Avenue	-	-	-	-	456,284	1,170,597	1,201,383

		and reconnect services to existing 8-inch water main. This project has been identified as high priority due to the condition of the ACP water mains in this zone.							
Project #	Project	Improvement Description	CIP Roll Over 2025/26	Proposed CIP 2026/27	Total CIP Budget 2026/27	2 2027/28	3 2028/29	4 2029/30	5 2030/31
CIP-3020	WMP: P-4. Warm Springs Road Fire Flow Improvement	Replace existing 6-inch PVC, ACP, and DIP water mains with new 8-inch and 10-inch PVC water mains, replace 47 existing service connections, and replace four existing fire hydrants.	-	-	-	-	-	-	608,176
TBD	Richards - Steel Pipe	Replace or abandon steel pipe.	-	-	-	59,000	-	-	-
TBD	Carmel - Steel Pipe	Replace or abandon steel pipe.	-	-	-	-	59,000	-	-

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
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.	41,312	247,060	288,372	-	-	-	-
TBD	Seismic Vulnerability Main Line replacement Placeholder	Will be prioritized based on Seismic Vulnerability Assessment and assuming 25% local match.	-	-	-	-	333,054	341,813	350,803
Total Pipeline Projects			1,165,333	3,376,960	4,542,293	221,260	1,714,278	1,512,410	2,160,362

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
Wells, Pumping, & Supply									
P-5B (1)	Chestnut BPS Upgrades Projects	Replace existing Chestnut BPS with two (2) 100-gpm domestic pumps and one (1) 1,000 gpm fire pump at 60 ft total dynamic head (TDH).	-	-	-	-	541,546	-	123,582
TBD	Recommended in Energy Eval report 2024 - Agua Caliente well pump replacement	Replace well pump with high efficiency, add VFD, video well, replace column pipe & add sounding tube. Evaluate booster pumps (possibly replace) add VFD to booster pumps slow close checks on booster system and add battery wall.	-	-	-	167,019	-	-	-

Project #	Project	Improvement Description	CIP Roll Over 2025/26	Proposed CIP 2026/27	Total CIP Budget 2026/27	2 2027/28	3 2028/29	4 2029/30	5 2030/31
TBD	Replacement of Donald Well	Replace aging well with new ASR capable on same property.	-	-	-	-	277,545	-	85,460
TBD	Agua Caliente Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
TBD	Craig Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
TBD	Larbre Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-
TBD	Pedroncelli Well PFAS Treatment	Design and build treatment system for the removal of PFAS & re-permit the well	-	52,701	52,701	216,346	-	-	-

Project #	Project	Improvement Description	CIP Roll Over	Proposed CIP	Total CIP Budget	2	3	4	5
			2025/26	2026/27	2026/27	2027/28	2028/29	2029/30	2030/31
Placeholder	Future pump replacements	This will result in further projects from the 2024 Energy Evaluation report.	-	-	-	21,635	22,204	22,788	23,387
Total Wells			-	210,802	210,802	1,054,038	841,294	22,788	232,429
Tanks									
TBD	Tank Cleaning & Inspection	All tanks	-	-	-	54,087	-	-	-
TBD	Donald Tank Recoating	Recoating	-	-	-	-	-	569,689	-
Total Tanks			-	-	-	54,087	-	569,689	-
		Total	FY 25-26	FY 26-27	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
		Total Water System Improvements:	\$1,601,419	\$4,893,456	\$6,494,875	\$3,573,321	\$3,928,076	\$3,501,268	\$3,744,449

VI. Board Designated Reserves and Forecasted Funds available for the Capital Improvement Plan

Valley of the Moon Water District	Forecasted Reserves					
	Estimated Year End Actual	Proposed Budget	Forecast	Forecast	Forecast	Forecast
	25-26	26-27	27-28	28-29	29-30	30-31
Revenue:						
Beginning Enterprise Fund Balance	\$ 3,646,507	\$ 5,945,186	\$ 3,880,116	\$ 3,185,476	\$ 4,026,488	\$ 5,097,236
Annual CIP Allocation	1,227,019	4,504,080	3,168,370	3,506,927	3,063,273	3,288,934
Capacity Charges	374,400	389,376	404,951	421,149	437,995	455,515
FEMA Reimbursement			659,422			
Total	5,247,926	10,838,642	8,112,859	7,113,553	7,527,757	8,841,685
Less:						
Capital Improvement Projects	(1,601,419)	(4,893,456)	(3,573,321)	(3,928,076)	(3,501,268)	(3,744,449)
Transfer from Undesignated Reserves to O&M	2,298,679	(2,065,069)	(1,354,062)	841,012	1,070,748	(467,377)
Total Expenditures	697,260	(6,958,525)	(4,927,383)	(3,087,064)	(2,430,520)	(4,211,826)
Less Board Designated Reserves:						
Operations & Maintenance Reserve (3 Months Operations)	1,826,640	1,984,735	1,942,000	2,047,000	2,193,000	2,332,000
Rate Stabilization Reserve	806,913	836,398	790,000	840,000	900,000	950,000
CIP Reserve	980,000	1,010,000	1,070,000	1,120,000	1,170,000	1,230,000
Total Board Designated Reserves	3,613,553	3,831,132	3,802,000	4,007,000	4,263,000	4,512,000
Undesignated Reserves available for Capital Improvement Plan	\$ 2,331,633	\$ 48,984	\$ (616,524)	\$ 19,488	\$ 834,236	\$ 117,859

