

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

May 28, 2013

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 28th day of May 2013 at 1042 Monte Cristo Lane, Montecito, California at 1:15 p.m.

ATTENDANCE

Present: Directors Judith M. Ishkanian, Tom Kern, Jeff Kerns and Warner Owens

Absent: Director Deirdre M. Cannata

Also Present: Diane M. Gabriel, P.E., General Manager; Debbie Hughey, Office 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 Kern and seconded by Director Owens the minutes of the meeting of April 29, 2013 were approved with corrections.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Kerns, which was seconded by Director Owens, the Board unanimously approved these PAYROLL AND ACCOUNTS PAYABLE EXPENSES through May 28, 2013:

Accounts Payable (5/15/13)	\$59,403.78
Accounts Payable (5/22/13)	\$575.00
Accounts Payable (5/28/13)	\$13,750.34
Payroll (5/02/13)	\$37,603.04
Payroll Related (5/02/13)	\$11,824.85

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Montecito Sanitary District
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Payroll (5/16/13)	\$37,514.10
Payroll Related (5/16/13)	\$33,620.87

TOTAL **\$194,291.98**

4. PUBLIC COMMENT

No member of the public addressed the Board on non-agenda items.

5. OLD BUSINESS

A. PROPOSED LOCAL AGENCY FORMATION COMMISSION (LAFCO) BUDGET FOR FY 2013-2014

At its meeting on April 28th the Board discussed the proposed LAFCO Budget for FY 2013-2014. The Board directed the General Manager to draft a letter to Jeff Moorhouse, Special Districts representative on the LAFCO Commission. The letter, signed by President Ishkanian and mailed on May 6th in time to meet the May 27th LAFCO deadline for comments, was included in the agenda packet for Board review. At the time of the Board meeting there had been no response to the letter. President Ishkanian agreed to contact Mr. Moorhouse to ensure that the District's concerns would be addressed at the June 6th LAFCO meeting.

6. NEW BUSINESS

A. RESOLUTION NO. 2000-779 – INVESTMENT POLICY – ANNUAL REVIEW

Manager Gabriel informed the Board that the District is required to annually review its Investment Policy per Section 13.0, Page 6, which was adopted by Resolution No. 2000-779 on August 14, 2000. A copy of this Resolution was included in the agenda packet for Board review. The Board was informed that any changes considered necessary by the Board would require the adoption of a new Resolution.

After discussion it was agreed that no change was needed to the District's investment policy. A MOTION was made by Director Kern and seconded by Director Owens for no change to be made to Resolution No. 2000-779. The MOTION passed by the following roll-call vote:

AYES:	Ishkanian, Kern, Kerns, Owens
NAYS:	None
ABSENT:	Cannata
ABSTAIN:	None
ACTION:	None Required

After further discussion, a MOTION was made by Director Owens and seconded by Director Kern for a representative from the County Auditor-Controller's Office to be contacted to request either a financial policies presentation to the MSD Board or a meeting with the MSD Finance Committee. The MOTION passed unanimously.

ACTION: Staff

B. SANTA BARBARA COUNTY - INDEPENDENT SPECIAL DISTRICTS COMPLIANCE REPORT

The District received an e-mail from the Auditor-Controller's Office containing the final copy of the Independent Special Districts Compliance Report covering the 2010/11 Annual Financial Reports and the 2011/12 Annual Budgets. This report was included in the agenda packet for Board review and informational purposes.

ACTION: None

C. RESOLUTION NO. 2013-879 – HONORING MR. JAMES MONTIJO UPON HIS RETIREMENT FROM THE DISTRICT

Manager Gabriel reported that Jim Montijo informed the District of his retirement effective May 26, 2013. Mr. Montijo was employed by the District for nearly five and a half years.

A MOTION was made by Director Kerns and seconded by Director Kern for the Board to recognize Mr. Montijo for his dedication of service to the District. The MOTION passed by the following roll-call vote:

AYES:	Ishkanian, Kern, Kerns, Owens
NAYS:	None
ABSENT:	Cannata
ABSTAIN:	None

ACTION: Board

D. INFORMATIONAL ITEMS

- President Ishkanian reported on her attendance at:
 - Santa Barbara County California Special Districts Association (SBCCSDA) Board meetings held April 3rd and May 1st;
 - SBCCSDA monthly dinner meeting held Monday, May 20th in Buellton; and
 - SBCAG meeting held Thursday May 16th on the proposed Caltrans 101 Freeway Widening Project.

- Treatment Plant Process Flow Diagram – The Directors received a copy of the newly drafted diagram for their information.

E. AGREEMENT TO BE SIGNED

Residential Sewer Service Agreement for New Auxiliary Structures – 593 Picacho Lane - Cabana

7. OPERATIONS AND MAINTENANCE

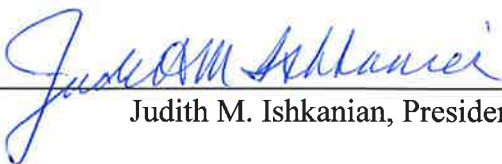
The Board reviewed the Operations and Maintenance information included in the agenda packet.

8. ITEMS FOR THE NEXT AGENDA

None

9. ADJOURNMENT

There being no further business to come before the Board, on MOTION by Director Kern and seconded by Director Owens that the meeting be adjourned, the MOTION carried and the meeting adjourned at 2:55 p.m.




Judith M. Ishkanian, President



Jeff Kerns, Vice-President

A B S E N T

Deirdre M. Cannata, Secretary



Tom Kern, Treasurer



Warner B. Owens, Director