

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

**December 12, 2019**

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

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:15 p.m. on December 12, 2019 at 1042 Monte Cristo Lane, Montecito, California.

**ATTENDANCE**

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

**Absent:** None

**Also Present:** 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 Special Legal Counsel  
Nick Turner, MWD General Manager  
Ken Coates, MWD Board Member  
Don Eversoll, Resident  
Leon Bartholemew, Resident  
Giana Magnoli, Noozhawk

**2. PLEDGE OF ALLEGIANCE**

**3. APPROVAL OF MINUTES**

The minutes of the November 14, 2019 meetings were included in the agenda packet. Director J. Kerns noted a small typographical error. On MOTION by Director Newquist and second by Director J. Kerns, the Board approved unanimously without abstention the minutes of November 14, 2019 as amended.

**4. APPROVAL OF PAYABLES**

On Motion by Director Newquist and second by Director J. Kerns, the Board approved unanimously without abstention these payroll and accounts payable expenses from November 15, 2019 through December 12, 2019:

Montecito Sanitary District  
MINUTES – December 12, 2019

Accounts Payable Expenses	\$ 163,254.81
Capital Improvement Projects	157,993.13
Payroll and Related Expenses	<u>180,124.55</u>
Total Expenses	\$ 501,372.49

5. **PUBLIC COMMENT**

None

6. **OLD BUSINESS**

A. **Montecito Water Reuse**

Director Bollay reported on the Administration and Operations (A&O) meetings of December 3<sup>rd</sup> and 9<sup>th</sup>. The Board received and filed a December 2, 2019 letter from Nick Turner, Montecito Water District General Manager. The A&O Committee stated it will continue to work with Montecito Water District to further define roles and responsibilities to produce recycled water for the full Santa Barbara Cemetery, along with projecting cost estimates for production and delivery of said recycled water.

ACTION: A&O Committee, Staff

7. **NEW BUSINESS**

A. **Financial Audit Report – Fiscal Year 2018-2019**

District Administrator McDonald reported the Finance Committee met December 2<sup>nd</sup> and reviewed in detail the Fiscal Year 2018-19 Financial statements audit draft with Tracey Solomon of Bartlett, Pringle & Wolf, LLP (BPW).

Ms. Solomon then presented highlights of the Fiscal Year 2018-19 Financials Statements audit draft report and Letter of Required Communication to the Board of Directors. Ms. Solomon reported that the audit went well, District records are in order, and she had the complete cooperation of management. Ms. Solomon summarized the Independent Auditors' report that the financial statements were free of material misstatement and fairly presented the District's financial position as of June 30, 2019. Ms. Solomon stated it was a clean, unmodified audit report.

After discussion, ON MOTION by Director Newquist and second by Director J. Kerns, the Board voted unanimously to accept and approve the audit report, and directed BPW to finalize and file the report.

ACTION: BPW, Staff

B. **Coastal Development Plan (CDP) Preparation**

General Manager Gabriel reported the A&O Committee met on December 3<sup>rd</sup> and directed staff to prepare a site map to present to the Board as the result of a letter from the County regarding a Coastal Development Plan (CDP). Engineering Manager Gabriel reviewed with the Board the

site plan identifying existing and proposed facilities on District property. Ken Marshall of Dudek Consulting answered questions from the Board regarding the site plan and the application process for the Coastal Development Plan (CDP).

On MOTION by Director J. Kerns and second by Director T. Kern, the Board approved including the Recycled Water Project, the Essential Services Building, and Solar Energy Panels in the CDP application with the following vote:

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

ACTION: Dudek Consulting, Staff

**C. Resolution No. 2019-919 - Approving District Holidays for 2020**

District Administrator McDonald informed the Board that each year the Board adopts a resolution approving the next year's legal holidays. Proposed Resolution No. 2019-919, included in the agenda packet, sets these 2020 holidays:

1. January 1<sup>st</sup> - New Year's Day
2. Third Monday in February - Presidents' Day
3. Last Monday in May - Memorial Day
4. July 4<sup>th</sup> - Independence Day
5. First Monday in September - Labor Day
6. Fourth Thursday in November - Thanksgiving Day
7. December 25<sup>th</sup> - Christmas Day

- If a holiday falls on a Sunday, the Monday following is the observed Holiday and the District office is closed on that Monday.
- If a holiday falls on a Saturday, the preceding Friday is the observed Holiday and the District office is closed on that Friday.

After discussion and on MOTION made by Director Newquist and second by Director J. Kerns, Resolution No. 2019-919 was adopted and executed. The MOTION passed by this roll call vote:

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

**D. Resolution No. 2019-920 – Excess Land Inventory**

General Manager Gabriel informed the Board that Government Code section 50569 requires the District to conduct an annual inventory of all District lands and air space to determine if any “is in excess of its foreseeable needs.” To date, there has not been excess land or air space under District ownership or control because the District only owns one parcel and needs it for its mission.

After discussion and on MOTION made by Director Newquist and second by Director Barrett, Resolution No. 2019-920 was adopted and executed. The MOTION passed by this roll call vote:

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

**E. Information Items**

Staff reported on the following information items:

- Public Information Requests
- Email complimenting District Collections staff members
- Resignation of District General Counsel

**F. Agreements Signed**

124 Pomar Lane – Sewer Service Agreement for Private Pumping Station  
124 Pomar Lane – Sewer Service Agreement for Workshop  
1365 East Valley Road – License Agreement  
1473 Edgecliff Lane – Termination of Sewer Service Agreement

**8. OPERATIONS AND MAINTENANCE**


The Board reviewed the information in the Board packet.

**9. ITEMS FOR FUTURE AGENDAS**


- The next regularly scheduled Board of Directors meetings on December 26, 2019 and January 9, 2020 are cancelled.
- The next Board of Directors meeting will be Wednesday, January 15, 2019 at 1:15 p.m.


**10. ADJOURNMENT**

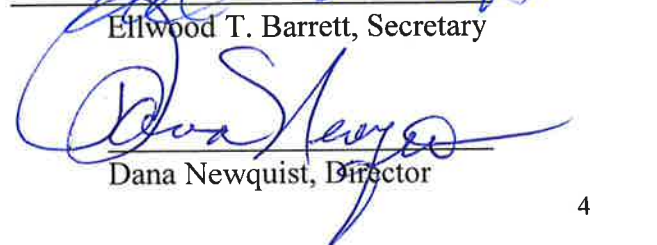
There being no other business, on MOTION to adjourn by Director Newquist and second by Director T. Kern, the MOTION passed unanimously without abstention and the meeting adjourned at 3:10 p.m.

  
Thomas Bollay, President

  
Jeffrey Kerns, Vice President

  
Thomas Kern, Treasurer

  
Ellwood T. Barrett, Secretary

  
Dana Newquist, Director