

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

July 30, 2012

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 30th day of July 2012 at 1042 Monte Cristo Lane, Montecito, California, at 1:15 p.m.

ATTENDANCE

Present: Directors Charles C. Arnold, Deirdre M. Cannata, Judith M. Ishkanian and Jeff Kerns

Absent: Director Edward P. McAniff and General Manager Diane M. Gabriel

Also Present: Debbie Hughey, Office Manager

2. APPROVAL OF MINUTES OF THE LAST MEETING

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

Upon MOTION by Director Cannata, and seconded by Director Ishkanian, the minutes of July 9, 2012 were approved as submitted.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Ishkanian, and seconded by Director Arnold, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES for the District through July 30, 2012 as follows:

Fiscal Year 2011-12	
Accounts Payable (7/24/12)	\$15,528.91
Fiscal Year 2012-13	
Accounts Payable (7/12/12)	\$149,318.00
Accounts Payable (7/25/12)	\$12,579.60
Payroll (7/12/12)	\$36,015.99
Payroll Related (7/12/12)	\$26,018.73

Payroll (7/26/12)	\$35,876.65
Payroll Related (7/26/12)	\$25,885.64

TOTAL **\$301,223.52**

4. PUBLIC COMMENT

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

5. OLD BUSINESS

A. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) – 2012 ELECTIONS

President Kerns reported that, per Board direction, he discussed the CSDA 2012 candidate selection with Jeff Moorhouse, Special Districts Representative to LAFCO. Mr. Moorhouse recommended Elaine Freeman. Ms. Freeman's name was placed on the ballot which was signed by President Kerns and was mailed to CSDA on July 19, 2012.

6. NEW BUSINESS

SEWER SERVICE CHARGE HEARING

President Kerns announced that this was the time and place for the hearing as to whether or not the District's sewer service charges for the fiscal year 2012-13 should be placed on the County Tax Roll for collection, as established by Ordinance 6, dated July 2, 1970.

President Kerns stated that the service charge report (listed by APN) was available for inspection by anyone wishing to know what the District's service charge will be for a property.

President Kerns noted that a letter was sent to all new connections to the District's sewer system in the past year providing information regarding the District's method of collecting annual sewer service charges and notice of this public hearing.

Secretary Cannata verified with staff that: the required Proof of Publications for the Notice of Hearing (published in the *Santa Barbara News Press* July 8th and 15th) had been received; the Affidavit of Mailing of the Notices of the Hearing to new customers was ready for signing; and the Statement of the Secretary certifying the service charge report was in order and ready to be signed. Staff confirmed that all pertinent documents were ready for signatures.

President Kerns noted that there were no members of the public present to address the Board.

President Kerns asked the Office Manager if there had been any written or oral objections or protests by the owners of a majority of the separate parcels of property as described in the report. Ms. Hughey reported that the District had received no written or oral inquiries or protests regarding the Service Charge Hearing as of July 30, 2012.

President Kerns called for the adoption of Resolution No. 2012-874, which directs the filing with the County Auditor of the Report of Sewer Service Charges for Fiscal Year 2012-13 to be placed on and collected by means of the County Tax Roll.

A MOTION was made by Director Cannata and seconded by Director Arnold. The MOTION passed with the following roll call vote:

AYES: Arnold, Cannata, Ishkanian, Kerns
NAYS: None
ABSENT: McAniff
ACTION: Staff

President Kerns closed the service charge hearing and returned to open session for the regular meeting of the Board.

B. ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWER INSURANCE AUTHORITY (ACWA JPIA) – JPIA BOARD OF DIRECTORS – MEMBER/ALTERNATE

The Office Manager reported that on July 13th the District received a letter from ACWA JPIA (copy included in agenda packet for Board review) requesting that a MSD Board representative and alternate be selected.

After discussion, a MOTION was made by Director Ishkanian, and seconded by Director Cannata, that no specific director is selected as the representative and the alternates will be the District Office Manager and all directors. The MOTION passed unanimously.

ACTION: Staff

C. QUARTERLY INVESTMENT STATEMENT

The District is required to make quarterly statements certifying that:

1. the investments made on behalf of the District by LAIF and the Santa Barbara County Treasurer's office were made in accordance with the District's current Investment Policy;
2. a complete and timely record of all investment transactions is maintained in the District office from reports supplied by LAIF and the Santa Barbara County Treasurer's office; and

Montecito Sanitary District
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3. the Montecito Sanitary District is able to meet its pool's expenditure requirements for the next six months.

Director Arnold read and certified that the above statements were correct and the quarterly statement would be signed immediately following the Board meeting.

ACTION: Director Arnold

D. INFORMATIONAL ITEMS

1. No member of the Board will be attending the Santa Barbara Local Agency Formation Commission meeting to be held on Thursday, August 2nd in Santa Maria.

7. OPERATIONS AND MAINTENANCE

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

8. FUTURE AGENDA ITEM

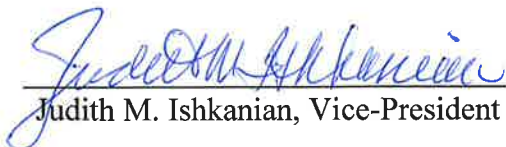
Resolution 2012-875 – Honoring Mr. Michael McCaleb Upon His Retirement from the District.

9. ADJOURNMENT

There being no further business to come before the Board, it was MOVED by Director Cannata, and seconded by Director Ishkanian, that the meeting be adjourned. The MOTION carried, and the meeting adjourned at 1:45 pm.



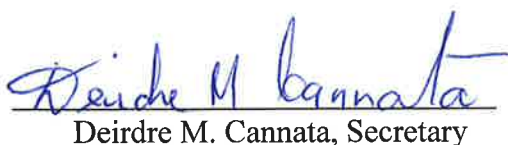
Jeff Kerns, President



Judith M. Ishkanian, Vice-President

A B S E N T

Edward P. McAniff, Treasurer



Deirdre M. Cannata, Secretary



Charles C. Arnold, Director