

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

September 6, 2011

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

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Kamil Azoury, General Manager, Jeff Salt, Operations Manager, Rob Mangus, Administration Supervisor, Richard Battles, Legal Counsel from Howell Moore & Gough LLP

OTHERS PRESENT: Rick Merifield, of the Board of Directors of the Goleta Water District.

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

APPROVAL OF MINUTES: Director Carter made a motion, seconded by Director Smith to approve the minutes of the Regular Board meeting of 08/15/11.

(11/09/945)

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

APPROVAL OF MINUTES: Director Emerson made a motion, seconded by Director Carter to approve the minutes of the Special Board meeting of 08/17/11.

(11/09/946)

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

ABSENT: None

ABSTAINED: None

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:

None

BUSINESS:

1. CONSIDERATION OF RESOLUTION NO. 11-521, INITIATING PROCEEDINGS FOR ANNEXATION OF TERRITORY, ANNEXATION NO. 368 (CAVALETTO)

Mr. Azoury, General Manager presented the staff report on the Cavaletto property, now consisting of four parcels, and an update regarding the addition of two adjoining parcels. Mr. Azoury also presented the history in which the two easterly parcels of the four were previously initiated for annexation however the project was stopped due to CEQA requirements. The project now includes the two westerly parcels. There was lengthy discussion by the Board regarding the District's procedures to initiate annexations that require CEQA reviews, EIR issues and the impacts this has on the District and LAFCO process for approving annexations.

Director Emerson made a motion, seconded by Director Carter to approve annexation Resolution 11-521.

(11/09/947)

AYES: Majoewsky, Emerson, Smith, Carter

NOES: Fox

ABSENT: None

2. CONSIDERATION AND ADOPTION OF RESOLUTION 11- 522 APPROVING RECOMMENDATIONS OF THE COMPENSATION AND BENEFITS AD HOC COMMITTEE RELATIVE TO CHANGES IN STAFF ORGANIZATION, REDUCED FUNDING OF CALPERS PENSION COST FOR NEW EMPLOYEES, USE OF AVERAGE SALARY SURVEY RESULTS, REVISED SALARY STRUCTURE AND CONTINUED USE OF CURRENT METHOD FOR CALCULATING COST OF LIVING ADJUSTMENTS TO EMPLOYEE COMPENSATION

Mr. Azoury presented the staff report noting that the resolution memorializes the work of the Ad Hoc Committee and the recommendations the Committee made as a result of that work. Mr. Azoury reviewed each of the six items in detail and explained the reasoning behind the Committee's recommendations as listed in the staff report. Committee member Director Smith suggested that the Board continue to monitor all of these items in the future. He also explained that the Committee had met with the employees and informed them of the Committee's recommendations to be presented to the Board for approval. Brief discussion

followed, which included the topic of updating the Human Resources Manual to include the changes with reference to the appropriate Resolutions.

Director Smith made a motion, seconded by Director Emerson to approve Resolution 11-522.

(11/09/948)

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

Director Fox made a motion, seconded by Director Carter to have the Ad Hoc Committee directed to continue working on the items identified in the original Ad Hoc Committee list of items that have not yet been completed.

(11/09/949)

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

3. CONSIDERATION AND APPROVAL OF LETTER RESPONDING TO GRAND JURY REPORT REGARDING LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

The Board discussed the draft responses to the Grand Jury's report dated June, 2011. Director Smith questioned the manner in which the letter addressed the Grand Jury's findings and recommendations. Legal Counsel reviewed California Penal Code Section 933.05 that outlines the mandated responses to Grand Jury inquiries that uses a set protocol. Mr. Azoury continued with the presentation of each item and Board discussion followed. The General Manager requested edits to the draft response of item 2a to state that the employees participate in the prefunding of the retirement health plan and to remove the specific cost savings estimate.

Director Smith made a motion, seconded by Director Emerson, to approve the letter subject to the changes recommended by Mr. Azoury and to direct the staff to send the letter to the Grand Jury.

(11/09/950)

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

4. GENERAL MANAGER'S REPORT

Mr. Salt reviewed the General Manager's Report

Board discussion followed regarding the next meeting. The Board gave direction to schedule the meeting for noon September 19, 2011.

5. LEGAL COUNSEL'S REPORT

Legal Counsel, Mr. Battles, reported on two recent Attorney General Opinions regarding Conflict of Interest Section 1090 and Brown Act issues relating to Director offsite visitations.

The first opinion states that a conflict can nullify a contract with the Board if any single Board member has a financial interest in the contract. This conflict also extends to a Board member's spouse that may have a financial interest in the decisions of the elected official regardless of any premarital agreements isolating financial assets.

The second opinion related to a Board's visitation to an offsite location and conditions that would make this Board visitation a meeting, requiring notice and that such meeting would be restricted to a fact finding session for the purpose of gathering information outside of the District's boundaries that would be used for a potential future action. This was compared to a conference or convention for which a specific Brown Act exemption applies.

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

Director Fox reported on the CALAFCO meeting he attended in Napa last week. He explained that the organization has changed its representation from a northern-southern makeup to four regions throughout the state. He continued his report on the organization, its legislative committee, educational program, and other activities.

Director Smith inquired about the amount of the CSRMA dividend that was reported by Director Emerson in the Minutes of the August 15, 2011 meeting. Staff responded with the figure of just over \$25,000.

7. PRESIDENT'S REPORT

President Majoewsky commented that he was appreciative of the staff adding titles to the scanned pdf files.

8. CORRESPONDENCE

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

9. CLAIMS

Director Fox made a motion, seconded by Director Carter to ratify and approve the claims for the period 08/16/11 to 09/06/2011 as follows:

Plant Facilities Upgrade Fund #4670	\$	2,019,591.61
Depreciation Replacement Reserve Fund #4655	\$	14,676.16
Running Expense Fund #4640	\$	337,256.99

(11/09/951)

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

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:32 p.m.

Steven T. Majoewsky
Governing Board President

Kamil S. Azoury
Governing Board Secretary

George W. Emerson

Jerry D. Smith

John R. Fox

John S. Carter