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Board of Directors
Tobe Plough, President
Kenneth Coates, Vice President
Cori Hayman, Director
Floyd Wicks, Director
Brian Goebel, Director
General Manager and Board Secretary
Nick Turner

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

Attend in Person or Join by Teleconference:

<https://us06web.zoom.us/j/85788379839?pwd=QWZoTTVnNHlrR2N6R3RPO3JuUi8zdz09>

Meeting ID: 857 8837 9839; Passcode: 638 624

Tel: (669) 900 6833

**TUESDAY, FEBRUARY 22, 2022
9:30 A.M.**

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

President Plough called the meeting to order at 9:37 a.m.

Participants attended in person and electronically.

Directors Participating: Ken Coates, Brian Goebel, Cori Hayman Tobe Plough, and Floyd Wicks
(all participated in person)

Staff Participating:

Nick Turner, General Manager
Adam Kanold, Asst GM/Engineering Mgr.
Olivia Rojas, Business Manager
Ray Willefert, Financial Analyst/IT Specialist

Laura Camp, Public Information Officer
Robert Cohen, General Counsel
Grant Burton, General Counsel

Guests Attending:

Lisa Murphy Rivas
Matt Payne (WestWater Research)
Donna Senauer
Brad Rahrer (Montecito Sanitary District)

Bryce McAteer (WestWater Research)
Richard Berkson (Berkson Associates)
Autumn Malanca (Flower & Associates)

2. PLEDGE OF ALLEGIANCE

Those participating recited the Pledge of Allegiance.

3. PUBLIC FORUM

Donna Senauer requested the Board of Directors make recordings of Board and Committee meetings publicly accessible via the District's website.

4. CONSENT CALENDAR

Director Hayman requested Item 4-E be pulled from the Consent Calendar for further discussion.

- A. Meeting Minutes of January 25, 2022
- B. Payment of Bills for January 2022
- C. Investment of District Funds for January 2022
- D. Water Works Operations Report for January 2022
- E. Extension of Resolution 2225 authorizing remote teleconference meetings
- F. Change Order for the Juncal Dam Emergency Release Valve Design Project
- G. Contract Award for the Highway 192 at Cota Lane Water Main Replacement Project
- H. Contract Award for Pipe Lining Contract at Picay Creek Bridge on East Valley Road

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 approve the Consent Calendar as presented, with the exception of Item 4-E.

Following further discussion on Item 4-E, it was moved by Director Plough, seconded by Director Goebel and carried, with Directors Coates, Goebel, Plough and Wicks voting in favor and Director Hayman opposed.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

- A. INFORMATION ONLY: Updated Supplemental Water Needs Assessment

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

- B. Dry Year Supplemental Water Purchase Opportunity with Homer LLC

- i. BOARD ACTION: Approval of an Option Agreement for Purchase and Sale of Water between the District and Homer LLC;

Mr. Turner presented this item and responded to questions from Directors. 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 authorize the execution of an *Option Agreement for Purchase and Sale of Water* with HOMER, LLC involving an option to purchase up to 2,000AF of supplemental water in 2022 and/or 2023.

- ii. BOARD ACTION: Approval of an Agreement to Facilitate Homer Water Purchase between the District and Central Coast Water Authority

Mr. Turner presented this item and responded to questions from Directors. Following discussion, it was moved by Director Goebel, seconded by Director

Hayman and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to authorize the execution of an *Agreement to Facilitate Homer Water Purchase* between the District and Central Coast Water Authority.

C. BOARD ACTION: Participation in the 2022 CCWA 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 Hayman and carried, with Directors Coates, Goebel, Hayman, Plough, and Wicks voting in favor, to authorize participation in the Central Coast Water Authority 2022 Supplemental Water Purchase Program with an initial requested Delivery Goal of up to 1,000 AF of water; and to authorize the execution of a Central Coast Water Authority Supplemental Water Purchase Program Participation Agreement for 2022 following receipt and review by legal counsel and District staff.

D. BOARD ACTION: Proposal from WestWater Research to Evaluate Groundwater Banking Opportunities

Mr. Turner presented this item and responded to questions from Directors. Mr. Turner acknowledged Matt Payne and Bryce McAteer from WestWater Research, whom were in attendance and Mr. Payne responded to questions from Directors. 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 approve a proposal from WestWater Research to evaluate additional groundwater banking opportunities for the not to exceed amount of \$37,000.

