

SUMMERLAND SANITARY DISTRICT

2435 Wallace Avenue
Regular Board of Directors Meeting
Thursday, May 9, 2013 at 5:00 p.m.

MINUTES

THE MEETING WAS CALLED TO ORDER AT 5:02 P.M. BY PRESIDENT COLOMY.

I. ROLL CALL

DIRECTORS PRESENT: JOLENE COLOMY
BETTY FRANKLIN
JOHN FRANKLIN
DAVID NOVIS
MARTIN TUCKER

ABSENT: -

ALSO PRESENT	JIM McMANUS	General Manager
	MARJON SOUZA	Office Manager/Clerk to the Board
	Graig Geyer	-Goleta West Sanitary Dist. Board Member
	Chris Goldblatt	Fish Reef Project

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF THE AGENDA

President Colomy moved to approve the agenda with the following changes: Move item C; Closed Session under Old Business to be the last item to be discussed. After Public Comment invite Mr. Geyer to speak for item that was scheduled as A: New Business. Hereafter Mr. Goldblatt will be invited to give his presentation scheduled on the agenda as item B: New Business. The motion was seconded by Secretary B. Franklin and passed with five ayes.

IV. APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING APRIL 11, 2013, AND THE ORGANIZATIONAL MEETING. Director J. Franklin moved to approve the minutes of the board meeting. The motion was seconded by Director Tucker and passed with five ayes.

V. APPROVAL OF THE MONTHLY BILLS FOR THE MONTH OF APRIL 2013, INCLUDING PAYROLL AND PETTY CASH General Manager McManus answered and clarified questions the Board asked about pay out of the bills. Secretary B. Franklin moved to approve the monthly bills, including payroll and petty cash, totaling \$62,201. The motion was seconded by Director J. Franklin and passed with five ayes.

VI. PUBLIC COMMENT

No public comments other than under specific agenda items, as indicated .

VII. NEW BUSINESS

A. Review & Response to Proposed LAFCO Budget FY2013-14

The Board received a request by Mr. Geyer asking the Board of Directors to send a letter to the LAFCO Commission recommending an increase in application fees by 5%. Mr. Geyer handed out information in regards to LAFCO fees and said that he believes application fees should be increased so the applicant carries the burden of covering the cost rather than the entities that fund LAFCO as a whole. He noticed that fees for services for LAFCO processing applications oftentimes do not cover the cost and others are absorbing the cost with their annual assessed LAFCO fees.

Mr. Geyer also referred to the annual MSR (Municipal Service Review) that is compiled annually. Mr. Geyer is urging the District to evaluate this document and make sure the information in the MSR is accurate.

President Colomy thanked Mr. Geyer for his time. Mr. Geyer left the Board meeting at this time.

B. Fish Reef Project

The District received a request from Mr. Goldblatt of Fish Reef Project (FRP) to place man-made reefs within the outfall lease easement in the proximity of the discharge outfall pipeline.

Mr. Goldblatt gave a presentation in regard to his request. The project would consist of 12-24 fish reefs located towards the end of the District's outfall pipeline where the water is deeper. The fish reefs could act as ballast which, according to Mr. Goldblatt, could be beneficial during a storm surge to keep the pipeline in place. The reefs would be installed at no cost and could help the District with positive public outreach ; the fisheries industry was in favor of the fish reefs. The Fish Reef Project is a 501C3 non-profit organization. President Colomy asked what type of protection was in place in case of liability or if people would get hurt by the reefs or if the outfall pipe got damaged. Mr. Goldblatt said that there is no liability issues for the District as his organization is protected under state law for any type of liabilities due to their non-profit status.

The Board asked Mr. Goldblatt if he approached other districts. So far the only district approached was Goleta Sanitary District, and Mr. Goldblatt said he did not receive a response from them yet. So far FRP installed two reefs at Hendry's Beach; they were part of a research project and produced outstanding results. At this moment the FRP has only one fish reef in the harbor of Santa Barbara and this one flourishes very well, too, according to Mr. Goldblatt. The Board requested more information in regards to their study reports, Mr. Goldblatt said that he would send a Adobe Acrobat file through email.

President Colomy thanked Mr. Goldblatt for his presentation and requested to put this item on the agenda of July 2013 for further discussion.

At this point Mr. Goldblatt left the meeting.

VIII. OLD BUSINESS

A. Finance Committee Report

The committee did meet earlier that day at 3:45 p.m.

The Budget and COLA were discussed. These items will be further discussed under the scheduled agenda items during this meeting.

The Finance Committee discussed meeting more often to review budget items. Since the monthly bills were distributed to all Board members at each Board meeting and a quarterly progress report of the status of the budget is reviewed, this was put on hold with no further discussion on this item and the meeting resumed.

B. Administration, Operations & Personnel (AOP) Committee Report

The committee did not meet.

C. Cost of Living Adjustment FY 2013-14

The Board considered a cost-of-living pay adjustment for approval according to Resolution 2007-09.

The Board reviewed salaries and expenses as part of the overall budget. Director Franklin stated that he is aware that employee's salaries are lower than other Districts in the area and prefers the District not fall too far behind for obvious reasons like employee retention. Director J. Franklin also said that he wants the Board to be fiscally responsible and prefers to keep the COLA on the lower side if a COLA is considered. The overall increase in benefits should also be taken into account as mentioned by Director Novis. In calculating the COLA in accordance with Resolution 2007-09, the COLA is 1.27%. The Finance Committee was divided for a recommendation of COLA due to the increase in salary benefits.

Director J. Franklin moved to approve a 1.25% cost of living adjustment according to the calculation of Resolution 2007-09. The motion was seconded by Secretary B. Franklin and passed with four ayes and one nay.

The Board requested a ratio study report of salaries and benefits compared to operation and maintenance expenses of surrounding agencies. General Manager McManus will report back to the Board with this.

D. Budget FY 2013-14

The General Manager and Finance Committee discussed with Board Directors the preliminary budget FY 2013-14 for acceptance.

The Finance Committee recommended the following changes:

Expenses: -raise Directors Fees to \$7,500 to reflect potential cost
 -COLA 1.25%
 -Capital expenses \$75,000

Director Tucker moved to approve the budget amended with the recommended changes made by the Finance Committee and upon approval of the rate increase during the notice of

hearing scheduled for June 13, 2013. The motion was seconded by Director Novis and passed with five ayes.

IX. MANAGER'S REPORT

The General Manager provided a written report on operations, facility and collection maintenance. General Manager McManus attended CWEA Annual Conference in Palm Springs. Refrigerator units for lab testing needed extensive maintenance which required repair costs in the neighborhood of \$5,000. A welding contractor was called in for repairs to belt press and will give an estimate in the near future.

X. ITEMS FOR FUTURE CONSIDERATION BY THE BOARD

- Next board meeting date: June 13, 2013

Next Board meeting is a public hearing therefore the following items will be discussed during the regular board meeting of July 11, 2013:

- LAFCO: MSR
- Fish Reef Project

OLD BUSINESS

C. Closed Session:

Closed Session in accordance with Government Code Section 54957

Public Employee Performance Evaluation

Title: District Manager

The Board went into closed session at 6:58 p.m. and returned back into open session at 7:10 p.m.

President Colomy reported that no action was taken. Noted was that the General Manager's contract needs to be discussed at the Regular Board meeting of July 11, 2013.

XI. ADJOURNMENT

The meeting was adjourned at 7:11 p.m. by unanimous consent of the Board Members present.

Respectfully submitted:

Betty Franklin
Board Secretary

Date: _____

Minutes prepared by M. Souza