



**REGULAR MEETING MINUTES
OF
BOARD OF DIRECTORS
MONTECITO WATER DISTRICT
583 SAN YSIDRO ROAD
MONTECITO, CALIFORNIA**

**TUESDAY, JULY 23 2019
9:30 A.M.**

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

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

Directors Present:

Directors Kenneth Coates, Brian Goebel, Cori Hayman, Tobe Plough, and Floyd Wicks

Directors Absent:

None

Staff Present:

Nick Turner, General Manager
Adam Kanold, Engineering Manager
Daryl Smith, Business Manager

Walter Wendelstein, General Counsel
Laura Camp, P. I. Officer
Lois Werner, Recording Secretary

Guests Present:

Ray Stokes, CCWA
Dick Shaikewitz, District customer
Bob Hazard, Montecito Journal
Dennis Naiman, District customer

Donna Senauer, District customer
David Gibbs, District customer
Keith Berry, District customer
David Carpenter, District customer

2. PLEDGE OF ALLEGIANCE

Those present recited the Pledge of Allegiance.

3. PUBLIC FORUM

There were no members of the public present who wished to speak to the Board on matters not on the agenda.

4. CONSENT CALENDAR

Following discussion it was moved by Director Coates, seconded by Director Plough and carried, with Directors Coates, Goebel, Hayman, Plough and Wicks voting in favor, to approve

items A, C, and D of the Consent Calendar as presented. It was moved by Director Coates, seconded by Director Goebel and carried, with Directors Coates, Goebel, Hayman, and Wicks voting in favor, Director Plough abstaining, to approve item B as presented.

5. DISTRICT OPERATIONS AND GENERAL MANAGER'S REPORTS

- A. PUBLIC HEARING: Water Distribution System Improvement Program, proposed funding and any objections to protests to the proposed charge and report.
 - 1. INFORMATION ONLY: Status report on Water Availability Charge (WAC) Program and Capital Improvement Program;
 - 2. BOARD ACTION: Adoption of Resolution No. 2186 continuing the Water Availability Charge for FY 2019/20 to fund water distribution system upgrades and ordering the filing of a report establishing the Water Availability Charge for FY 2019/20

Mr. Turner presented this item and Mr. Wendelstein explained the purpose and procedure of the public hearing. Mr. Turner reported that no written protests of the Water Availability Charge had been received.

President Wicks opened the public hearing at 9:43 a.m.

No protests were received; Mr. Turner, Mr. Wendelstein, and the Board responded to questions from members of the public.

There being no further public comment, President Wicks closed the public hearing at 9:54 a.m.

Following discussion it was moved by Director Plough, seconded by Director Coates and carried by the following roll-call vote to adopt Resolution No. 2186 as presented:

AYES: Directors Coates, Goebel, Hayman, Plough, and Wicks

NOES: None

ABSENT: None

ABSTAIN: None

- B. INFORMATION ONLY: Update on various State Water Project related topics: Presentation by Ray Stokes, CCWA Executive Director

Mr. Turner introduced Mr. Stokes, who presented information on the Bay Delta/Cal Water Fix situation and suspended Table A water via PowerPoint and responded to questions from Directors and members of the public.

- C. Information Only: Semi-Annual Groundwater Monitoring Program Report –Spring 2019
Tabled for a future meeting due to time constraints.
- D. INFORMATION ONLY: Quarterly Drought & Water Supply Update
Tabled for a future meeting due to time constraints.
- E. INFORMATION ONLY: Santa Barbara County Grand Jury Report titled *The CACHUMA PROJECT CONTRACT AND MANAGEMENT*, dated June 25, 2019
Mr. Turner received direction from the Board.
- F. BOARD ACTION: Adoption of Resolution 2187 regarding a recycled water pilot treatment project in Montecito
Mr. Turner presented this item and responded to questions from Directors and members of the public. Following discussion it was moved by Director Goebel, seconded by Director Plough and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to make changes to section 5 of the resolution describing how the cost for water from the pilot project was to be determined—MSD to determine the cost to MWD and MWD to determine the cost to the Santa Barbara Cemetery—and the addition of section 10, stating that the duration of the pilot program would be 12 months. The changes then to be presented to the MSD board for their consideration. No action was taken to adopt the resolution.
- G. INFORMATION ONLY: Progress update on implementation of permanent pipeline repairs and FEMA reimbursement
Tabled for a future meeting due to time constraints.
- H. BOARD ACTION: CSDA 2019 Board of Directors Election, (Seat B) Coastal Network – Term 2020-2022
Mr. Turner presented this item and responded to questions from Directors. Directors provided input.
- I. INFORMATION ONLY: General Manager’s Report (Oral)
Mr. Turner reported on District projects and activities not covered elsewhere in the agenda.

6. DISTRICT BUSINESS REPORT

- A. INFORMATION ONLY: Unaudited District Monthly Financial Reporting for June 2019
Mr. Smith presented this item and responded to questions from Directors and members of the public.

- B. **BOARD ACTION:** Payment of CalPERS Annual Unfunded Accrued Liability as of June 30, 2017 Actuarial Valuation

Mr. Smith presented this item and responded to questions from Directors. Following discussion it was moved by Director Coates, seconded by Director Plough and carried, with Directors Coates, Hayman, Plough, and Wicks voting in favor, Director Goebel absent, having left the meeting earlier, to approve the payments of CalPERS Annual Unfunded Accrued Liability as of June 30, 2017 Actuarial Valuation rate plan for Classic and PEPRAs employees in the lump sum amounts of \$279,413 and \$922 respectively, both of which are included in the approved FY 2019/20 budget.

7. DIRECTOR AND COMMITTEE REPORTS

- A. President's Report

Tabled for a future meeting due to time constraints.

- B. Central Coast Water Authority

Director Wicks noted that Mr. Stokes had covered CCWA issues earlier in the meeting.

- C. Santa Barbara County Special Districts Association

Tabled for a future meeting due to time constraints.

- D. Cachuma Operation and Maintenance Board

Director Hayman reported on the activities of COMB.

- E. Cachuma Conservation Release Board

Director Plough reported on the activities of CCRB.

- F. Operations & Customer Relations Committee

Tabled for a future meeting due to time constraints.

- G. Finance Committee

Tabled for a future meeting due to time constraints.

- H. Strategic Planning Committee

Directors Wicks reported that the activities of the SPC had been covered elsewhere in the agenda.

8. LEGAL MATTERS

- A. Recent and Pending Legal Matters Review – Oral Report

Mr. Wendelstein did not have any legal matters to bring to the Board in open session.

- B. CLOSED SESSION: Pursuant to Government Code Section 54956.9(d)(2) Conference with Legal Counsel - Anticipated Litigation, 1 case
- C. CLOSED SESSION: Pursuant to Government Code Section 54956.9(d)(4) Conference with Legal Counsel - Initiation of Litigation, 1 case
- D. CLOSED SESSION: Pursuant to Government Code Section 54957 (Personnel Exemption), Employee Performance Evaluation - General Manager

The Board adjourned to closed session on the above matters at 12:23 p.m.

The Board reconvened in open session at 2:05 p.m.

Report out of closed session: The Board received a report from Counsel on items B & C, discussed item D and gave direction to Counsel. No Board action was taken in closed session.

9. DIRECTOR REQUESTS

Director Wicks requested a special meeting to focus on water supply reliability for District's various sources of supply. There were no requests from Directors for items other than regular agenda items for the next regular Board meeting scheduled for Tuesday, August 27, 2019.

10. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:41 p.m.

Approved:



Floyd Wicks, President

Attest:



Nick Turner, Secretary