E. INFORMATION ONLY: Update on progress reaching the District's 20% water use reduction target

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

F. Evaluation of Special District Consolidation

- i. BOARD ACTION: Approval of Agreement with Raftelis to assist with the evaluation of the feasibility of Special District consolidation;
- ii. BOARD ACTION: Approval of Retainer Agreement with Colantuono, Highsmith & Whatley, P.C. to provide special legal services in connection with the evaluation of the feasibility of Special District consolidation;
- iii. BOARD ACTION: Approval to share 50/50 with Montecito Sanitary District in all costs incurred in connection with the evaluation of the feasibility of Special District consolidation

Mr. Turner presented this item and responded to questions from Directors. Additionally, the Strategic Planning Committee provided input on the matter and responded to questions from Directors. 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 approve an Agreement with Raftelis to assist with the evaluation of the feasibility of Special District consolidation; to approve a Retainer Agreement with Colantuono, Highsmith & Whatley, P.C. to provide special legal services in connection with the evaluation of the feasibility of Special District consolidation; and to approve sharing 50/50 with Montecito Sanitary District in all costs incurred in connection with the evaluation of the feasibility of Special District consolidation.

G. **INFORMATION ONLY: Consideration of Request for Annexation of Parcel APN 155-040-023 into the District Service Area**

Mr. Kanold presented this item and responded to questions from Directors. Additionally, Autumn Malanca from Flowers and Associates, the property owner's representative was present and answered questions from Mr. Kanold and Directors. General support for the proposed annexation of the parcel was expressed by Directors. Mr. Kanold informed the Directors that staff would prepare all documentation required by the Local Agency Formation Commission (LAFCO) and that documentation would be presented to the Directors at a subsequent meeting for approval prior to submittal of the proposed annexation application to LAFCO.

H. **BOARD ACTION: Consideration of Utility Agreement with Santa Barbara County Association of Governments for a water main relocation due to crossing conflict near Danielson Road as part of the State of California Highway 101 Widening Project Segment 4D**

Mr. Kanold presented this item and responded to questions from Directors. 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 authorize staff to execute the Utility Agreement for the State of California Highway 101 Widening Project Segment 4D to abandon and relocate a water main crossing conflict near Danielson Road for a not-to-exceed amount of \$158,082.

I. **BOARD ACTION: Voting for Regular Independent Special District members of the Santa Barbara County Local Agency Formation Commission**

Mr. Turner presented this item. The Board discussed the candidates for the Special District seat on LAFCO and the LAFCO election procedures and provided input to the Board President. No action was taken.

J. **INFORMATION ONLY: Public Information Update**

Ms. Camp presented this item via PowerPoint.

K. **INFORMATION ONLY: General Manager's Report**

Mr. Turner and Mr. Kanold presented this item.

6. DISTRICT BUSINESS REPORT

A. **INFORMATION ONLY: Unaudited Monthly Financial Reports for January 2022**

Ms. Rojas presented this item via PowerPoint and responded to questions from Directors.

7. DIRECTOR AND COMMITTEE REPORTS

- A. Presidents Report: Director Plough requested a future Board meeting consisting of site visits to key District facilities including Jameson Lake and Doulton Tunnel to be scheduled in Spring 2022.
- B. Central Coast Water Authority: Director Coates reported on various matters discussed at the January 27, 2022 CCWA Board of Directors meeting including Warren Act Contract renewal efforts, the supplemental water purchase program, and a recent CCWA study prepared to evaluate possible options to improve the reliability of the State Water Project.
- C. Santa Barbara County Special Districts Association: no report
- D. Cachuma Operation and Maintenance Board: Director Hayman noted that the monthly COMB meeting is scheduled for February 28, 2022 and therefore no report was given.
- E. Cachuma Conservation Release Board: Director Plough reported on California Trout Inc.'s petition to list the southern California steelhead as endangered under the California Endangered Species Act.
- F. Operations & Customer Relations Committee: Director Wicks noted that all meeting topics were covered on this agenda and therefore no report was given.
- G. Finance Committee: Director Plough noted that all meeting topics were covered on this agenda and therefore no report was given.
- H. Strategic Planning Committee: Director Coates reported that the Committee met on February 7, 2022 and the water related matters were covered on this agenda. Director Coates also reported that the Committee held a second meeting on February 16, 2022 which involved a review of the draft Strategic Plan document.

8. LEGAL MATTERS

The Board adjourned to closed session on the following matters at 2:17 p.m.

- A. CLOSED SESSION: Pursuant to Government Code §54957.6 Conference with Labor Negotiators

Agency designated representatives: Nicholas Turner, Grant Burton

Employee organization: SEIU local 620

The Board received an update from labor negotiators and no action was taken.

The Board reconvened in open session at 2:29 p.m.

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

Counsel reported to the Board that another local agency had made inquiries concerning the retention of Cohen & Burge, LLP as General Counsel.

9. DIRECTOR REQUESTS

Director Coates asked that a future agenda include discussion concerning the recording of District meetings. There were no other requests from Directors for items other than regular agenda items for the next regular Board meeting scheduled for Tuesday, March 22, 2022 or any future meeting.


10. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:56 p.m.

Approved:


Tobe Plough, President

Attest:


Nick Turner, Secretary