



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

Join by Teleconference:

<https://global.gotomeeting.com/join/481253749>
Tel: (224) 501-3412, Access Code: 481-253-749

**TUESDAY, JANUARY 26, 2021
9:30 A.M.**

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

President Plough called the meeting to order at 9:34 a.m. All participants attended electronically.

Directors Participating:

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

Directors Absent:

None

Staff Participating:

Nick Turner, General Manager	Robert Cohen, General Counsel
Adam Kanold, Engineering Mgr./Assistant GM	Laura Camp, P.I. Officer
Daryl Smith, Business Manager	Lois Werner, Recording Secretary

Guests Attending:

Bob Hazard	Jeff Kerns
Keith Barry	Alison Thompson
Donna Senauer	Dorinne Lee Johnson, MSD

2. PLEDGE OF ALLEGIANCE

Those attending recited the Pledge of Allegiance.

3. PUBLIC FORUM

Mr. Hazard asked about strategic planning priorities for 2021.

4. CONSENT CALENDAR

Following discussion it was moved by Director Coates, seconded by Director Wicks and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor to approve the Consent Calendar as presented.

5. BOARD OF DIRECTORS

- A. BOARD ACTION: Adoption of Resolution No. 2206 adjusting Director meeting compensation beginning January 27, 2021

Mr. Turner presented this item. Following discussion and public comment it was moved by Director Coates, seconded by Director Goebel and carried, by the following roll call vote, to adopt Resolution No. 2206 as presented:

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

NOES: None

ABSENT: None

6. DISTRICT OPERATIONS AND GENERAL MANAGER'S REPORTS

- A. BOARD ACTION: Adoption of Resolution No 2205 updating the Water Loss Adjustment Policy

Mr. Turner presented this item via PowerPoint. Following discussion the resolution was revised to put the amount of the charge for excess water in an "Appendix A" to be adopted annually. It was moved by Director Goebel, seconded by Director Wicks and carried by the following roll call vote to adopt Resolution 2205 as revised:

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

NOES: None

ABSENT: None

- B. INFORMATION ONLY: Quarterly Water Supply Update

Mr. Turner presented this report and responded to Directors' questions.

- C. BOARD ACTION: Hot Springs Road Water Main Replacement Project

- i. Authorization to reprioritize two capital improvement projects, moving the East Valley Water Main Replacement Project which is budgeted in FY2021 to the FY2022 budgeting period and replace it with the Hot Springs Road Water Main Replacement Project which is currently planned for FY2024;
- ii. Determine that the project is categorically exempt from environmental review pursuant to CEQA and authorize staff to file a Notice of Exemption from CEQA with the County of Santa Barbara;

- iii. Authorize the award of a construction contract for the Hot Springs Road Water Main Replacement Project;

Mr. Kanold presented this item and responded to comments and questions from Directors. Following discussion, It was moved by Director Plough, seconded by Director Hayman and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to reprioritize two capital improvement projects, moving the East Valley Water Main Replacement Project which is budgeted in FY2021 to the FY2022 budgeting period and replace it with the Hot Springs Road Water Main Replacement Project.

It was moved by Director Coates, seconded by Director Wicks and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to determine that the project is categorically exempt from environmental review pursuant to CEQA and authorize staff to file a Notice of Exemption from CEQA with the County of Santa Barbara.

It was moved by Director Coates, seconded by Director Goebel and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor to authorize the award of contract for the Hot Springs Road Water Main Replacement Project to Cedro Construction in the amount of \$1,044,215.04 and reallocate \$70,000 from unused FY 2021 funds to cover project costs over the original budget.

- D. INFORMATION ONLY: General Manager's Report

Mr. Turner, Mr. Kanold, and Ms Camp reported on District projects and activities not covered elsewhere in the agenda.

7. DISTRICT BUSINESS REPORT

- A. INFORMATION ONLY: Unaudited District Monthly Financial Reporting for December 2020

Mr. Smith presented this report via PowerPoint and responded to questions from Directors.

