



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 Board Meeting of

Wednesday, January 11, 2023

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BOARD LIST OF PAYABLES

<u>CHECK DATE</u>	<u>SUMMARY & TYPE</u>	<u>BATCH TOTAL</u>
12/09/2022	ACCOUNTS PAYABLE	186,860.73
12/22/2022	ACCOUNTS PAYABLE	61,879.76
	Subtotal	\$ 248,740.09
10/07/2022	CAPITAL IMPROVEMENT PROJECTS	88,099.85
	Subtotal	\$ 88,099.85
12/12/2022	PAYROLL	87,860.62
10/16/2022	PAYROLL	108,898.58
	Subtotal	\$ 196,759.20
	<u>TOTAL</u>	<u>\$ 533,599.14</u>

All Invoices were reviewed and approved by Department Managers
 All Invoices and Payments were reviewed and approved and checks signed by the General Manager
 Interim Board Treasurer, Dana Newquist approved all payables by email prior to check mailing

Check History Report
Sorted By Check Number
Activity From: 12/09/2022
MONTECITO SANITARY DISTRICT (MSD)

Bank Code: B OPERATING CASH (MBT)

Check Number	Check Date	Name	Check Amount	Description
0000027995	12/9/2022	805 INDUSTRIAL SUPPLY, LLC	388.42	Disposable Gloves - Operations
0000027996	12/9/2022	ACWA/JPIA	25,205.35	Medical/Dental/Life Insurance Premium-December
0000027997	12/9/2022	AMAZON CAPITAL SERVICES	825.50	Business Membership, Kitchen/Janitorial Supplies
0000027998	12/9/2022	BARTLETT, PRINGLE & WOLF, LLP	2,685.00	Progress Payment for the Annual Financial Audit-Oct
0000027999	12/9/2022	BIG GREEN CLEANING COMPANY	2,654.70	Janitorial Services-December, Supplies
0000028000	12/9/2022	DOUGLAS BROWN	3,450.00	Deposit Refund - 210 San Ysidro Road
0000028001	12/9/2022	CANON FINANCIAL SERVICES INC	297.91	Canon Copier Lease Payment-December
0000028002	12/9/2022	COLANTUONO, HIGHSMTIH & WHATLEY, PC	8,052.00	Legal Counsel Services-November
0000028003	12/9/2022	CSRMA	3,553.00	Worker's Compensation Final Payroll Audit
0000028004	12/9/2022	CALIFORNIA WATER ENVIRONMENT	202.00	Annual Membership Dues-Morelos
0000028005	12/9/2022	DANIELS, DOROTHY	3,044.00	Deposit Refund - 1153 High Road
0000028006	12/9/2022	DOCU PRODUCTS	129.02	Copier Maintenance Agreement-December
0000028007	12/9/2022	FASTENAL COMPANY	798.99	Drill Bit Restock, Gloves, Ear Plugs, Face Masks
0000028008	12/9/2022	FISHER SCIENTIFIC	916.30	Lab Testing Supplies
0000028009	12/9/2022	GLS COMPANIES	750.00	Landscape Services-November
0000028010	12/9/2022	GRAINGER	468.60	Pipe Thread Sealant, PVC Piping Restock, 12V Batteries
0000028011	12/9/2022	JUAN O'S MOBILE REPAIR	2,875.00	Troubleshoot/Repair Air Compressor, Vac-Con Repairs
0000028012	12/9/2022	HAROLD KARSENTY	2,585.00	Deposit Refund - 593 Parra Grande Lane
