

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

July 30, 2020

1. CALL TO ORDER/ROLL CALL

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:21 p.m. on July 30, 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
Edwin Martin, Ratepayer
John Klein
Betsy Byrne
Unnamed Resident

2. PUBLIC COMMENT

Mr. Leon Bartholomew and Mr. Edwin Martin addressed the Board during public comment.

3. APPROVAL OF MINUTES

The minutes of the July 9, 2020 meetings were included in the agenda packet. Director Barrett disagreed with the minutes regarding agenda item 7 – Items for Future Agendas. Director Barrett requested staff send him the recording of the minutes prior to his approval. On MOTION by Director Newquist and second by Director J. Kerns, the Board to table the approval of the minutes of the July 9th meeting to the next Board meeting.

. AYES: Directors Kern, Newquist, Bollay, Kerns, Barrett

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NAYS: None
 ABSTAIN: None
 ABSENT: None

4. APPROVAL OF PAYABLES

On MOTION by Director Newquist and second by Director J. Kerns, the Board approved with a roll call vote these payroll and accounts payable expenses from July 4, 2020 through July 24, 2020:

Accounts Payable Expenses	\$ 232,432.97
Capital Improvement Projects	24,850.40
Payroll and Related Expenses	<u>97,089.41</u>
Total Expenses	\$ 354,372.78

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

5. NEW BUSINESS

A. Public Information Committee Meeting Report

The Public Information Committee Meeting (Directors Bollay and Newquist) reported on its meeting of July 15th. Director Bollay stated the Committee agreed to review all ads proposed by Davies Communications prior to publication. Ongoing Public Service Announcements (PSAs) that run frequently, such as not disposing of grease down the drain, or wipes down the toilet, will not be reviewed by the Committee prior to publication. Director Newquist reported that he had spoken to Mr. Macfadyen at Noozhawk regarding online opportunities and had requested Mr. Macfadyen contact staff.

B. Finance Committee Meeting - Report

The Finance Committee (Directors T. Kern and Barrett) reported on its meetings of July 22nd. At its meeting the Committee reviewed the Unaudited Financial Reports in detail. Director Barrett also requested further analysis done on leasing vs. buying the District's forklift.

C. Unaudited Fiscal Year 2019-20 Financial Reports

District Administrator McDonald reviewed with the Board the following Unaudited Financial Reports for the fiscal year ending June 30, 2020:

- Operations & Maintenance Budget Status
- Revenues FY19-20
- Quarterly Investment/Cash Activity

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- Capital Improvement Projects Year End Status

D. Quarterly Investment Policy Statement – June 30, 2020

Treasurer T. Kern summarized District Investment Policy 2013-883 (adopted October 2013), and read and will sign the quarterly Certification Statement.

ACTION: Treasurer Kern

E. 2020 Local Biennial Notice

District Administrator informed the Board of the County requirement to review the District Conflict of Interest code every two years and submit a form to the County of Santa Barbara Board of Supervisors. District Counsel advised the Board that he had reviewed the current Resolution No. 2016-900 Conflict of Interest Code and that no amendments to the Code were required.

On MOTION by Director Newquist and second by Director J. Kerns, the Board approved with a roll call vote the 2020 Local Biennial Notice as presented and directed staff to sign and return the Notice to the Santa Barbara County Clerk of the Board of Supervisors.

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

ACTION: Staff

F. Pick Up Truck – Purchase Order Authorization – National Auto Fleet Group

General Manager Gabriel reported the District's Capital Improvement Program (CIP) budget for fiscal year 2020-21 includes \$36,000 for a Pickup Truck. This vehicle would replace the District's 2009 Ford Escape. Staff has researched various models and determined that a four wheel drive Chevy Colorado with a V6 engine and an extended cab would best meet the needs of the District.

The District has received a competitive price from National Auto Fleet Group for a 2021 Chevy Colorado four wheel drive extended cab V6 using the Sourcewell Cooperative Contract pricing of \$32,520.17.

Director Newquist suggested using a local company to supply the Chevy pick up truck, and reported that he had spoken with Bunnin Chevrolet about matching or beating the low bid price. District Legal Counsel Berger advised that he was familiar with Sourcewell Cooperative and that the District could give local vendors a preference when purchasing equipment such as vehicles. Ordinarily, this amounts to a percentage preference based upon the local vendor being required to pay local taxes and rates such as wastewater rates. Frequently, this results in a 1-5% preference for local vendors. Based upon the District's immediate need for a vehicle and the offered price from Sourcewell, the District could seek a competitive price from a local vendor. Any local vendor, however, would need to have

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the exact same vehicle as specified by the District and have it on the same, or better, terms as quoted from Sourcewell including, without limitation, delivery date.

On MOTION by Director J. Kerns and second by Director Barrett, the Board directed the General Manager to authorize a purchase order in an amount not to exceed \$32,520.17 to either National Auto Fleet Group or Bunnin Chevrolet if they can match or better the price with the following roll call vote:

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

ACTION: Staff

6. OPERATIONS AND MAINTENANCE

The Board reviewed the information in the Board packet.

7. ITEMS FOR FUTURE AGENDAS

The Board discussed items for the next agenda, and agreed to include the following items:

- Approval of July 9th Board minutes
- Review of Emergency Declaration dated March 12, 2020
- Recording of Committee Meetings
- Hearing on IS/MND for the Coastal Development Plan

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 2:54 p.m.

DocuSigned by:

Tom Bollay

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Thomas Bollay, President

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Jeff Kerns

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Jeffrey Kerns, Vice President

DocuSigned by:

Ellwood T. Barrett II

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Ellwood T. Barrett, Secretary

DocuSigned by:

Tom Kern

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Thomas Kern, Treasurer

DocuSigned by:

Dana Newquist

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Dana Newquist, Director