

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

April 9, 2012

1. INFORMATIONAL NOTICE

Prior to the start of Monday's formal Board meeting, the Board and staff had an informal lunch and tour of the new laboratory building. There were no members of the public who attended the lunch and tour.

2. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 9th day of April 2012 at 1042 Monte Cristo Lane, Montecito, California, at 1:15 p.m.

ATTENDANCE

Present: Directors Charles C. Arnold, Judith M. Ishkanian, Jeff Kerns, Edward P. McAniff

Absent: Director Deirdre M. Cannata

Also Present: Diane Gabriel, General Manager; Debbie Hughey, Office Manager

Item 7.A. Janet K. McGinnis, District Legal Counsel

3. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes from the prior Board meeting were included in the agenda packets for Board review.

Upon MOTION by Director Ishkanian, and seconded by Director McAniff, the minutes of March 12, 2012 were approved as submitted.

4. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director McAniff, and seconded by Director Ishkanian, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES for the District through March 12, 2012 as follows:

Accounts Payable (3/16/12)	\$34,282.50
Accounts Payable (3/21/12)	\$20,521.57
Accounts Payable (4/2/12)	\$19,472.37
Accounts Payable (4/9/12)	\$25,956.64

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Payroll (3/22/12)	\$35,119.44
Payroll Related (3/22/12)	\$12,083.24
Payroll (4/2/12)	\$36,695.81
Payroll Related (4/2/12)	\$32,389.28

TOTAL **\$216,520.85**

5. PUBLIC COMMENT

No member of the public was present to address the Board on non-agenda items.

6. OLD BUSINESS

A. NEW TESTING LABORATORY BUILDING

President Kerns, on behalf of the Directors, thanked staff for the great tour of the new testing laboratory building. The Board discussed the possibility of an event wherein members of the public would be invited to attend. The Board will consider different concepts which may include encouraging the public, attending Montecito Beautification Day in the Fall, to sign up for a tour of the new testing laboratory building.

ACTION: None

7. NEW BUSINESS

A. INTRODUCTION TO LEGAL COUNSEL

The General Manager reported that on March 12, 2012 the Board voted to appoint Janet K. McGinnis with the Law Office of Janet K. McGinnis as legal counsel to the District. Ms. McGinnis was formally introduced to the Board. She stated that she appreciated the opportunity to serve the District, that she will be accessible to the Board, and they should feel free to let her know whenever she can help them. The Board told Ms. McGinnis they are very happy to have her as the District's legal counsel.

ACTION: None

B. RIVEN ROCK ROAD – SEWER MAIN EXTENSION – AUTHORIZATION TO ADVERTISE FOR BIDS

Manager Gabriel informed the Board that construction plans and specifications have been completed for approximately 940 feet of 8 inch sewer main extension in Riven Rock Road. This

extension is designed to serve 9 properties and is estimated to cost \$460,000. Currently 8 of the 9 property owners are interested in finding out what the true costs of the construction of the mainline would be. In keeping with the District's past practice on mainline extension projects, the District will advertise the project for bids, receive the bids, inform the property owners of the bid results and their proportionate share of the costs, request and receive signed commitments from the property owners to financially participate in the project and then have the Board consider whether or not to award the project.

After discussion, a MOTION was made by Director Arnold, and seconded by Director McAniff, recommending that the Board authorize staff to begin advertising the Riven Rock Sewer Main Extension Project for bids, returning to the Board with property owner commitments and a recommendation to either award the contract or a recommendation to reject all bids. The MOTION passed unanimously.

ACTION: Staff

C. RESOLUTION NO. 2000-779 – INVESTMENT POLICY – ANNUAL REVIEW

Manager Gabriel reported that an annual review of the District's Investment Policy (a copy of which was enclosed in the agenda packet) is required by Section 13.0, Page 6, of the District's current investment policy that was adopted by Resolution No. 2000-779 on August 14, 2000.