A. Annual Revenue from Water Use and Service Charges:

It is anticipated that the Board, through the annual budget process, will allocate funds each fiscal year to the Capital Improvement Plan (CIP) from revenues derived from water usage and service charges.

B. Other Sources of Funds:

Other capital improvement funds may be obtained from outside sources, such as Federal, State, or County grants, and/or loans. These funds can be budgeted only after such sources are “firmed up”. It is the policy of the District, that it will evaluate the use of loan funding, particularly for CIP projects, each year as part of its budget-making process.

Additional sources of funds include developer-funded projects. Often District water mains must be installed or upgraded as part of new development projects. These projects are not identified in the CIP as they are unknown at this time and are neutral in terms of income versus expense and result in contributed infrastructure. These projects are booked by the District at the project cost when completed and accepted then are reflected in the annual financial statement as “Contributions in Aid to Construction” and thereby become part of the District’s depreciable fixed assets.

Charges are also assessed at the time of connection for meters and service lines, fire hydrants, reduced pressure devices, and any other materials and features needed to be supplied by the District to accommodate the new connection. These charges compensate the District for actual cash outlays including associated labor and overhead. Income from these charges is not included in the budget but is booked at the time of receipt as “Contributions in Aid to Construction”.

VII. *Enabling Documents*

A. *RESOLUTION NO. 260601*

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY OF THE MOON WATER DISTRICT ADOPTING THE FISCAL YEAR 2026-2027 OPERATIONS AND MAINTENANCE BUDGET, BOARD DESIGNATED RESERVES AND DESIGNATING THE GENERAL MANAGER TO ACT AS TREASURER FOR THE DISTRICT

WHEREAS, the Valley of the Moon Water District (District) is required to adopt a final operations and maintenance (O&M) budget for the fiscal year 2026-2027; and

WHEREAS, In compliance with section 53607 of the Government Code, the General Manager will be considered the "Treasurer" of the District if so appointed by the Board of Directors annually.

WHEREAS, the Board of Directors of the District has created an ad hoc budget subcommittee and considered both a preliminary and final operations and maintenance budget; and

WHEREAS, the Board of Directors of the District set appropriate Board Designated Operating Reserve, Rate Stabilization Reserve, and Capital Reserve;

NOW, THEREFORE, BE IT RESOLVED that the final operations and maintenance budget packet in its entirety for fiscal year 2026-2027, Board Designated Operating Reserve, Rate Stabilization Reserve, and Capital Reserve levels made in accordance with the Reserve Policy are attached hereto and made a part hereof by reference and are hereby adopted and the General Manager is appointed as District Treasurer.

THIS RESOLUTION PASSED AND ADOPTED THIS 2ND DAY OF JUNE 2026, by the following votes:

Director Caniglia	_____	By _____
Director Bryant	_____	Board President
Director Foreman	_____	By _____
Director Yudin-Cowan	_____	Board Secretary
Director Williams	_____	

Ayes: _____ Noes: _____ Absent: _____ Abstain: _____

I HEREBY CERTIFY that the foregoing Resolution was duly adopted at a meeting of the Board of Directors of Valley of the Moon Water District, held on the 2nd day of June 2026, of which meeting all Directors were duly notified and at which meeting a quorum was present at all times and acting.

By _____
Board Secretary

B. RESOLUTION NO. 260602

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY OF THE MOON WATER DISTRICT ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2026-2027 THROUGH 2030-2031 AND APPROVING FUNDS FOR FISCAL YEAR 2026-2027 CAPITAL IMPROVEMENT PLAN BUDGET

WHEREAS, it is desirable for the Valley of the Moon Water District (District) to have a five-year capital improvement plan (CIP) to provide policy and procedural guidance for planning and accomplishing improvements to the District’s water system and capital equipment; and

WHEREAS, staff has prepared such a CIP for the fiscal years 2026-2027 through 2030-2031, and presented it to the Board of Directors, with recommendation to adopt the same.

NOW, THEREFORE, BE IT RESOLVED that the CIP for the fiscal years 2026-2027 through 2030-2031, attached hereto and made a part hereof by reference is hereby adopted.

