

MINUTES
REGULAR MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

June 21, 2010

BOARD MEMBERS PRESENT: John S. Carter, Steven T. Majoewsky, George W. Emerson,
Jerry D. Smith, John R. Fox

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Kamil Azoury, General Manager, Jeff Salt, Operations
Manager, Kathy Johnson, Office Manager, Richard Battles,
Legal Counsel from Howell Moore & Gough LLP

OTHERS PRESENT: Craig Geyer of Goleta West Sanitary District, Lou Ventura of
Embarcadero Municipal Improvement District

CALL TO ORDER: President Carter called the meeting to order at 7:30 p.m.

APPROVAL OF MINUTES: Director Smith made a motion, seconded by Director Fox to
approve the minutes of the Regular Board meeting of
06/07/10.

(10/06/799)

AYES: Carter, Majoewsky, Emerson, Smith, Fox

NOES: None

ABSENT: None

POSTING OF AGENDA: The agenda notice for this meeting was posted at the main
gate of the Goleta Sanitary District 72 hours in advance of
the meeting.

PUBLIC COMMENTS: None

BUSINESS:

Mr. Azoury advised the Board that certain members of the public attending the meeting requested that Agenda Item #5 be moved up on the Agenda and discussed out of its original order. President Carter agreed on this change upon Mr. Azoury's request.

5. DISCUSSION OF DISTRICT PARTICIPATION AT THE CALAFCO CONFERENCE ON OCTOBER 6 THROUGH 8, 2010 IN PALM SPRINGS

Mr. Azoury advised the Board that the District received a request from Bob Braitman, Executive Officer of Santa Barbara LAFCO, to participate in a panel discussion at the CALAFCO Conference in Palm Springs regarding the proposed detachment issue between the City of Goleta and Goleta West Sanitary District. Mr. Azoury advised the Board that other areas outside of the local LAFCO are interested in this detachment issue. He advised the Board that although it is the Board's decision, he thought that any discussion at the CALAFCO level would be premature and that the District has nothing to add to any panel discussion. He advised the Board that Goleta Sanitary District wishes to remain neutral on this subject. Mr. Geyer questioned the timing of Mr. Braitman's request considering that the City of Goleta has still not completed its application to LAFCO for detachment from GWSD. Mr. Ventura said he was aligned with what others said this evening and that the request from Mr. Braitman was too early and would remain so until a final decision by the local LAFCO. After further discussion, Director Emerson made a motion, seconded by Director Majoewsky to direct District staff to write a letter to Mr. Braitman at Santa Barbara LAFCO to decline to participate in a panel discussion at the CALAFCO Conference on October 6 through 8, 2010 in Palm Springs.

(10/06/800)

AYES: Carter, Majoewsky, Emerson, Smith, Fox
NOES: None
ABSENT: None

1. CONSIDERATION OF VOTING TO ELECT A REPRESENTATIVE TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) BOARD OF DIRECTORS FOR SEAT B, REGION 5

Mr. Azoury advised the Board that the District received a candidate statement from Director Fox and distributed copies to the Board. Director Fox advised the Board that Region 5 of the California Special Districts Association (CSDA) includes the service area of the District. He further explained that it has been three years since he was appointed and that he would like to serve again for the term 2010-2013 to represent Region 5, in Seat B. After further discussion, Director Emerson made a motion, seconded by Director Smith to vote for Director Fox and direct District staff to mail in the CSDA ballot for Election 2010.

(10/06/801)

AYES: Carter, Majoewsky, Emerson, Smith, Fox
NOES: None
ABSENT: None

2. DISCUSSION AND ACTION OF THE PROPOSED BYLAWS AMENDMENTS OF THE CALIFORNIA SPECIAL DISTRICT ASSOCIATION

Director Fox advised the Board that there were technical errors in the proposed bylaws. He cited particular examples and that the errors would result in a three month gap for those currently serving on the CSDA Board. Director Fox advised the GSD Board that until clarification and/or changes can be made to the proposed bylaws they should defer any action on this item until the second Governing Board meeting in July. After further discussion, Director Majoewsky made a motion, seconded by Director Smith to continue this item until the second meeting in July.

(10/06/802)

AYES: Carter, Majoewsky, Emerson, Smith, Fox

NOES: None

ABSENT: None

3. CONSIDERATION AND ACTION TO ADOPT RESOLUTION NO. 10-500 OF THE GOVERNING BOARD OF THE DISTRICT TO AUTHORIZE SIGNERS AND/OR KEY EXECUTIVES TO ACT ON BEHALF OF THE GOLETA SANITARY DISTRICT WITH WELLS FARGO BANK

Mr. Azoury advised the Board that the Finance Committee met to discuss establishing a new checking account with Wells Fargo Bank. He explained that payroll would continue to be processed through the District's current checking account with Santa Barbara Bank and Trust. Other warrants or claims would be processed through Wells Fargo Bank. Mr. Azoury advised the Board that Wells Fargo Bank requires a resolution to authorize this change and that Resolution No. 10-500 is drafted from a sample resolution structured by Well Fargo. He explained that the resolution would permit the District to open the account and that the Finance Committee has reviewed the information supplied by Wells Fargo. After further discussion, Director Majoewsky made a motion, seconded by Director Emerson to adopt Resolution No. 10-500 to Authorize Signers and/or Key Executives to Act on Behalf of the Goleta Sanitary District with Wells Fargo Bank and to add President Carter's name to the resolution if required to do so by Wells Fargo Bank.