0000028013	12/9/2022	JEROME (or) GAIL KAY	1,150.00	Deposit Refund - 620 Stone Meadow Lane
0000028014	12/9/2022	LIEBERT CASSIDY WHITMORE	425.00	Labor Negotiations Legal Counsel-October
0000028015	12/9/2022	JUDITH LITTLE	82,760.00	Construction Bond Refund for 720 E. Mountain Drive Sewer Main Extension
0000028016	12/9/2022	MONTECITO BANK & TRUST	2,255.96	Microsoft Teams, Towing of Escape, Lift Station 4 Wireless, Standby Cellphone, Vac-Con Parts, Staff Safety Training, Lab Supplies, Forklift Propane
0000028017	12/9/2022	MCCORMIX CORP	227.15	Vehicle Fuel 11/15-11/30/22
0000028018	12/9/2022	MOUNTAIN SPRING WATER	179.00	Bottled Drinking Water, Cooler Rental-November
0000028019	12/9/2022	OILFIELD ENVIRONMENTAL & COMPLIANCE	715.75	Outside Lab Analyses 11/10-12/05/22
0000028020	12/9/2022	PAYCHEX OF NEW YORK, LLC	474.25	Payroll Services-November
0000028021	12/9/2022	PLANETBIDS, INC.	3,991.25	Bid Contracts Management Services
0000028022	12/9/2022	PITNEY BOWES BANK INC PURCHASE	7.20	Postage Meter Ink
0000028023	12/9/2022	PURETEC INDUSTRIAL WATER	74.40	Water Softener Sodium Tank Exchange
0000028024	12/9/2022	QUINN COMPANY	594.59	Troubleshoot Lift Station 4 Generator Engine Coolant
0000028025	12/9/2022	RINGCENTRAL, INC.	657.10	Phone Services - November
0000028026	12/9/2022	SANTA BARBARA COUNTY-APCD	992.00	Lift Station 2 & 4 Re-Evaluation Fee
0000028027	12/9/2022	SANTA BARBARA COUNTY CLERK-	223.00	Agreement Recording Fees
0000028028	12/9/2022	SOUTHERN CALIFORNIA EDISON CO	14,919.92	Electric Service10/25-11/22/22
0000028029	12/9/2022	STANDARD INSURANCE COMPANY	1,586.58	Short/Long Term Disability Premium- December
0000028030	12/9/2022	STREAMLINE	310.00	Website Hosting Services-December
0000028031	12/9/2022	UNIVAR SOLUTIONS	16,260.54	Sodium Bisulfite / Hypochlorite Chemicals
0000028032	12/9/2022	UNDERGROUND SERVICE ALERT	176.25	95 Dig Alert Tickets-November
0000028033	12/22/2022	BIJAN, SHAHRAM (or) BRITTANY	12,880.00	Refund portion on construction cost fees
0000028034	12/22/2022	CINTAS CORPORATION #684	1,201.53	November Uniform, Towels, Mats -Cleaning & Rental
0000028035	12/22/2022	COMPUVISION COMMUNICATIONS	1,740.00	January Data Cloud Backup and Netalert Services
0000028036	12/22/2022	CORT	44.00	November Deed Report
0000028037	12/22/2022	COX BUSINESS	160.39	December Wireless Internet Service
0000028038	12/22/2022	CALIFORNIA WATER ENVIRONMENT	95.00	Laboratory Analyst I Renewal - Marco Felix
0000028039	12/22/2022	ENGEL & GRAY, INC	5,856.21	November Biosolids Hauling

