

**MINUTES OF THE
REGULAR MEETING
of the
BOARD OF DIRECTORS
for the
MONTECITO SANITARY DISTRICT**

December 10, 2012

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 10th day of December 2012 at 1042 Monte Cristo Lane, Montecito, California, at 1:15 p.m.

ATTENDANCE

Present: Directors Deirdre M. Cannata, Judith M. Ishkanian, Tom Kern and Jeff Kerns

Absent: Edward P. McAniff

Also Present: General Manager Diane M. Gabriel; Debbie Hughey, Office Manager

Item 6B: Carole Rollins, Laboratory and Pretreatment Manager

Item 6C: Alex Alonzo, Collection System Manager

Item 6D: Brett Walker, Operations & Maintenance Manager

2. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes from the prior Board meeting were included in the agenda packet for Board review.

Upon MOTION by Director Ishkanian, and seconded by Director Cannata, the minutes of November 12, 2012 were approved as submitted. Director Kern abstained as he had not been in attendance at the meeting.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Cannata, and seconded by Director Kern, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES for the District through December 10, 2012 as follows:

Accounts Payable (11/14/12)	\$68,097.73
Accounts Payable (11/28/12)	\$32,958.97
Accounts Payable (12/10/12)	\$40,698.22

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Payroll (11/15/12)	\$31,784.48
Payroll Related (11/15/12)	\$29,378.03
Payroll (11/29/12)	\$34,085.62
Payroll Related (11/29/12)	\$10,282.54

TOTAL **\$247,285.59**

4. PUBLIC COMMENT

No member of the public was present to address the Board on non-agenda items.

5. OLD BUSINESS

A. FINANCIAL AUDIT REPORT FISCAL YEAR 2011-2012

The General Manager reminded the Board that on November 12th, the auditors, Ms. Danna McGrew and Tracey Solomon, with Bartlett, Pringle and Wolf, presented the draft Financial Audit report to the Board. Given that the Board had voted to accept the Fiscal Year 2011-2012 Financial Audit Report with minor changes and corrections, BP&W was directed to final the report. Final versions of the June 30, 2012 and 2011 Financial Statements were distributed to each of the Board members.

Staff will also distribute bound copies of the report to the following agencies: ACWA; Bank of New York; CSRMA; Dun & Bradstreet; Fieldman, Rolapp & Associates; Local Agency Investment Fund (LAIF), Law Office of Janet K. McGinnis; Price, Postel & Parma; Santa Barbara County Auditor-Controller; Standard & Poor's; and the State Controller's office.

ACTION: Staff

6. NEW BUSINESS

A. OATH OF OFFICE FOR DIRECTORS

Debbie Hughey, Office Manager, reported that pursuant to Elections Code Section 10515, Tom Kern, Jeff Kerns and Ed McAniff were appointed in lieu of election by the Santa Barbara County Board of Supervisors. Directors Kern, Kerns and McAniff were appointed for a 4-year term which will expire December 2016. Directors Kern and Kerns took the Oath of Office on November 30, 2012. Director McAniff will be mailing in his Oath of Office to the District. The original Oath of Office forms for all three Directors will be mailed to the County Elections office.

ACTION: Staff

B. INTRODUCTION OF LABORATORY AND PRETREATMENT MANAGER

The General Manager introduced Carole Rollins, Lab Analyst Grade IV to the Board and welcomed Carole to the District as the new Laboratory and Pretreatment Manager. Manager Gabriel reported that Ms. Rollins has nearly 20 years of laboratory experience and she brings knowledge and expertise that will greatly benefit the District. She will begin employment as the District's Laboratory and Pretreatment Manager on December 17, 2012.

The Board thanked Ms. Rollins for coming to the meeting so that they could meet her and welcomed her to the District.

ACTION: None

C. MIRAMAR HOTEL – DEMOLITION – STATUS REPORT

Manager Gabriel reported that on November 12, 2012 the District was contacted by representatives for Caruso Affiliated indicating that they were in the process of obtaining permits from the County for the demolition of the existing structures on the Miramar property. As part of the demolition project it was necessary to properly cap off all sewer laterals. On November 26th the District issued a permit to Caruso BSC Miramar, LLC.

Alex Alonzo, Collection System Manager, briefed the Board on the status of the District's demolition of the Miramar Hotel connections. He reported that Caruso paid the District to hire a contractor (Clearwater Engineering) to cap off all laterals tied to District mains coming from the Miramar Hotel. The Collections crew cleaned and CCTV'd all lines and identified locations for Clearwater Engineering to cap off laterals from the Miramar Hotel. The work was performed specific to the District's permit in order to ensure this was done properly and to District standards. The demolition work will be completed by January 17, 2013.

Manager Gabriel thanked the Collections crew for all their prep before the demolition began and the Board thanked Mr. Alonzo for his report.

