

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

March 25, 2013

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 25th day of March 2013 at 1042 Monte Cristo Lane, Montecito, California at 1:15 p.m.

ATTENDANCE

Present: Directors Deirdre M. Cannata, Judith M. Ishkanian, Tom Kern, Jeff Kerns and Warner Owens

Absent: None

Also Present: Diane M. Gabriel, P.E., General Manager; Debbie Hughey, Office Manager

Item 6.A. Alex Alonzo, Collection System Manager; Carole Rollins, Laboratory & Pretreatment Manager; Brett Walker, Operations & Maintenance Manager

2. APPROVAL OF MINUTES OF THE LAST MEETING

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

Upon MOTION by Director Kerns and seconded by Director Owens, the minutes of the meeting of March 11, 2013 were approved as submitted.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Cannata, which was seconded by Director Kern, the Board unanimously approved these PAYROLL AND ACCOUNTS PAYABLE EXPENSES through March 25, 2013:

Accounts Payable (03/20/13)	\$33,283.77
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Payroll (03/21/13)	\$34,724.50
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Payroll Related (03/21/13)	\$19,932.55
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TOTAL

\$87,940.82

4. **PUBLIC COMMENT**

No member of the public addressed the Board on non-agenda items.

5. **OLD BUSINESS**

A. **CALTRANS PROPOSED 101 FREEWAY PROJECT**

The General Manager recounted for the Board that in its January 28, 2013 meeting it had heard about the proposed 101 Freeway project and had directed a letter to be sent to Supervisor Carbajal outlining District concerns. A March 7th reply from Supervisor Carbajal was included in the agenda packet. Supervisor Carbajal reported that CalTrans will conduct a full environmental review of the community's alternative proposal. The Board thanked Manager Gabriel and Director Kerns for drafting such an effective letter to Supervisor Carbajal.

ACTION: None

6. **NEW BUSINESS**

A. **2012 ANNUAL REPORT TO THE REGIONAL WATER QUALITY CONTROL BOARD**

Manager Gabriel reported that the District's NPDES (National Pollution Discharge Elimination System) Permit from the Regional Water Quality Control Board (RWQCB) requires an annual report containing specific data and test results. The report was submitted electronically by the February 1st deadline to the RWQCB and was enclosed in the agenda packet.

Manager Gabriel introduced Brett Walker, Operations and Maintenance Manager, Alex Alonzo, Collections System Manager, and Carole Rollins, Laboratory and Pretreatment Manager, and encouraged the Board to ask them questions about the annual report.

Mr. Walker made a presentation highlighting specific chart and table information from the report (including influent/effluent daily flows, coliform data, turbidity, chlorine residuals, rainfall totals and historic daily and annual flows) to help the Board understand these important items. He answered Directors' questions throughout the presentation. The Board thanked Mr. Walker for all the documentation in the report.

Alex Alonzo, Collections System Manager, answered questions regarding the collection system portion of the NPDES report. He emphasized that his crew had exceeded their goal of twenty-five miles of cleaning in 2012. Mr. Alonzo reported that staff is now certified with the National Association of Sewer Service Companies (NASSCO) which sets the industry standards for pipeline rehabilitation inspection programs. The Board thanked Mr. Alonzo for his presentation and for his recurring Board meeting report on the Collection System Maintenance Plan for 2013.

Ms. Rollins reported that obtaining the Environmental Laboratory Accreditation Program (ELAP) certification is a significant District goal for 2013 and that she looks forward to scheduling the inspection for accreditation before the end of the year.

ACTION: None

B. CONTINUING DISCLOSURE ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2012

Manager Gabriel reminded the Board that as a result of the COP funding and the Disclosure Agreement the District has an obligation to file a Continuing Disclosure Annual Report. A draft of this report was enclosed in the agenda packet. Staff worked with Mr. Joshua Lentz of Applied Best Practices, LLC (also known as Fieldman/Rolapp & Associates) to compile the updated information based on current audited financial statements and service charge rates for Fiscal Year July 1, 2011 through June 30, 2012. The report, in its final form, must be filed with specific nationally recognized municipal securities information repositories as approved by the Securities and Exchange Commission. A copy of the report must also be sent to Bank of New York which serves as the administrator of the District's COP funds. No action was required by the Board.

ACTION: Staff

C. INFORMATIONAL ITEMS

- Director Ishkanian will attend the Santa Barbara County California Special Districts Association (SBCCSDA) meeting on Monday, March 25, 2013 in Buellton.
- California Special District publication, Jan-Feb 2013

D. AGREEMENT TO BE SIGNED

The Residential Sewer Service Agreement for New Auxiliary Structures at 1705 Glen Oaks Drive (garage with attached workshop) was signed by Directors Cannata and Ishkanian following the meeting.

7. OPERATIONS AND MAINTENANCE

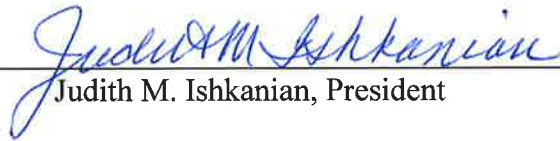
The Board reviewed the Operations and Maintenance information included in the agenda packet.

8. ITEMS FOR THE NEXT AGENDA

- Award of contract for a new sewer cleaning machine combination unit

9. ADJOURNMENT


There being no further business to come before the Board, on MOTION by Director Cannata and seconded by Director Kern that the meeting be adjourned, the MOTION carried and the meeting adjourned at 2:15 p.m.



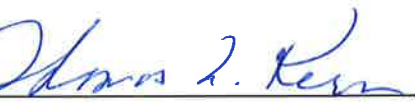
Judith M. Ishkanian, President



Jess Kerns, Vice-President



Deirdre M. Cannata, Secretary



Tom Kern, Treasurer



Warner B. Owens, Director