BE IT FURTHER RESOLVED THAT funding for fiscal year 2026-2027 CIP budget is hereby approved.

THIS RESOLUTION PASSED AND ADOPTED THIS 2ND DAY OF JUNE 2026, by the following votes:

Director Caniglia	_____	By _____
Director Bryant	_____	Board President
Director Foreman	_____	By _____
Director Yudin-Cowan	_____	Board Secretary
Director Williams	_____	

Ayes: Noes: Absent: Abstain: _____

I HEREBY CERTIFY that the foregoing Resolution was duly adopted at a meeting of the Board of Directors of Valley of the Moon Water District, held on the 2nd day of June 2026, of which meeting all Directors were duly notified and at which meeting a quorum was present at all times and acting.

By _____
Board Secretary

VIII. Exhibits:

A. Exhibit A: “2026-2027 Strategic Plan: Goals and Objectives Update”



Valley of the Moon Water District

2026-2027 Strategic Plan: Goals and Objectives Update

Valley of the Moon Water District

A Public Agency Established in 1962

19039 Bay Street · P.O. Box 280

El Verano, CA 95433-0280

Phone: (707) 996-1037

customerservice@vomwd.org

Board of Directors

Steve Caniglia – President

Gary Bryant – Vice-President

Jon Foreman

Colleen Yudin-Cowan

David Williams

Officers

Matt Fullner – General Manager

Amanda Hudson – Secretary to the Board

Burke, Williams & Sorensen LLP – District Counsel

Contents

Issues of Concern	2
1 — Existential / System Reliability Risks	2
2 — Structural Water Supply and Financial Pressures.....	4
3 — Operational Capacity and Adaptive Readiness	4
4 — Community Trust, Governance, and Transparency.....	4
Context on Issues of Concern:	5
Strategic Goals and Objectives	6
Goal 1: Financial Sustainability and Rate Stability	7
Goal 2: Water Main Replacement and Distribution System Renewal.....	8
Goal 3: Local Water Supply and Emergency Self-Sufficiency	9
Goal 4: Seismic Resilience of the Water System	10
Goal 5: Organizational Capacity and Workforce Readiness	11
Goal 6: Fire Flow Capacity and Public Safety Improvements	12
Summary of Findings:.....	13

Issues of Concern

Current and emerging issues facing the District help shape the direction of our strategic planning and overall goals as a community water system. By identifying key challenges and developing a plan for overcoming them, the District will be well-positioned for continued, reliable service for future generations. Some of the key challenges currently facing the District include:

1 — Existential / System Reliability Risks

A. Aging, Undersized, and Seismically Vulnerable Distribution Infrastructure

A significant portion of the District’s nearly 100 miles of water main was installed during a concentrated construction period in the 1960s–1970s and is approaching or exceeding its expected useful life. The District has averaged less than 0.5 miles of main replacement per year, well below the approximately 1 mile per year needed to stay ahead of the age-out curve.

Compounding this issue, many older mains are undersized relative to modern fire-flow requirements, limiting firefighting capability and public safety in portions of the service area. The 2026 Seismic Vulnerability Assessment has further identified distribution, production, pumping, and storage infrastructure at elevated risk of failure during a major earthquake. It also identified

critical “backbone infrastructure” that will be the District’s highest priority to keep operational following a major seismic event.

The convergence of pipe age, insufficient diameter for fire flow, and seismic vulnerability significantly increases the likelihood of system failures, extended outages, and emergency repairs unless proactively addressed through a sustained, prioritized replacement program.

B. Loss of the SDC Water Treatment Plant and Reduced Local Supply Redundancy

The loss of the SDC Water Treatment Plant eliminated the District’s only large-scale local water supply facility and substantially reduced its ability to operate independently during emergencies involving partial or total loss of wholesale supply from Sonoma Water. This has materially weakened the District’s overall water supply resilience and emergency response capability.

While redevelopment of the SDC site may eventually allow for reactivation of supply capacity, the timing, configuration, and certainty of that outcome remain outside the District’s control. Until that local capacity is restored, the District remains more vulnerable to prolonged outages caused by seismic events, power disruptions, or aqueduct failures.

C. Need for a Multi-Benefit Capital Prioritization Framework

Given the scale of infrastructure needs and finite financial resources, the District faces a growing challenge in determining where limited capital dollars yield the greatest reduction in system risk.

Going forward, capital planning must increasingly prioritize projects that:

- Replace aging or failure-prone infrastructure, and
- Upsize mains to meet modern fire-flow standards, and/or
- Address identified seismic vulnerabilities, and/or
- Improve hydraulic reliability for emergency operations and system redundancy.

Without a deliberate multi-benefit prioritization framework, the District risks incremental progress that does not materially improve overall system resilience, while increasing long-term costs and exposure to emergency failures.