ACTION: None

D. CENTRAL COAST REGIONAL WATER QUALITY CONTROL BOARD (RWQCB) HEARING – REISSUE OF DISTRICT'S NATIONAL POLLUTION DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT NO. CA0047899

The General Manager informed the Board that on Thursday, December 6, 2012 there was a hearing, held in the Santa Barbara County Planning Commission Hearing Room at 9:00 a.m. at which the RWQCB was scheduled to approve the reissuance of the District's NPDES permit. The

General Manager, the Operations & Maintenance Manager and Director Kerns attended the hearing.

Brett Walker, Operations & Maintenance Manager briefed the Board on some of the specifics of the District's 2012 NPDES renewal process. He reported that the renewal process began back in July 2011 when the District submitted the required documents for renewing their NPDES permit. In April 2012 Manager Gabriel and Mr. Walker met with Central Coast Water Board representatives to discuss changes to the Draft permit. On July 15, 2012 the District posted the required announcement stating the permit renewal was open for public comment until August 17, 2012. At the December 6, 2012 meeting the District's new NPDES permit was adopted. The new permit will go into effect January 25, 2013 through January 25, 2018.

The Board thanked Mr. Walker for his perseverance in following through with the adoption of the new NPDES permit and for his summary.

ACTION: None

E. RESOLUTION NO. 2012-877 – INVENTORY OF DISTRICT LANDS AND AIR SPACE

The Government Code requires the District to conduct an inventory of all District lands and air space annually to determine whether or not there are any in excess of the District's needs. To date there are no such excess lands or air space under the District's ownership. A copy of proposed Resolution No 2012-877 was included in the agenda packets.

After discussion, a MOTION was made by Director Ishkanian, and seconded by Director Cannata, that Resolution No. 2012-877 be adopted and executed. The MOTION passed by the following roll call vote:

AYES: Cannata, Ishkanian, Kern, Kerns
NAYS: None
ABSENT: McAniff
ABSTAIN: None
ACTION: Board Officers

F. RESOLUTION NO. 2012-878 – APPROVING DISTRICT HOLIDAYS FOR 2013

Each year the Board is required to adopt a resolution appointing the legal holidays approved for the following year. Proposed Resolution No. 2012-878 (included in the agenda packet for review) sets the approved holidays for 2013. The holidays stipulated in the resolution are listed below:

1. January 1st - New Year's Day
2. Third Monday in February - President's Day
3. Last Monday in May - Memorial Day
4. July 4th - Independence Day

5. First Monday in September - Labor Day
 6. Fourth Thursday in November - Thanksgiving Day
 7. December 25th - Christmas Day
- If a holiday falls on a Sunday, the Monday following is the observed Holiday and the District office is closed on that Monday.
 - If a holiday falls on a Saturday, the preceding Friday is the observed Holiday and the District office is closed on that Friday.

After discussion, a MOTION was made by Director Cannata, and seconded by Director Kern, that Resolution No. 2012-878 be adopted and executed. The MOTION passed by the following roll call vote:

AYES:	Cannata, Ishkanian, Kern, Kerns
NAYS:	None
ABSENT:	McAniff
ABSTAIN:	None
ACTION:	Board Officers

G. INFORMATIONAL ITEMS

1. California Special Districts Association (CSDA) Monthly Chapter Conference – Holiday Party and Awards Presentation to be held at the Marriott in Buellton on December 14th at 6 PM. No Board members planned on attending. Director Ishkanian informed the Board that she had been asked by Santa Barbara County Chapter CSDA President John McInnes to be a Board Member at Large.
2. California Association of Sanitary Agencies (CASA) Mid-Year Conference January 16-18, 2013 will be held in Indian Wells. President Kerns is considering attending the Conference.

7. OPERATIONS AND MAINTENANCE

The Board reviewed the Operations and Maintenance information included in the agenda packets.

8. FUTURE AGENDA ITEMS

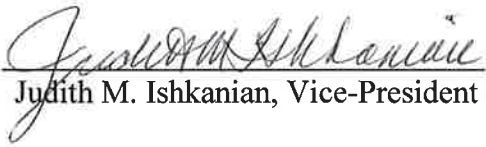
None

9. ADJOURNMENT

There being no further business to come before the Board, it was MOVED by Director Ishkanian, and seconded by Director Cannata, that the meeting be adjourned. The MOTION carried, and the meeting adjourned at 2:25 pm.



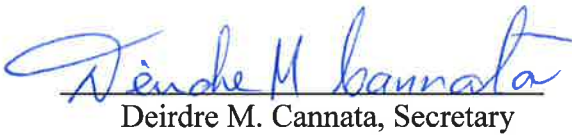
Jeff Kerns, President



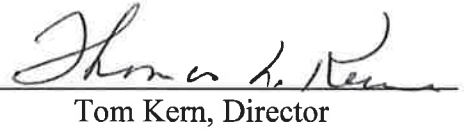
Judith M. Ishkanian, Vice-President

A B S E N T

Edward P. McAniff, Treasurer



Deirdre M. Cannata, Secretary



Tom Kern, Director