

**SUMMERLAND SANITARY DISTRICT**

2435 Wallace Avenue  
Regular Board of Directors Meeting  
Thursday August 8, 2013, at 5:00 p.m.

**MINUTES**

THE MEETING WAS CALLED TO ORDER AT 5:03 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  
Public

**I. APPROVAL OF THE AGENDA**

Secretary B. Franklin made a motion to approve the agenda with the following amendment: Item VIII. C will be discussed after Public Comment. The motion was seconded by Director Tucker and passed with five ayes.

**II. APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING JULY 11, 2013.** Director J. Franklin moved to approve the minutes of the Board meeting. The motion was seconded by Director Tucker and passed with five ayes.

**III. APPROVAL OF THE MONTHLY BILLS FOR THE MONTH OF JULY 2013, INCLUDING PAYROLL AND PETTY CASH.** General Manager McManus answered and clarified questions the Board asked about pay out of the bills. Director Tucker moved to approve the bills from July 1 through July 25, 2013, including payroll and petty cash, totaling \$58,425. The motion was seconded by Director J. Franklin and passed with five ayes.

**PUBLIC COMMENT**

None

**Item 8C: Request to Establish Ad-Hoc Committee**

President Colomy said that Mr. Malott requested to discuss with the Board the sewer service rates and open a dialog. Mr. Malott was invited to speak and said that he is looking forward working with the committee. Mr. Malott said that he has been in contact with 95 apartment owners in town that are interested in the outcome. Director J. Franklin said that the Ad Hoc Committee, which will consist of two Board Members, the General Manager and Legal Council if needed, will be working with Mr. Malott who will be invited to the meetings. Director J. Franklin requested Mr. Malott submit additional information with a specific request other than what was already submitted. The Board already reviewed the rate structure objection from the property owners, in which Mr. Malott's property was included, and took action at the July 2013 Public Hearing Meeting. The Committee will perform research at local and

state levels in regards to the subject. Manager McManus made a request to Mr. Malott to let staff know if he will be bringing more than five people so other accommodations can be made as the District office is quite small. An off-site meeting place can be reserved if needed.

President Colomy established an Ad Hoc Committee to review the Sewer Service Rates with the following representatives of the Board: Director Novis and Director J. Franklin.

Initially a meeting was scheduled in two weeks time, but it was brought up that further information is needed and a meeting will be set up once that is complete.

Mr. Malott thanked the Board and left the meeting at this point.

#### IV. OLD BUSINESS

##### A. Finance Committee Report

The committee did not meet.

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

The committee met to review salary and benefits. Employee contribution to retirement was discussed, as well as a health plan option where employees have different levels of participation at their cost. The committee directed staff to perform additional research, and a report to the Board after next meeting will take place.

##### C. Ad Hoc Committee - Effluent Water Reclamation

A notice was sent to announce that the committee had been formed. General Manager McManus is to collect as much helpful information as possible about engineering cost, grant money and a graph with projected amount of reclaimed water that the District can produce annually.

Director Novis informed the Board that during his meeting with Diane Gabriel, the General Manager at Montecito Sanitary District, he was told that they looked into reclaimed water as well. The project came to a halt as Montecito Water did not want to pay for any of the costs associated with providing the reclaimed water. President Colomy said that she met with Tom Mosby, the General Manager of Montecito Water, Hillary Hauser of Heal the Ocean and General Manager McManus. The initial meeting was initiated to see if pursuing reclaimed water was feasible; early indications are that it may be.

General Manager McManus also said that the District will actively pursue grant money for the project and that he will continue to attend meetings for this very reason.

##### D. LAFCO- Municipal Service Review

The Board of Director reviewed the MSR from LAFCO. Sphere of Influence is Lambert instead of Toro Canyon. General Manager McManus will contact the LAFCO office in regards to updating the information.

##### E. Resolution No. 2013-04

The Board of Directors considered adopting Resolution 2013-06 for the election of Directors to the Special District Risk Management (SDRMA) Authority Board of Directors. The Resolution includes a ballot to vote for four (4) candidates for the SDRMA's Board of Directors.

Director Franklin moved to vote for the three incumbents and Mike Schafer. The motion was seconded by Director Tucker. The motion was adopted by the following roll call: President Colomy; Aye; Secretary B. Franklin, Aye; Director J. Franklin, Aye, Director Novis, Aye; Director Tucker; Aye.

Resolution No. 2013-04 was signed and sealed.

- F. Closed Session:  
Closed Session in accordance with Government Code Section 54957  
General Manager's Contract.

This item was not discussed as the Board wanted more time to review the contract.

V. NEW BUSINESS

- A. Nordman Cormany Hair & Compton LLP Letter July 16, 2013  
Legal Counsel Mr. Hair moved his practice to the Firm of Musick Peeler & Garret LLP and requested to continue representing the District under this new law firm. General Manager McManus asked the Board to approve Mr. Hair's continuing to represent the District as long as Mr. Hair would be working under the umbrella of the new firm.

Director J. Franklin moved to approve that the firm Musick Peeler & Garret LLP will represent the District. The motion was seconded by Director Tucker and was passed with five ayes.

- B. Board Bylaws and Rules of Procedures  
The Board of Directors received a copy of the Board Bylaws Resolution 2007-02 for review and where necessary for amendment.

Page 3: Meeting time should be changed into 5:00 p.m.  
Correct typo on page 3 under item F. in the discretion should be at the discretion.  
Correct typo on page 3 under item F. change five minutes into three minutes.  
Correct typo on page 4: under Board Committees remove: and (c)

Amended Board Bylaws will be presented at the next Board meeting for adoption.

- D. Auditor's Controllars Report: Annual Compilation 2012  
The Board received a copy of the compliance report for review.  
General Manager McManus will contact the Grand Jury to see if there are additional reports. A discussion in regards to outreach campaign to constituents took place.

VI. MANAGER'S REPORT

The General Manager provided a written report on operations, facility and collection maintenance.

VII. ITEMS FOR FUTURE CONSIDERATION BY THE BOARD

- Next Board meeting date: September 5, 2013
- Board Bylaws and Procedures
- Closed Session: General Manager's Contract

VIII. ADJOURNMENT

The meeting was adjourned at 6:36 p.m. by unanimous consent of the Board Members present.

Respectfully submitted:

\_\_\_\_\_  
Betty Franklin  
Board Secretary

Date: \_\_\_\_\_

Minutes prepared by M. Souza