



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

Tuesday, May 25, 2021

1. Agenda www.montsan.org/.../Agenda+2021-05-25+Special+Mtg.pdf
2. EXHIBIT A – A&O Committee Agenda of April 22, 20212
3. EXHIBIT B – Board Policies and Procedures Handbook 20214



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AGENDA

For the Special Meeting of the
Administration & Operations Committee on:

April 22, 2021

The Administration & Operations Committee meeting will begin at 2:00 p.m. on April 22, 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: **816 5324 1743**

Or by visiting: <https://us02web.zoom.us/j/81653241743>

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, see please see [Instructions for Public Comment](#) on the District's website.

3. **OLD BUSINESS**

None

4. **NEW BUSINESS**

A. **Lilac and Oak Grove Sewer Main Extension**

- i. Discuss Lilac and Oak Grove Sewer Main Extension Bids.
- ii. Discuss potential Ordinance to allow Sewer Main Extension and connection fees to be collected on the County Tax Roll over period up to 30 years.

B. **Board Approved Projects**

Staff will provide a report on all Board Approved Projects, including accounting summary of expenses and approved budget.

C. **Pilot Recycled Water System**

Staff will provide a status update on the Pilot Recycled Water System, including accounting summary of expenses and approved budget.

D. **Operations Manager position vacancy**

Staff will provide an update on operations while this position remains vacant.

E. **Change Order History**

Staff will provide a report on Change Orders for CIP projects over the past 4 years.

F. Purchase Order Procedure

Discuss the current purchase order policy and procedure(s).

G. Sewer Main status

Staff will provide data on the 76 miles of sewer main, dates lined, ages of pipe.

5. ADJOURNMENT

EXHIBIT B



BOARD OF DIRECTORS
POLICY AND PROCEDURES MANUAL
Revised and Adopted in 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.

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. Note: until a General Manager is selected, staff questions needing legal counsel can be funneled through the Clerk of the Board.

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.

Actions requiring a two-thirds vote are ordinances, resolutions, and budget adoption.

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.