

SANTA YNEZ COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS

Minutes of the Regular Meeting  
June 17, 2015  
5:30 P.M.

**PRESENT:** David Higgins                      Carl Maler  
                  Barry Mark                         David Seymour

**ALSO**

**PRESENT:** Jeff Hodge, General Manager  
                  Wendy Berry, Secretary/Treasurer  
                  Rick Battles, Legal Counsel

1.     **CALL TO ORDER:** The meeting was called to order at 5:30 p.m.
2.     **ROLL CALL:** Higgins, Seymour, Marks, Maler
3.     **PLEDGE OF ALLEGIENCE**
4.     **DIRECTOR COMMENTS:** None
5.     **PUBLIC COMMENTS:** None
6.     **APPROVAL OF MINUTES:** Review for Board approval draft minutes of Regular Meeting of May 20, 2015. Director Higgins motioned to accept the minutes of the Regular Meeting of May 20, 2015, Director Maler seconded and the motion passed with four ayes.
7.     **VOUCHER PAYMENTS:** Review for Board ratification payments made from May 21, 2015 through June 17, 2015 and approve voucher payment requests, if any. Director Seymour motioned to ratify the voucher payments, Director Maler seconded and the motion passed with four ayes.
8.     **DISCUSSION AND ACTION REGARDING OPTIONS FOR PROVIDING WASTEWATER SERVICE TO LOS OLIVOS AND REQUEST TO FORM A TASK FORCE:** A group of residents from Los Olivos has formed to identify and evaluate the options appropriate to meet the wastewater needs of Los Olivos. The group requested to be placed on the agenda to ask the Board for support in helping them find different solutions for the wastewater issues in Los Olivos. Winston Craven stated the Los Olivos business community has started implementing the business' solution which is the Advantex system and this group feels it is a limited solution. This group would like to investigate a long term solution that is cost effective to everyone and not just a band aide. This group is asking the District for formal support to help investigate the different options. Bonita Sargeant voiced her concern that the business community of Los Olivos is trying to get the residents to pay for the businesses' sewer problem so the businesses can expand their wine industry business

which has a huge impact on the ground water. Jeff Hodge stated he would like to keep it very objective and have all the citizens fully informed. Kelly Gray informed the Board, that the business community can't expand until the sewer issue is corrected and once it is corrected more people will come to town. The State Water Regional Control Board has told Santa Barbara County Environmental Health to enforce the LAMP. The LAMP will take effect late August/September. Hillary Hauser from Heal the Ocean stated each County has formulated its own regulations. Heal the Ocean is here to help on the financial aspect. There is funding of \$2,000,000 which \$250,000 of that has been used for a sewer study in Los Olivos. She also stated the Advantex system will cost \$40,000.00 for each system and it is not the way to go long term. There are less expensive options that will be better for a long term fix. The State will also pay one-quarter of the cost. This group is going to try to include Ballard. Hillary Hauser motioned the Board to have the SYCSD research the possibility of building a recycled water plant and divert the SYCSD flows to it. SYCSD would build the plant and it would be paid for by Prop. 1 money. Hillary stated that she met with Matt van der Linden, City of Solvang's Public Works Director to see if he would build a water reuse plant and take Los Olivos' wastewater and he informed Hillary that Solvang couldn't take anymore because they would be pushed over their capacity. Hillary stated the County of Santa Barbara is finishing up a water reuse grant with RMC to build a new water reuse facility. There is \$75,000 available. State Prop #1 money will fund up to \$15 million dollars for construction and the rest can be paid by a 1% State Loan instead of a match. Hillary motioned the Board to give the General Manager approval to meet with RMC Consultants to work and investigate what kind of facility can be funded through Prop 1. Rick Battles stated the County of Santa Barbara is responsible for the Los Olivos wastewater issue and LAFCO should be involved. The County needs to spear head a task force and the District can be actively involved. Jay Richolson stated the County has a solution which is the Advantex System so they can get this off their desk but it may not be the correct solution for the residents and businesses. The County is not interested and has no incentive to look beyond for other solutions. Hillary also stated that County EHS wants Los Olivos off their desk. The LAMP doesn't state how to fix the problem, it identifies the problem areas and the County needs to be focused on the whole area of Los Olivos. Hillary stated that Heal the Ocean paid for the legal fees and other costs for another area so it wasn't a gift of public funds and once everything was done the homeowners paid back Heal the Ocean. Rick Battles said the District could provide a letter to Doreen Farr stating the District is well informed and the District thinks there is a serious problem that needs a solution and the District is willing to be actively involved in exploring all options and be a part of the solution if it is feasible. Director Marks motioned to have legal counsel and staff develop a letter to be presented to Supervisor Farr but first bring it to the Board at a special meeting for approval. The special meeting is scheduled for June 23, 2015 at 5:30 p.m. Director Higgins seconded and the motion passed with 4 ayes.

**President Marks requested a break at 7:06 and the meeting was back in session at 7:26.**

9. **COMMITTEE ASSIGNMENTS.** President Marks appointed David Higgins to fill the vacant position on the Finance/Budget Committee.

