



Montecito Sanitary District

1042 Monte Cristo Lane *A Public Service Agency*
Santa Barbara, CA 93108

Phone: (805) 969-4200
www.montsan.org

BOARD PACKET

For the Regular Board Meeting of

Thursday, June 10, 2021

- 1. Agendawww.montsan.org/2021-06-10-board-of-directors-meeting
- 2. Minutes of the Regular Meeting of the Board on May 25, 20212
- 3. Minutes of the Regular Meeting of the Board on May 27, 20215
- 4. Payables for dates May 22, 2021 through June 4, 20219
- 5. EXHIBIT A – Staff Report: Resl 2021-932 Setting a Hearing for Sewer Svc Chgs.....11
- 6. EXHIBIT B – Resolution 2021-932 Setting a Hearing for Sewer Svc Chgs12
- 7. EXHIBIT C – Board Policies and Procedures Manual.....14
- 8. EXHIBIT D – Finance Committee Agenda of June 1, 202124
- 9. Operations & Maintenance Reports.....25



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MINUTES

For the Regular Meeting of the Board on:

May 25, 2021

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:00 pm on Thursday, May 25, 2021 using Zoom teleconferencing in accordance with the State Executive Order No. N-29-20 issued on March 17, 2020.

ATTENDANCE

Board Members Present:

President Dorinne Lee Johnson, Vice President Woody Barrett, Director Gary Fuller, Secretary Dana Newquist.

Treasurer Don Eversoll joined the meeting at 2:34pm

Board Members Absent: None

Also Present and Participating:

Tony Wong, P.E. Kimley-Horn, MSD Interim General Manager (@2:11pm)

Carrie Poytress, MSD Engineering Manager

Elizabeth (Betsy) A. Byrne, MSD District Administrator

Ricardo Larroude, MSD Collections & Maintenance Supervisor

Mark Manion, Price Postel & Parma

Local Resident

Caller 01

Erin LaBuda

Gaylen Fair

Thomas Welche

Bradley Rahrer

2. PUBLIC COMMENT

None.

3. COMMITTEE REPORTS

Tony Wong joined the meeting at 2:11pm

Director Eversoll joined the meeting at 2:34pm

ON MOTION by Director Barrett, Second by Director Newquist, the Board voted to idle the Recycled Water Pilot project and not incur any further costs with Carollo or otherwise on the recycled water Pilot Project.

AYES: Directors Barrett, Eversoll, Newquist and Johnson

NAYS: Director Fuller
ABSTAIN: None
ABSENT: None

ON MOTION by Director Newquist, Second by Director Johnson, the Board voted to direct staff to provide the Board packet one week in advance of each regular meeting upon a finalized agenda; and to memorialize such policy in the Board Policies and Procedures Manual.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

ON MOTION by Director Barrett, Second by Director Newquist, the Board voted to delete the second sentence under “Use of Legal Counsel”, everything after the word “Note” in the Board Policies and Procedures Manual.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: Director Fuller
ABSTAIN: None
ABSENT: Director Eversoll

ON MOTION by Director Barrett, Second by Director Newquist, the Board voted to delete the second sentence “Actions requiring a two-thirds vote are ordinances... []” in the Board Policies and Procedures Manual.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

4. **CLOSED SESSION**
No Reportable action.

5. **NEW BUSINESS**

A. **APPOINTMENT OF GENERAL MANAGER**

ON MOTION by Director Newquist, Second by Director Fuller, the Board voted to appoint Bradley Rahrer as General Manager.

AYES: Directors Barrett, Eversoll, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Barrett, Second by Director Fuller, the Board voted to approve and authorize the Board President to execute the General Manager

Employment Agreement between the Montecito Sanitary District and the General Manager.

AYES: Directors Barrett, Eversoll, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

6. **ITEMS FOR THE NEXT AGENDA**

The next regular meeting of the Board will be on June 10, 2021 at 2:00 pm.

7. **ADJOURNMENT**

The meeting adjourned at 5:00 pm ON MOTION by Director Eversoll, second by Director Barrett.

Dorinne Lee Johnson, President

Ellwood T. Barrett II, Vice President

Dana Newquist, Secretary

Donald M. Eversoll, Treasurer

Gary Fuller, Director



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ATTENDANCE

Board Members Present:

President Dorinne Lee Johnson, Vice President Woody Barrett, Director Gary Fuller, Secretary Dana Newquist, Treasurer Don Eversoll

Board Members Absent:

Also Present and Participating:

Tony Wong, P.E. Kimley-Horn, MSD Interim General Manager
Cameron Goodman, Price Postel & Parma
Carrie Poytress, MSD Engineering Manager
Elizabeth (Betsy) A. Byrne, MSD District Administrator
Ricardo Larroude, MSD Collections & Maintenance Supervisor
Bradley Rahrer
Anne Marie Dunaway
Jeff Kerns
Ken, Montecito Resident
Donna S
Resident
916-992-4096

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

ON MOTION by Director Newquist, Second by Director Barrett, the Board voted to approve the minutes from Board Meetings held on May 13, 2021 with an amendment of removing the 6th bullet point regarding the “ability of the permanent general manager.”