0000028040	12/22/2022	FAMCON PIPE & SUPPLY, INC	635.10	Piping for Wasting Pump Replacement
0000028041	12/22/2022	FARISH	2,708.00	Deposit Refund - 304 Ennisbrook Drive
0000028042	12/22/2022	FELIX, MARCO	225.00	Boot Allowance Reimbursement
0000028043	12/22/2022	FRONTIER	604.82	Phone Service - LS 1, 2, 4, 5, & Plant
0000028044	12/22/2022	GRAINGER	1,335.41	Rotary Drum Chain and Spare Sample Pump
0000028045	12/22/2022	HARRINGTON INDUSTRIAL PLASTICS	3,637.28	PVC Parts/Piping Restock
0000028046	12/22/2022	IBS OF SIERRA MADRE	148.76	Battery for Ford Escape
0000028047	12/22/2022	ROBERT KEEN	106.00	AWWA Annual Membership Dues - Robert Keen
0000028048	12/22/2022	MARBORG INDUSTRIES	1,075.62	November Refuse Disposal/Recycling/Port. Restrnm
0000028049	12/22/2022	MCCORMIX CORP	860.79	12/1 - 12/15/22 Vehicle Fuel
0000028050	12/22/2022	MONTECITO WATER DISTRICT	729.09	November Water Service
0000028051	12/22/2022	NEVINS, HENRY	2,300.00	Deposit Refund - 777 Picacho Lane
0000028052	12/22/2022	OILFIELD ENVIRONMENTAL & COMPLIANCE	314.40	12/14 & 12/15 Outside Lab Analysis
0000028053	12/22/2022	PRICE POSTEL & PARMA	72.00	November Legal Services - HR
0000028054	12/22/2022	RED WING BUSINESS ADVANTAGE	221.84	Boot Allowance Reimbursement - Ortiz
0000028055	12/22/2022	SANSUM CLINIC	135.00	DMV/DOT Exam - Kearney
0000028056	12/22/2022	SOCAL GAS	442.16	November Gas Services for Collections/Maintenance
0000028057	12/22/2022	STATE WATER RESOURCE CONTROL	15,414.00	Annual 2022/23 WWTP & Lift Station Permit Fees
0000028058	12/22/2022	TAFT ELECTRIC COMPANY	1,582.00	On Call Electrical Services
0000028059	12/22/2022	TRI-CO REPROGRAPHICS	22.11	720 E Mountain Dr Record Drawings
0000028060	12/22/2022	UNIVAR SOLUTIONS	7,333.25	Hypochlorite - 1,100 Gallons
Total			248,740.49	

Check History Report

Sorted By Check Number

Activity From: 12/12/2022

MONTECITO SANITARY DISTRICT (MSD)

G CIP CASH (MBT)

Check Number	Check Date	Name	Check Amount	Description
	12/12/2022	FILIPPIN ENGINEERING	17,595.00	CIP No.9-Construction Observation Services for the Olive Mill/San Ysidro Roundabout Sewer Relocation Project-October/November
<u>0000001367</u>	12/12/2022	TIERRA CONTRACTING INC	19,435.00	CIP No. CMAN-Construction Services for the Manhole Adjustments in Various Location-Project Complete
0000001368	12/12/2022	MISCOWATER	51,069.85	CIP No. T004-Disinfection Process Pump Replacement
0000001369				
			Total:	<u>88,099.85</u>
			Report Total:	<u><u>336,840.34</u></u>

RESOLUTION NO. 2023-960

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTECITO SANITARY DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE MONTECITO SANITARY DISTRICT FOR THE PERIOD OF 30 DAYS PURSUANT TO THE BROWN ACT PROVISIONS.

WHEREAS, the Montecito Sanitary District (“District”) is a sanitary district duly organized and existing pursuant to the Sanitary District Act of 1923 codified in Health & Safety Code section 6400 et seq.; and

WHEREAS, the District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s governing body are open and public, as required by the Ralph M. Brown Act, codified in California Government Code section 54950 et seq. (“Brown Act”), so that any member of the public may attend, participate, and watch the District’s governing body conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors previously adopted Resolution No. 2021-935, on September 30, 2021, finding that the requisite conditions exist for the Board of Directors of the District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District’s jurisdiction, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in the jurisdiction of the District, specifically, a State of Emergency remains active as proclaimed by Governor Gavin Newsom’s Proclamation of a State of Emergency dated March 4, 2020; and

WHEREAS, State and Local Officials have imposed and recommended social distancing measures and allowing legislative bodies to meet via teleconferencing to avoid risks to the health and safety of members of the public who would like to participate in meetings of the legislative bodies; and

