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Board of Directors
Kenneth Coates, President
Brian Goebel, Vice President
Cori Hayman, Director
Tobe Plough, Director
Floyd Wicks, Director

**General Manager and
Board Secretary**
Nick Turner

APPROVED
SPECIAL MEETING MINUTES
of the
BOARD OF DIRECTORS
MONTECITO WATER DISTRICT
583 SAN YSIDRO ROAD, MONTECITO, CALIFORNIA

THURSDAY, AUGUST 21, 2025
9:30 A.M.

AGENDA

1. CALL TO ORDER, ROLL CALL, DETERMINATION OF QUORUM

President Coates called the meeting to order at 9:30 a.m.

Directors present:

Directors Ken Coates, Brian Goebel, Cori Hayman, Tobe Plough, and Floyd Wicks participated in person. Director Hayman joined the meeting at 10:35 a.m.

Staff present (In Person and via Zoom):

Nick Turner, General Manager

Adam Kanold, Asst. GM/Engineering Mgr.

Nick Kunstek, Groundwater Specialist

Ray Willefert, Financial Analyst/IT Specialist

Christina Perry, Administrative/HR Assistant

Counsel present (In Person):

Walt Wendelstein, Wendelstein Law Group PC, District Counsel

Special Counsel present (via Zoom):

Robert Donlan, Ellison Schneider Harris & Donlan LLP

Consultants present (In Person and via Zoom):

Rosalyn Prickett, Rincon Consultants (via Zoom)

Amanda Antonelli, Rincon Consultants (via Zoom)

Dr. Steven Bachman (in person)

Stephanie Hastings, Brownstein Hyatt Farber Schreck (via Zoom)

Brett Bovee, WestWater Research (via Zoom)

Ray Stokes, Central Coast Water Authority (in person)

Others present:

Tyler F. (via Zoom)

2. PLEDGE OF ALLEGIANCE

All in attendance recited the Pledge of Allegiance.

3. PUBLIC FORUM

No public comments were made.

4. CONSENT CALENDAR

The following items were approved or accepted by vote on one motion.

- A. Meeting Minutes of June 24, 2025
- B. Payment of Bills for June 2025
- C. Payment of Bills for July 2025
- D. Investment of District Funds as of June 30, 2025
- E. Investment of District Funds as of July 31, 2025
- F. Unaudited Monthly Financial Report for July 2025

This item was removed from the agenda.

- G. Waterworks Reports for June and July 2025

Director Wicks moved for approval of the Consent Calendar. The motion was seconded by Director Goebel and carried after a roll call vote, with Directors Coates, Goebel, Plough, and Wicks in favor, and Director Hayman absent.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

- A. INFORMATIONAL: Professional Services Contract with Rincon Consultants for the preparation of the District's 2025 Urban Water Management Plan

Mr. Kanold presented the item. Rosalyn Prickett and Amanda Antonelli of Rincon Consultants were also present to respond to questions from the Board.

Closed Session Item 8-B, 1 case, was moved for consideration after Item 5-A

8. LEGAL MATTERS

- B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) Conference with Legal Counsel – Initiation of Litigation; 1 case

The Board recessed to Closed Session at 9:39 a.m.

The Board returned to Open Session at 9:46 a.m.

As to Item 8-B, case 1, the Board received an update from Counsel and no action was taken.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS (continued)

- B. INFORMATIONAL: Quarterly Water Supply Update

Mr. Turner presented the item and responded to questions from the Board.

Items 5-D and 5-E were moved for consideration after Item 5-B

D. INFORMATIONAL: Customer Relations and Public Information Update

Mr. Turner presented the item on behalf of Public Information Officer Laura Camp and responded to questions from the Board.

E. INFORMATIONAL: General Manager Report

Mr. Turner presented the item with contributions from Mr. Kanold and responded to questions from the Board.

C. INFORMATIONAL: Additional water supply and demand modeling in connection with *2025 Future Demand and Water Supply Options Analysis*

Mr. Turner, Mr. Kunstek, and Dr. Bachman presented the item and responded to questions from the Board.