AYES:	Directors Barrett, Eversoll, Fuller, Newquist and Johnson
NAYS:	None
ABSTAIN:	None
ABSENT:	None

4. **APPROVAL OF PAYABLES**

ON MOTION by Director Newquist, Second by Director Eversoll, the board voted to approve the payables list for expenses incurred by the District from May 1, 2021 through May 21, 2021.

Accounts Payable Expenses	154,602.17
Capital Improvement Projects	188,881.70
Payroll and Related Expenses	151,315.74
Total Expenses	494,799.61

AYES: Directors Barrett, Eversoll, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

5. **OLD BUSINESS**

None.

6. **NEW BUSINESS**

A. **CALTRANS HIGHWAY 101 HOV PROJECT**

ON MOTION by Director Newquist, Second by Director Eversoll, the Board voted to award a contract to Flowers and Associates for engineering design services for the sewer main relocation.

AYES: Directors Barrett, Eversoll, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

B. **LILAC AND OAK GROVE SEWER MAIN EXTENSION**

Member of the Public, Anne-Marie Dunaway, addressed the board to state that the preponderance of interest is more on the Lilac side, if the project were split, it may be possible to achieve 50% participation.

The Board discussed the bids and awarding the contract to the second bidder but no action was taken. See Item 6C where the Board formed an ad-hoc committee to further discuss this project.

C. **AN ORDINANCE TO ALLOW SEWER MAIN EXTENSION AND CONNECTION FEES TO BE COLLECTED ON THE COUNTY TAX ROLL**

ON MOTION by Director Fuller, Second by Director Eversoll, the Board voted **NOT** to Direct Counsel to draft an Ordinance to allow Sewer Main Extension

and connection fees to be collected on the County Tax Roll over a period of up to 30 years.

AYES: Directors Eversoll and Fuller
NAYS: Director Barrett
ABSTAIN: Directors Newquist and Johnson
ABSENT: None

MOTION FAILED

Director Johnson left the meeting at 3:37pm and returned at 3:44pm.

Member of the Public, Anne-Marie Dunaway, addressed the board to state: I appreciate your flexibility and creativity. I don't know if many of the homeowners are aware of the stringent requirements for septic tanks. Some, but not the entirety of the neighborhood, as people are in a situation to replace their tank or require an adjustment. They will recognize the benefit of a sewer line and as an asset of the neighborhood. People don't know until they need to know. As someone spearheads and get the word out, I appreciate exploring funding, not everyone is in that situation. Thank you for your interest and keeping this project under consideration.

The Board formed an Ad-Hoc committee consisting of Directors Barrett and Eversoll for the purpose of discussing the potential of splitting the Lilac & Oak Grove Sewer main extension project into two projects and whether to accept the second bid. The ad-hoc committee should meet prior to the next regular board meeting on June 10, 2021.

7. COMMITTEE REPORTS

The Board heard reports of the following Committee Meetings:

i) **Finance Committee** Meeting of May 4th, Directors Eversoll and Barrett.

8. ITEMS FOR THE NEXT AGENDA

The next regular meeting of the Board will be on June 10, 2021 at 2:00 pm and the Agenda shall include the topic(s) of:

- Resolution 2021-932 setting a hearing in July for the collection of Sewer Service Charges on the County Tax Roll
- Lilac & Oak Grove Sewer Main Extension Project
- An Ordinance regarding sewer main extension costs on County Tax Roll
- Discuss the \$8,400 connection fee and the 10-year payment plan
- Fiscal Year 2021-22 Proposed Budget

9. ADJOURNMENT

The meeting adjourned at 4:18 pm ON MOTION by Director Eversoll, second by Director Newquist.

