

SUMMERLAND SANITARY DISTRICT

2435 Wallace Avenue
Regular Board Meeting
Thursday December 10, 2015 at 5:00 p.m.

MEETING MINUTES

THE MEETING WAS CALLED TO ORDER AT 5:04 P.M. BY PRESIDENT J. FRANKLIN

I. ROLL CALL

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

ABSENT: -

ALSO PRESENT: MIKE SULLIVAN General Manager
MARJON SOUZA Office Manager/Clerk to the Board
TRACEY SOLOMON CPA Bartlett Pringle & Wolf, LLP

PUBLIC: NONE

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF THE AGENDA

Director Tucker moved to approve the agenda. The motion was seconded by Director Novis and passed with five ayes.

IV. APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING OF NOVEMBER 12, 2015

Director B. Franklin moved to approve the minutes of the regular meeting of November 12, 2015. The motion was seconded by Director Colomy and passed with five ayes.

V. APPROVAL OF THE MONTHLY BILLS FOR NOVEMBER 2015, INCLUDING PAYROLL AND PETTY CASH

General Manager Sullivan answered and clarified questions the Board asked about pay out of the bills. Director Novis moved to approve the bills for November 2015, including payroll and petty cash, totaling \$71,087. The motion was seconded by Director Tucker and passed with five ayes.

VI. PUBLIC COMMENT

None

VII. COMMITTEE REPORTS

A. Finance Committee Report
The committee did not meet.

- B. Administration, Operations & Personnel (AOP) Committee Report
The committee did not meet.

VIII. NEW BUSINESS

- A. Financial Report FY2014-15 and Management Report June 30, 2015.

The Board received a presentation of the Annual Financial Report and Management Report FY 2014-15 presented by Tracey Solomon, CPA of Bartlett, Pringle & Wolf, LLP.

Ms. Solomon gave a detailed presentation and explanation of the Management Report and Annual Financial Report. A major change this year was the new standard implementation of GASB 38, which recorded pension liabilities. Ms. Solomon reported that the District is overall in good shape with fiscal sound management.

The Board thanked Ms. Solomon for a clear and detailed presentation and also thanked General Manager Sullivan and staff for all their work.

The Annual Financial Report showed the OBEP and Pension Liability and General Manager Sullivan advised the Board, after consulting with Ms. Solomon, that it would be beneficial to create separate cash accounts in the Districts Financial System. These OBEP and Pension Liability cash accounts can have a designated amount in them, which can be a deterrent during budget preparations. The accounts can be unrestricted and will create transparency in the financial layout of the District. The Board agreed; the item "long term liabilities" will be tabled for the next regular board meeting.

- B. Verano Del Mar, LLC

The Board received a letter on November 23, 2015, from Verano Del Mar, LLC with a request that the annual sewer service charge for the restaurant be reduced. The annual sewer fee reduction was approved in 2012, after the Board was requested for relief of payment, until sewer services were established. The reduced fee ended July 2014, when sewer connection was re-established with the opening of the Yoga Studio in April 2015 in the building complex. Verano Del Mar is currently not operating a restaurant, but is charged for the annual sewer service charges. A short discussion took place. President J. Franklin commented that the letter from Verano Del Mar was unclear in regards to future usage, expected time frame, construction and opening of restaurant. The Board directed staff to collect additional information from Verano Del Mar, LLC.

Director J. Colomy made a motion to table the item to the next regular Board Meeting. The motion was seconded by Director Tucker and passed with five ayes.

- C. Property and Liability Claim Procedure

The General Manager updated the Board on the property and liability claim procedure through SDRMA. General Manager Sullivan and Ms. Souza had a phone consultation with Mr. Timothy of SDRMA and received the following information; A claim must be reported within 90 days; no conviction is needed; the claim will be paid after SDRMA determines if the District has done its due diligence; the District will be made

whole and SDRMA is responsible for handling any lawsuit/ recouping monies. There is no deductible. If the Board of Directors get sued (individual or whole) than the Board will be fully represented by SDRMA.

The Board thanked General Manager Sullivan for further explanation of claim procedure and had no further questions.

IX OPERATIONS FACILITY AND COLLECTION REPORT

The General Manager provided explanation to the written report on operations, facility and collection maintenance. General Manager showed a picture of the new grease interceptor that was installed at Pacifica. Tinker's restaurant is repairing their grease trap and Mr. Tingstrom will install a small grease trap at the new proposed coffee shop in the same building. The General Manager also informed the Board that all equipment for a new grease interceptor is ordered at the Nugget.

General Manager Sullivan also showed a picture of a new landscape project completed by staff.

X ITEMS FOR FUTURE CONSIDERATION BY THE BOARD

- Organizational Meeting
- Verano Del Mar, LLC request for Annual Sewer Fee Reduction
- District Long Term Liabilities.
- Next Board meeting date January 14, 2015.

XI ADJOURNMENT

The meeting was adjourned at 6:40 pm.

Respectfully submitted:

David Novis
Board Secretary

Date: _____

Minutes prepared by M. Souza