WHEREAS, the Board of Directors does hereby find that Governor Gavin Newsom's Proclamation of State of Emergency and Social Distancing Orders and other conditions causing imminent risk to attendees has caused, and will continue to cause, conditions of peril to the safety of persons within the jurisdiction of the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and ratify the proclamation of state of emergency by the Governor of the State of California and ratify State and Local orders for social distancing; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the District's governing body shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the District shall continue to provide notice as otherwise required by the Brown Act of all public meetings.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MONTECITO SANITARY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the jurisdiction of the District and proclaims that a local emergency persists throughout the jurisdiction of the District and allowing remote access and participation in the District's board meetings will reduce health and safety risks to attendees.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The General Manager or designee and the Board of Directors of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) **February 9, 2023**, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of the Montecito Sanitary District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Montecito Sanitary District this 11th day of January 2023, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

(SEAL)



Board President
Ellwood Barrett

ATTEST:

Clerk of the Board
Stephen Williams



Montecito Sanitary District

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MINUTES

For the Special Meeting of the Board on:

December 2, 2022

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District (MSD) convened a special meeting of the Board at 2:08 pm on Tuesday December 2, 2022. The meeting was also broadcast using Zoom teleconferencing.

ATTENDANCE

Board Members Present:

Director Hogan, Director Johnson, Director Martin, Director Ohlmann, and President Ellwood Barrett

Board Members Absent:

None

Also Present and Participating:

Bradley Rahrer, MSD General Manager
Stephen Williams, MSD District Administrator
Carole Rollins, MSD Laboratory Manager
Aleks Giragosian, Colantuono, Highsmith & Whatley, PC
John Weigold, Member of the Public
Laura Robinson, SEIU Local 620

2. COMMITTEE REPORTS

President Johnson moved this item to Closed Session as it was related to Item 3A.

3. CLOSED SESSION

A. LABOR NEGOTIATIONS (GOVERNMENT CODE § 54957.6)

Update on labor negotiations between District and Service Employees International Union (SEIU) Local 620 for represented staff.

Reportable Action: None

B. PUBLIC EMPLOYMENT APPOINTMENT - GOVERNMENT CODE § 54957

Title: General Manager

ON MOTION by Director Newquist, Second by Director Martin, the Board voted to appoint John Weigold as General Manager to begin serving on December 17th, 2022.

AYES: Directors Barrett, Hogan, Martin, Newquist, and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

4. ITEMS FOR THE NEXT AGENDA

The next Board meeting will be a General Meeting of the Board on December 8, 2022 at 2:00 pm.

- Organization Decisions
- Board Training Session from General Counsel
- Reserve Update

5. ADJOURNMENT

The meeting adjourned at 5:05 p.m. ON MOTION by Director Hogan, seconded by Director Martin.

These minutes were presented for approval at the General Board Meeting on January 11, 2022.

Ellwood Barrett, President

Minutes taken and prepared by:

Stephen Williams
District Administrator/Clerk of the Board



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MINUTES

For the Special Meeting of the Board on:

December 8, 2022

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:08 pm on Thursday, December 8, 2022. The meeting was also broadcast using Zoom teleconferencing.

ATTENDANCE

Board Members Present:

Director Barrett, Director Hogan, Director Martin, and President Dorinne Lee Johnson

Board Members Absent:

Also Present and Participating:

Brad Rahrer, P.E. MSD General Manager
Stephen Williams, MSD Clerk of the Board & District Administrator
Marco Felix, MSD Treatment Superintendent/Chief Plan Operator
Carole Rollins, MSD Laboratory Manager
Rico Larroude, MSD Collections & Maintenance Supervisor
Bryce Swetek, MSD Engineering Manager
Caroline Martin, MSD Accounting/Administrative Assistant
Carter Ohlmann, Member of the Public

2. PUBLIC COMMENT

No members of the public addressed the Board.

