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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, MARCH 26, 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, Cori Hayman, Tobe Plough, and Floyd Wicks participated in person.

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

Special Counsel present (via Zoom):

Eric Peterson, Hawkins Delafield & Wood LLP  
Jon Guz, Stradling Yocca Carlson & Rauth LLP

Consultants (via Zoom):

Lora Nichols, Fieldman, Rolapp & Associates, Inc.  
Bronwyn Bradbury, WestWater Research  
Brett Bovee, WestWater Research

Members of the Public (via Zoom):

Noah Boland, Heal the Ocean

**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 February 27, 2024
- B. Meeting Minutes of February 28, 2024
- C. Payment of Bills for February 2024
- D. Investment of District Funds as of February 2024
- E. Unaudited Monthly Financial Report for February 2024
- F. Waterworks Reports for February 2024

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, Hayman, Plough, and Wicks in favor.

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

- A. INFORMATIONAL: Review of draft ASADRA Funding Agreement for the Reservoir Retrofit and Replacement Project

Mr. Kanold presented the item and responded to questions from the Board. Special Counsel Jon Guz of Stradling Yocca Carlson & Rauth, and Consultant Lora Nichols of Fieldman, Rolapp & Associates, were present via Zoom to respond to questions from the Board.

- B. INFORMATIONAL: Review of draft Water Management Program Agreement with Homer LLC for the transfer of surplus State Water Project water

Mr. Turner introduced Brett Bovee and Bronwyn Bradbury of WestWater Research, who presented an overview of the agreement.

**The Board paused for a break at 11:06 a.m. and returned at 11:15 a.m.**

- C. INFORMATIONAL: Update on the continued development of the Montecito Indirect Potable Reuse project

Mr. Turner presented the item and responded to questions from the Board. The Board provided direction to staff and District Counsel to: take necessary steps to decline the \$1M USDA Watersmart grant for preliminary design and environmental review; place any further pursuit of recycled water on hold; and prepare a summary administrative report of District actions and conclusions concerning the potential for a recycled water project.

**The Board paused for a lunch break at 11:52 a.m. and returned at 12:35 p.m.**

D. ACTION ITEM: Contribution to the Association of California Water Agencies (ACWA) Foundation for the advancement of diversity, equity and inclusion in the water industry

Mr. Turner and Director Wicks introduced the item. With the consensus of the Board, no action was taken.

E. INFORMATIONAL: Customer Relations and Public Information Update

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

F. INFORMATIONAL: General Manager Report

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

**With the consensus of the Board, Item 8 was addressed prior to Item 6 as noted herein.**

## **8. LEGAL MATTERS**

A. Recent and Pending Legal Matters Review – Oral Report

District Counsel reported that the District's opt-out (requests for exclusion) for the 3M Class Action Lawsuit Settlements were accepted.

The Board recessed to Closed Session at 12:51 p.m.

The Board returned to Open Session at 1:50 p.m.

B. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(1) Existing Litigation – City of Solvang Petition to Change Water Rights Permit 15878 before the State Water Resources Control Board Administrative Hearing Office.

C. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(4) Initiation of Litigation -1 case.

D. CLOSED SESSION: Pursuant to Government Code 54956.9(d)(2) Anticipated Litigation – 1 case.

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

As to Item 8-D, the Board was notified of a settlement of a property damage claim entered into by the General Manager, and that claim will be available for review in accordance with government code requirements.

## **6. DISTRICT BUSINESS REPORT**

No Items.

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

A. President's Report: President Coates reported that the Montecito and Summerland Sanitary Districts met and they expressed mutual interest in consolidation of their Districts.

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: President Coates reported on a meeting regarding the potential Solomon Hills housing development and water supply opportunities. President Coates formed an Ad hoc Committee composed of himself and Director Wicks to review the matter.
- E. Central Coast Water Authority: President Coates will attend the CCWA Board of Directors meeting on March 28<sup>th</sup> which includes a FY2025 budget discussion.
- F. Cachuma Operation and Maintenance Board: Director Hayman provided a summary of recent Lake Cachuma conditions and noted that COMB reported the sighting of certain fish species for the first time since 2011.
- G. Cachuma Conservation Release Board: Director Plough reported that an update is still pending regarding Solvang's Petition to Change Water Rights Permit 15878.
- H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks reported that he attended the March 1<sup>st</sup> ceremony recognizing Assemblymember Gregg Hart as the CSDA Legislator of the Year.
- I. ACWA JPIA: Director Wicks will attend the next Board meeting held during the ACWA Conference, May 7<sup>th</sup> through 9<sup>th</sup>.
- J. CalDesal: Director Wicks attended the annual conference in Sacramento on February 8<sup>th</sup> and 9<sup>th</sup> and will attend the Legislative meeting on Thursday, March 28<sup>th</sup> at 2 p.m.
- K. Ad hoc Committee - Legislative Matters: Director Goebel provided an update regarding the activities of the the District's legislative consultant.
- L. Ad hoc Committee - Development of Water Transfer Agreement with Atlas Water: Director Goebel reported that all relevant items were previously addressed.

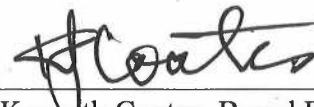
**8. DIRECTOR REQUESTS**

No Items.

**9. ADJOURNMENT**

The meeting was adjourned at 2:09 p.m.

APPROVED:



Kenneth Coates, Board President

ATTEST:



Nicholas Turner, Secretary