8. MONTECITO WATER DISTRICT FINANCING CORPORATION

- A. BOARD ACTION: Adjourn to the Annual Meeting of the Montecito Water District Financing Corporation

The Board adjourned to the meeting of the MWDFC at 12:22 p.m.

The Board reconvened at 12:30 p.m.

9. DIRECTOR AND COMMITTEE REPORTS

[This section was taken after section 10. Directors Goebel and Hayman had left the meeting.]

A. President's Report

Director Plough reported on his top priorities for 2021 and noted that he, Director Coates, and Mr. Turner had met with Summerland Sanitary District staff.

B. Central Coast Water Authority

Director Wicks noted that CCWA had a meeting later in the week at which the contract extension would be discussed.

C. Santa Barbara County Special Districts Association

No report

D. Cachuma Operation and Maintenance Board

No report

E. Cachuma Conservation Release Board

Director Plough reported on the activities of CCRB.

F. Operations & Customer Relations Committee

Director Wicks noted that the activities of the Operations and Customer Relations Committee had been covered elsewhere in the agenda.

G. Finance Committee

Directors Plough & Wicks noted that the activities of the Finance Committee had been covered elsewhere in the agenda.

H. Strategic Planning Committee

The Committee had not met.

I. Ad hoc Committee for Grant Planning

The Committee had not met.

J. Ad hoc Committee for MSD Coordination

Director Coates reported that the Committee had met with the LAFCO Executive Officer.

10. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

Mr. Cohen did not have a legal matters report.

B. BOARD ACTION: Appointment and Retention of Colantuono, Highsmith & Whatley as Special Counsel for LAFCO-related matters

Mr. Cohen presented this item. Following discussion it was moved by Director Coates, seconded by Director Goebel and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to retain Colantuono, Highsmith & Whatley as

Special Counsel for LAFCO-related matters jointly with Montecito Sanitary District, pending a signed conflict of interest waiver from MSD, with regard to the potential reorganization of the districts into one agency.

- C. CLOSED SESSION: Pursuant to Government Code Section 54957(a) Conference with Legal Counsel – Public Services or Facilities
- D. CLOSED SESSION: Pursuant to Government Code Section 54956.9(d)(1) Conference with Legal Counsel – Existing Litigation, Kimball-Griffith L.P. v. Brenda Wren Burman et. al., United States District Court Case No. 2:20-CV-10647
- E. CLOSED SESSION: Pursuant to Government Code Section 54956.9(d)(1) Conference with Legal Counsel – Existing Litigation, Southern California Edison Company v. Lash Construction, Inc. et. al., Santa Barbara Superior Court Case No. 20CV03829
- F. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(2) Conference with Legal counsel – Anticipated Litigation, 3 cases case

The Board adjourned to closed session at 12:42 p.m.

The Board reconvened to open session at 2:15 p.m.

Report from Closed Session:

As to items 10 C, D, and E, the Board received a report from counsel; no action was taken.

As to item F:

1. The Board was provided information as to the settlement of a claim received on December 23, 2020, from claimants Michael Wasserman and Liat Wasserman. The claim was settled by the General Manager in accordance with MWD Resolution No. 2175.
2. The Board was provided information as to the settlement of a claim received on December 30, 2020, from claimant Mark Peterson. The claim was settled by the General Manager in accordance with MWD Resolution No. 2175.

The above-referenced claims, and settlement documents, will be available for review pursuant to Government Code Sections 54957.5 and 54957.1.

3. The Board received an update and no action was taken.

11. DIRECTOR REQUESTS

There were no requests from Directors for items other than regular agenda items for the next regular Board meeting scheduled for Tuesday, February 23, 2021 or any future meeting.

12. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:31 p.m.

Approved:



Tobe Plough, President

Attest:



Nick Turner, Secretary