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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

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

**TUESDAY, FEBRUARY 27, 2024
9:30 A.M.**

AGENDA

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

President Coates called the meeting to order at 9:30 a.m.

Directors present:

Directors Ken Coates, Brian Goebel, Tobe Plough, and Floyd Wicks participated in person.
Director Cori Hayman was absent.

Staff present (In Person and via Zoom):

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

Counsel present (In Person):

Walt Wendelstein, Wendelstein Law Group PC, District Counsel

Consultants (In Person and via Zoom):

Paul Kaymark, Nigro & Nigro, PC (via Zoom)

Members of the Public (In Person and via Zoom):

None

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 January 23, 2024
- B. Payment of Bills for January 2024
- C. Investment of District Funds as of January 2024
- D. Unaudited Monthly Financial Report for January 2024
- E. Waterworks Reports for January 2024
- F. Contract Change Order No. 1 for the Buena Vista Water Main Replacement Project

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

With the consensus of the Board, Item 6-A was addressed prior to Item 5 as noted herein.

6. DISTRICT BUSINESS REPORT

- A. ACTION ITEM: Receive, Accept and File the Audited Financial Statements for Fiscal Year Ending June 30, 2023

Mr. Kaymark of Nigro & Nigro, PC, presented the report and responded to questions from the Board.

Director Plough moved to receive, accept and file the Audited Financial Statements for Fiscal Year Ending June 30, 2023. The motion was seconded by Director Goebel and carried after a roll call vote, with Directors Coates, Goebel, Plough, and Wicks in favor and Director Hayman absent.

5. DISTRICT OPERATIONS AND GENERAL MANAGER REPORTS

- A. ACTION ITEM: Authorization of a Construction Contract with Tierra Contracting for the extension of a watermain at Cabrillo Blvd and Channel Drive for a future intertie with the City of Santa Barbara

Mr. Kanold presented the item and responded to questions from the Board. He noted a change to staff's original recommendation, with the new recommendation being no action, or no reinstatement of the Highway 101 crossing at Coast Village Road and possible future reevaluation.

Director Goebel moved that the Board accept the modified recommendation for no action. The motion was seconded by Director Plough and carried after a roll call vote, with Directors Coates, Goebel, Plough, and Wicks in favor and Director Hayman absent.

- B. ACTION ITEM: Adoption of Resolution No. 2273, an update of the *Water Loss Adjustment Policy* modifying the eligibility requirements

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

Director Goebel moved to adopt Resolution No. 2273, an update of the *Water Loss Adjustment Policy* modifying the eligibility requirements. The motion was seconded by

Director Plough and carried after a roll call vote, with Directors Coates, Goebel, Plough, and Wicks in favor and Director Hayman absent.

C. **INFORMATIONAL: Customer Relations and Public Information Update**

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

D. **INFORMATIONAL: General Manager Report**

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

7. DIRECTOR AND COMMITTEE REPORTS

A. **President's Report: Director Coates reported that Montecito Sanitary District (MSD) reviewed the Enhanced Recycled Water Feasibility Study prepared by Carollo Engineers with focus on the mini-master plan portion of the study,. MSD plans to aggressively pursue the study's recommendations.**

President Coates also raised questions about potential impacts of the Taxpayer Protection and Government Accountability Act, which were answered by District Counsel.

Finally, President Coates summarized a presentation made to the Santa Barbara County Board of Supervisors concerning its Countywide Potable Reuse Evaluation.

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 noted no meeting was held.**

E. **Central Coast Water Authority: Director Coates reported on activity by the California Department of Water Resources and the financial impact on CCWA.**

President Coates also mentioned the upcoming retirement of Ray Stokes and suggested the Board consider and discuss CCWA succession planning.

F. **Cachuma Operation and Maintenance Board: Mr. Turner relayed updates from Director Hayman, including inflow measures to Lake Cachuma and the adoption of their second five-year Infrastructure Improvement Plan.**

G. **Cachuma Conservation Release Board: Director Plough provided an update regarding Solvang's application to California Department of Water Resources for an additional release of water from Lake Cachuma for a new Santa Ynez wellsite.**

H. **Santa Barbara County Chapter of the California Special Districts Association: Director Wicks noted an upcoming ceremony on March 1st to recognize Assemblymember Gregg Hart as the CSDA Legislator of the Year.**

I. **ACWA JPIA: Director Wicks plans to attend the ACWA Conference May 7th – 9th.**

J. **CalDesal: Director Wicks provided a summary of the February 8th – 9th annual conference.**

K. **Ad hoc Committee - Legislative Matters: Director Goebel noted a planned meeting on February 29th.**

- L. Ad hoc Committee - Development of Water Transfer Agreement with Atlas Water: Mr. Turner provided an update.

The Board paused for a break at 11:11 a.m. and returned at 11:30 a.m.

8. LEGAL MATTERS

A. Recent and Pending Legal Matters Review – Oral Report

District Counsel provided an update on the ACWA-sponsored Assembly Bill 2257 concerning Proposition 218.

The Board recessed to Closed Session at 11:32 a.m.

The Board returned to Open Session at 12:31 p.m.

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

Counsel reported that, as to Item 8-B, only 1 case was considered as the second case was dropped from the agenda.

C. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(1) Conference with Legal Counsel Existing litigation, In re: Aqueous Film-Forming Foams Products Liability Litigation, Master Docket No. 2:18-mn-02873-RMG (MDL No. 2873)

D. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) 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

As to Items 8-B through 8-D, the Board received an update from Counsel and no action was taken.

9. DIRECTOR REQUESTS

A request was made by Director Goebel for an update from Compuvision, the District's IT service provider, regarding cyber security.

10. ADJOURNMENT

The meeting was adjourned at 1:41 p.m.

APPROVED:



Kenneth Coates, Board President

ATTEST:



Nicholas Turner, Secretary