6. DISTRICT BUSINESS REPORT

A. INFORMATIONAL: Unaudited Monthly Financial Report for June 2025 (Year-End)

Mr. Turner presented the item and responded to questions from the Board.

The Board paused for lunch at 11:30 a.m. and returned at 12:05 p.m.

Item 7 was moved for consideration after Item 8

8. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

No report.

The Board recessed to Closed Session at 12:05 p.m.

Director Hayman exited the meeting at 2:25 p.m.

The Board returned to Open Session at 2:56 p.m.

B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) Conference with Legal Counsel – Initiation of Litigation; 1 case

As to Item 8-B, case 2, the Board received an update from Counsel and no action was taken.

C. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(2) Anticipated Litigation – 3 cases.

This item was amended to two cases, rather than three.

As to Item 8-C, the Board received an update from Counsel and no action was taken.

- D. CLOSED SESSION: CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) Conference with Legal Counsel – Existing Litigation, Central Coast Water Authority et. al. v. Santa Barbara County Flood Control and Water Conservation District, et. al, Santa Barbara Superior Court Case No. 21CV02432

As to Item 8-D, the Board received an update from Counsel and no action was taken.

- E. CLOSED SESSION: Pursuant to Government Code 54959.8 Conference with Real Property Negotiators

Property: State Water Project assets

Agency negotiator: Nicholas Turner, General Manager

Negotiating Parties: Solomon Hills Developer

Under negotiation: Price and Terms of Payment

As to Item 8-E, the Board received an update from the real property negotiator and no action was taken.

Item 7 was moved for consideration after Item 8 as previously noted.

7. DIRECTOR AND COMMITTEE REPORTS

- A. President's Report: Director Coates reported that Rock Rockenbach has been appointed to the Montecito Sanitary District Board of Directors, and that a future joint meeting with the Montecito Sanitary District and Summerland Sanitary District will be held to continue discussions of special district reorganization.
- B. Operations & Customer Relations Committee: Director Goebel reported that the real property valuation process is moving forward with two of the three properties ready to be declared surplus.
- C. Finance Committee: Director Plough reported that no meeting was held.
- D. Strategic Planning Committee: Director Coates reported that no meeting was held.
- E. Central Coast Water Authority: Director Coates reported that recruitment for the Executive Director position is still underway in anticipation of the retirement of Ray Stokes. Director Coates also provided an update on the California Aqueduct Subsidence Program. Mr. Turner noted an anticipated increase of about \$100K in budgeted CCWA costs for FY2025-26.
- F. Cachuma Operation and Maintenance Board: On behalf of Director Hayman, Mr. Turner reported that the COMB Board meeting is being held on August 25, 2025.
- G. Cachuma Conservation Release Board: Director Plough reported on items of note from the August 7, 2025, meeting, which included the fiscal year budget and the Biological Assessment submitted by the U.S. Bureau of Reclamation to the National Marine Fisheries Service.
- H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks reported that he will attend the CSDA Annual Conference beginning August 25, 2025.

- I. ACWA JPIA: Director Wicks reported that he will attend the ACWA JPIA Membership Summit and ACWA Fall Conference in December.
- J. CalDesal: Director Wicks reported that he is attending periodic workshops on the proposed amendment to the Water Quality Control Plan for Ocean Waters of California (Ocean Plan). He will also attend the December CalDesal Board of Directors meeting on behalf of the District.
- K. Ad hoc Committee - Water Transfer Agreement with Homer LLC: Director Goebel reported that all relevant items were previously addressed.
- L. Ad hoc Committee – Water Rights Opportunities: Director Coates reported that all relevant items were previously addressed.

9. DIRECTOR REQUESTS

Director Goebel requested a comprehensive review of the *Water Supply Agreement* (WSA) with the City of Santa Barbara for desalination at the 5-year anniversary.

10. ADJOURNMENT

The meeting was adjourned at 3:09 p.m.

APPROVED:



Kenneth Coates, Board President

ATTEST:



Nicholas Turner, Secretary