

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

June 10, 2013

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 10th day of June 2013 at 1042 Monte Cristo Lane, Montecito, California at 1:15 p.m.

ATTENDANCE

Present: Directors Judith M. Ishkanian, Tom Kern, and Warner Owens

Absent: Directors Deirdre M. Cannata and Jeff Kerns

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

ITEMS 6.D. & E. Alex Alonzo, Collection System 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 Owens and seconded by Director Kern, the minutes of the meeting of May 28, 2013 were approved with corrections.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Owens, which was seconded by Director Kern, the Board unanimously approved these PAYROLL AND ACCOUNTS PAYABLE EXPENSES through June 10, 2013:

Accounts Payable (6/10/13)	\$44,550.86
Payroll (5/30/13)	\$50,818.52
Payroll Related (5/30/13)	\$14,756.02

TOTAL

\$110,125.40

4. **PUBLIC COMMENT**

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

5. **OLD BUSINESS**

No Old Business

6. **NEW BUSINESS**

A. **PERSONNEL COMMITTEE REPORT**

Manager Gabriel informed the Board that she met with the Personnel Committee (Directors Ishkanian and Kerns) on May 8th. President Ishkanian informed the Board that the Personnel Committee reviewed Consumer Price Index (CPI) information to determine a proposed cost of living adjustment (COLA) for District staff. The Personnel Committee directed the General Manager to prepare the proposed FY 2013-14 Operations and Maintenance (O&M) budget for staff salaries using a two percent cost of living increase.

Manager Gabriel reported that the proposed O&M budget was reviewed by the Finance Committee on May 29th was prepared with a 2% COLA per the Personnel's Committee's recommendation. Following a brief discussion the Board stated that it was in agreement with the Personnel Committee's recommendation.

ACTION: None

B. **FISCAL YEAR 2013 -2014 – PROPOSED OPERATIONS AND MAINTENANCE BUDGET – REPORT FROM FINANCE COMMITTEE**

The General Manager informed the Board that the Finance Committee (Directors Kern and Owens) met on May 29th. The Finance Committee reviewed the detailed spreadsheet of the proposed Operations and Maintenance (O&M) FY 2013-14 Budget and actual O&M expenses for FY 2012-13. They also reviewed the spreadsheet showing the current fund balances and revenue projections for next fiscal year. Both spreadsheets were enclosed in the agenda packet for Board review.

The Finance Committee recommended to the Board that the proposed Operations and Maintenance Budget for FY 2013-14 and Fund Balances and Estimated Revenues for FY 2013-14 be approved as presented.

Given that only three Board members were in attendance, a MOTION was made by Director Owens, and seconded by Director Kern, that the proposed Operations and Maintenance Budget for

FY 2013-14 and Fund Balances and Estimated Revenues for FY 2013-14 be conditionally approved as presented with the direction to staff to place the item on the agenda for the June 24th Board meeting at which time a final vote will be taken.

ACTION: Board

C. **CERTIFICATES OF PARTICIPATION (COPs) – STATUS REPORT AND DESIGNATION OF ADDITIONAL MISSION CRITICAL PROJECT AND FUNDING AMOUNTS**

Manager Gabriel reported that on May 29th the Finance Committee reviewed the status of the mission critical projects funded by the COPs. A spreadsheet showing the completed as well as the proposed projects was enclosed in the agenda packet for Board review.

The Finance Committee recommended to the Board that it approve the projects and funding specified in the COP Funded Capital Improvement Projects FY 2013-14.

After some discussion it was determined that this item will be placed on the June 24th agenda for final Board approval.

ACTION: Staff

D. **2013 SEWER CLEANING MACHINE COMBINATION UNIT – MUNICIPAL MAINTENANCE & EQUIPMENT (MME) – NOTICE OF COMPLETION**

The General Manager informed that Board that at its April 29, 2013 meeting they approved the award of contract to Municipal Maintenance & Equipment (MME) in the amount of \$341,228.24 for a 2013 Sewer Cleaning Machine Combination Unit.

Alex Alonzo, Collection System Manager, reported to the Board that the VacCon was delivered to the District on May 29th and that on June 11th all the Collection staff will receive training on the vehicle from MME. He mentioned that all staff members have obtained their Class B driver's license which is necessary to operate the vehicle. Alex answered various questions from the Board members and he thanked them for their support in the purchase of the vehicle.

After discussion, a MOTION was made by Director Kern, and seconded by Director Owens, that the Board accept the Sewer Cleaning Machine project as complete and authorize staff to issue a Notice of Completion. The MOTION passed unanimously.

