



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

Join by Teleconference:

<https://zoom.us/j/98276054054?pwd=b2FqNkRVUEFpUHRkSU9MWTIRMjRrdz09>

Meeting ID: 982 7605 4054; Passcode: 798176

Tel: (669) 900 6833

TUESDAY, JULY 27, 2021

9:30 A.M.

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

President Plough called the meeting to order at 9:31 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
Adam Kanold, Asst GM/Engineering Mgr
Olivia Rojas, Business Manager
Robert Cohen, General Counsel

Laura Camp, P.I. Officer
Lois Werner, Recording Secretary
Daniel Rodriguez, Distribution Sup.
Chad Hurshman, Treatment Sup.

Guests Attending:

Bob Hazard
Bryce McAteer, WestWater Research
Matt Payne, WestWater Research
Lisa Murphy Rivas
Karl Meier, Wood Rodgers
Rob Morrow, WSC Inc.

Keith Berry
Dorinne Johnson
Carrie Poytress, MSD
Betsy Byrne, MSD
Andrew Salveson, Corollo Engineers
Annaliese Miller, Rincon Consultants

2. PLEDGE OF ALLEGIANCE

The participants recited the Pledge of Allegiance.

3. PUBLIC FORUM

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

4. CONSENT CALENDAR

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

5. DISTRICT OPERATIONS AND GENERAL MANAGER'S REPORTS

- A. **BOARD ACTION:** Adoption of Resolution No. 2221 recognizing the retirement of Daniel Rodriguez, Distribution Superintendent after 38 years of dedicated service to the District
- Mr. Kanold introduced Mr. Rodriguez and read Resolution No. 2221 aloud, commending Mr. Rodriguez on his years of service and wishing him well in his retirement. It was moved by Director Goebel, seconded by Director Coates and carried by the following roll-call vote to pass and adopt Resolution No. 2221 as presented.

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

NOES: None

ABSTAIN: None

ABSENT: None

Mr. Rodriguez thanked the Board and reflected briefly on his time with the District.

- B. **PUBLIC HEARING:** Water Distribution System Capital Improvement Program; Annual continuation of the Water Availability Charge (WAC) with no proposed change in the assessment for the coming year, to be collected on the property tax roll as it has been collected since initiation in 1996. The Board of Directors will hear and consider objections and protests to the assessment and report
- i. **INFORMATION ONLY:** Status report on Water Availability Charge (WAC) Program and Capital Improvement Program
 - ii. **BOARD ACTION:** Adoption of Resolution No. 2222 continuing the existing Water Availability Charge to fund water distribution system upgrades and ordering the filing of a report establishing the Water Availability Charge for FY 2022

President Plough called the public hearing to order at 9:40 a.m. All Directors were present.

Mr. Turner reviewed the history and purpose of the WAC via PowerPoint presentation. Mr. Cohen described the purpose of the public hearing as required under the CA Water Code. Mr.

Hazard had a question on whether the Board would consider raising the assessment amount for the WAC, and Mr. Cohen explained that the amount could not be raised without a full Prop. 218 process. There were no other public comments, questions, or protests of the WAC. No written protests were received.

President Plough closed the public hearing at 9:54 a.m.

It was moved by Director Coates, seconded by Director Hayman and carried by the following roll-call vote to adopt Resolution No. 2222 as presented:

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

NOES: None

ABSTAIN: None

ABSENT: None

C. INFORMATION ONLY: Quarterly Water Supply Update (April – June 2021)

Mr. Turner presented this item and responded to questions from Directors.

D. BOARD ACTION: Participation in the Central Coast Water Authority (CCWA) 2021 Supplemental Water Purchase Program

Mr. Turner presented this item and responded to questions from Directors. Following discussion it was moved by Director Goebel, seconded by Director Coates and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to approve District participation in the 2021 CCWA Supplemental Water Purchase Program.

E. BOARD ACTION: Voluntary conservation and public outreach

Mr. Turner presented this item and the Board discussed public messaging to achieve water conservation during the present drought. 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 adopt a goal of reducing overall customer demand by 20% in 2021 to address over-budget usage, compliance with state regulations, and extreme drought conditions. Achievement of this goal will be supported by District demand management actions with an emphasis on methods to help customers voluntarily reach the reduction target.

F. ASADRA Reservoir Retrofit and Replacement Project

i. INFORMATION ONLY: Project status update

ii. BOARD ACTION: Consideration of adoption of the Mitigated Negative Declaration (IS-MND) and Mitigation Monitoring Program (MMRP) for the ASADRA Reservoir Retrofit and Replacement Project pursuant to the California Environmental Quality Act (CEQA)

Mr. Kanold introduced Mr. Meier who presented the project status update via PowerPoint. Ms Miller was present to respond to any question about the MND and the CEQA process.

Following discussion it was moved by Director Goebel, seconded by Director Wicks and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to find, based on the Board's independent analysis, review and judgment of the administrative record, including the IS-MND and MMRP, that there is no substantial evidence in the record supporting a fair argument that this Project will have a significant effect on the environment if the mitigation measures in the Final IS-MND and MMRP are implemented.

It was moved by Director Goebel, seconded by Director Wicks and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to adopt the Final IS-MND and MMRP, prepared in compliance with CEQA and State CEQA guidelines, and designate the District's office, located at 583 San Ysidro Road, Montecito, California 93108 as the custodian of documents and record of proceedings on which this decision is based, and authorize staff to file these documents as required under CEQA.

