

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

January 10, 2019

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:15 p.m. on January 10, 2019 at 1042 Monte Cristo Lane, Montecito, California.

ATTENDANCE

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

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
Rico Larroude, MSD Collections/Maintenance Supervisor
Janet McGinnis, MSD Legal Counsel
Hillary Hauser, Heal the Ocean
Ken Coates, MWD Board President
Bob Hazard, Montecito Journal

2. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes of the December 10, 2018 meeting were included in the agenda packet. On MOTION by Director Newquist and second by Director Kern, the Board approved unanimously the minutes of December 10, 2018.

3. APPROVAL OF PAYABLES

On MOTION by Director Kerns and second by Director Newquist, the Board approved unanimously these payroll and accounts payable expenses from December 10, 2018 through January 10, 2019:

Accounts Payable Expenses	\$ 184,506.72
Capital Improvement Projects	211,113.34
Payroll and Related Expenses	<u>174,606.60</u>
 Total Expenses	 \$ 570,226.66

4. **PUBLIC COMMENT**

Bob Hazard and Hillary Hauser both addressed the Board and distributed memos for consideration.

5. **OLD BUSINESS**

A. **Montecito Water Reuse**

General Manager Gabriel reported the Montecito Water District has finished its 2018 Recycled Water Feasibility Plan. District staff participated on a conference call with MWD staff and MWD's consultant regarding the available water for recycled use. The Board directed staff to schedule a joint meeting of MSD Administration & Operations (A&O) Committee and MWD Strategic Planning Committee.

ACTION: Staff

B. **Threatened Litigation by Montecito Water Security Team – Legal Counsel Report**

District Legal Counsel Janet McGinnis reported she had received correspondence from the law firm representing the Committee for Montecito Water Security stating the Committee had decided to "not pursue this matter further". Ms. McGinnis also stated that complaints filed anonymously against staff and former Board members have been rejected by the Fair Political Practices Commission (FPPC).

6. **NEW BUSINESS**

A. **Resolution No. 2019-915 – Inventory of District's Land and Air Space**

District Legal Counsel, Janet McGinnis, informed the Board that in 1971, the California legislature began requiring annual lands inventories. 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. 2019-915 was adopted and executed. The MOTION passed by this roll call vote:

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

ACTION: None

B. Administration & Operation (A&O) Committee Meeting Report

The A&O Committee reported on its meeting of December 20, 2018, and distributed meeting minutes. Items discussed were:

- scheduling a joint meeting with the Montecito Water District's Strategic Planning Committee to discuss water reuse;
- MSD pilot project for onsite recycled water;
- septic to sewer conversions/sewer main extension projects;
- Essential Services Building;
- other ongoing capital improvement projects.

C. Private Sewer Lateral Rebate Program

Staff gave a presentation on the District's private sewer lateral rebate program adopted in July 2005, which reimburses property owners fifty percent of the expense up to \$2,000 to correct defects in sewer laterals. To date the District has reimbursed approximately \$368,800 to 189 properties.

ACTION: None

D. FEMA/Insurance Update

District Administrator McDonald reported on reimbursements from FEMA and CalOES for the January 9, 2018 Debris Flow disaster. To date, the District has received approximately \$1,120,000 in reimbursements, and expects \$350,000 within the month. The District submitted \$1,502,000 in damages to FEMA and will receive \$1,462,000 in FEMA/CalOES reimbursement grants. The District's insurer has agreed to a partial payment for damages done to the District's lift stations. Staff is calculating lost revenue from the disaster in order to apply for additional reimbursement under its policy's Business Interruption coverage.

ACTION: Staff

E. Agreements Signed

763 Ashley Road – Sewer Service Agreement – New garage with attached workshop
211 Boeseke Parkway – Sewer Service Agreement – New cabana

7. ENGINEERING, OPERATIONS AND MAINTENANCE

The Board reviewed the information in the agenda packet.

8. ITEMS FOR NEXT AGENDA

The next regularly scheduled Board meeting will be January 31, 2019, and will include the Quarterly Financial Reports, Notice of Completion on the Miramar Lift Station, dedication of the Force Main, Notice of Completion for the grading for the Essential Services Building, and authorization of a Purchase Order to survey the Riven Rock area for a possible sewer main extension project. (After this Board meeting, the next meeting was rescheduled to Wednesday January 30, 2019.)

9. **ADJOURNMENT**

There being no other business, on MOTION to adjourn by Director Kern and second by Director Kerns, the MOTION passed unanimously without abstention and the meeting adjourned at 4:02 p.m.



Thomas Bollay, President



Jeffrey Kerns, Vice President



Thomas Kern, Treasurer



Ellwood T. Barrett, Secretary



Dana Newquist, Director