Dorinne Lee Johnson, President

Ellwood T. Barrett II, Vice President

Dana Newquist, Secretary

Donald M. Eversoll, Treasurer

Gary Fuller, Director



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BOARD LIST OF PAYABLES

<u>CHECK DATE</u>	<u>SUMMARY & TYPE</u>	<u>BATCH TOTAL</u>
06/04/2021	ACCOUNTS PAYABLE	96,535.92
	ACCOUNTS PAYABLE	
	Subtotal	96,535.92
	CAPITAL IMPROVEMENT PROJECTS	0.00
	Subtotal	
06/03/2021	PAYROLL	77,720.29
	PAYROLL	
	Subtotal	77,720.29
	TOTAL	\$ 174,256.21

Approved for Payment:

Date: June 10, 2021 Amount: \$ 174,256.21

_____, General Manager

_____, Treasurer

_____, Director

Check History Report
Sorted By Check Number
Activity From: 6/4/2021 to 6/4/2021
MONTECITO SANITARY DISTRICT (MSD)

Check Number	Check Date	Name	Check Amount	Description
026609	6/4/2021	ACME ANALYTICAL SOLUTIONS	466.30	Analyzer Chemicals
026610	6/4/2021	ACWA/JPIA	31,325.12	Health/Dental/Life Insurance Premium-June
026611	6/4/2021	ALLIANT INSURANCE SERVICES INC, NPB MAIN	110.00	Auto/Physical Damage 3rd Quarter Endorsement
026612	6/4/2021	A-OK POWER EQUIPMENT-SB	652.49	Tree Pruner Tool
026613	6/4/2021	ARCE, MICHAEL J	225.00	Boot Allowance Reimbursement
026614	6/4/2021	AT&T MOBILITY	23.24	Wireless Data Port for Office-June
026615	6/4/2021	BIG GREEN CLEANING COMPANY	356.48	Janitorial Supplies
026616	6/4/2021	CANON FINANCIAL SERVICES INC	272.61	Canon Copier Lease Payment-June
026617	6/4/2021	CROMER INC.	195.19	Annual Property Tax Fee for Forklift
026618	6/4/2021	CALIFORNIA WATER ENVIRONMENT	192.00	Annual Membership Dues-Kearney
026619	6/4/2021	DOCU PRODUCTS	68.82	Copier Maintenance Agreement-June
026620	6/4/2021	FASTENAL COMPANY	1,597.19	Disposable Gloves, Face Masks, Plant Supplies
026621	6/4/2021	FERGUSON WATERWORKS #1083	2,186.84	Fittings for Lift Station 4
026622	6/4/2021	FISHER SCIENTIFIC	1,099.94	Lab Supplies and Equipment
026623	6/4/2021	GRAINGER	231.40	Tools, First Aid Kit
026624	6/4/2021	IBS OF SIERRA MADRE	420.44	Batteries for Vehicle #7 and Emergency pumper
026625	6/4/2021	JUAN O'S MOBILE REPAIR	3,615.90	Service & Repair on Small Jetter, F450 and Vac-Con
026626	6/4/2021	ROBERT KEEN	177.78	Boot Allowance Reimbursement
026627	6/4/2021	KIMLEY-HORN AND ASSOCIATES, INC	8,121.77	Interim GM Services 05/01-05/15/21
026628	6/4/2021	MARBORG INDUSTRIES	2,580.08	Restroom Trailer Lease Payment-May (COVID)
026629	6/4/2021	MCCORMIX CORP	419.77	Vehicle Fuel 05/15-05/31/21
026630	6/4/2021	MONTECITO RETIREMENT ASSOCIATION	2,300.00	Deposit Refund - 300 Hot Springs Road
026631	6/4/2021	OILFIELD ENVIRONMENTAL & COMPLIANCE	2,364.00	Outside Lab Analyses for UF/RO & Lab
026632	6/4/2021	PRICE POSTEL & PARMA	10,636.50	Legal Services-May
026633	6/4/2021	PURETEC INDUSTRIAL WATER	53.44	Water Softener Sodium Tank Exchange
026634	6/4/2021	RINGCENTRAL, INC.	533.68	Phone Service-May
026635	6/4/2021	LUIS RIZO	550.00	Operator Certification Training Reimbursement
026636	6/4/2021	SANTA BARBARA COUNTY EHS/CUPA	1,296.00	Annual Hazardous Material Permits for Lift Stations
026637	6/4/2021	SOUTHERN CALIFORNIA EDISON CO	12,582.03	Electric Service-May
026638	6/4/2021	JEFFREY SCHNEIDER	2,000.00	Lateral Replacement Rebate - 808 San Ysidro Lane
026639	6/4/2021	STANDARD INSURANCE COMPANY	1,404.10	Short/Long Term Disability Premium-June
026640	6/4/2021	STAPLES BUSINESS CREDIT	241.59	Office Supplies
026641	6/4/2021	STREAMLINE	310.00	Website Hosting/Management-June
026642	6/4/2021	T-MOBILE	20.00	Wireless Data Port for UF/RO-May
026643	6/4/2021	UNION BANK	23.26	Heat Element for Sump Pump
026644	6/4/2021	UNIVAR SOLUTIONS	5,153.20	Plant Chemicals
026645	6/4/2021	UNDERGROUND SERVICE ALERT	179.76	71 Dig Alert Tickets & State Regulatory Fee-May
026646	6/4/2021	MIGUEL VILLAFANA	550.00	Operator Certification Training Reimbursement
026647	6/4/2021	OWEN (or) JAMI WITTE	2,000.00	Lateral Replacement Rebate - 1143 Glenview Road
Bank B Total:			<u>96,535.92</u>	
Report Total:			<u><u>96,535.92</u></u>	



