

**RELIABLE SINCE 1921**

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

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

**TUESDAY, JANUARY 23, 2024**  
**9:30 A.M.**

**Remote Meeting Location:**  
Reef House, Crown Point, Bequia Island  
St Vincent and the Grenadines VC400, West Indies

**AGENDA**

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

President Coates called the meeting to order at 9:31 a.m.

Directors present:

Directors Ken Coates, Brian Goebel, Cori Hayman, and Floyd Wicks participated in person.  
Director Tobe Plough participated remotely via Zoom.

Staff present (In Person and via Zoom):

Nick Turner, General Manager	Christina Perry, Administrative Assistant
Adam Kanold, Asst. GM/Engineering Mgr.	Ray Willefert, Financial Analyst
Olivia Rojas, Business Manager	Steven Cognac, Water Conservation Specialist
Laura Camp, Public Information Officer	

Counsel present (In Person):

Walt Wendelstein, Wendelstein Law Group PC, District Counsel

Members of the Public:

Jasmine Showers, City of Santa Barbara  
Madeline Wood, City of Santa Barbara

**2. PLEDGE OF ALLEGIANCE**

All in attendance recited the Pledge of Allegiance.

**3. PUBLIC FORUM**

No public comments were made.

#### **4. CONSENT CALENDAR**

The following items were approved or accepted by vote on one motion unless a Board member requested separate consideration:

- A. Meeting Minutes of November 14, 2023
- B. Payment of Bills for October, November and December 2023
- C. Investment of District Funds as of December 2023
- D. Unaudited Monthly Financial Report for October 2023
- E. Unaudited Monthly Financial Report for November 2023
- F. Waterworks Reports for October, November and December 2023
- G. COVID-19 Prevention and Response Plan (Revision 6), required by Cal/OSHA
- H. Adoption of the 2024 Employee Handbook
- I. Declaration of Surplus Equipment
- J. Contract Amendment No. 3 with Schock Contracting Corporation for the Juncal Pipeline Repair Project
- K. Contract to install new pavement at entrance driveways and parking areas at the District Office

District Counsel noted that the CEQA exemption for Item K would be revised to 15301(c) “repair and maintenance of existing highways and streets and similar facilities”.

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

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

- A. INFORMATIONAL: Quarterly Water Supply Update

Mr. Turner presented the item and responded to questions from the Board.

- B. ACTION ITEM: Presentation of Proposed Parcel Water Budget

Mr. Kanold presented the item with Mr. Cognac in attendance. Direction was given to staff and no action was taken.

**The Board paused for break at 11:20 a.m. and returned at 11:31 a.m.**

- C. ACTION ITEM: Proposed modifications to implementation of the *Water Use Efficiency Plan*

Mr. Kanold presented the item and responded to questions from the Board.

Director Goebel moved to modify the implementation of the District *Water Use Efficiency Plan* as recommended in the staff report. The modifications included increasing existing rebates and adding additional rebates and audit programs offered to customers. The motion was seconded by Director Wicks and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

**The Board recessed for lunch at 12:06 p.m. and returned at 12:40 p.m.**

- D. ACTION ITEM: Adoption of Resolution No. 2271 updating the District's Procurement Policy

District Counsel requested that "i.e." be changed to "e.g." in the resolution.

Director Hayman moved to adopt Resolution No. 2271 as modified. The motion was seconded by Director Goebel and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- E. ACTION ITEM: Adoption of Resolution No. 2272 updating the District's Signatory Authority Policy

Director Hayman moved to adopt Resolution No. 2272. The motion was seconded by Director Goebel and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- F. ACTION ITEM: Special District Consolidation with Montecito Sanitary District

After discussion by the Board, this item was tabled for future consideration.

- G. INFORMATIONAL: LAFCO Independent Special District Regular Member Election  
President Coates received input from the Board.

