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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

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

**TUESDAY, OCTOBER 25, 2022  
9:30 A.M.**

**AGENDA**

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

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

Directors present (In-Person and via Zoom):

Ken Coates, Brian Goebel, Cori Hayman participated in person. President Plough participated via Zoom. Director Floyd Wicks joined the meeting in person at 10:03 a.m.

Staff present (In-Person and via Zoom):

Nick Turner, General Manager  
Adam Kanold, Assistant General Manager  
Olivia Rojas, Business Manager  
Laura Camp, Public Information Officer

Walt Wendelstein, General Counsel  
Christina Perry, Admin Assistant

Consultants present (all via Zoom):

Iday Syachrani, Kayuga Solution  
Kevin Kostiuk, Raftelis

Karl Meier, Wood Rodgers

Special Counsel present (via Zoom):

Michael Colantuono, Colantuono Highsmith & Whatley

Public present:

Lisa Marie Rivas (Zoom)  
Bob Hazard (Zoom)

Donna Senauer (Zoom)

**2. PLEDGE OF ALLEGIANCE**

All in-person participants recited the pledge of allegiance.

### **3. PUBLIC FORUM**

No public comments were made.

### **4. CONSENT CALENDAR**

Following items are to be approved or accepted by vote on one motion unless a Board member requests separate consideration:

- \*A. Meeting Minutes of September 16, 2022
- \*B. Meeting Minutes of September 27, 2022
- \*C. Payment of Bills for September 2022
- \*D. Investment of District Funds for September 2022
- \*E. Water Works Operations Report for September 2022

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

### **5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS**

- \*A. ACTION ITEM: Extension of Resolution 2225 authorizing remote teleconference meetings

Director Goebel moved to approve extension of Resolution 2225. The motion was seconded by Director Coates and carried after a roll call vote, with Directors Coates, Goebel, and Plough in favor. Director Hayman was opposed. Director Wicks was absent.

#### **Item 5-B was postponed until later in the meeting as noted herein**

- \*C. INFORMATIONAL: Quarterly Drought and Water Supply Update

President Plough noted that Item 5-C is Informational, not an Action Item as previously stated on the agenda. Mr. Turner presented a quarterly update of drought conditions and water supply and answered questions from the Board.

During public comment, Bob Hazard identified an incorrect graph in the presentation. Staff will correct the error.

- \*D. ACTION ITEM: Consideration of initiating use of drought supplies in 2023

Mr. Turner presented an overview of drought supplies and potential actions with the following recommendations. The Board discussed possible actions.

- That the Board of Directors authorize the purchase of 500-acre feet of supplemental water pursuant to the *Option Agreement for Purchase and Sale of Water* with HOMER LLC.
- That the Board of Directors authorize the withdrawal and delivery of 1,500-acre feet of water stored in the Semitropic Groundwater Banking and Exchange Program and authorize

the General Manager to cease deliveries in 2023 should water supply conditions improve negating the need to continue importing water.

Director Goebel moved to authorize staff's recommendations. The motion was seconded by Director Coates and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- \* E. ACTION ITEM: Consideration of Award of Contract for the Development of an Asset Management Program

Mr. Kanold provided an overview of the agenda item including a proposed contract with Wood Rodgers. Consultants Iday Syachrani of Kayuga Solution and Karl Meier of Wood Rodgers were present but were not required to respond to any questions by staff or Board members.

Director Coates moved to authorize staff to execute the proposed contract. The motion was seconded by Director Wicks and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- \* F. ACTION ITEM: Resolution 2243 of the Montecito Water District supporting a legislative proposal submitted to the Association of California Water Agencies regarding desalinated supplies

Mr. Turner provided an overview of the agenda item including Resolution 2243.

Director Goebel moved to adopt Resolution 2243. The motion was seconded by Director Hayman and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- \* G. INFORMATIONAL: Review of District Water Use Trends (indoor vs. outdoor)

Mr. Kanold presented this item and staff answered questions from the Board.

- \* H. ACTION ITEM: Consideration of the withdrawal of 2020 Appeal of Montecito Sanitary District Site Improvements Development Plan Coastal Development Permit (20DVP-00000-00003 & 20CDP-00000-00039)

Mr. Turner presented this item. The Board requested more information and deferred action to a future meeting.

**The Board recessed at 12:10 p.m. with return verbally noticed at 12:30 p.m. The Board returned to Open Session at 12:45 p.m.**

- \* I. INFORMATIONAL: Public Information Update

Ms. Camp noted that staff will pursue community outreach at the upcoming Montecito Beautification day. No questions were received by the Board of Directors.

- \* J. INFORMATIONAL: General Manager Report

There was no staff presentation for this item. No questions were received by the Board of Directors.

- \* K. ACTION ITEM: Authorization to purchase construction materials for the Monte Cristo and Buena Vista Pipeline Replacement Projects.

Mr. Kanold presented the agenda item and answered questions from the Board.

Director Hayman moved to authorize purchase of materials as recommended by staff. The motion was seconded by Director Goebel and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- \* L. INFORMATIONAL: Overview of various financial mechanisms to encourage a reduction in water use

Mr. Wendelstein presented the overview and answered the Board's questions. The Board and staff engaged General Counsel Walt Wendelstein, Special Counsel Michael Colantuono and Kevin Kostiuk of Raftelis in discussion of financial mechanisms to reduce water consumption.

The Board requested that staff create a work plan for further consideration.

## **6. DISTRICT BUSINESS REPORT**

- \* A. INFORMATIONAL: Quarterly review of Unaudited Monthly Financial Reports for July through September 2022

Ms. Rojas answered questions from the Board.

## **7. DIRECTOR AND COMMITTEE REPORTS**

- A. Presidents Report: Director Plough stated that items discussed by the committee had been addressed elsewhere in the agenda.
- B. Central Coast Water Authority: Director Coates provided an update on AQUATERRA.
- C. Santa Barbara County Special Districts Association: No report.
- D. Cachuma Operation and Maintenance Board: The Board discussed recent COMB agenda items with no action.
- E. Cachuma Conservation Release Board: Director Plough stated that items discussed by the committee had been addressed elsewhere in the agenda.
- F. Operations & Customer Relations Committee: Director Wicks reported that all items discussed by the Committee were included on this agenda. No further report was provided.
- G. Finance Committee: No report.
- H. Strategic Planning Committee: No report.

## **8. LEGAL MATTERS**

- A. Recent and Pending Legal Matters Review – Mr. Wendelstein stated that legal matters were covered in other portions of the agenda.

The Board recessed to Closed Session at 2:45 p.m. The Board returned to open session at 3:17 p.m.

- B. **CLOSED SESSION:** Pursuant to Government Code 54956.9(d)(2) Conference with Legal counsel – Anticipated Litigation, 1 case

General Counsel reported that the Board conferred with counsel and no action was taken.

- C. **CLOSED SESSION:** Inform Board of claim that was resolved for Greg Olsen at 815 Hot Springs Road

General Counsel reported that documents for the claim indicated on the agenda would be available pursuant to the Government Code

- D. **CLOSED SESSION:** Pursuant to Government Code Section 54957 Public Employee Performance Evaluation - General Manager

General Counsel reported that the Board conferred with the General Manager and no action was taken.

9. **DIRECTOR REQUESTS**

Director Goebel requested a review of institutional customer water use potential trends and a future discussion of a meter moratorium.

10. **ADJOURNMENT**

The meeting was adjourned at 3:20 p.m.

APPROVED:

  
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Charles T. Plough, President

ATTEST:

  
\_\_\_\_\_  
Nicholas Turner, Secretary