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MONTECITO SANITARY DISTRICT STAFF REPORT

Date: Thursday, June 10, 2021
TO: BOARD OF DIRECTORS
FROM: Tony Wong, P.E., Interim General Manager
PREPARED BY: Betsy Byrne, District Administrator
SUBJECT: Resolution 2021-932 – Set a Hearing for the collection of Sewer Service Charges on the County Tax Roll
SUMMARY: Per in [CA Government Code Section 5473 through 5473.11](#); the Montecito Sanitary District must annually adopt a resolution and hold a hearing to collect all annual sewer service charges on the County property tax roll.

Recommendation – THEREFORE, STAFF RECOMMENDS THAT

1. The Board of Directors adopt resolution 2021-932 setting a hearing for the first regular Board meeting in July on July 8, 2021 at 2:00pm

Fiscal Impact – Collecting sewer service charges on the County Tax Roll guarantees the District will receive all its annual operating revenue, as we are on a Teeter plan. If we do not collect service charges on the tax roll, we’d have to manually bill all customers including residential customers, which would not guarantee receipt of any revenue.

Public Notice – Notice of the public hearing must be published once a week for two successive weeks per CA government code section 6066.

Previous Related Action – See resolutions 2020-924, and 2020-925 and annually prior to 2020 since Fiscal Year 1990-91.

Goals and Objectives – Collecting sewer service charges on the County Tax Roll to guarantee the District will receive all its annual operating revenue.

Environmental Determination – Categorically exempt by C.E.Q.A.

Analysis – Justifications: – Collecting sewer service charges on the County Tax Roll guarantees the District will receive all its annual operating revenue, as we are on a Teeter plan. Without collection on the tax roll, MSD would have to manually bill all customers including residential, which would not guarantee receipt of any revenue.

ATTACHMENTS: Resolution 2021-932

RESOLUTION NO. 2021-932

**RESOLUTION OF THE GOVERNING BOARD OF
THE MONTECITO SANITARY DISTRICT
SETTING THE DATE FOR THE HEARING AND GIVING NOTICE
OF ELECTION TO COLLECT SEWER
SERVICE CHARGES ON THE COUNTY TAX ROLL**

WHEREAS, pursuant to the authority of sections 5473 and 6520.5 of the Health and Safety Code, the Governing Board of the Montecito Sanitary District has by its Ordinance No. 6, dated July 2, 1990, elected to collect certain of its sanitary sewer service charges by means of the County Tax Roll for the Fiscal Year 1990-91 and each subsequent year thereafter, and

WHEREAS, section 5473 of the Health and Safety Code requires that in the event of such an election the District shall cause a written report to be filed, which report shall contain a description of each parcel to be served and the charge therefor, and

WHEREAS, section 5473.1 of the Health and Safety Code requires a hearing on said report and for notice of said hearing to be by publication and mailing.

NOW, THEREFORE, BE IT RESOLVED:

1. That a hearing shall be held at 2:00 p.m. on the 8th day of July 2021, for the purpose of hearing all objections and protests, if any, to said report on file in the Office of the District. Pursuant to State of California Executive Order No. N-29-20 issued on March 17, 2020, and the State of California and Santa Barbara County's shelter in place orders, the Montecito Sanitary District Board Meeting and Hearing will be held remotely via Zoom Meetings;
2. That notice of said hearing shall be given as follows:
 - a. by publication in the *Montecito Journal* on June 23 and June 30, 2021;
 - b. by mailing a notice in writing to each person to whom any parcel or parcels of real property in said report is assessed in the last equalized assessment roll available on the date said report is prepared and which parcel listed in the current report was not listed in the report for the previous Fiscal Year.
3. That the General Manager of this District is hereby authorized and directed to give said notice and to do all things necessary to hold said hearing.