D. Seismic Resilience of Critical Facilities and Emergency Fire-Flow Performance

The District operates in a seismically active region and relies on tanks, pump stations, wells, and key transmission mains that may not perform adequately during a major earthquake. Failures at these facilities could impair both potable water delivery and firefighting capability at the time they are most critical.

Ensuring that critical facilities, fire-flow-relevant distribution corridors, and emergency supply assets are seismically hardened is essential to protecting life, property, and post-event recovery. The District must translate seismic study findings into a phased, fundable resilience program that meaningfully reduces risk while remaining financially sustainable.

2 — Structural Water Supply and Financial Pressures

A. Dependence on External Water Supplies and Cost of ASR Source Water

The District’s strategy to improve local water supply resilience increasingly relies on Aquifer Storage and Recovery (ASR) as a near- to mid-term solution while local treatment capacity remains unavailable. However, the long-term viability of ASR depends not only on physical infrastructure but also on the availability, reliability, and cost of source water for injection, particularly during wet-year conditions.

Future conditions, including wholesale water pricing, regulatory constraints, climate variability, and competition for surplus water, may materially affect the cost and feasibility of operating ASR at scale. Without careful planning and engagement with the Sonoma Valley Groundwater Sustainability Agency (GSA), ASR could introduce new financial pressures even as it improves supply resilience. This creates a need to more clearly understand and manage the cost structure and operating assumptions associated with ASR as part of the District’s long-term water supply strategy.

B. Long-Term Funding Gap for Integrated Infrastructure and Resilience Investments

Achieving a sustained rate of approximately one mile of main replacement per year, while simultaneously addressing fire-flow deficiencies, seismic hardening, and water supply resilience, represents a significant increase in annual capital investment.

While grants and low-interest financing may support discrete projects (including those outlined in the Seismic Vulnerability Assessment), much of the District’s core distribution system work will continue to rely on local funding. Balancing infrastructure reinvestment, rate stability, affordability, and Proposition 218 compliance remains a central strategic challenge.

3 — Operational Capacity and Adaptive Readiness

A. Delivering a More Complex and Accelerated Capital Program

An integrated program that replaces aging infrastructure, upsizes mains for fire flow, incorporates seismic resilience, and expands local supply assets will increase demands on planning, design, construction management, grant administration, and internal coordination.

Ensuring the District has sufficient organizational capacity, through staffing, consultant support, and systems, to deliver this expanded program without degrading day-to-day operations is an emerging concern.

4 — Community Trust, Governance, and Transparency

A. Public Understanding of Infrastructure, Fire-Flow, and Water Supply Tradeoffs

Accelerated infrastructure replacement, seismic upgrades, and water supply investments will increase construction activity, visibility of costs, and potential rate impacts. Clear communication will be essential to help customers understand that these investments are directly tied to fire

protection, seismic safety, emergency preparedness, and long-term reliability, rather than discretionary upgrades.

Context on Issues of Concern:

- Following the 2015 court ruling on tiered water rates in San Juan Capistrano, which found that water rates were unconstitutional if they did not reflect the actual cost of providing water service under Proposition 218, many water utilities, including the District, performed an overhaul of their rates and tier structures. Many of the District's costs are related to state-mandated water conservation and capital projects that are needed to meet peak demand and fire flow. The majority of the District's customers have dramatically reduced their water demand over the past several years, yet as a result of the ongoing need to ensure peak water demand and fire flow, coupled with rapidly increasing costs of wholesale water and energy, unprecedented inflation in the early 2020s, and decline in overall revenue due to a reduction in water sales following two major droughts and the resultant "demand hardening", that same group of customers has seen their water bills remain static or even increase. In order to address this issue, the Board of Directors wishes to explore ways to reallocate expenses among the tiered rates, including the possible addition of a tier based on needed CIP for high-demand users, mandated water conservation, or both. In spite of the foregoing, the District has a strong desire to keep rates stable (i.e., regular, small rate increases each year), and an additional tier in the rate structure, based on those costs, could be a way to achieve that goal.
- The SDC treatment plant (or a package plant at the same site) may be able to be brought back online once redevelopment starts on the 180-acre core campus. The District is assumed to be the water purveyor for the site and has been working diligently for years to understand the water system, from surface water diversions to distribution. It is possible that redevelopment could begin as soon as one and a half years from now, but it could also be delayed depending on local politics and citizens against development in the area. As a result of possible delays, other water sources (groundwater wells) will be evaluated as part of the District's goal to increase readiness for a water outage from Sonoma Water.
- The District is a JPA member of the Sonoma Valley Groundwater Sustainability Agency (GSA) and has a good working relationship with the GSA staff and Board. The District developed and provided a white paper to the GSA emphasizing conservation and metering above more expensive infrastructure as a means to reach sustainability more efficiently. At the same time, the District was awarded a grant to study and construct two ASR wells. The wells are now complete and ASR-capable, pending final permitting. The District hopes to use these wells to store wintertime water locally, for use later in the year, offsetting demand from the wholesaler when water availability could be restricted (in drought conditions). It would also strategically leave a pre-determined percentage of the water behind in the aquifer on each injection and recovery cycle for the overall benefit of the aquifer, and the District would like the GSA to be a financial partner in this effort.

