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

TUESDAY, APRIL 29, 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):

Michael Colantuono, Colantuono, Highsmith & Whatley, PC
Jon diCristina, Colantuono, Highsmith & Whatley, PC

Consultants (In Person and via Zoom):

Kevin Kostiuk, Raftelis (In Person)	Peter Rosado, LDA Partners (via Zoom)
Lindsay Roth, Raftelis (via Zoom)	Morgan Peterson, CompuVision (via Zoom)
Mike Husted, CompuVision (via Zoom)	

Members of the Public (via Zoom):

LMR (Lisa Murphy Rivas)

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 March 20, 2024
- B. Meeting Minutes of March 26, 2024
- C. Payment of Bills for March 2024
- D. Quarterly Investment Report as of March 31, 2024
- E. Unaudited Monthly Financial Report for March 2024
- F. Waterworks Reports for March 2024
- G. Ratification of Additional Expenditures for the Office Paving Project including Contract Change Order No. 1 with General Pavement Management, Inc.

Director Plough moved to approve the Consent Calendar. The motion was seconded by Director Goebel 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. ACTION ITEM: Adoption of Resolution No. 2274 Adopting Guidelines for the Submission and Tabulation of Protests in Connection with Rate Hearings Conducted Pursuant to Article XIID, Section 6 of the California Constitution

Director Goebel requested an amendment to Section 3 of Resolution No. 2274, deleting “or” from the second bullet to clarify that any of the five methods of protest submittal are acceptable.

Director Plough moved to adopt Resolution No. 2274 as amended. The motion was seconded by Director Wicks and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- B. 2024 Water Cost of Service and Rate Study

- i. INFORMATIONAL: 2024 Water Rate Study

Mr. Kostiuk presented the Draft 2024 Water Rate Study prepared by Raftelis and responded to questions from the Board.

- ii. ACTION ITEM: Notice of scheduling a hearing for the adoption of water rates at the June 25, 2024, Regular meeting of the Board of Directors

Director Plough made a motion to schedule a hearing for the adoption of water rates at the June 25, 2024, regular meeting of the Board of Directors, and authorize the issuance of written notice of that hearing. The motion was seconded by Director Goebel and carried after a roll call vote, with Directors Coates, Goebel, Hayman, Plough, and Wicks in favor.

- C. INFORMATIONAL: Quarterly Water Supply Update

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

The Board paused for a break at 10:56 a.m. and returned at 11:07 a.m.

D. ACTION ITEM: Contract Change Order No. 1 for the US101 Jack and Bore Project

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

Director Plough moved to retroactively approve Change Order No. 2 for a not-to-exceed amount of \$61,846 and approve Changes Orders No. 1, 3 and 4 for a not-to-exceed amount of \$48,416.20 with Specialty Construction, both of which are 55% reimbursable by the Santa Barbara County Association of Governments, and to allocate this additional funding for the project from District unassigned funds.

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. INFORMATIONAL: Update on Development of Master Plan for the District Office Property

Mr. Kanold presented the item and received direction from the Board.

The Board paused for lunch at 12:15 p.m. and returned at 12:55 p.m.

F. INFORMATIONAL: Customer Relations and Public Information Update

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

G. INFORMATIONAL: General Manager Report

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

6. DISTRICT BUSINESS REPORT

No Items

7. DIRECTOR AND COMMITTEE REPORTS

A. President's Report: No report.

B. Operations & Customer Relations Committee: No report.

C. Finance Committee: No report.

D. Strategic Planning Committee: No meeting was held.

E. Central Coast Water Authority: Director Coates reported on a number of CCWA matters, including potential future DWR billings; the absence of a likelihood of spill at San Luis Reservoir; a new Deputy Director; and the lack of banking opportunities.

F. Cachuma Operation and Maintenance Board: Director Hayman reported continuing spill at Lake Cachuma, as well as the completion of the Sedimentation Study, and recommendations provided to the COMB Board.

G. Cachuma Conservation Release Board: Director Plough reported that the state listed the Southern California Steelhead Trout as endangered under the California Endangered Species Act. Director Plough also reported continued releases at Lake Cachuma.

H. Santa Barbara County Chapter of the California Special Districts Association: Director Wicks did not attend.

I. ACWA JPIA: Director Wicks will attend the Region 5 Board meeting being held at the ACWA Spring Conference in Sacramento on May 7th.

- J. CalDesal: Director Wicks will attend the CalDesal meeting being held at the ACWA Spring Conference in Sacramento on May 8th.
- K. Ad hoc Committee - Legislative Matters: No meeting was held.
- L. Ad hoc Committee - Development of Water Transfer Agreement with Homer LLC: No meeting was held.
- M. Ad hoc Committee – Water Rights Opportunities: Director Coates noted that the District is working with WestWater on a valuation of SWP water supplies and conveyance facilities.

8. LEGAL MATTERS

- A. Recent and Pending Legal Matters Review – No Oral Report

The Board recessed to Closed Session at 1:26 p.m.

Director Wicks exited the meeting at 2:30 p.m.

The Board returned to Open Session at 2:31 p.m.

- B. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) Conference with Legal Counsel - 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 54957(a) Conference with Consultant - Public Services or Facilities
- D. CLOSED SESSION: Pursuant to Government Code §54956.9(d)(1) Existing Litigation– Case name unspecified – Settlement Negotiations per Government Code §54956.9(g)

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

As to Item 8-C, the Board received an update from the District’s consultant and no action was taken.

9. DIRECTOR REQUESTS

Director Goebel requested Counsel’s analysis regarding the District’s rights, authorities, and remedies to locally manage District water supply during future State drought declarations and restrictions.

10. ADJOURNMENT

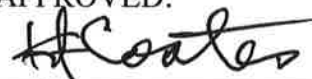
The meeting was adjourned at 2:32 p.m.

ATTEST:



Nicholas Turner, Secretary

APPROVED:



Kenneth Coates, Board President