After discussion it was agreed that no change was needed to the District's investment policy. A MOTION was made by Director Arnold, and seconded by Director Ishkanian, that Resolution No. 2000-779 remains unchanged. The MOTION passed by the following roll-call vote:

AYES: Arnold, Ishkanian, Kerns, McAniff
NAYS: None
ABSENT: Cannata
ABSTAIN: None

ACTION: None

D. ORDINANCE NO. 11 – DIRECTORS' COMPENSATION

A copy of Ordinance No. 11 was included in the agenda packets. The Board reviewed the Ordinance and discussed whether or not their compensation should be revised.

After discussion, a MOTION was made by Director Ishkanian, and seconded by Director Arnold, that no changes be made to the Board's current compensation schedule. The MOTION passed unanimously.

ACTION: None

E. QUARTERLY INVESTMENT POLICY STATEMENT – MARCH 31, 2012

The Board was informed by the General Manager that the District is required to make quarterly statements certifying that: (1) the investments made on behalf of the District by LAIF and the Santa Barbara County Treasurer's office were made in accordance with the District's current Investment Policy; (2) a complete and timely record of all investment transactions is maintained in the District office from reports supplied by LAIF and the Santa Barbara County Treasurer's office; and (3) the Montecito Sanitary District is able to meet its pool's expenditure requirements for the next six months.

Treasurer McAniff certified that the above three statements were correct and the quarterly statement would be signed immediately following the Board meeting.

ACTION: Treasurer and Staff

F. AUTHORIZED SIGNATURES FOR TRANSACTIONS WITH BANK OF NEW YORK

Debbie Hughey, Office Manager, informed the Board that an updated signature authorization form needed to be completed designating specific persons who are allowed to initiate and perform various transactions such as signing checks, giving verbal authorizations, and/or exchange of information, on behalf of the District for the Bank of New York. A copy of the authorization form for the Bank of New York was enclosed in the agenda packet for the Board's review. President Kerns noted that the form would be signed immediately following the meeting.

ACTION: Directors and Staff

G. INFORMATIONAL ITEMS

1. Thank you letter from Arnold, LaRochelle, Mathews, VanConas & Zirbel, LLP
2. Montecito Journal Article – *Who and What Makes Montecito Work*

H. AGREEMENT TO BE SIGNED (Signed Prior to Board Meeting)

1. Residential Sewer Service Agreement – 1390 East Pepper Lane – New Auxiliary Structure

I. AGREEMENT TO BE SIGNED

Residential Sewer Service Agreement – 1401 East Pepper Lane – Play House Auxiliary Structure

7. **OPERATIONS AND MAINTENANCE**

The Board reviewed the Operations and Maintenance information included in their agenda packets.

8. **ITEMS FOR FUTURE AGENDAS**

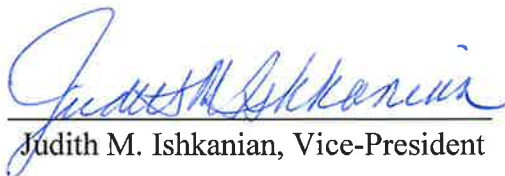
No items

9. **ADJOURNMENT**

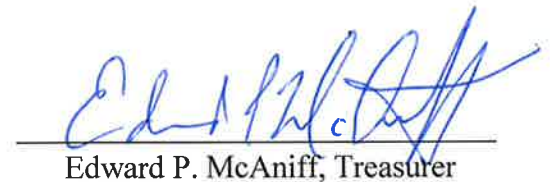
There being no further business to come before the Board, it was MOVED by Director Arnold, and seconded by Director McAniff, that the meeting be adjourned. The MOTION carried, and the meeting adjourned at 2:15 pm.



Jeff Kerns, President



Judith M. Ishkanian, Vice-President



Edward P. McAniff, Treasurer

A B S E N T

Deirdre M. Cannata, Secretary



Charles C. Arnold, Director