- Regarding infrastructure, the District needs to become much more aggressive on water main replacement. The District owns nearly 100 miles of water main, and water main has about a 100-year lifespan. So the District needs to average about a mile of main replacement per year to stay ahead of the expected useful life of the mains it operates. Over the past decade, the District has averaged less than half a mile of main replacement per year. A compounding factor is that the District installed a large percentage of the existing infrastructure (about 50%) within the decade or so period following its formation in 1962. There is, therefore, a large amount of pipe that will age out at nearly the same time in the 2060s and 70s.
- In 2021 and 2022, the District carried out two staffing studies. The first focused on office and management staff and resulted in splitting the finance and administration manager into two positions, one Finance Manager and one Administration Manager, as well as the creation of a “Track B” Administrative Specialist, for a total of two additional office staff, and both were filled. This was in response to the increased load of government reporting, regulatory compliance, etc., that had led to a work overload in the office. The second focused on field staff and resulted in the theoretical creation of a laborer position (not filled), as well as increasing the number of operators back to the number the District had in the early 2010s. This was intended to help conduct certain in-house capital projects (which helps keep costs down), as well as provide a larger pool of qualified personnel to respond in emergencies, which increases system reliability. This has resulted in one additional operator being hired. The new staffing structure, combined with good pay and benefits for District employees, has worked very well, resulting in less turnover, higher quality of service for our customers, better emergency response, the ability to apply for and manage grants, and the ability to respond to the regulatory environment in a timely and proactive manner. This is all being done with about one less FTE than would typically be expected for a system with the number of connections that VOMWD has, according to AWWA Benchmarking statistics. This is all the more impressive when one considers the fact that VOMWD’s system is more complex and has more miles of main in operation than the average system with the same number of connections. That said, with the administration of the District’s first major grant now complete, it is becoming clear that the new, more scalable office staffing structure may need to increase if further grants and similar efforts are taken on.

Strategic Goals and Objectives

In order to address the Issues of Concern, the following Strategic Goals have been developed and discussed at some depth during a Board Strategic Planning Workshop. These goals are in alignment with the District’s Mission Statement and are designed to ensure that the District will have the ability to carry out its mission for future generations.

1. Financial Sustainability and Rate Stability
2. Water Main Replacement and Distribution System Renewal
3. Local Water Supply and Emergency Self-Sufficiency
4. Seismic Resilience of the Water System

5. Organizational Capacity and Workforce Readiness
6. Fire Flow Capacity and Public Safety Improvements

Goal 1: Financial Sustainability and Rate Stability

Maintaining financial stability is fundamental to ensuring that the District can continue to meet its obligations and provide reliable service to its customers. This goal aims to balance the need for fair and equitable rates with the pressures of rising operational costs, such as increasing wholesale water prices, energy costs, and inflation. The District will explore the implementation of a rate structure that minimizes the financial burden on low and moderate-water users while addressing these escalating costs. Seeking external funding opportunities, such as state or federal grants, will be key to supporting capital projects, particularly those that focus on infrastructure upgrades and sustainability.

Objective 1.1: Aggressively seek a multi-tier rate structure that places an emphasis on conservation and cost allocation to the appropriate water user in accordance with Prop 218 and related case law.

Objective 1.2: Actively seek state, federal, or regional funding opportunities (e.g., grants and low-interest loans) for capital projects, especially those related to infrastructure upgrades and sustainability initiatives.

Objective 1.3: Pursue innovative financial strategies, including investment and proactive management of pension unfunded accrued liability (UAL) to help stave off rate volatility in the future.

Status: The District is currently in year four of a five-year water rate plan implementation. The next rate plan will therefore need to begin in the upcoming fiscal year. The addition of a defensible multi-tier rate structure will be evaluated at that time. The District, with the assistance of its consultant EKI, successfully sought a \$3 million grant from DWR for the conversion of two wells to ASR. This is the first major grant awarded to the District, and it has been an excellent learning experience for staff.

Following the conclusion of the District's seismic vulnerability assessment, the District plans to use this knowledge and experience to seek federal grants to address shortcomings found to harden against seismic vulnerabilities. Additional staff may be needed to assist in the administration of these grants. Synergies will be sought to focus on areas of the water system that are both susceptible to seismic activity and are also in need of replacement due to fire flow requirements, age/condition, or both. However, since a large local match will be needed, and it is very likely that there will not be a 100% overlap of these needs, the District should plan to generate enough revenue to proactively replace water mains on a PAYGO basis. More expensive and rare projects, such as pump station and water tank replacement, will come about on a less regular basis. Low-interest loans, bonds, or grants should be sought in these scenarios.