3. CEREMONIAL SWEARING IN OF NEW DIRECTOR

As a result of one seat on the Board of Directors remaining vacant after the November election the County appointed Carter Ohlmann to the Board of Directors at their November 22, 2022 Special Meeting of the County of Santa Barbara Board of Supervisors.

Director Johnson swore in new Director Carter Ohlmann to his seat on the Board of Directors.

4. BOARD TRAINING

The Board received training from General Legal Counsel on the Brown Act, Public Records Act, and the roles and responsibilities of Directors, the General Manager, and Staff.

5. CONSENT CALENDAR

ON MOTION by Director Hogan, Second by Director Martin, the Board voted to approve the Consent Calendar containing the following items:

- A. Meeting Minutes from General Board Meeting of November 8, 2022
- B. Meeting Minutes from Special Board Meeting of November 10, 2022
- C. Meeting Minutes from General Board Meeting of November 22, 2022
- D. Meeting Minutes from Special Board Meeting of November 23, 2022
- E. General Manager Appointment (formally Item 9 on the Agenda, moved by Director Johnson)

6. ORGANIZATIONAL DECISIONS

ON MOTION by Director Hogan, Seconded by Director Martin, the Board voted to elect Director Barrett as President of the Board of Directors.

AYES: Directors Barrett, Hogan, Martin, Ohlmann, and Johnson
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Martin, Seconded by Director Barrett, the Board voted to elect Director Hogan as Vice President of the Board of Directors.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Barrett, Seconded by Director Hogan, the Board voted to elect Director Martin as Treasurer of the Board of Directors.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Hogan, Director Barrett, the Board voted to elect Director Johnson as Secretary of the Board of Directors.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Barrett, Seconded by Director Hogan, the Board voted to hold regularly scheduled Board meetings the 2nd Wednesday of each month at 12pm for Calendar Year 2023.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Hogan, Seconded by Director Martin, the Board voted to discontinue the Administrations and Operations Committee.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Hogan, Seconded by Director Johnson, the Board voted to discontinue the Personnel Committee.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Barrett, Seconded by Director Martin, the Board voted to discontinue the Public Information Committee.

AYES: Directors Hogan, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: Director Johnson
ABSENT: None

President Barrett updated the remaining two committee members as follows:

- i) Finance Committee: Barrett (Chair), Martin (Member), Johnson (Alternate)
- ii) Strategic Planning Committee: Johnson (Chair), Hogan (Member), Ohlmann (Alternate)

7. COMMITTEE REPORTS

- Director Johnson gave a summary of the Finance Committee meeting held on November 16, 2022.
- Directors Johnson and Hogan gave a summary of the Joint Strategic Planning meeting held on November 22, 2022.

8. REMOTE MEETINGS ADOPTION

ON MOTION by Director Hogan, Seconded by Director Martin, the Board voted to adopt Resolution 2022-959 enabling the District to continue to hold remote public meetings.

9. DISTRICT BUSINESS ITEMS

A. RESOLUTION 2022-961 DECLARING 2023 HOLIDAYS

ON MOTION by Director Barrett, Second by Director Hogan, the Board voted to adopt Resolution 2022-961 for District Holidays in the 2023 Calendar Year.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

B. RESOLUTION 2021-962 EXCESS LAND AND AIR SPACE

ON MOTION by Director Hogan, Second by Director Barrett, the Board voted to adopt Resolution 2022-962 declaring no excess land or air space.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

C. DISTRICT RESERVE POLICY

ON MOTION by Director Hogan, Seconded by Director Barrett, the Board voted to continue this item at a later Board meeting.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

D. MANHOLE FRAME & COVER ADJUSTMENTS CONTRACT

ON MOTION by Director Martin, Seconded by Director Hogan, the Board voted to:

- i) Authorize the General Manager to execute a contract with Tierra Contracting in the amount not to exceed \$19,350 for adjusting ten sewer manhole frame and covers to grade; and
- ii) Authorize the General Manager to approve expenditures of up to \$1,9365 (10%) as a change order allowance for any necessary changes in scope of work.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

E. PUBLIC OUTREACH FIRM

ON MOTION by Director Hogan, Seconded by Director Johnson, the Board voted to continue the item at a later Board meeting date and to inform those who proposed on the District's Request for Proposals of the new timeline.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

10. DISTRICT OPERATIONS AND MAINTENANCE

A. INFORMATION ITEMS

General Manager Brad Rahrer P.E., provided informational, nonactionable updates regarding matters before the District.

B. OPERATIONS AND MAINTENANCE REPORTS

General Manager Rahrer presented the Operations and Maintenance reports for the period of November 1, through November 30, 2022.

11. ITEMS FOR THE NEXT AGENDA

The next regular Board meeting will be held on January 11th, 2023 and may include the following topics:

- a. Right-of-Ways

12. ADJOURNMENT

The meeting adjourned at 5:42 pm ON MOTION by Director Hogan, Seconded by Director Martin.

These minutes were presented for approval at the General Board Meeting on January 11, 2022.

Ellwood Barrett, President

Minutes taken and prepared by:

Stephen Williams
District Administrator/Clerk of the Board



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MINUTES

For the Special Meeting of the Board on:

December 9, 2022

1. **CALL TO ORDER**

The Governing Board of the Montecito Sanitary District (MSD) convened a special meeting of the Board at 2:03 pm on Tuesday December 9, 2022. The meeting was also broadcast using Zoom teleconferencing.

ATTENDANCE

Board Members Present:

Director Barrett, Director Hogan, Director Martin, Director Newquist, and President Dorinne Lee Johnson

Board Members Absent:

None

Also Present and Participating:

Bradley Rahrer, MSD General Manager
John Weigold, MSD General Manager
Stephen Williams, MSD District Administrator
Carole Rollins, MSD Laboratory Manager
Ken Coates, MWD Vice President
Andy Salvesson, Carollo Engineers
Clark, Carollo Engineers
Rob Morrow, WSC
Aleks Giragosian, Colantuono, Highsmith & Whatley, PC
John Weigold, Member of the Public
Laura Robinson, SEIU Local 620

2. **RECYCLED WATER FEASIBILITY STUDY**

The Board received a presentation from Andy Salvesson from Carollo Engineers on the Recycled Water Feasibility and specifically what impacts the findings have on the Montecito Sanitary District.

ON MOTION by Director Hogan, Seconded by Director Johnson, the Board voted to draft a letter in support of the Groundwater Sustainability Agency’s application for grant funding.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Hogan, Seconded by Director Martin, the Board voted to approve the Recycled Water Feasibility Study prepared by Carollo Engineers and in collaboration with the Montecito Water District.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

ON MOTION by Director Martin, Seconded by Director Hogan, the Board voted to authorize the General Manager to execute a Funding Agreement between the State Water Resources Control Board and the Montecito Sanitary District to receive grant funds for the study.

AYES: Directors Hogan, Johnson, Martin, Ohlmann, and Barrett
NAYS: None
ABSTAIN: None
ABSENT: None

3. CLOSED SESSION

A. LABOR NEGOTIATIONS (GOVERNMENT CODE § 54957.6)

Update on labor negotiations between District and Service Employees International Union (SEIU) Local 620 for represented staff.

Reportable Action: None

B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (GOVERNMENT CODE § 54956.9(d)(2))

A point has been reached where, in the opinion of the District Board of Directors on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the District:

Reportable Action: A dispute had arisen with regard to an employee of the District, Jack Carrillo, in which litigation was threatened and is pending. The Board voted to resolve that dispute by way of a settlement. The substantive terms of that settlement agreement are:

- 1) Mr. Carrillo will resign from his employment with the District
- 2) Mr. Carrillo will be paid a severance of \$15,000 and
- 3) Mr. Carrillo will be provided with a neutral reference

4. ITEMS FOR THE NEXT AGENDA

The next Board meeting will be a General Meeting of the Board on January 11, 2022 at 12:00 pm.

