

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 18, 2007

BOARD MEMBERS PRESENT: George W. Emerson, Elbert W. Trantow, John R. Fox, S
John S. Carter, Steven T. Majoewsky

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Kamil Azoury, General Manager; Jeff Salt, Operations
Manager; Kathy Johnson, Office Manager, Richard G.
Battles, Legal Counsel from Mullen & Henzell

PUBLIC PRESENT: Larry Meyer of Goleta West Sanitary District, Bert
Bertrando of Goleta Water District, Linda K. Melsher,
citizen, Bill Gilbert, citizen.

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

APPROVAL OF MINUTES: Director Fox made a motion, seconded by Director
Trantow to approve the Minutes of the Regular Meeting
of June 4, 2007 with one minor change.

(07/06/436)

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

POSTING OF AGENDA: The agenda notice for this meeting was posted at the
Goleta Sanitary District and the Goleta branch of the
Santa Barbara County Library for 72 hours in advance of
the meeting.

PUBLIC COMMENTS:
Mr. Meyer advised the Board that the Goleta West Sanitary District Board Meeting
scheduled for June 19, 2007 was canceled.

BUSINESS:

1. **CONSIDERATION OF SEWER SERVICE CHARGE INCREASE**

Mr. Azoury reported to the Governing Board that they had decided in May 2007 to
proceed in increasing the sewer service charges for the Fiscal Year 2007-08. He stated
that a 2/3 majority of the Board is required to adopt the new rates. He advised the Board

that in order to conform with Proposition 218, a public hearing was scheduled for this evening to receive comments and concerns from the District's users on the proposed increase. The District mailed out notices to its constituents advising them of the proposed change in the rate structure and announcing the public hearing. The District received 7 telephone calls in response to the notice and 5 letters. Mr. Azoury provided the Board with a summary of all communications from the public. After further discussion, President Emerson opened the public hearing regarding the proposed sewer service charge increase. Ms. Melsher advised the Board of her letter sent to the District and that she felt that sewer rates for residential customers should be based on water use. There being no further public comments, President Emerson closed the public hearing. Director Majoewsky made a motion, seconded by Director Fox, to adopt Ordinance 67, Adopting an Ordinance and General Regulation Amending Ordinance No. 11 Relating to Sewer Service Charges.

(07/06/437)

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

Director Majoewsky made a motion, seconded by Director Fox, to adopt Resolution 04-455, Setting Forth Findings Relating to Adoption of Sewer Service Charge Ordinance.

(07/06/438)

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

2. CONSIDERATION OF APPROVAL OF RESOLUTION NO. 07-456, ORDER AND RESOLUTION ELECTING TO HAVE SEWER SERVICE CHARGES COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2007-08, DIRECTING THE PREPARATION AND FILING OF REPORT, FIXING TIME AND PLACE FOR HEARING AND PROVIDING FOR NOTICE THEREOF

Mr. Azoury stated that this item relates to setting a date and time for the public hearing on the action to prepare the sewer service charge report and file it with the County of Santa Barbara. The hearing is scheduled for Monday, July 16, 2007 at 7:30 p.m. Director Carter made a motion seconded by Director Fox, to adopt Resolution 04-456, Electing to have Sewer Service Charges Collected on the Tax Roll for Fiscal Year 2007-08, Directing the Preparation and Filing of Report, Fixing Time and Place for Hearing, and Providing for Notice Thereof.

(07/06/439)

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

ABSENT: None

3. CONSIDERATION OF APPROVAL OF THE COST OF LIVING ADJUSTMENT (COLA) FOR FISCAL YEAR 2007-08 FOR THE DISTRICT'S GOVERNING BOARD MEMBERS AND EMPLOYEES' COMPENSATIONS

Mr. Azoury explained that the Board reviews the cost of living adjustment (COLA) for employees and Directors annually for implementation at the beginning of the fiscal year. He stated that the Consumer Price Index (CPI) data, provided by the U.S. Department of Labor, was used to determine the COLA. He indicated that, based on this data, the proposed increase would be 3.9%. After some discussion, Director Trantow made a motion, seconded by Director Carter, to approve the cost of living adjustment (COLA) for fiscal year 2007-08 for the District's Governing Board members' and employees' compensations in the amount of 4%, to be effective as of July 1, 2007.

(07/06/440)

AYES: Emerson, Trantow, Fox, Carter, Majoewsky

NOES: None

ABSENT: None

4. CONSIDERATION OF APPROVAL OF DISTRICT'S BUDGET FOR FISCAL YEAR 2007-08

Mr. Azoury reviewed the proposed budget that had been distributed. He discussed in detail the proposed budget for each department in the District. Mr. Azoury explained that the Finance Committee had reviewed the proposed budget and had recommended that the Board approve it. After some discussion, Director Trantow made a motion, seconded by Director Carter, to approve the budget for fiscal year 2007-2008 with some minor corrections.

(07/06/441)

AYES: Emerson, Trantow, Fox, Carter, Majoewsky

NOES: None

ABSENT: None

5. GENERAL MANAGER'S REPORT

Mr. Azoury and Mr. Salt reviewed the General Manager's report. Mr. Azoury advised the Board of the visit to the City of Thousand Oaks Hill Canyon Wastewater Treatment Plant scheduled for June 26, 2007. He also advised the Board of a Special Board Meeting on June 28, 2007.

6. LEGAL COUNSEL'S REPORT

Mr. Battles gave an update on SB343 and how it currently reads.

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

Director Trantow gave details of the June 5, 2007 Goleta West Sanitary District board meeting he attended.

Director Fox advised the Board of a number of meetings he attended including the Goleta West board meeting held on June 5, 2007, the Goleta Water District meeting and the LAFCO elections. Director Fox asked Mr. Gilbert about the City of Goleta meeting he had attended this evening.

Director Carter discussed McCarthy Family Farms, Inc. as a composting firm to consider when Honey Bucket Farms moves to Arizona. He also reported on the sewage treatment operations he observed on his trip to Bolivia.

8. PRESIDENT'S REPORT

President Emerson reported on the CSDA Legislative Committee Meeting he attended in Sacramento. He advised the Board of a broad coalition of homeowner groups, small business representatives, labor, environmental, community and ethnic organizations that were joining Assemblymember De La Torre in introducing Assembly Constitutional Amendment 8 and a companion statutory measure that would prohibit the use of eminent domain to take an owner-occupied home to convey to another private party. This constitutional amendment will be on the 2008 ballot.

9. CORRESPONDENCE

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

10. CLAIMS

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

Depreciation Replacement Reserve Fund #4655	\$ 1,560.77
Facilities Upgrading Project Fund #4670	
Running Expense Fund #4640	150,879.96

(07/06/442)

AYES: Emerson, Trantow, Fox, Carter, Majoewsky

NOES: None

ABSENT: None

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:55 p.m.

George W. Emerson
Governing Board President

Kamil S. Azoury
Governing Board Secretary

Elbert W. Trantow

John R. Fox

John S. Carter

Steven T. Majoewsky