

**MINUTES OF THE REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
MONTECITO SANITARY DISTRICT**

June 11, 2020

1. CALL TO ORDER/ROLL CALL

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:15 p.m. on June 11, 2020 using Zoom teleconferencing in accordance with State of California Executive Order No. N-29-20 issued on March 17, 2020.

ATTENDANCE

Board Members Present:

Directors Tom Bollay, Thomas Kern, Jeff Kerns, Dana Newquist, and Woody Barrett

Board Members Absent:

None

Also Present and Participating:

Diane M. Gabriel, MSD General Manager/District Engineer
Toni M. McDonald, MSD District Administrator
Carrie Poytress, MSD Engineering Manager
Alex Alonzo, MSD Operations Manager
Karl H. Berger, MSD Legal Counsel
Ken Coates, Ratepayer
Leon Bartholomew, Ratepayer
Alison Thompson, Heal the Ocean
Dorinne Johnson, Ratepayer
Robert Short, Ratepayer
Unnamed Montecito Resident

2. PUBLIC COMMENT

Mr. Leon Bartholomew asked if the Board had received his letter, and requested his letter be entered into the public record.

3. APPROVAL OF MINUTES

The minutes of the April 9 and May 14, 2020 meetings were included in the agenda packet. On MOTION by Director J. Kerns and second by Director Newquist, the Board approved the minutes of April 9 2020 with the following roll call vote:

. AYES: Directors Kern, Newquist, Bollay, Kerns, Barrett
NAYS: None

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ABSTAIN: None ABSENT: None

On MOTION by Director Newquist and second by Director T. Kern, the Board approved the minutes of May 14, 2020 with the following roll call vote:

. AYES: Directors Kern, Newquist, Bollay, Kerns, Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

4. APPROVAL OF PAYABLES

On MOTION by Director J. Kerns and second by Director T, Kern, the Board approved with a roll call vote these payroll and accounts payable expenses from May 11, 2020 through June 8, 2020:

Accounts Payable Expenses	\$ 136,013.45
Capital Improvement Projects	450.00
Recycled Water	14,970.50
Payroll and Related Expenses	<u>189,705.59</u>
Total Expenses	\$ 341,529.54

AYES: Directors Kern, Newquist, Bollay, Kerns, Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

5. NEW BUSINESS

At this point in the meeting, General Manager Gabriel noted that agenda item 5 F, the Development Plan – Initial Study/Mitigated Negative Declaration, will be deferred to a future Board meeting, as comments had been received after this agenda was prepared. More time is required to address all comments received. District Legal Counsel Karl H. Berger said the Board will simply postpone the item and properly notice when it appears on a future agenda.

A. Resolution No. 2020-924 – Setting the Date, Time, and Place for the Annual Sewer Service Charge Hearing to Collect Sewer Service Charges on the County Tax Roll

The Board reviewed Resolution No. 2020-924 setting the date, time, and place for the annual sewer service charge hearing to continue to collect sewer service charges by means of the County tax roll. The hearing will be held at 1:15 p.m. on July 9, 2020 at the Montecito Sanitary District office. District Administrator McDonald noted a change in the publishing dates of the notice from the original draft of the resolution. Notice of the hearing will be published in the *Montecito Journal* on June 24th and July 1th and will be mailed to owners of all properties connected to the District in the past fiscal year.

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On MOTION by Director Jeff Kerns and second by Director Newquist to adopt Resolution No. 2020-927 as amended for publishing dates, the MOTION passed with the following roll call vote:

AYES: Newquist, Kern, Bollay, Kerns, Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

B. Administration & Operations (A&O) Committee Meeting - Report

The A&O Committee (Directors Bollay and J. Kerns) reported on its meeting of May 13, 2020. The Committee reviewed the status of the Coastal Development Plan (CDP) Permit, the proposed FY20-21 Capital Improvement Projects, and planning for a scheduled Joint Committee meeting with the Montecito Water District Strategic Planning Committee.

ACTION: None

C. Fiscal Year 2020-21 Operations and Maintenance Budget

The Board reviewed the proposed FY2020-21 O&M Budget. After lengthy discussion, on the Board approved the FY2020-21 O&M Budget, the FY2020-21 Salary Schedule, and FY2020-21 Fund Balances & Estimated Revenues with the following motions:

On MOTION by Director J. Kerns and Director T. Kern, the Board approved the 3% Cost of Living Adjustment with the following vote:

AYES: Kern, Bollay, Kerns
NAYS: None
ABSTAIN: Barrett, Newquist
ABSENT: None

On MOTION by Director J. Kerns and Director T. Kern, the Board approved the FY2020-21 O&M Budget, the FY2020-21 Salary Schedule, and FY2020-21 Fund Balances & Estimated Revenues with the following vote:

AYES: Kern, Bollay, Kerns
NAYS: None
ABSTAIN: Barrett, Newquist
ABSENT: None

D. Capital Improvement Project Budget

The Board reviewed the Proposed Capital Improvement Project Budget for FY2020-21. Directors Newquist and Barrett both objected to the Essential Services Building line item on the proposed budget. After discussion, and with Directors Newquist and Barrett’s objections

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on the record, on MOTION by Director J. Kerns and second by Director T. Kern, the Board approved the FY2020-21 Capital Improvement Budget with the following vote:

AYES: Newquist, Kern, Bollay, Kerns, Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

E. COVID-19 Exposure Control – Ratification of Purchase Orders

At its meeting on March 12, 2020 the Board approved the Montecito Pandemic Preparedness and Response Plan which requires the Board to take action to ratify emergency purchase orders issued in an amount exceeding \$10,000. The Board reviewed the purchase orders exceeding \$10,000, totaling \$114,310.60 that have been issued since the District entered into a state of emergency on March 19, 2020.

District Administrator McDonald stated the District has already applied for a FEMA grant for reimbursement of the COVID-19 related expenses. All such expenses are being documented pursuant to FEMA and CalOES requirements.

After discussion, on MOTION by Director Newquist and second by Director J. Kerns, the Board approved the purchase orders totaling \$114,310.60 by the following vote:

AYES: Newquist, Kern, Bollay, Kerns, Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

F. Development Plan – Initial Study/Mitigated Negative Declaration

This item was deferred to a future Board meeting.

G. Information Items

- None

H. Agreements

- None

6. OPERATIONS AND MAINTENANCE

The Board reviewed the information in the Board packet.

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7. ITEMS FOR FUTURE AGENDAS

The next Board meeting will be June 25, 2020 and will include the Development Plan Initial Study/Mitigated Negative Declaration and a report from the June 15th A&O Committee meeting.

8. ADJOURNMENT

There being no other business, on MOTION to adjourn by Director Newquist and second by Director Barrett, the MOTION to adjourn passed unanimously without abstention at 3:15 p.m.

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Tom Bollay
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Thomas Bollay, President

DocuSigned by:
Jeff Kerns
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Jeffrey Kerns, Vice President

DocuSigned by:
Ellwood T. Barrett II
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Ellwood I. Barrett, Secretary

DocuSigned by:
Thomas Kern
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Thomas Kern, Treasurer

DocuSigned by:
Dana Newquist
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Dana Newquist, Director