ACTION: Staff

E. MAINTENANCE MECHANICS TRUCK – VISTA FORD OF OXNARD – PURCHASE ORDER COMPLETION

Manager Gabriel reminded that Board that at its April 29, 2013 meeting a purchase order was authorized to Vista Ford of Oxnard in the amount of \$44,347.07 to buy a new 2013 Maintenance/Mechanics truck. Alex Alonzo, Collection System Manager, reported that the 2013 Ford F- 350, 1 ton, extra cab, diesel truck was delivered to the District on May 24th and thanked the Board for funding the purchase of this vehicle.

President Ishkanian thanked Alex for his leadership and stated that the Board members wished to express their appreciation and confidence in his work.

After discussion, a MOTION was made by Director Kern, and seconded by Director Owens, that the Board accept the Maintenance Mechanics Truck and authorize staff to provide the vendor, Vista Ford of Oxnard, with a final payment. The MOTION passed unanimously.

F. RESOLUTION NO. 2013-880 – SETTING THE DATE, TIME AND PLACE FOR THE ANNUAL SEWER SERVICE CHARGE HEARING

Manager Gabriel reminded the Board that in order to continue the practice of collecting sewer service charges on the County's tax roll a public hearing must be held to allow for public comments. Pursuant to section 6520.5 of the Health & Safety Code the Board is required to adopt a resolution setting the date, time and place for the hearing.

Resolution No. 2013-880, which was enclosed in the agenda packet for the Board's review sets July 8, 2013 as the date for the hearing. Notice of the hearing will be published on June 16 and June 23 in the *Santa Barbara News Press*. A separate notice will be mailed to all property owners who were issued a new sewer connection permit during the 2012 - 2013 Fiscal Year.

Holding the public hearing on July 8, 2013 will allow the District to electronically submit its Fiscal Year 2013- 2014 sewer service charge information by the County's submission deadline, which is July 26, 2013.

A MOTION was made by Director Owens, and seconded by Director Kern, to adopt Resolution No. 2013-880, Setting the Date, Time and Place for the Annual Sewer Service Charge Hearing to Collect Sewer Service Charges on the County Tax Roll. The MOTION passed by the following roll-call vote:

AYES:	Ishkanian, Kern, Owens
NAYS:	None
ABSENT:	Cannata, Kerns
ABSTAIN:	None
ACTION:	Board and Staff

G. RESOLUTION NO. 2013-881 – HONORING MS. DEBBIE HUGHEY UPON HER RETIREMENT FROM THE DISTRICT

Debbie Hughey will retire June 23, 2013 after nearly five and a half years with the District. It is requested that the Board recognize her services as the Office Manager and Clerk to the Board. A proposed resolution will be presented for Board approval at Monday's meeting.

A MOTION was made by Director Kern, and seconded by Director Owens, that the Board recognize Ms. Hughey for her dedication of service to the District. The MOTION passed by the following roll-call vote:

AYES:	Ishkanian, Kern, Owens
NAYS:	None
ABSENT:	Cannata, Kerns
ABSTAIN:	None
ACTION:	Board and Staff

H. INFORMATIONAL ITEMS

- Manager Gabriel informed the Board that a retirement lunch for Debbie Hughey will be on June 20th at noon at Café del Sol

I. AGREEMENT SIGNED AT THE MEETING OF MAY 28, 2013

Residential Sewer Service Agreement for New Auxiliary Structures – 746 Ashley Road - Cabana

J. AGREEMENT SIGNED

Residential Sewer Service Agreement for New Auxiliary Structures – 310 Malaga Drive - Cabana

7. OPERATIONS AND MAINTENANCE

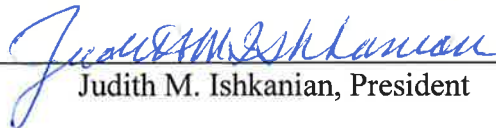
The Board reviewed the Operations and Maintenance information included in the agenda packet.

8. ITEMS FOR THE NEXT AGENDA

None

9. ADJOURNMENT

There being no further business to come before the Board, a MOTION by Director Kern, seconded by Director Owens, to adjourn the meeting carried, and the meeting adjourned at 2:20 p.m.



Judith M. Ishkanian, President

A B S E N T

Jeff Kerns, Vice-President



Tom Kern, Treasurer

A B S E N T

Deirdre M. Cannata, Secretary



Warner B. Owens, Director