PASSED AND ADOPTED by the Governing Board of the Montecito Sanitary District on the 10th day of June 2021, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Dorinne Lee Johnson, President of the
Governing Board of the
MONTECITO SANITARY DISTRICT

ATTEST:

(Seal)

Elizabeth A. Byrne, Clerk to the
Governing Board of the
MONTECITO SANITARY DISTRICT



BOARD OF DIRECTORS
POLICY AND PROCEDURES MANUAL
Adopted in 2021
Revised May 25, 2021

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1. Role of the Board of Directors

1. The District's policies, mission, goals, and programs are established by a majority of the Board of Directors at public meetings.
2. All District powers are exercised by its Board of Directors. (Health & Safety Code, § 6481.)
3. The Board will not direct management as to how to implement policy, but it shall hold management responsible if the policies of the District are not implemented.
4. The Board appoints the General Manager of the District, defines the General Manager's responsibilities, and delegates Board authority and power to the General Manager to carry out the responsibilities.
5. The General Manager is responsible for all of the following:
 - a. The implementation of the policies established by the Board for District operation.
 - b. The appointment, supervision, discipline, and dismissal of District employees, consistent with the employee relations system established by the Board.
 - c. The supervision of District facilities and services.
 - d. The supervision of District finances.
 - e. Coordinate with the President of the Board to agendize meetings.
6. The General Manager shall recommend in public meetings of the Board the programs to implement District policy.
7. On or before July 1st of each year the Board adopts the District's annual budget.
8. The Board approves the District's organizational structure and employment positions.
9. The Board appoints the District's legal counsel and financial auditor annually.
10. The Board approves the Accounts Payable register as an agenda item at regular Board meetings.
11. The Board approves all contracts and individual purchases greater than \$10,000 with a majority vote in a regular, special, or emergency public meeting.
12. Directors shall uphold the constitutions of the United States and the state of California. Directors shall comply with applicable laws regulating their conduct, including state laws concerning conflicts of interest, financial disclosure, open meetings, and confidential information.

2. Board Election/Appointment

The District shall have a board of five Directors each of whom whether elected or appointed, shall reside within the boundaries of the Montecito Sanitary District and be a registered voter within those boundaries. (Health & Safety Code, § 6464)

The term of office of each Director other than Directors appointed to fill an unexpired term shall be four years. (Elections Code, § 10507)

Directors elected to office take office at noon on the first Friday in December following the General District Election. Before taking office, each Director shall take and subscribe the official oath and file it with the Clerk of the Board. (Elections Code, § 10554)

New Directors will file an Assuming Office Form 700 within thirty days of taking office.

An office of a director shall be deemed to have become vacant when one or more events specified in [sections 1770, et. seq. of the Government Code](#) have occurred. All vacancies occurring shall be filled pursuant to [section 1780 of the Government Code](#).

A Director leaving office will file a Leaving Office Form 700 within thirty days of vacating office.

3. Board Organization

The Board of Directors shall hold an annual organizational meeting at a regular meeting in December to establish or confirm Board officers by an election from existing Board members.

Board officers are the President, Vice President, Treasurer, and Secretary.

Officers assume their duties immediately upon Board confirmation and serve during the next calendar year.

Additionally, the General Manager and District Legal Counsel shall be affirmed at the annual organizational meeting.

At the organizational meeting the Board will appoint members to the Standing Committees.

Standing and Ad Hoc Committees

- a) Standing committees shall only be dissolved by majority vote of the Board.
- b) The duties of an ad hoc committee shall be determined at the time of appointment and the committee shall be considered dissolved when its final report has been made.
- c) If the Board President or the Board has created a standing committee the members of such committee shall be appointed for the year no later than the Board's regular meeting in January.

- d) Minutes shall be required for meetings of standing committees, and such meetings shall be conducted in accordance with the Ralph M. Brown Act. (Government Code, § 54952)
- e) Minutes shall not be required to be prepared for ad hoc committee meetings. Ad hoc committees are not considered legislative bodies for purposes of the Ralph M. Brown Act. (Government Code, § 54952)
- f) All actions of committees are subject to approval by the Board of Directors.

District Representation in Organizations

- a) The Board reviews annually all District memberships and representations.
- b) Appointments to serve as a District representative or member on a non-District board, commission, or organization shall be made by the President, subject to confirmation by the full Board.
- c) Unless otherwise required by law or contract, the term of any external position shall be one year. There is no limit to the number of terms or consecutive terms.
- d) Additional policies related to representation in external organizations are stated in the "Board Memberships" section of this manual.

4. Board Memberships

Appropriate Memberships

To take advantage of in-service training opportunities, the District may belong to industry related associations. Directors who are appointed District representatives may attend meetings of national, state, and local associations, which are directly related to the District's purpose and operation. Decisions to continue, discontinue, or add new memberships shall occur through the annual budget process.

Appointment of Representative

The President shall appoint Directors as a representative and alternate, as appropriate, to serve as District contacts among stakeholder groups, associations, and other organizations at the Board's discretion. All representatives and alternates shall report to the Board in a timely manner on their activities. Directors may be allowed certain expenses for travel and membership as a representative or alternate. Reimbursable expenses shall be determined and approved at a regular Board meeting before expenses are incurred.

