

SANTA YNEZ COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS

REGULAR MEETING
March 15, 2017
5:30 P.M.
1070 Faraday, Santa Ynez, CA

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. DIRECTOR COMMENTS: Directors will give reports on any meetings that they attended on behalf of the District and/or choose to comment on various District activities.
5. PUBLIC COMMENTS: Members of the public may address the Board on any items of interest within the subject matter and jurisdiction of the Board but not on its agenda today. (Government Code - § 54954.3)
6. APPROVAL OF MINUTES: Review for Board approval draft minutes of the Regular Meeting of February 15, 2017 and the Special Meeting of February 28, 2017. (Action-vote)
7. VOUCHER PAYMENTS: Review for Board ratification payments made from February 16, 2017 through March 15, 2017. (Action-vote)
8. ADOPT RESOLUTION 17-01, RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DISTRICT REPEALING RESOLUTION NO. 15-03 AND ADOPTING REVISED INSTALLMENT PAYMENT POLICY FOR CAPACITY FEES AND RELATED COSTS. (Action-roll call vote)
9. CONSIDERATION AND ACTION REGARDING POLICIES AND PROCEDURES APPLICABLE TO THE BOARD OF DIRECTORS AND STAFF. (Action-vote)
10. STAFF REPORTS:
 - A. Manager's Report
 - B. Legal Counsel Report
 - C. Secretary/Treasurer Report
 - D. Committee Report

11. TENTATIVE AGENDA ITEMS FOR FUTURE MEETINGS: Employee Handbook, Sewer Code, Design Specifications, Mainline Extension Agreement, revise water softener ordinance
12. ADJOURNMENT

Persons with disabilities who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Board Secretary at least three (3) days prior to the meeting by telephone (805) 688-3008 or by email to wendy@sycsd.com

Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at 1070 Faraday, Santa Ynez, California 93460

SANTA YNEZ COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS

REGULAR MEETING MINUTES

February 15, 2017

5:30 P.M.

1070 Faraday, Santa Ynez, CA

BOARD MEMBERS PRESENT: David Higgins Frank Mueller
David Seymour Karen Jones
Carl Maler

OTHERS PRESENT: Frank and Mary Freinberg, Michael Larson, Chris Brown, Carol Kotechi, Kelly Gray, Ingerid Ekeland, David Asakath, Fred Partridge, Lauren and Jack Sepulveda, Bob D'ambra, Jaime Dietenhoffer, Paul Hood, Christopher Brady, Pat Gott, Jeanne Hollingsworth, Tom Juarez, Kelli Pappas, Gloria Vanttirtum, Corby Flemming, Greg and Vicki Lyon, Tom and Lynne Nelson, Hillary Houser, Alex Bennett, Bob Field, Mike Patarak, Winston Craven, Rose Petersen, Ron Benson.

1. **CALL TO ORDER:** President Seymour called the meeting to order at 5:30 p.m.
2. **ROLL CALL:** Maler, Higgins, Seymour, Mueller, Jones
3. **PLEDGE OF ALLEGIANCE:** Director Higgins led the pledge of allegiance.
4. **DIRECTOR COMMENTS:** Director Jones attended the February LAFCO meeting. Director Seymour also attended the same LAFCO meeting.
5. **PUBLIC COMMENTS:** Bob D'ambra asked why didn't the District confirm the capacity in the Solvang plant before going forward with the annexation because Solvang denied the capacity. He wanted to know why it couldn't be answered. Legal Counsel stated the question can be asked but it can't be discussed unless it is an agenda item
6. **AUDIT REPORT:** Chris Brown from Fedak and Brown presented the financial audit results for the fiscal year 2015/2016. Director Higgins motioned to accept the audit report from Fedak and Brown for the fiscal year 2015/2016. Director Mueller seconded and the motion passed by a roll call vote: ayes; Maler, Higgins, Seymour, Mueller, Jones.
7. **DISCUSSION AND ACTION REGARDING REQUEST PENDING BEFORE LOCAL AGENCY FORMATION COMMISSION (LAFCO) TO AMEND THE DISTRICT'S SPHERE OF INFLUENCE TO INCLUDE LOS OLIVOS.** In September 2015, the District was presented with over 140 signatures from Los Olivos residents requesting help with a sewer solution. Because of that interest, the SYCSD