(10/06/803)

AYES: Carter, Majoewsky, Emerson, Smith, Fox

NOES: None

ABSENT: None

4. CONSIDERATION OF EXTENDING THE PROFESSIONAL SERVICES AGREEMENT WITH AQUATIC BIOASSAY AND CONSULTING LABORATORIES, INC. (ABC LABS) FOR DISTRICT'S OCEAN MONITORING PROGRAM INTO FISCAL YEAR 2010-2011

Mr. Azoury advised the Board that the District is required to conduct quarterly and annual receiving water monitoring surveys as specified in NPDES Permit No. CA0048160. In 1998, the

District contracted with ABC Labs to conduct its receiving water monitoring program. Mr. Azoury complimented ABC Labs for an excellent job done with minimal increases in their contract price over the years. He further explained that the current contract submitted by ABC Labs eliminates the quarterly meter retrieval and maintenance from the monitoring program. Mr. Azoury further advised the Board that due to increased costs for materials and labor there is a 5% increase on all items with the exception of the annual outfall and diffuser inspection which would increase by 10%. After further discussion, Director Fox made a motion, seconded by Director Smith to extend/renew the contract with ABC Labs for fiscal year 2010-11 for an amount not to exceed \$112,826.

(10/06/804)

AYES: Carter, Majoewsky, Emerson, Smith, Fox

NOES: None

ABSENT: None

6. CONSIDERATION AND ACTION TO ADOPT RESOLUTION NO. 10-501 OF THE GOVERNING BOARD OF THE DISTRICT AMENDING AND RESTATING POLICIES FOR THE BOARD MEMBERS PERTAINING TO ATTENDANCE AT MEETINGS, COMPENSATION, TRAVEL EXPENSES AND ETHICS TRAINING

Mr. Azoury advised the Board that certain items in the current Board travel policy need clarification and correction to avoid confusion. He further explained that certain language in the policy may be contrary to provisions of California Labor Law. Mr. Azoury advised the Board that the suggested changes were reviewed and recommended by the Governing Board Personnel Committee. He discussed many of the details of the proposed and amended travel policy, such as the timing of submitting expense reimbursement reports and the use of the Directors' own credit cards for travel and the reimbursement of those associated expenses. After further discussion, Director Majoewsky made a motion, seconded by Director Emerson to adopt Resolution No. 10-501 Amending and Restating Policies for the Board Members Pertaining to Attendance at Meetings, Compensation, Travel Expenses and Ethics Training.

(10/06/805)

AYES: Carter, Majoewsky, Emerson, Smith

NOES: Fox

ABSENT: None

7. GENERAL MANAGER'S REPORT

Messrs. Azoury and Salt reviewed the General Manager's Report. Mr. Azoury distributed an E-News article to the Board regarding Senate Bill 972. He advised the Board that SB 972 affects negotiations between a public agency and contractors. Mr. Azoury referred the Board to the letter from the District to Assemblyman Pedro Nava opposing SB 972.

8. LEGAL COUNSEL'S REPORT

Mr. Battles advised the Board of a Supreme Court case regarding Proposition 218.

9. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Emerson advised the Board of Assembly Bill 155, which the CSDA opposes, regarding California's multi-year budget gap reform, as well as the CSRMA Executive Board meeting he attended telephonically.

Director Smith advised the Board of the PFM Investment Assessment report he received as a Finance Committee member and called for a future Finance Committee meeting to review the study.

Director Fox advised the Board of the City of Goleta Council meeting he attended.

10. PRESIDENT'S REPORT

No Report

11. CORRESPONDENCE

The Board reviewed correspondence to and from the District in the agenda and made a part hereof as Exhibit "A".

12. CLAIMS

Director Emerson made a motion, seconded by Director Fox to approve the claims as follows:

Plant Facilities Upgrade Fund #4670	8,443.34
Depreciation Replacement Reserve Fund #4655	104,800.43
Running Expense Fund #4640	245,987.65

(10/06/806)

AYES: Carter, Majoewsky, Emerson, Smith, Fox

NOES: None

ABSENT: None

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:45 p.m.

John S. Carter
Governing Board President

Kamil S. Azoury
Governing Board Secretary

Steven T. Majoewsky

George W. Emerson

Jerry D. Smith

John R. Fox