

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

April 9, 2020

1. CALL TO ORDER/ROLL CALL

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:20 p.m. on April 9, 2020 using Zoom teleconferencing in accordance with State of California Executive Order No. N-29-20 issued on March 17, 2020.

ATTENDANCE

Board Members Present:

Directors Tom Bollay, Thomas Kern, Jeff Kerns, Dana Newquist, and Woody Barrett

Board Members Absent:

None

Also Present and Participating:

Diane M. Gabriel, MSD General Manager/District Engineer
Toni M. McDonald, MSD District Administrator
Carrie Poytress, MSD Engineering Manager
Alex Alonzo, MSD Operations Manager
Karl H. Berger, MSD Legal Counsel
Ken Coates, Ratepayer

2. PUBLIC COMMENT

Mr. Ken Coates addressed the Board.

3. APPROVAL OF MINUTES

The minutes of the March 12, 2020 meeting were included in the agenda packet. On MOTION by Director Newquist and second by Director T. Kern, the Board approved the minutes of March 12, 2020 with the following roll call vote:

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

4. APPROVAL OF PAYABLES

On MOTION by Director J. Kerns and second by Director T. Kern, the Board approved with a roll call vote these payroll and accounts payable expenses from March 12, 2020 through April 9, 2020:

Accounts Payable Expenses	\$ 118,491.82
Capital Improvement Projects	2,521.10
Recycled Water	10,790.49
Payroll and Related Expenses	<u>184,563.72</u>
Total Expenses	\$ 316,367.13

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

5. NEW BUSINESS

A. Virtual Meeting Protocols

District Counsel Karl H. Berger reported that due to the State of California Executive Order No. N29-20 issued on March 17, 2020, Montecito Sanitary District Board meetings will be held virtually using the teleconferencing application Zoom for the foreseeable future. In order to facilitate these meetings, the Board discussed adopting Virtual Meeting Protocols to ensure public participation in attending and providing public comment.

On MOTION by Director Newquist and Director J. Kerns, the Board adopted the Virtual Meeting Protocols as presented with the following roll call vote:

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

B. COVID-19 Emergency Declaration, Status, and Update Regarding Emergency Measures to Protect District Employees

General Manager Gabriel reported she had issued the District Emergency Declaration on March 19, 2020. She reported staff is working in bonded teams and practicing social distancing and other safety precautions such as additional personal protection equipment and OSHA required safety measures.

The Board discussed the need for additional facilities to minimize exposure of staff while eating, showering, and other necessary activities. The discussion included modifying the plans for a portion of the Essential Services Building to accommodate on a permanent basis and the submittal of an emergency permit for the expedited construction. The Board also discussed the possibility of renting trailers as temporary infrastructure.

C. Accounting Procedures and Internal Controls – COVID-19 Emergency – Authorization of New Procedures

District Administrator McDonald reported due to the shelter in place order, new accounting procedures are being implemented in order to ensure proper internal controls are being continued. Checks issued will be signed by the General Manager, but will be reviewed and approved electronically by the Treasurer or an alternate Board member. The District also will begin taking payments online through our website by credit card and e-check.

After discussion, on MOTION by Director Newquist and second by Director Barrett, the Board approved the use of electronic signatures be incorporated into the new accounting procedures with the following roll call vote:

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

D. Dissolved Air Flotation Thickener (DAFT) – World Water Works – Notice of Completion

On October 15, 2018 the Board awarded a contract for the purchase of a new Dissolved Air Flotation Thickener (DAFT) to World Water Works, Inc. in the amount of \$532,058.

The final contract amount with World Water Works totaled \$520,829.05. The final contract amount is less than the contract award amount by \$11,228.95 due to a contract change order that was issued providing the District with a credit.

After discussion, on MOTION by Director Newquist and second by Director T. Kern, the Board accepted the DAFT as complete and approved the issuance of a Notice of Completion to World Water Works in the amount of \$520,829.05 with the following roll call vote:

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

E. Resolution No. 2020-923 – Adopting a Record Retention Schedule

The District's record retention policies and procedures was last reviewed by legal counsel in 2015. Current legal counsel reviewed this policy and recommended adoption of an updated policy. After discussion, the Board indicated they wanted more time to review the resolution and schedule and directed staff to place this item on the next agenda.

F. Designated Reserve Fund at State of California Local Investment Agency Fund (LAIF) – Authorization to Increase Fund Balance

At the Board meeting on January 30, 2020 the Finance Committee reported on their discussion to recommend increasing the Designated Reserve Fund at LAIF from its current amount of approximately \$1,700,000 to \$2,000,000.

After discussion, on MOTION by Director Newquist and second by Director T. Kern, the Board approved increasing the LAIF Designated Reserve Fund to \$2,000,000 with the following roll call vote:

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

G. Information Items

- General Manager Gabriel asked the Board if there were any questions regarding the 2019 Annual Summary Report to the Regional Water Quality Control Board that had been distributed prior to the March 12th Board meeting.
- Engineering Manager Poytress briefly reviewed the Ocean Outfall annual inspection report which demonstrated the ocean outfall is in good condition.

H. Agreements Signed

None

6. OPERATIONS AND MAINTENANCE

The Board reviewed the information in the Board packet.

7. ITEMS FOR FUTURE AGENDAS

The next Board meeting will be May 14, 2020.

8. ADJOURNMENT

There being no other business, on MOTION to adjourn by Director Newquist and second by Director T. Kern, the MOTION to adjourn passed unanimously at 3:30 p.m. with the following roll call vote:

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

Thomas Bollay, President

Jeffrey Kerns, Vice President

Ellwood T. Barrett, Secretary

Thomas Kern, Treasurer

Dana Newquist, Director