Representation Limitation

When expressing an opinion about any aspect of District business, each Director representative should clearly state that he or she is expressing a personal opinion that is not a Board position, unless the representative has been directed by the Board to express an official District policy or position or decision, which has been approved by the Board.

5. Board Meetings

Under the Ralph M. Brown Act (Government Code sections 54950, et seq.) all meetings of the Board must be open to the public, publicized and noticed properly, conducted according to agenda and meeting procedures, and be documented; however, exceptional meetings may be noticed and conducted as closed sessions, which are not open to the public.

A majority of the Board shall not discuss or reach consensus on any matter under the jurisdiction of the District other than during a meeting of the Board.

Regular Meetings

The schedule for Board meetings will be determined at the annual organizational meeting, typically held in December.

The Clerk of the Board will prepare an agenda for each regular meeting after consulting with the General Manager and/or Board President. The agenda has a brief description of each agenda item. District staff will provide the Board packet to all Directors one week in advance of each regular meeting upon receiving a finalized agenda.

Only items that are stated on an agenda may be discussed in the meeting. The agenda is posted at least seventy-two hours before the regular meeting.

The Board, by majority vote or as otherwise provided by law, may modify the agenda before the first matter is considered. To the extent time permits, all matters on the agenda shall be considered and this is done in the order of the agenda's noticed or modified sequence.

No action may be taken on any matter that is not noticed on the posted agenda, with very limited exceptions. Agenda items that are not considered or completed at a meeting for lack of time may become an agenda item in a subsequent meeting.

A regular meeting agenda may include a closed session; *see* section on **Closed Sessions**.

Special Meetings

A special meeting of the Board may be called as needed by the Board President or by a majority of the Board.

The Clerk of the Board will prepare the agenda for the special meeting, which contains a brief description of each agenda item, after consulting with the General Manager and/or Board President. This agenda is posted at least twenty-four hours before the special meeting. Only business identified in the agenda shall be considered or discussed at a special meeting.

A special meeting agenda may include a closed session; The Board may meet in closed session during a special meeting; *see* section on **Closed Sessions**.

Emergency Meetings

Sometimes an emergency requires prompt action. An emergency meeting may occur without complying with special meeting posting and notice requirements.

An "emergency" includes any of these situations:

- a) A work stoppage or other activity severely threatens or impairs public health, safety, or both, as determined by a majority of the Board.
- b) A crippling disaster severely impairs or threatens public health, safety, or both, as determined by a majority of the Board.

The Board shall not meet in closed session during any emergency meeting. All special meeting requirements apply to emergency meetings except the twenty-four hour notice requirement.

Use of Legal Counsel

All questions concerning District business shall be funneled through the General Manager or Board President only.

Closed Sessions

In specific instances, Board business may be conducted in closed sessions, which are not open to the public. The exceptional circumstances allowing for a closed session are specified in the Ralph M. Brown Act. Generally, these are circumstances concerning claims, litigation, potential litigation, labor negotiations, real estate negotiations, and personnel.

The particular exception allowing for the closed session must be specified in the agenda. No other matter may be discussed in the closed session. Although not always required, District Legal Counsel usually attends all closed sessions.

The District's right and need to conduct some of its business confidentially and to have legal confidences are not subject to "waiver" by any Director. The District is entitled to protect its privileged official information. Evidence Code, § 1040. No Director may be asked about what happened in a closed session and no Director is allowed to disclose what was discussed or occurred in a closed session. *Kleitman v. Superior Court (Wesley)* (1999) 74 Cal.App.4th 324.

Quorum Required

No Director may take any action or make any representation that results in 1) budgeting or expending District funds, 2) establishing any procedure or policy, or 3) taking any action on behalf of the Board. All of such action requires a quorum of the Board to be present in a public meeting and Board agreement during a noticed and properly conducted meeting.

Action may be taken only by a majority vote of the Board. Three Directors constitute a quorum. A quorum is required to conduct business and to take action. When there is only a quorum to take action, all votes must be unanimous.

A Director who abstains from voting will be identified in the minutes as "Abstaining." If there is an abstention when only a quorum is present, the Board cannot take action. For the same reason, if there are two abstentions when all five Directors are present and action requires a two-thirds vote, no action may be taken.

6. Board Compensation

Board/Committee Meetings

Effective May 10, 2021, Directors are paid \$220.00 for each day's attendance at a regular or special meeting of the Board or a standing or ad hoc committee. (MSD Ordinance No. 17). Compensation for regularly scheduled meetings will be reviewed at the annual organizational meeting.

Conference/Seminar

A Director authorized and requested by the Board to attend a conference or seminar shall be compensated \$105 per day for each day of attendance, and no travel day will be compensated. (MSD Ordinance No. 14).

