

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

April 5, 2010

**BOARD MEMBERS PRESENT:**

John S. Carter, Steven T. Majoewsky, George W. Emerson (late arrival), 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:**

Bert Bertrando of Goleta Water District, Craig Geyer and Larry Meyer of Goleta West Sanitary District

**CALL TO ORDER:**

President Carter called the meeting to order at 6:30 p.m.

**APPROVAL OF MINUTES:**

Director Smith made a motion, seconded by Director Fox to approve the minutes of the Special Board meeting of 03/15/10.

(10/04/767)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

**POSTING OF AGENDA:**

The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District 24 hours in advance of the meeting.

**PUBLIC COMMENTS:**

Mr. Bertrando advised the Board of the Investment Policy presentation by PFM Asset Management scheduled for 10:00 on April 8, 2010 at the Goleta Water District. He also commented on Santa Barbara County's conceptual planning process for Goleta Beach County Park also known as Goleta Beach 2.0. Mr. Bertrando advised the Board that this planning

process could cost Goleta Water District upwards of \$700,000 to move their reclaimed water line.

**BUSINESS:**

1. CONSIDERATION OF ATTENDANCE AT CALIFORNIA SPECIAL DISTRICT ASSOCIATION'S (CSDA) SPECIAL DISTRICTS LEGISLATIVE DAYS IN SACRAMENTO ON MAY 11 & 12, 2010

Mr. Azoury advised the Board of the details of the Special Districts Legislative Days that CSDA arranged annually and of the Legislators that meet with the attendees. He advised the Board that Directors Fox, Emerson and the General Manager have attended the Legislative Days in previous years. After some discussion, Director Fox made a motion, seconded by Director Majoewsky, to approve the attendance of the Board members and the General Manager at CSDA's Special Districts Legislative Days in Sacramento on May 11 & 12, 2010.

(10/04/768)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

2. CONSIDERATION OF THE BOARD TO DIRECT THEIR NOMINATION TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION'S (CSDA) BOARD OF DIRECTORS SEAT B

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 Smith made a motion, seconded by Director Majoewsky to nominate Director Fox and direct District staff to mail in the CSDA Nomination Form accordingly.

(10/04/769)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

3. CONSIDERATION OF PARTICIPATION IN STATE-WIDE PROPOSITION 84 PROCESS; SIGN MOU

Mr. Azoury advised the Board that participation in the Proposition 84 process is similar to the Prop 50 process through which the District received \$1.5 million for the Fairview Avenue San Pedro Creek Sewer Line Relocation Project. He advised the Board that the Memorandum of Understanding (MOU) is similar to the Prop 50 agreement the District signed in order to participate in the past. Mr. Azoury recommended that the Board

approve participation in the Prop 84 process in order to be involved in the setting of objectives of the plan and to include the Wastewater Treatment Plant Upgrading Project with those to be considered for future funding requests. Mr. Azoury advised the Board that the District is asked to make a financial contribution of \$6,635 toward the administration and management of the program. After further discussion, Director Majoewsky made a motion, seconded by Director Fox to continue to participate in the State-wide Proposition 84 Process, sign the MOU and pay the District's contribution not to exceed \$6,635.

(10/04/770)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

4. CONSIDERATION OF AWARD OF BID FOR FIRESTONE ROAD LIFT STATION PROJECT

Mr. Azoury advised the Board that a notice inviting sealed bids for the Firestone Road Lift Station Project located at the Santa Barbara Municipal Airport was placed in the Santa Barbara News Press and project specifications were sent to area contractors. Six sealed bids were received and were opened on March 15, 2010. Mr. Azoury advised the Board that District staff and design engineers at Penfield and Smith have reviewed the bids and that Tierra Contracting submitted the apparent low bid of \$1,864,890 for this project. He advised the Board that David Rundle of Penfield & Smith performed a detailed review of the bid and found all documents to be in order. District staff and the design engineer recommend the award of bid be given to Tierra Contracting for the Firestone Road Lift Station Project in the amount of \$1,864,890. After further discussion Director Smith made a motion, seconded by Director Majoewsky, to award the bid to Tierra Contracting for the Firestone Road Lift Station Project in an amount not to exceed \$1,864,890 contingent upon obtaining all necessary permits and insurance.

(10/04/771)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

5. CONSIDERATION OF CONTRACTING WITH LANCE, SOLL & LUNGHARD, LLP FOR INDEPENDENT AUDIT SERVICES TO PERFORM THE ANNUAL AUDIT OF GSD'S FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDING JUNE 30, 2010Mr.

Azoury advised the Board that at its February 16, 2010 meeting the Governing Board directed staff to solicit proposals for audit services for the Fiscal Year 2009-2010. He advised the Board that the District received 6 proposals from very qualified accounting firms. Mr. Azoury advised the Board that of the proposals received, three firms were invited for interviews and an opportunity to make a presentation to District staff and the Governing Board Finance Committee. After the presentations and reviewing the firms' qualifications,

the Finance Committee recommends that the District contract with Lance, Soll & Lunghard for audit services. After further discussion Director Majoewsky made a motion, seconded by Director Smith to contract with Lance, Soll & Lunghard, LLC for independent audit services to perform the annual audit of GSD's financial statements for the Fiscal Year ending June 30, 2010, for a total cost of \$10,250 with an option to renew the engagement for two additional years.

(10/04/772)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

6. GENERAL MANAGER'S REPORT

Messrs. Azoury and Salt reviewed the General Manager's Report.

7. LEGAL COUNSEL'S REPORT

No Report

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

Director Smith advised the Board of the Finance Committee meeting he attended.

Director Majoewsky advised the Board that he would not be available for the April 16<sup>th</sup> and the April 19<sup>th</sup> meetings.

Director Fox advised the Board of the CSDA Chapter President Round Table he attended in Sacramento.

Director Emerson advised the Board of the CSRMA Long Range Planning Session he attended as well as the Governing Board Personnel Committee meeting he attended.

9. PRESIDENT'S REPORT

President Carter advised the Board of the Personnel Committee meeting he attended.

10. CORRESPONDENCE

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

11. CLAIMS

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

Plant Facilities Upgrade Fund #4670

1,176.96

Special Meeting Minutes

April 5, 2010

Page 5

CA Employers Retiree Benefits Trust #4660	252,557.00
Depreciation Replacement Reserve Fund #4655	11,366.55
Running Expense Fund #4640	297,450.93

(10/04/773)

AYES: Carter, Majoewsky, Emerson, Smith, Fox

NOES: None

ABSENT: None

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:37 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