Board of Directors voted to move forward to investigate how to do get sewer to Los Olivos in the best cost effective way. To do that, the District filed an application with LAFCO on January 25, 2016 to include Los Olivos in the District's Sphere of Influence ("SOI Application"). The application was filed so LAFCO could determine if the SYCSD should be the provider of sewer service to Los Olivos. To date, LAFCO had not taken action on the District's application. There is a pending petition to form a new community services district to provide sewer to Los Olivos ("LOCSD"). A letter was sent to LAFCO stating staff would recommend to the District's Board, the District take the position if LAFCO determines the LOCSD petition should be given priority and proceed first, SYCSD will not challenge that determination so long as the processing of the LOCSD's petition begins promptly and proceeds with reasonable diligence. Legal counsel and staff reviewed with the Board, the different options available for the District's SOI application. Director Higgins motioned for staff to send a letter to LAFCO advising that the District will not object if LAFCO decides to (i) process the LOCSD's petition first, and (ii) put the SOI application on hold in the meantime, Director Muller seconded and the motion passed by a roll call vote: ayes; Maler, Higgins, Seymour, Mueller, Jones.

8. **APPROVAL OF MINUTES:** Review for Board approval draft minutes of the Regular Meeting of October 19, 2016, December 21, 2016 and Wastewater Committee meeting of October 6, 2016. Director Seymour motioned to approve the minutes from the regular meeting of October 19, 2016, Director Higgins seconded and the motion passed with five ayes; Maler, Higgins, Seymour, Mueller, Jones. Director Higgins motioned to approve the minutes of the regular meeting of December 21, 2016, Director Jones seconded and the motion passed with four ayes and Director Mueller abstained because he did not attend the December meeting. Director Seymour motioned to approve the minutes from the Wastewater Committee meeting minutes from October 6, 2016, Director Higgins seconded and the motion passed with five ayes; Maler, Higgins, Seymour, Mueller, Jones.
9. **VOUCHER PAYMENTS:** Review for Board ratification payments made from December 21, 2016 through February 15, 2017. Director Higgins motioned to ratify the vouchers payments from December 21, 2016 through February 15, 2017, Director Jones seconded and the motion passed with five ayes; Maler, Higgins, Seymour, Mueller, Jones.
10. **APPOINTMENT TO COMMITTEES FOR 2017.** President Seymour appointed David Higgins and Karen Jones to the Finance/Budget Committee, Carl Maler and Frank Mueller to the Personnel Committee, and David Higgins and David Seymour to the Wastewater Committee.
11. **MID YEAR BUDGET REPORT:** The Board reviewed the mid-year financial report for the year ending December 31, 2016 and the mid-year budget adjustment of \$1500.00 to district lab testing. Director Higgins motioned to accept the mid-year budget report and approve the mid-year budget adjustment of \$1500.00 to the district lab fees, Director Seymour seconded and the motioned passed by a roll call vote: five ayes: Maler, Higgins,

Seymour, Mueller, Jones.

12. **TREASURERS REPORT** – Staff submitted and reviewed the quarterly cash position for the period ending December 31, 2016. LAIF's interest rate was .68% and the LAIF earned \$229.94 in interest, the Money market account earned \$904.37 in interest, and the CD's earned \$956.18 in interest.
13. **APPROVE THE RMC CONTRACT FOR PROFESSIONAL SERVICES.** At the October 19, 2016 regular Board meeting, the Board approved as-needed technical support with the inclusion of the District's standard. RMC and the District's legal counsel negotiated changes to the inclusion. Director Higgins motioned to approve the final contract with RMC for as-needed technical support, Director Jones seconded and the motion passed by a roll call vote: ayes, Maler, Higgins, Seymour, Mueller, Jones.
14. **STAFF REPORTS:**
 - **A. Manager's Report**

Monthly Flows - see attached charts. As you can see the flows vary greatly. A portion can be accounted for due to the recent rains. The other variation we believe to be meter/installation error or other yet to be determined cause(s) at the Fjord Lift Station in Solvang. The Board approved having RMC Engineering firm to investigate this matter further at the December Board meeting.
 - **Facilities Grant** – The final draft of the Facilities Feasibility Study from RMC is expected to be completed in March, it hasn't been finalized yet because of the pending application to include Los Olivos in the District's Sphere.
 - **Update Connection Fee study** – This project is about 75% complete at this time. With the West SY, the District can determine the real cost to connect. The District asked to purchase an additional 120,000 gallons of capacity not to serve West SY but to have as a buffer for wet weather flows. The District has enough capacity to serve the District's entire Sphere of Influence and annexed areas.
 - **Santa Barbara CSDA monthly meeting** – The next CSDA meeting will be held at the Santa Ynez Valley Marriott, Monday, February 27, 2016 at 5:30 p.m.
- B. Legal Fees**

Public agency invoices from attorneys, if a legal matter is pending and active the invoices don't need to be disclosed because they are exempt.
- C. Secretary Report**
 - The 700 Form is due by April 1, 2017.
 - Each Director needs to complete the sexual harassment prevention training and education training. You can complete the training through the CSDA website.
 - February 25, 2017 will be a valley wide document shred day.
- D. Committee Reports:** The Wastewater Committee had a meeting with the City of Solvang Wastewater Committee on January 31, 2017. Ryan Touissant and Joan

Jamieson are the members for Solvang. The District does not have access to the Joint Conveyance Facility at Fjord Drive and the District's line. The District is paying 20% of what Solvang is doing. The flow meter was not measuring the flows correctly due to the buildup on the pipes which took years to accumulate. Solvang will provide the District staff with a key so the District can clean the line, but the key has not been provided as of today's date.