- Consolidation

5. **ADJOURNMENT**

The meeting adjourned at 5:35 p.m. ON MOTION by Director Hogan, Seconded by Director Johnson.

These minutes were presented for approval at the General Board Meeting on January 11, 2022.

Ellwood Barrett, President

Minutes taken and prepared by:

Stephen Williams
District Administrator/Clerk of the Board

RESOLUTION NO. 2023-XXX

**RESOLUTION OF THE GOVERNING BOARD
OF THE MONTECITO SANITARY DISTRICT
ADOPTING A RESERVE POLICY**

WHEREAS, the Governmental Finance Officers Association recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained for Generally Accepted Accounting Principles (GAAP) and budgetary purposes; and

WHEREAS, such guideline(s) should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period; and

WHEREAS, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level(s) prescribed.

NOW, THEREFORE, the Governing Board of the Montecito Sanitary District hereby resolves:

1. **Established:** The reserve funds set forth in Sections (X,X,&X) are hereby established. The General Manager shall maintain those Reserve Funds in accordance with this policy. All dollar amounts indicated are 2022 dollars.

2. **Utilization:** The reserve funds so created will be utilized for the specific purposes set forth in this Resolution.

3. **Reserve Funds:**

A. Operations and Maintenance (O&M) Reserve Fund

Purpose: The Operations and Maintenance Reserve Fund is intended to provide a mechanism for the District to undertake immediately unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available.

Funding: The Operations and Maintenance Reserve Fund shall be funded by income from sources other than property tax. This fund shall maintain a minimum balance of desired threshold here – examples include 3, 4, 5, or 6 months of Annual Operating Costs or a specific dollar amount).

Administration: The District shall invest funds held in the Operations and Maintenance Reserve fund in liquid (LAIF Account, Montecito Bank and Trust Account, County Treasury Account, Line of Credit). If drawn down the Operations and Maintenance Reserve Fund will be replenished through (timeline, amount and method).

Use of Fund: Monies held in the Operations & Maintenance Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities, including by way of example only: repair of natural disaster-related damage to facilities (i.e. flood, earthquake, tsunami); unanticipated need to purchase chemicals; major emergency repair or replacement of equipment; unanticipated legal judgements.

B. Capital Projects Reserve Fund

Purpose: The Capital Projects Reserve Fund is intended to finance the reconstruction and replacement of the sanitation and sewerage facilities of the District which may be required from time to time due to wear, tear, and aging. It can also be utilized to fund the expansion/maintenance of the sanitation and sewerage facilities of the District to accommodate the demand for additional capacity.

Funding: The Capital Projects Reserve Fund shall be funded by income from property taxes and connection fees and may be funded with unrestricted sources of the Operations and Maintenance fund. This fund shall maintain a minimum balance of (insert desired threshold here – examples include percentage of the five year average of the District’s annual capital budget, percentage of the five year average of the District’s annual capital expenditures, flat dollar amount). If drawn down the Capital Projects Reserve Fund will be replenished through (timeline, amount, method).

Administration: The General Manager shall invest funds held in the Capital Projects Reserve fund in liquid (LAIF Account, Montecito Bank and Trust Account, County Treasury Account, Line of Credit). The General Manager shall annually contribute the prior year audited depreciation expense, plus connection fees, plus property tax.

Use of Fund: Monies held in the Capital Projects Reserve Fund may be expended only upon authorization of the Board of Directors to ensure the strategic capital needs of the District are met. Use of Capital Reserves is limited to repairs to existing infrastructure, relocation of infrastructure, work completed towards a septic to sewer plan, and emergencies.