Goal 2: Water Main Replacement and Distribution System Renewal

A strong, reliable infrastructure is essential for delivering consistent, high-quality water to our customers. This goal underscores the need to enhance the District’s physical assets and modernize aging systems. A key priority is accelerating the replacement of outdated water mains, with a target of replacing one mile per year. This effort will focus on the most vulnerable sections of the system that are at risk of failure.

Additionally, upgrading undersized infrastructure to meet modern fire flow and emergency response standards is crucial for ensuring public safety. The District has also recently updated its comprehensive Water Master Plan, and has commissioned a Seismic Vulnerability Study in order to gain the best possible understanding of its existing infrastructure and effectively prioritize replacements and upgrades.

The District is dedicated to the continued incorporation of advanced technologies (such as maintenance management system, or “MMS”, Automated Metering Infrastructure “AMI”, and Artificial Intelligence “AI”) into its Information Technology infrastructure to maximize efficiencies wherever possible.

Objective 2.1: Aggressively increase the rate of water main replacement to one mile per year, prioritizing sections of the system that are aging and at risk of failure.

Objective 2.2: Upgrade undersized infrastructure to meet modern fire flow and emergency response standards, especially for booster pump stations and key distribution mains.

Objective 2.3: Continue evaluating ways to harden remote structures (such as well houses, booster stations, and tank sites) against the threat of wildfire, extreme weather events, and seismic activity.

Objective 2.4: Maintain a comprehensive Water Master Plan (WMP) to prioritize maintenance and replacement activities, incorporating advanced technologies (MMS, AMI, AI, etc.) for monitoring the condition of infrastructure and maximizing efficiency.

Status: Some progress has been made in this area by the District, but there is still room for improvement. AMI and MMS systems are in place and in daily use by District staff, and important records have been digitized for the systems. In early 2025, the District completed an update to its 2019 WMP, focusing on the prioritized capital improvement list. Some key fire flow upgrades have been made in the system, most recently in Glen Ellen and Chestnut.

Furthermore, the District recently completed a Seismic Vulnerability Assessment, which was accompanied by a prioritized list of areas in need of seismic hardening. In spite of these strides in the right direction, however, water main replacement remains anemic, at less than half a mile on average per year. Also, staff has begun using AI where possible; however, it is anticipated that this

area will grow rapidly over the next several years, opening up new opportunities and efficiencies for the District.

Goal 3: Local Water Supply and Emergency Self-Sufficiency

The District has a long-term goal of having enough local water supply that it can last weeks (if not longer) without the normal supply of water from our wholesaler, Sonoma Water, or normal power supplied by PG&E. The success of this goal hinges on securing additional reliable, resilient, and ideally, sustainable water supplies for its customers, right here in the Sonoma Valley, and making sure each of those sources has a supply of backup power.

This goal focuses on enhancing the District's water supply through both infrastructure improvements and strategic initiatives. A key objective is exploring the re-establishment of the SDC Water Treatment Plant or a similar system, which would provide enough local water capacity to bridge short to mid-term emergencies involving the loss of our wholesale water. Bringing the SDC Water Treatment Plant back online will be a long-term process, but there has been movement on this front in the last several months. Therefore, the District is shifting priority away from groundwater wells in the near term, with the desired outcome becoming more focused on the SDC supply.

There is also approximately 5.5 million gallons of water storage capacity within the District, plus the water stored by Sonoma Water on the Sonoma Aqueduct. This immediate supply would be supplemented in a water outage from Sonoma Water's source by the District's seven (7) leased or owned wells in its service area. Out of the seven wells, five (5) have either permanent or portable backup power supply, meaning that two (2) do not. This deficit in backup power supply is a current weak point in the event of a sustained power and water outage.

Another significant strategy is the expansion of Aquifer Storage and Recovery (ASR) systems in collaboration with the Groundwater Sustainability Agency (GSA) and Sonoma Water, ensuring the District can store surplus water during wet periods for future use during droughts. The District now has the infrastructure needed to conduct ASR activities at one permitted source (Park Well) as well as Verano Well. Verano Well may be able to become a source for the District once again if several cycles of ASR are successful at that location.

Additionally, maintaining proactive water conservation efforts is essential to ensure long-term sustainability and reduce external water dependencies.

Objective 3.1: Continue pursuing opportunities to re-establish the SDC Water Treatment Plant to boost local water capacity for emergency situations as soon as possible.

Objective 3.2: Ensure that all new and existing sources of water have sufficient backup power to help bridge the gap during power outages or public safety power shutoffs (PSPSs) by securing at least two additional generators capable of powering well sites.

Objective 3.3: Implement and expand Aquifer Storage and Recovery (ASR) systems in collaboration with the Groundwater Sustainability Agency (GSA) and Sonoma Water, to store water during wet periods for future use during droughts.

