

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

August 27, 2018

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:15 p.m. on August 27, 2018 at 1042 Monte Cristo Lane, Montecito, California.

ATTENDANCE

Present: Directors Judith Ishkanian, Bob Williams, Thomas Kern, Jeff Kerns and Warner Owens

Absent: None

Also Present: Diane M. Gabriel, MSD General Manager/District Engineer
Toni M. McDonald, MSD District Administrator
Alex Alonzo, MSD Operations Manager
Carrie Poytress, MSD Engineering Manager
Hillary Hauser, Heal the Ocean
Ken Coates, Resident
Woody Barrett, Resident
Nick Turner, MWD General Manager
Tobe Plough, MWD Director
Floyd Wicks, MWD Director

2. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes of the July 30, 2018 meeting were included in the agenda packet.

On MOTION by Director Williams and second by Director Owens, the Board approved unanimously the minutes of July 30, 2018 as presented.

3. APPROVAL OF PAYABLES

On MOTION by Director Owens and second by Director Kerns, the Board approved unanimously these payroll and accounts payable expenses for July 30 to August 27, 2018:

Accounts Payable Expenses	\$ 184,182.48
Payroll and Related Expenses	<u>173,127.41</u>
Total Expenses	\$ 357,309.89

4. PUBLIC COMMENT

None

5. OLD BUSINESS

A. Montecito Water Reuse

Engineering Manager Poytress reported she and General Manager Gabriel had attended a working meeting with Montecito Water District (MWD) staff and their consultant regarding the MWD recycled water feasibility report. The report is looking at 27 alternatives and providing cost estimates for all 27. The consultant was pleased with the Sanitary District's pilot project for reverse osmosis treatment, in that it would provide analysis of blending ratios that could be used for any recycled water project moving forward. MSD staff will continue to coordinate with MWD staff and their consultant on the study.

ACTION: Staff

6. NEW BUSINESS

A. Resolution No. 2018-912 – Regarding Recycled Water in Montecito

Director Williams read Resolution No. 2018-912 for the record. The Resolution makes clear that MSD has been and continues to be ready and willing to recycle wastewater discharged to the public sanitary sewer system from inside homes and businesses in Montecito. The Board considered amending the language to clarify that MSD will be funding the pilot project. After discussion, on MOTION by Director Owens and second by Director Williams to adopt Resolution No. 2018-912 as amended, the MOTION passed on the following roll call vote:

AYES:	Kern, Owens, Ishkanian, Williams, Kerns
NAYS:	None
ABSENT:	None

ACTION: Staff

B. Personnel Committee Meeting - Report

Director Ishkanian reported on the Personnel Committee meeting of August 1st, and minutes were distributed.

The Committee discussed staffing updates and the possibility of including a High Deductible Health Plan with Health Savings Account as an employee benefit option in calendar year 2020. Such a benefit would not increase District costs.

ACTION: None

C. Finance Committee Meeting Report

Director Kern reported on the Finance Committee meeting of August 16th, and minutes were distributed.

The Committee discussed the Olive Road Sewer Main Extension, and agreed to recommend the Board award a contract to Blois Construction. The Committee also reviewed the Thomas Fire Debris Flow FEMA/Insurance status, and reviewed in detail the preliminary draft unaudited Financial Statements for FY2017-18.

ACTION: None

D. Administration & Operations (A&O) Committee Meeting - Report

Director Williams reported on the A&O Committee meeting of August 22nd and minutes were distributed, indicating that the Committee had discussed:

- Montecito Water District recycled water feasibility study
- The onsite reverse osmosis system from IDE Technologies
- MSD Master Plan and Mission Critical Projects Status
- Thomas Fire Debris Flow Post Incident Report

ACTION: None

E. Olive Road Sewer Main Extension – Consideration of Award of Contract – Blois Construction Inc.

General Manager Gabriel reported that on July 12, 2018 the District received four bids for the Olive Road Sewer Main Extension Project. The project includes the construction of 1,700 linear feet of eight inch diameter PVC sewer pipe to serve a total of ten properties, six on Olive Road north of East Valley Road and four on Tollis Avenue at the Olive Road intersection. Blois Construction submitted the low responsive and responsible bid in the amount of \$509,078.

Staff and the Finance Committee recommended the Board vote to award the contract for the Olive Road Sewer Main Extension to Blois Construction, and to approve a contract change order allowance in the amount of \$50,000.

On MOTION by Director Kerns and second by Director Kern, the Board approved unanimously without abstention to award a contract in the amount of \$509,078 to Blois Construction for the Olive Road Sewer Main Extension, and to authorize the General Manager with \$50,000 in contract change order allowance.

ACTION: Staff

F. Olive Road Sewer Main Extension – Professional Services Contract Inspection Services – Filippin Engineering Inc.

General Manager Gabriel reported that with the award of contract for the Olive Road Sewer Main Extension, the District would need to provide inspection of the construction. Staff has negotiated a time and materials fee for construction inspection services with Filippin Engineering in the amount of \$36,000.

On MOTION by Director Williams and second by Director Owens, the Board approved unanimously without abstention to execute a professional services contract with Filippin Engineering in the amount of \$36,000 for inspection services for the Olive Road Sewer Main Extension.

ACTION: Staff

G. Olive Road Sewer Main Extension – Notice of Exemption

Staff recommended that with the award of contract for the Olive Road Sewer Main Extension, the Board review the CEQA definition of a Categorical Exempt project and approve the Notice of Exemption.

On MOTION by Director Owens and second by Director Kerns, the Board approved unanimously without abstention to approve the Notice of Exemption and directed staff to file the Notice with the Santa Barbara County Clerk.

ACTION: Staff

H. Information Items

Director Ishkanian reported the next SBCCSDA meeting would be August 27th and the speaker would be County Supervisor Peter Adam. The next dinner meeting would be September 17th at the Santa Maria Public Airport.

General Manager Gabriel and Director Williams reported on their attendance at the CASA conference in Monterey August 8-10, and the tour of the Carmel Area Wastewater District Recycled Water Treatment Facility.

I. Agreements Signed

1411 School House Road – Sewer Service Agreement, New Pool Cabana

7. ENGINEERING, OPERATIONS AND MAINTENANCE

The Board reviewed the information in the agenda packet. The Board wished to congratulate Caroline Martin on her twenty years of service with the District.

8. ITEMS FOR NEXT AGENDA


The next scheduled Board meeting will be September 17th, 2018. There will be no regularly scheduled meeting on September 10th or September 24th.

9. ADJOURNMENT

There being no other business, on MOTION to adjourn by Director Williams and second by Director Kerns, the MOTION passed unanimously without abstention and the meeting adjourned at 3:10 p.m.



Judith Ishkanian, President



Robert Williams Jr., Vice President



Jeffrey Kerns, Secretary



Thomas N. Kern, Treasurer



Warner Owens, Secretary Pro Tem