C. Rate Stabilization Reserve Fund

Purpose: The Rate Stabilization Reserve Fund is intended to mitigate the effects of occasional shortfalls in revenue. Revenue shortfalls result from a number of events, and a rate stabilization fund assists in smoothing out revenue variability resulting from these factors to ensure adequate resources are available during these times without the need to increase rates on the end users.

Funding: The Rate Stabilization Fund shall be funded by income from sources other than property tax. This fund should maintain a minimum balance of (insert desired threshold here – examples include 3, 4, 5, or 6 months of Annual Operating Costs or a specific dollar amount). If drawn down the Rate Stabilization Fund will be replenished through (timeline, amount, method).

Administration: The District shall invest funds held in the Capital Projects Reserve fund in liquid (LAIF Account, Montecito Bank and Trust Account, County Treasury Account, Line of Credit). The General Manager shall annually contribute the prior year audited depreciation expense, plus connection fees, plus property tax.

Use of Fund: Monies held in the Rate Stabilization Fund may be utilized to cover anticipated overages in expenditures compared to revenues in order to mitigate the need for increasing Sewer Service rates. If anticipated budgetary deficits are expected than the release of these reserves to the appropriate program (Operations and Maintenance or Capital Projects) will be utilized rather than an increase to rates.

PASSED AND ADOPTED by the Governing Board of the Montecito Sanitary District on the Xth day of XXX 2023 by the following vote:

AYES: None
NAYS: None
ABSTAIN: None
ABSENT: None

Board President

ATTEST:

Board Secretary

(SEAL)



GENERAL MANAGER'S REPORT

For the Regular Board Meeting of

January 11, 2023

The District continues its mission of providing wastewater collection and treatment services. In addition to the daily operations of the District, the following is an update on some of our current ongoing projects and activities:

1. General Manager Turnover

General manager turnover with Brad Rahrer was completed last month. I have had initial meetings with all direct reports and will be meeting with them each again in the next 30 days. I met twice with my executive coach over the holidays and have developed a plan to meet our external customers and stakeholders.

2. Annual Financial Audit

The District audit is in progress with an expected completion date of mid-February. We plan to have the Finance Committee review the final report at the end of January with a full Board review planned for February 8.

3. Rate Study

The rate study is in the data-gathering phase. The estimated completion of the initial study is the end of March.

4. Personnel Changes

Perry Cabugos, our Collection System Maintenance and Grade III/Facilities Maintenance technician retired from the District in December. Staff is reviewing the position prior seeking a replacement.

5. Lilac/Oak Grove

Staff conducted a final walkthrough with Santa Barbara County Public Works on January 6, 2023, to check completeness of the work and the quality of the roadways. Pending final comments from SB County officials, we hope to issue a notice of completion by mid-February.

6. Electrical Rehabilitation Project

The District procured the services of Aspect Engineering to perform a SCADA System Assessment of our existing system to understand how to best incorporate SCADA controls into the Electrical Rehabilitation Project. The audit was performed on December 13-14, 2022, and a memo documenting the findings and recommendations was provided to the District on December 22, 2022. There were no new major findings discovered.

7. Hwy 101 Sewer Relocation

Staff in pursuit of receiving a green light from Caltrans regarding the Protect-In-Place project in lieu of the proposed relocation project. Potholing services were performed by Sam Hill & Sons in mid-December to locate our steel casing. The casing was found in each instance, allowing us to move forward with presenting the information to Caltrans' design team for the Protect-In-Place project. Caltrans' design team, in coordination with Staff, drafted a mitigation plan (a plan specifically to mitigate potential damage to our existing facilities during the bridge construction) and it was submitted to Caltrans' Department of Engineering Services (DES) in late December. The plan has been approved by DES, but we are waiting on Caltrans approval for an exception to engineering standards. Lastly, Granite (Caltrans' Contractor) needs to confirm the mitigation plan prior to proceeding.