10. **ADOPT RESOLUTION 15-05, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DISTRICT OVERRULING OBJECTIONS AND ADOPTING REPORT ON SEWER FEES AND CHARGES TO BE COLLECTED ON TAX ROLL FOR FISCAL YEAR 2015-2016.** A public hearing was advertised June 4, 2015 and June 11, 2015 and was held on June 17, 2015. No verbal or written protests were submitted. Director Higgins motioned to adopt Resolution 15-05, Director Seymour seconded and the motion passed by a roll call vote: ayes; Higgins, Maler, Marks, Seymour.
11. **ADOPT ORDINANCE O-15-01, ORDINANCE OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DETERMINING THE AMOUNT OF REAL PROPERTY TAX TO BE LEVIED WITHIN THE SANTA YNEZ.** This Ordinance was introduced and requires two readings. This was the first reading of Ordinance O-15-01, the second reading will be held at the regular meeting of July 15, 2015. Director Higgins motioned to adopt Ordinance O-15-01, Director Maler seconded and the motioned passed by a roll call vote: ayes; Higgins, Maler, Marks, Seymour.
12. **APPROVE CONNECTION FEES EFFECTIVE JULY 1, 2015.** Per the District's sewer code the connection fee is adjusted July 1, of every year by an amount equal to the percentage change in the Engineering News and Record Construction Cost Index from April 2014 compared to April 2015. For fiscal year 2015/2016, the cost increase is 2%. Director Seymour motioned to approve the connection fees effect July 1, 2015, Director Maler seconded and the motion passed by a roll call vote: ayes; Higgins, Maler, Marks, Seymour.
13. **APPROVE ANNEXATION FEE EFFECTIVE JULY, 1, 2015.** The annexation fee is calculated by Section 806 of the sewer code. The annexation fee for fiscal year 2015/2016 is \$2003.48. Director Higgins motioned to approve the new annexation fee, Director Marks seconded and the motion passed by roll call vote: ayes; Higgins, Maler, Marks, Seymour.
14. **ADOPT RESOLUTION 15-06, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DISTRICT APPROVING AND ADOPTING REVISED EMPLOYEE PAY SCHEDULE.** Each year staff reviews data from the Bureau of Labor Statistics and calculates the cost of living index (COLA) based on the Los Angeles-Riverside Orange County, California Consumer Price Index. The COLA is calculated from April of the previous year to May of the following year. The COLA for 2015/2016 is 1.2%. Direct Higgins motioned to adopt Resolution 15-06, Director Maler seconded and the motion passed by a roll call vote: ayes; Higgins, Maler, Marks, Seymour.
15. **ADOPT RESOLUTION 15-07, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DISTRICT FIXING, APPROVING AND ADOPTING THE BUDGET FOR FISCAL YEAR 2015-2016.** Staff reviewed the budget with the Board and targeted the bigger changes like repairs and maintenance for collection system and the building, training, computer operations, insurance, small tools and equipment, operating supplies, rate study, steel building, SCADA, study of analysis of

capacity and resealing the parking lot. Director Seymour motioned to adopt Resolution 15-07 adopting the 2015/2016 budget with the change to remove the wording on the Sewer Fee schedule page on how the sewer fees are calculated. Director Higgins seconded and the motion passed by a roll call vote: ayes; Higgins, Maler, Marks, Seymour.

16. **ADOPT RESOLUTION 15-08, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DISTRICT IN RECOGNITION AND APPRECIATION OF ONE AND A HALF YEARS OF SERVICE.** Steve Daugherty was appointed to the Board on December 2, 2013 and resigned from the Board on May 18, 2015. Director Seymour motioned to adopt Resolution 15-08, Director Higgins seconded and the motion passed by a roll call vote: ayes; Higgins, Maler, Marks.

17. **STAFF REPORTS**

**A. Manager's Report**

- Average District flow for May 2015 was 121,367 gpd. The total amounts of flow for the month of May was 3,762,398 gallons. Flows continue to be lower than the previous years. See the attached chart for a comparison of lows.
- Chumash Casino Wastewater Treatment Plant Enhancement – Construction is underway. The completion for the mechanical part of the upgrade scheduled for November 2015.
- Reuse Permit for Chumash WWTP – The permit is stilling being reviewed by the regulatory agencies.
- Golden Inn – We have received the final construction plans. Staff is working with CalTrans to acquire the necessary permits to undertake installation and replace of the lines in the right a way.
- Santa Barbara CSDA monthly meeting June 22, 2015 at Glenn Anne 5:45 p.m. David Chang, Mosquito and Vector Management District of Santa Barbara County “What’s Bugging You?” (The Status of Vector Control in Santa Barbara County)

**B. Legal Counsel's Report:** Rick Battles reported that when there is a closed session and there is potential litigation you have to disclose the facts and circumstances before you enter into a closed session and if this is not done correctly any action taken in closed session is not in compliance.


**C. Secretary/Treasurer Report:**

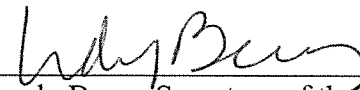
- SDRMA Official Election Resolution Ballot is due by August 25, 2015. If you are interested in voting for up to three candidates, I will bring the Resolution and the candidate statements to the Board for July’s meeting.
- July 10, 2015 is the last day to appoint a new Board Member.
- LAFCO has an alternate Public Member vacancy on their board. If you know of anyone interested, the recruitment period has been extended until June 30, 2015.
- California Special Districts Association 2015 Board Election ballot is due by August 25, 2015, if interested, I will put this on the July agenda. There are two candidates.

**D. Committee Reports- none**

18. **TENTATIVE AGENDA ITEMS FOR FUTURE MEETINGS:** Employee Handbook, Sewer Code, Design specs, Rate Study (Sept.-Oct.).
  
19. **ADJOURNMENT:** The meeting was adjourned by President Marks at 8:46 p.m.

APPROVED:

  
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Barry Marks, President

  
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Wendy Berry, Secretary of the Board