

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

January 15, 2020

1. CALL TO ORDER/ROLL CALL

The Governing Board of the Montecito Sanitary District convened a special meeting at 1:15 p.m. on January 15, 2020 at 1042 Monte Cristo Lane, Montecito, California.

ATTENDANCE

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

Absent: Director Dana Newquist

Also Present: Diane M. Gabriel, MSD General Manager/District Engineer
Toni M. McDonald, MSD District Administrator
Alex Alonzo, MSD Operations Manager
Ken Coates, MWD Board Member/Resident/Water Security Team Member
Don Eversoll, Resident
Leon Bartholemew, Resident
Bob Hazard, Montecito Journal

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

Public comment was made by Mr. Leon Bartholemew and Mr. Bob Hazard.

4. APPROVAL OF MINUTES

The minutes of the December 12, 2019 meeting was included in the agenda packet. On MOTION by Director T. Kern and second by Director J. Kerns, the Board approved unanimously without abstention the minutes of December 12, 2019.

5. APPROVAL OF PAYABLES

On Motion by Director Barrett and second by Director J. Kerns, the Board approved unanimously without abstention these payroll and accounts payable expenses from December 13, 2019 through January 15, 2020:

Accounts Payable Expenses	\$ 199,344.77
Capital Improvement Projects	82,854.68
Recycled Water	36,601.78
Payroll and Related Expenses	<u>184,571.11</u>
Total Expenses	\$ 503,372.34

6. NEW BUSINESS

A. Public Information Committee Meeting - Report

Director Bollay reported on the Public Information Committee of January 7th. The Committee recommended the Board consider hiring the firm of Davies Public Affairs to assist the District with public outreach. The Committee recommended the Board authorize Director Bollay to represent the District at the upcoming debate hosted by the Montecito Journal on January 27th.

On MOTION by Director J. Kerns and second by Director T. Kerns, the Board approved unanimously without abstention to authorize Director Bollay to represent the District at the January 27th debate between 1st District Supervisor Das Williams and Ms. Laura Capps, and to have Director Bollay create, with the aid of Montecito Journal editor Gwen Lurie, a question for the candidates on the topic of recycled water.

ACTION: Director Bollay

B. Public Outreach – Purchase Order Authorization

The Board discussed the Public Information Committee recommendation to hire Davis Public Affairs to assist the District with public outreach.

On MOTION by Director J. Kerns and second by Director T. Kern, the Board authorized the issuance of a purchase order to Davies Public Affairs in an amount not to exceed \$50,000 with the following vote:

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

ACTION: Staff

C. Annual Organizational Decisions

Director Bollay called for the election of the Board President. Director Bollay was nominated. On MOTION by Director J. Kerns and second by Director T. Kern, the Board elected unanimously without abstention Director Bollay as President.

President Bollay then announced: “Pursuant to law, this is the time and place for the annual meeting to organize the members of the Governing Board.”

Director J. Kerns was nominated as Vice President. On MOTION by Director Bollay and second by Director T. Kern, the Board elected unanimously without abstention Director J. Kerns as Vice President.

Director Barrett was nominated as Secretary. On MOTION by Director Bollay and second by Director J. Kerns, the Board elected unanimously without abstention Director Barrett as Secretary.

Director T. Kern was nominated as Treasurer. On MOTION by Director Bollay and second by Director J. Kerns, the Board elected unanimously without abstention Director Kern as Treasurer.

President Bollay made the following appointments:

Director T. Kern and Director Barrett to the Finance Committee.

Director Bollay and Director J. Kerns to the Administrative and Operations (A&O) Committee.

Director T. Kern and Director Bollay to the Personnel Committee.

Director Bollay and Director Newquist to the Public Information Committee.

On MOTION by Director Bollay, and second by Director J. Kerns, the Board approved unanimously without abstention the appointment of Diane Gabriel as General Manager/District Engineer.

On MOTION by Director Bollay and second by Director J. Kerns, the Board approved the appointment of Karl Berger of Hensley Law Group as General Legal Counsel.

On MOTION by Director J. Kerns and second by Director T. Kern, the Board approved unanimously without abstention the appointment of Melissa Fassett as Legal Counsel for Personnel matters.

The Board approved unanimously without abstention that the Regular Meetings of the Governing Board of the Montecito Sanitary District will be the second and last Thursdays of each month, beginning at 1:15 p.m. in the Montecito Sanitary District Board Room at 1042 Monte Cristo Lane.

President Bollay then announced: “The organization procedures are complete. An updated Statement of Facts shall be filed with the Secretary of State and the Santa Barbara County Clerk. The Board will now continue with the regular meeting as set forth in today’s agenda.”

ACTION: Staff

D. Financial Audit Report – Fiscal Year 2018-19

The financial statements for Fiscal Year 2018-19, as prepared by Bartlett, Pringle, & Wolf, were distributed to the Board. At its meeting on December 12, 2019 the Board voted to approve the draft financial audit report.

Staff distributed the final version of the Financial Audit Report for fiscal year 2018-19, and will file the report with the required agencies.

ACTION: Staff

E. Information Items

None

F. Agreements Signed

274 Middle Road – Termination Agreement for Existing Auxiliary Structure
627 Olive Road – Sewer Service Agreement for Existing Auxiliary Structure

7. OPERATIONS AND MAINTENANCE

The Board reviewed the information in the Board packet.

8. ITEMS FOR FUTURE AGENDAS

- The next Board of Directors meeting will be Thursday January 30th at 1:15 p.m.
- Quarterly Financial Reports will be presented to the Board for review.
- The Directors were asked to review the 2020 tentative Board meeting schedule and email District Administrator McDonald any scheduling conflicts in order to have a tentative master calendar by the January 30th meeting.
- Director Barrett requested an ad-hoc committee be formed to discuss the telecommuting policy. Director Kerns agreed to be on the committee with Director Barrett, who suggested meeting the first week of February.

9. ADJOURNMENT

There being no other business, on MOTION to adjourn by Director Bollay and second by Director Barrett, the MOTION passed unanimously without abstention and the meeting adjourned at 3:24 p.m.



Thomas Bollay, President



Jeffrey Kerns, Vice President



Ellwood T. Barrett, Secretary



Thomas Kern, Treasurer

Absent

Dana Newquist, Director