- G. BOARD ACTION: Review of proposal from Carollo Engineers for professional engineering services to prepare an Enhanced Recycled Water Feasibility Study focusing on potable reuse alternatives and authorization for counsel and staff to prepare and execute documents required for implementation for the proposal

Mr. Turner introduced Mr. Salveson and Mr. Morrow, who presented this item via PowerPoint and responded to questions from Directors. Following discussion, it was moved by Director Plough, seconded by Director Goebel and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to authorize the use of \$144,930.50 from unrestricted reserves to fund the District's share of the Study, to be added to the \$75,000 previously budgeted for FY 2022, a portion of which may be reimbursed by the State Water Recycling Funding Program; and authorize District legal counsel and staff to prepare and execute contract documents with Montecito Sanitary District and Carollo Engineers for the development of an Enhanced Recycled Water Feasibility Study in accordance with the Carollo *Scope of Work and Cost Proposal* dated 6/18/2021 and provided to the Board in their agenda packets for this meeting.

- H. BOARD ACTION: Award of a construction contract with J. Vega Engineering for the East Valley Road Water Main Replacement Project

Mr. Kanold 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 make the determination that this project is categorically exempt from environmental review pursuant to the requirements of the California Environmental Quality Act (CEQA) as set forth in the Notice of Exemption, and authorize staff to file the Notice of Exemption from CEQA with the County of Santa Barbara Clerk of the Board. It was moved by Director Coates, seconded by Director Wicks and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to authorize the award of contract for the East Valley Road Water Main Replacement Project to J. Vega Engineering for a not-to-exceed amount of \$1,476,539.

- I. **BOARD ACTION:** Award of a construction contract with Tierra Contracting to adjust valve infrastructure along Highway 192 required as part of a Caltrans road repair project

Mr. Kanold presented this item. It was moved by Director Coates, seconded by Director Wicks and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to authorize staff to enter into a contract with Tierra Contracting for valve work for a not-to-exceed amount of \$44,240 and authorize the use of District unrestricted reserves to fund this unbudgeted project.
- J. **BOARD ACTION:** Proposed Contract Amendment No. 1 with WestWater Research, LLC to provide water acquisition services

Mr. Turner presented this item; Mr. Payne and Mr. McAteer were present to answer questions from Directors. Following discussion it was moved by Director Wicks, seconded by Director Coates and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to authorize the execution of Amendment No. 1 to the Engagement Agreement with WestWater Research LLC for water marketing to extend the term of the agreement and include water acquisition services.
- K. **INFORMATION ONLY:** 2020 Annual Drinking Water Consumer Confidence Report

Ms Camp presented this item and she and Mr. Hurshman responded to Directors' questions.
- L. **INFORMATION ONLY:** General Manager's Report

The Board did not discuss the information provided in the written report.

6. DISTRICT BUSINESS REPORT

- A. **INFORMATION ONLY:** Unaudited District Monthly Financial Reporting for June 2021

Ms Rojas presented this report.
- B. **BOARD ACTION:** Payment of CalPERS Annual Unfunded Accrued Liability as of June 30, 2019 Actuarial Valuation

Ms Rojas presented this item. 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 payments of the CalPERS Annual Unfunded Accrued Liability as of June 30, 2019 Actuarial Valuation for rate plan for Classic and PEPRA employees in the lump sum amounts of \$380,793 and \$1,959 respectively, both of which are included in the approved FY 2022 budget.
- C. **INFORMATION ONLY:** Update on auditing services for Fiscal Year 2021

Ms Rojas presented this item.
[Director Goebel left the meeting at this point]

7. DIRECTOR AND COMMITTEE REPORTS

- A. **Presidents Report**

No report.

- B. Central Coast Water Authority
Director Wicks reported on the activities of CCWA.
- C. Santa Barbara County Special Districts Association
No report
- 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
Directors Hayman & Wicks noted that the activities of the Committee had been covered elsewhere in the agenda.
- G. Finance Committee
Directors Plough & Wicks noted that the activities of the Committee had been covered elsewhere in the agenda.
- H. Strategic Planning Committee
Directors Coates reported on the activities of the Strategic Planning Committee.
- I. Ad hoc Committee for Grant Planning
No report
- J. Ad hoc Committee for MSD Coordination
No report

8. LEGAL MATTERS

- A. Recent and Pending Legal Matters Review – Oral Report
Mr. Cohen did not have any legal matters to discuss with the Board in open session.
- B. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(2) Conference with Legal counsel – Anticipated Litigation, 2 cases
- C. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(4) 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.

The Board adjourned to closed session on the above matters at 2:59 p.m.

The Board reconvened in open session at 3:16 p.m.

Report out of closed session:

With regard to item 8-B:

Case No. 1, the Board received an update and no action was taken.

Case No. 2, the Board was provided information as to the settlement of a claim received on July 21, 2021, from claimants Liat Wasserman and Michael Wasserman. The claim was settled by the General Manager in accordance with MWD Resolution 2175.

With regard to item 8-C:

The Board received an update and no action was taken.

9. DIRECTOR REQUESTS

There were no requests from Directors for items other than regular agenda items for the next regular Board meeting scheduled for Tuesday, August 24, 2021 or any future meeting

10. ADJOURNMENT

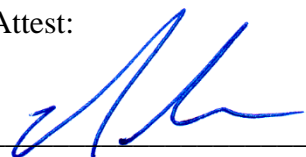
There being no further business to come before the Board, the meeting was adjourned at 3:19 p.m.

Approved:



Tobe Plough, President

Attest:



Nick Turner, Secretary