Objective 3.4: Continue to engage in proactive water conservation programs to maintain long-term water availability and reduce customer dependency on external water sources through participation in organizations like CalWEP and SMSWP.

Status: The District is still in a precarious position with respect to water supply resiliency under certain circumstances, especially those involving the loss, or partial loss, of the wholesale water system operated by Sonoma Water. It has therefore, dedicated staff time and funds to communicating with the County, State, and likely Developer of the former SDC property, on the resurrection of the water sources on the site and has also initiated an assessment of the site's water infrastructure components in an effort to provide opinion of probable cost (OPC) figures to be used in the redevelopment of the site's water infrastructure. Furthermore, two District-owned wells have been outfitted for ASR, which can help ensure there is water available locally from them in an emergency. The District has also been very proactive in obtaining additional well sources and increasing the capacity of existing well sources in recent years. Making sure that all wells can be operated in a sustained power outage remains an outstanding objective.

Goal 4: Seismic Resilience of the Water System

The District operates in a seismically active region and relies on a complex network of distribution mains, wells, pump stations, storage tanks, and transmission corridors to deliver potable water and support emergency response. A major seismic event has the potential to cause widespread infrastructure damage, extended service outages, and a loss of firefighting capability at a time when water service is most critical to public safety and post-event recovery.

The District recently completed a Seismic Vulnerability Assessment, which identified critical facilities and distribution corridors most at risk during a major earthquake, as well as “backbone infrastructure” that will be essential to maintaining limited service and supporting emergency response following a seismic event. These findings provide the District with its first system-wide, data-driven framework for prioritizing seismic risk reduction.

This goal focuses on translating the results of that assessment into a phased, fundable program that meaningfully reduces seismic risk while remaining financially sustainable. Wherever possible, seismic resilience efforts will be integrated with water main replacement, fire-flow upgrades, and other capital investments in order to maximize risk reduction and avoid duplicative construction.

Objective 4.1: Use the findings of the Seismic Vulnerability Assessment to identify and prioritize critical facilities, transmission corridors, and distribution mains necessary to maintain limited water service and firefighting capability following a major seismic event.

Objective 4.2: Develop a phased seismic resilience program that focuses on the District’s highest-risk and highest-consequence assets, balancing risk reduction with financial feasibility and rate stability.

Objective 4.3: Integrate seismic hardening measures into planned capital projects, including water main replacement, fire-flow improvements, pump station upgrades, and storage facilities, wherever feasible.

Objective 4.4: Actively pursue state and federal grant funding and other external financing opportunities to support seismic resilience projects, recognizing that local funding alone may be insufficient to address system-wide vulnerabilities.

Status: The District completed its first comprehensive Seismic Vulnerability Assessment in 2026. The study identified critical assets and distribution corridors at elevated risk of failure during a major earthquake, along with recommended mitigation measures and relative prioritization.

Staff is currently reviewing the findings and integrating them into capital planning efforts, including water main replacement prioritization and facility upgrade planning. The District intends to use the assessment to pursue external funding opportunities for seismic resilience projects and to guide the sequencing of future capital improvements. Development of a formal, phased seismic resilience program will be an ongoing effort over the next several fiscal years.

Goal 5: Organizational Capacity and Workforce Readiness

In an ever-evolving regulatory environment, ensuring compliance with local, state, and federal guidelines is critical for the District’s operations. This goal emphasizes the importance of proactively adhering to increasingly complex regulatory requirements, such as those set by the California Air Resources Board (CARB), the Bay Area Air Quality Management District (BAAQMD), State Water Resources Control Board (SWRCB), and the U.S. Environmental Protection Agency (EPA).

To maintain compliance, the District has prioritized adequate resources for monitoring and reporting and will continue to evaluate these needs on an ongoing basis. Alongside this, organizational efficiency has been a focal point: the District has optimized staffing structures to ensure it can meet its regulatory obligations without overburdening internal teams. Advocacy for regulatory reforms through the District’s involvement with organizations like the Association of California Water Agencies (ACWA) will also play a role in balancing environmental protections with operational flexibility, ensuring affordability for the District’s customers.

Furthermore, the District takes the opportunity during the budget preparation each year to evaluate each and every line item to determine if it adds to the District's efficiency or takes away from it, and only funds the item if it furthers the mission of the District in an efficient manner.

Objective 5.1: Maintain a proactive approach to comply with increasing regulatory requirements (e.g., CARB, BAAQMD, RWQCB, EPA) by allocating sufficient resources for monitoring, reporting, and implementing necessary changes.

Objective 5.2: Continue optimization of staffing to support regulatory compliance and improve operational efficiency, including ongoing evaluation of staffing needs and using consultants where necessary to avoid overburdening internal teams.