Other Authorized Meetings

A Director authorized and requested by the Board to serve as an officer or liaison to affiliated agencies as an official District representative shall be compensated \$122.50 per day for each day of attendance. (MSD Ordinance No. 14).

Prior authorization must be received from the Board in a public meeting in order to receive per diem compensation and expense reimbursement. An authorized representative Director shall provide a brief report of the meeting at the next regular Board meeting.

Compensation for meetings and services is limited to six days in any calendar month. (MSD Ordinance No. 14).

Daily compensation shall be for one meeting at the highest applicable compensation rate regardless how many meetings were attended that day.

District policy stated in Ordinance No. 14 is pursuant to section 53232.1 (b) of the Government Code: "A local agency may pay compensation for attendance at occurrences (other than meetings) only if the governing body has adopted, in a public meeting, a written policy specifying other types of occasions that constitute the performance of official duties for which a member of the legislative body may receive payment."

7. Board Travel

The Board has decided that it is in the District's best interests if its Directors participate, from time to time, in conferences, seminars, and meetings related to the governance of public agencies, especially agencies responsible for wastewater collection, treatment, and disposal. The Board has adopted the following policies for Director participation; additionally, Directors are required to comply with ethical, disclosure, and conflict of interest laws and standards.

Vendor/Consultant Benefits

The Board discourages the acceptance of gifts, gratuities, trips, and similar incentives and benefits from vendors and or consultants.

Registration

Registration fees for conferences, seminars, workshops, and meetings will be paid directly and in advance by the District. Extra registration or other fees for spouses or guests will not be paid by the District.

Transportation

An authorized Director should try to arrange for the District to be billed in advance for public transportation. The use of a private vehicle will be compensated at the mileage rate allowed by the Internal Revenue Service. Under no circumstance will the reimbursement for transportation expense exceed the lowest cost for round trip airfare from Santa Barbara to the meeting site. Special travel requirements, such as rental car, taxi, or shuttle service, will be reimbursed from receipts and records provided by the Director. Travel costs for spouses or guests will not be paid by the District.

Lodging

If overnight stay is required, the authorized Director should arrange for the District to be billed in advance for lodging expenses. If prior arrangements are not possible, the Director may pay for lodging costs and reimbursement will be made from receipts and records. The District reimburses only the expense of normal lodging at a single occupancy rate, plus tax. It does not reimburse extra services or entertainment.

Meals

Directors will be compensated for meals, including non-alcoholic beverages, taxes, and gratuities purchased at their expense, unless these are provided by the conference or seminar, not to exceed the per diem rates periodically established and published by the County of Santa Barbara. The cost of meals offered as part of the conference format shall be fully reimbursed, unless the cost of such meals is covered in the conference registration fee.

8. Conflict of Interest

Statement of Economic Interests

Directors shall file statements of economic interest (Form 700) as required by the Fair Political Practices Commission; *see* 2 California Code of Regulations, section 18730. If newly appointed or elected, a Director must file an Assuming Office Statement within thirty days of assuming office. Annual statements for all Directors, covering the prior calendar year must be filed by April 1st. A Director must file a Leaving Office Statement within thirty days of leaving office.

State Regulations

All provisions of 2 California Code of Regulations, section 18730 and any amendments thereto are incorporated by reference.

Compliance Requirements

Directors shall comply with all provisions of the District's conflict of interest code, which the Board reviews every two years and files with the County of Santa Barbara.

Abstaining from Voting

When a disqualifying and disclosed financial conflict of interest exists, a Director shall abstain from participating in Board decision-making.

When a Director's actual or potential disqualifying financial conflict of interest should arise in the course of Board business, a Director shall disclose the conflict and should expect to abstain from discussion and voting on the related matter. When a Director should become aware of a potential or actual financial conflict of interest arising from an item being considered for an agenda or that has been noticed on a Board meeting agenda, the Director shall immediately inform the General Manager to allow determination whether it is a disqualifying conflict of interest.

A Director shall not attempt to influence how other Directors vote when a Director has a disqualifying financial conflict of interest.

When a Director has a disqualifying financial conflict of interest, immediately before the agenda item is discussed the Director shall disclose on the record and with sufficient specificity the actual or potential disqualifying financial conflict of interest, except a residence address.

Generally, if a matter is not on the consent agenda, a Director shall leave the Board table during deliberation of or action on the agenda item for which the Director has a disqualifying conflict, but the Director may remain in the hearing room and address the Board on the matter solely as a member of the public. (Government Code sections 87100, 87101, 87103, 87105, 87200; FPPC regulations 18700 - 18707).