- H. INFORMATIONAL: Customer Relations and Public Information Update

Ms. Camp provided the update and responded to questions from the Board.

- I. INFORMATIONAL: General Manager Report

Mr. Turner presented the update and responded to questions from the Board.

## **6. DISTRICT BUSINESS REPORT**

- A. INFORMATIONAL: Unaudited Quarterly Financial Report through December 2023

Mr. Turner and Ms. Rojas responded to questions from the Board.

**The Montecito Water District Board of Directors meeting was adjourned at 1:30 p.m.**

## **7. MONTECITO WATER DISTRICT FINANCING CORPORATION**

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

The meeting was held and action was recorded in the meeting minutes of the Montecito Water District Financing Corporation.

**The Montecito Water District Board of Directors meeting was recalled to order at 1:35 p.m.**

## **8. DIRECTOR AND COMMITTEE REPORTS**

- A. President's Report: President Coates reported on several items, including the approval by the Summerland Sanitary District Board of Directors to expand the recycled water study by the County of Santa Barbara and a potential Memorandum of Understanding with the Montecito Sanitary District for the Montecito recycled water project.
- B. Operations & Customer Relations Committee: Director Goebel reported that all relevant items were previously addressed.
- C. Finance Committee: Director Plough reported that all relevant items were previously addressed.
- D. Strategic Planning Committee: Director Coates reported that all relevant items were previously addressed.
- E. Central Coast Water Authority: Director Coates reported that CCWA voted to opt out of the 3M and DuPont PFAS Class Action Lawsuit Settlements.

Mr. Turner noted that the CCWA Board will be reviewing proposed updates to CCWA's Transfer Rules and the Right of First Refusal at their January 25<sup>th</sup> meeting. Mr. Turner also announced the upcoming retirement of John Brady, Deputy Director of Operations and Engineering at CCWA.

- F. Cachuma Operation and Maintenance Board: Director Hayman reported that COMB's unexpended funds have been distributed; Ms. Rojas confirmed that the District's portion was received. Additionally, Director Hayman reported that repairs resulting from the 2023 winter storm damage are continuing.
- G. Cachuma Conservation Release Board: Director Plough reported that CCRB is waiting for information related to Solvang's permit hearing with DWR and updates are anticipated in February.
- H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks reported no new updates.
- I. ACWA JPIA: Director Wicks reported that the ACWA JPIA November Board Packet indicated anticipated increases in the liability and property program rates for 2023-24, while workers' compensation and benefits are anticipated to remain relatively even.
- J. CalDesal: Director Wicks had no report beyond his planned attendance at an upcoming annual conference on February 8<sup>th</sup> and 9<sup>th</sup>.
- K. Ad hoc Committee - Legislative Matters: Director Goebel provided an update on advocacy meetings related to agencies which have made early investments in desalination.

- L. Ad hoc Committee - Director Goebel provided an update regarding the ongoing development of a transfer agreement.

**9. LEGAL MATTERS**

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

District Counsel reported that the District’s opt-outs (requests for exclusion) for the 3M and DuPont PFAS Class Action Lawsuit Settlements have been confirmed as received.

The Board recessed to Closed Session at 2:43 p.m.

The Board returned to Open Session at 2:50 p.m.

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

As to item 9.B, the Board provided direction to staff and counsel and no action was taken.

**10. DIRECTOR REQUESTS**

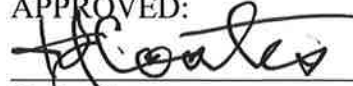
Director Goebel requested that an update on the analysis of costs incurred for the desal contract be presented at an upcoming committee meeting.

President Coates proposed updating the District’s Strategic Plan in conjunction with the Urban Water Management Plan update slated for June 2026.

**11. ADJOURNMENT**

The meeting was adjourned at 2:55 p.m.

APPROVED:

  
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Kenneth Coates, Board President

ATTEST:

  
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Nicholas Turner, Secretary