Objective 5.3: Advocate for regulatory reforms that help balance environmental protections with operational flexibility and customer affordability through involvement with ACWA, California Water Efficiency Partnership (CalWEP), etc.

Objective 5.4: Continue to evaluate ways to gain organizational efficiencies and cut costs where possible, including through the annual budget process.

Status: The District completed two staffing studies that identified areas that needed to be shored up or restructured and has fully implemented the recommendations of both over the past four years. A compensation survey completed in 2024 showed that the District's employees are compensated within the District's target ranges for salaries and benefits. The District is a member of both ACWA and CalWEP, and also takes the opportunity to address lawmakers directly through local delegations. While the District has made significant progress in this area, Organizational Efficiency remains a strategic goal due to the nature of the ever-changing and increasing regulatory environment.

Goal 6: Fire Flow Capacity and Public Safety Improvements

Providing adequate fire flow is a core public safety responsibility of the District and a critical component of community resilience. Portions of the District's water system were constructed prior to modern fire-flow standards and include undersized mains, limited redundancy, and constrained hydraulic capacity that can restrict firefighting capability during structure fires and wildfires.

As infrastructure ages and redevelopment occurs within the service area, demands on the water system for fire protection continue to increase. At the same time, wildfire risk and the potential for seismic events heighten the consequences of inadequate fire-flow capacity during emergencies.

This goal focuses on systematically improving fire-flow capability through targeted infrastructure upgrades, integration with water main replacement efforts, and coordination with seismic resilience planning. By prioritizing fire-flow improvements in areas of greatest risk and

consequence, the District can enhance public safety while maximizing the value of limited capital resources.

Objective 6.1: Identify and prioritize areas of the distribution system where fire-flow capacity is insufficient to meet modern firefighting needs, with particular emphasis on high-risk and high-density areas.

Objective 6.2: Upgrade undersized water mains, booster pump stations, and related infrastructure to improve fire-flow capacity, integrating these improvements with planned water main replacement and seismic resilience projects where feasible.

Objective 6.3: Incorporate fire-flow performance as a key criterion in capital project prioritization, ensuring that public safety benefits are explicitly considered alongside asset condition and seismic risk.

Status: The District has made targeted fire-flow improvements in recent years, including upgrades in Glen Ellen and Chestnut, improving system performance in those areas. The recent update to the Water Master Plan and completion of the Seismic Vulnerability Assessment have further improved the District's understanding of hydraulic constraints and critical infrastructure.

Despite this progress, portions of the system remain undersized for modern fire-flow demands. Addressing these deficiencies will require sustained, coordinated investment over multiple years. Fire-flow improvements will continue to be incorporated into water main replacement and capital planning efforts as funding allows.

Summary of Findings:

1 Financial Sustainability and Rate Stability

The District is in good financial health, customer water rates are sustainable, and the District is gaining experience with grant management and conservative investment management. Room for improvement exists in the areas of addressing the current tiered rate structure, future revenue generation in light of the needed infrastructure investments, and unfunded pension liability.

2 Water Main Replacement and Distribution System Renewal

The District is well-managed and has good policy direction regarding infrastructure and capital programs. However, there is significant room for improvement regarding aging water main replacement. If not addressed in the coming years, these older water mains will begin to fail at an unsustainable rate. Further action is therefore needed soon to avoid this scenario.

3 Local Water Supply and Emergency Self-Sufficiency

The loss of the SDC water source has set the District back significantly in this area. Planning efforts are underway, but there is a significant gap between the current water supply resilience and where

the District would like to be. In light of the recent movement and County and developer action at the former SDC, it is possible that we may see the water system coming back online within the next few years. Making sure all local water supply sources also have a source of backup power will be critical for ensuring the District can get the most out of what it already has.

4 Seismic Resilience of the Water System

The completion of the District's Seismic Vulnerability Assessment represents a major step forward in understanding system-wide risk and identifying critical infrastructure necessary for post-earthquake response and recovery. While meaningful progress has been made in defining priorities, significant work remains to translate study findings into a phased, fundable resilience program. Continued integration of seismic hardening with capital projects and pursuit of external funding will be essential to reducing long-term seismic risk.

5 Organizational Capacity and Workforce Readiness

The District is currently in great shape with respect to organizational efficiency and staffing. However, this is an area where things can change quickly, and adaptations need to be made frequently. The District will, therefore, continue to monitor and make adjustments as needed.

6 Fire Flow Capacity and Public Safety Improvements

The District has taken important steps to improve fire-flow capacity in targeted areas; however, portions of the water system remain undersized relative to modern firefighting needs. As wildfire risk, redevelopment, and infrastructure age continue to increase demands on the system, sustained investment will be required to enhance public safety. Integrating fire-flow improvements with water main replacement and seismic resilience efforts will be critical to cost-effectively achieving meaningful progress.