Incompatible Offices

A Director shall not hold incompatible public offices. A Director may not hold any other public office with any duty that might require action contradictory to or inconsistent with his or her duties as a District Director. At all times, a Director's sole loyalty should be to the District. Each Director shall become informed of and adhere to the requirements of section 1099 of the Government Code.

9. Ethics Training

Each District Director is required to receive at least two hours training in ethics every two years. However, a new Director must receive two hours of ethics training within one year of taking the oath of office and every two years thereafter.

The District shall provide the Directors with information and education opportunities to satisfy the ethics training requirement. Directors may be allowed actual and necessary travel, meals, and lodging to attend biennial ethics training as approved by the Board.

Upon completion of required ethics training, Directors shall file documentation to prove they have received required training to the Clerk of the Board.



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
www.montsan.org

AGENDA

For the Special Meeting of
the Finance Committee on:

Tuesday, June 1, 2021

The special meeting of the Finance Committee will begin at 2:00 p.m. on June 1, 2021.

Due to COVID-19 Pandemic, the meeting will be held via Zoom per the [Virtual Meeting Protocols](#).

The public may attend and comment by calling 1-669-900-6833 Meeting ID: **889 2161 8731**

Or by visiting: <https://us02web.zoom.us/j/88921618731>

1. **CALL TO ORDER/ROLL CALL**

2. **PUBLIC COMMENT**

Public comment is **limited to 3 minutes** and is at the discretion of the Committee Chair. For further instructions, please see [Instructions for Public Comment](#) on the District's website.

3. **OLD BUSINESS**

A. **See staff report for Q&A from May 4, 2021 Finance Committee Meeting**

4. **NEW BUSINESS**

A. **Fiscal Year 2021-2022 Draft Proposed Budget**

B. **Manhole raising and lowering costs over last 4 years**

C. **Connection Fee Repayment Program**

D. **Current Sewer Main Extension Deferrals**

Inception dates and total amount(s) owed with interest

E. **Septic Tank parcels within the MSD District Boundary**

F. **Deferred construction costs effect on the District's bond rating**

G. **Interest rate charged on Sewer Main Extension deferral**

Discuss the possibility of tying the interest rate paid by deferrals to the Federal Rate plus 1% or 2% like banks do in lieu of the current practice.

5. **ITEMS FOR THE NEXT AGENDA**

6. **ADJOURNMENT**



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MANAGER'S REPORT

For the Regular Board Meeting of

June 10, 2021

8. DISTRICT OPERATIONS AND MAINTENANCE

A. Information Items

District Staff will provide informational, nonactionable, updates regarding matters before the District.

B. Agreements to be Signed

None

C. Operations and Maintenance Reports

For the period of May 3, 2021 through May 30, 2021

WASTEWATER TREATMENT PLANT STATISTICS FOR DURATION: 35 DAYS

Flows	14.725 MGD	0.525 MGD avg
Hypochlorite used	3,816	136 Gallons day, avg
Bisulfite used	1,759 Gal	63 Gallons day, avg.
Effluent T.S.S.		6.0 mg/L avg
Effluent CBODs		3.66 mg/L avg
BAC-T		< 2.0 MPN/100mL median
Rainfall	0.00 inches	

SLUDGE DISPOSAL - LOAD AND DISPOSAL BY ENGEL & GRAY

<u>Load Date</u>	<u>Total Haul in pounds</u>	<u>Total haul in Tons</u>
5/11/2021	33,960	16.98
5/14/2021	36,560	18.28
<u>Totals for May:</u>	<u>70,520</u>	<u>35.26 Tons</u>

PLANT OPERATIONS

- No violation of the NPDES permit during this reporting period.
- Operated the belt press for a total of 12 hours.
- No alarm call-outs this period.

PLANT MAINTENANCE

- Performed routine inspections and maintenance of District Buildings and Equipment.

COLLECTIONS

- Linear Feet Cleaned: 58,222 ft, 11.02 Miles.
- Linear Feet Inspected: 5,756 ft, 1.09 Miles.
- 5/5/2021 Collections after hours call out for pump fail alarm at Bonnymede lift station.
- 5/13/2021 Collections after hours call out for power fail alarms at Posilipo & Miramar lift stations.
- 5/15/2021 Collections after hours call out for grate request at 202 Olive Mill Road due to private lateral backup.

LABORATORY

For the period of May 3, 2021 through May 30, 2021

- Collected 194 samples
- Ran 276 tests plus 74 duplicate tests for NPDES permit compliance and process control
- Performed 50 calibrations on laboratory equipment and 540 quality control checks
- Sent 3 samples to our contract lab for NPDES-required monthly testing (Oil & Grease, Ammonia and Total Organic Carbon)
- Staff has discontinued sample collection and analysis for Oil & Grease related to the UF-RO Pilot project.