15. **TENTATIVE AGENDA ITEMS FOR FUTURE MEETINGS:** Employee Handbook, Sewer Code, Design Specifications, Mainline Extension Agreement, revise water softener ordinance.
16. **ADJOURNMENT:** Director Seymour adjourned the meeting at 8:19 p.m.

APPROVED:

David Seymour, President of the Board

Wendy Berry, Secretary of the Board

**SANTA YNEZ COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

Minutes of the Special Meeting
February 28, 2017
2:00 P.M.

PRESENT: Frank Mueller
David Seymour
Carl Maler

ALSO

PRESENT: Jeff Hodge, General Manager
Wendy Berry, Secretary-Treasurer
Terri Kaslow- Resident

1. **CALL TO ORDER:** The meeting was called to order at 2:27 p.m.
2. **ROLL CALL:** Seymour, Mueller, Maler Absent: Higgins, Jones
3. **PLEDGE OF ALLEGIENCE**
4. **PUBLIC COMMENTS:** None
5. **AUTHORIZE STAFF TO SPEND MONEY NOT TO EXCEED \$20,000.00 TO REPAIR THE BROKEN SEWER LINE AT THE INTERSECTION OF CIMARRON AND REMINGTON.** Due to higher than normal flows, staff investigated multiple manhole sites to isolate the water intrusion point. Staff determined there was a sewer line that had pulled apart. Staff received a quote from RL Johnson to repair the line, however it may require a special dewatering process due to the major influx of water but it can't be determined until the line is exposed. Director Seymour motioned to approve staff to spend money not to exceed \$20,000.00 to repair the broken sewer line at the intersection of Cimarron and Remington, Director Mueller seconded and the motion passed by a roll call vote: ayes; Maler, Seymour, Mueller Absent: Higgins, Jones
6. **ADJOURNMENT:** President Seymour adjourned the meeting at 2:41 p.m.

APPROVED:

David Seymour, President of the Board

Wendy Berry, Secretary of the Board

Account QuickReport

As of March 15, 2017

Date	Num	Name	Amount	Tribe
02/16/2017	13297	All Around Landscape Supply	\$ 13.96	
02/16/2017	13298	Business Card	\$ 4,782.35	
02/16/2017	13299	County of Santa Barbara	\$ 800.00	
02/16/2017	13300	FGL Environmental		\$ 271.00
02/16/2017	13301	National Benefit Services, LLC	\$ 18.00	
02/16/2017	13302	Senate Rules Committee	\$ 7.23	
02/16/2017	13303	USA Blue Book		\$ 1,027.45
02/21/2017	EFT	PG&E	\$ -	
02/21/2017	13309	Brenntag Pacific Inc.		\$ 665.65
02/21/2017	13310	Cannon Associates	\$ 3,575.13	
02/21/2017	13311	Cook Erectors, Inc.		\$ 980.00
02/21/2017	13312	FGL Environmental		\$ 114.00
02/21/2017	13313	MNS Engineers, Inc.	\$ 2,062.50	
02/21/2017	13314	National Benefit Services, LLC	\$ 18.00	
02/21/2017	13315	RMC Water and Environment	\$ 682.00	
02/21/2017	13316	The Gas Company	\$ 65.57	
02/21/2017	13317	US Bank Voyager Fleet Sys.	\$ 180.69	
02/21/2017	13318	Wells Fargo Vendor Fin	\$ 160.55	
02/22/2017	EFT	PG&E	\$ 1,635.40	
02/22/2017	EFT	PG&E		\$ 714.83
02/22/2017	EFT	PG&E	\$ 404.93	
02/22/2017	EFT	PG&E	\$ 218.74	
02/27/2017	13334	Santa Barbara Co. Special Districts Assoc	\$ 120.00	
03/06/2017	13326	Aeries Industries	\$ 678.19	
03/06/2017	13327	Buellflat Rock Company, Inc.	\$ 267.96	
03/06/2017	13328	Coastal Copy	\$ 62.32	
03/06/2017	13329	Comcast	\$ 295.89	
03/06/2017	13330	Crystal Springs Water Co.		\$ 7.55
03/06/2017	13331	CWEA TRI-Counties Division	\$ 60.00	
03/06/2017	13332	FGL Environmental		\$ 1,251.00
03/06/2017	13342	Frontier Communications	\$ 93.75	
03/06/2017	13343	Graphic Systems	\$ 57.39	
03/06/2017	13346	Harrison Hardware	\$ 45.04	\$ 142.02
03/06/2017	13347	Health Sanitation Services	\$ 48.78	
03/06/2017	13348	Shannon Stewart	\$ 21.59	
03/06/2017	13349	Staples	\$ 117.38	
03/06/2017	13350	Underground Service Alert/SC	\$ 7.50	
03/06/2017	13351	USA Blue Book		\$ 480.44
03/06/2017	13352	Verizon Wireless	\$ 253.13	\$ 53.64
03/06/2017	13353	Ecology Water Systems Tech		\$ 1,530.00
03/10/2017	13345	City of Solvang	\$ 18,000.00	
03/10/2017	13358	National Benefit Services, LLC	\$ 18.00	
03/10/2017	13359	Nielsen Bldg. Materials, Inc.	\$ 263.30	
03/10/2017	13360	RL Johnson Construction, Inc.	\$ 13,994.46	
03/10/2017	13361	S. B. Co. Air Pollution Control District	\$ 421.17	
03/10/2017	13362	S.Y.R.W.C.D.	\$ 84.06	\$ 46.42
03/10/2017	13363	Stanley Convergent Security Solutions-HSM	\$ 79.31	
03/10/2017	13364	US Bank Voyager Fleet Sys.	\$ 318.97	
03/10/2017	13365	USA Blue Book	\$ 152.96	
03/10/2017	13366	FGL Environmental		\$ 211.00
			\$ 50,086.20	\$ 7,495.00
			\$ 57,581.20	

Approved: _____

**SANTA YNEZ
COMMUNITY SERVICES DISTRICT
STAFF REPORT**

TO: BOARD OF DIRECTORS

PREPARED BY: Jeff Hodge, General Manager

FOR: REGULAR BOARD MEETING

DATE: March 15, 2017

ITEM: Resolution 17-01, Resolution of the Board of Directors of the Santa Ynez Community Services District repealing Resolution 15-03 and adopting revised installment payment policy for capacity fees and related costs.

SUMMARY: May 20, 2015, the Board adopted Resolution 15-03 establishing an installment payment policy for connection fees and related costs. Legal counsel and staff reviewed Resolution 15-03 and made several changes.

RECOMMENDATION: Adopt Resolution 17-01, Resolution of the Board of Directors of the Santa Ynez Community Services District repealing Resolution 15-03 and adopting revised installment payment policy for capacity fees and related costs.

ATTACHMENTS:
Resolution 17-01

RESOLUTION NO. 17-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ
COMMUNITY SERVICES DISTRICT REPEALING RESOLUTION NO. 15-03
AND ADOPTING REVISED INSTALLMENT PAYMENT POLICY FOR
CAPACITY FEES AND RELATED COSTS**

WHEREAS, as permitted by Health and Safety Code Sections 5463 et seq., on May 20, 2015, the Board of Directors of the Santa Ynez Community Services District (“District”) adopted Resolution No. 15-03 to establish a policy for approving installment payment plans (“Installment Plans”) for connection fees (now referred to as “capacity fees”) and related costs for new connections to the District’s public sewer system.

WHEREAS, on May 5, 2016, the Santa Barbara Local Agency Formation Commission (“LAFCO”) approved the annexation of the West Santa Ynez area to the District (“West Santa Ynez Annexation”). On September 1, 2016, LAFCO ordered that the West Santa Ynez Annexation be completed without an election.

WHEREAS, the Board of Directors of the District desires to repeal Resolution No. 15-03 and adopt a revised policy for approving Installment Plans that includes costs that may be incurred by owners of parcels located within the area of the West Santa Ynez Annexation when such parcels are connected to the District’s public sewer system.

NOW, THEREFORE, the Board of Directors of the Santa Ynez Community Services District does hereby resolve as follows:

1. Eligible Parcels. Only parcels that meet all of the following requirements as of the date of the adoption of the Approval Resolution (as defined in Section 5) shall be eligible to participate in an Installment Plan (“Eligible Parcels”):

(a) The Eligible Parcel is improved with one or more existing buildings that (i) have kitchen, bathroom or other facilities that produce sewage, and (ii) are connected to a septic system or other on-site private sewage disposal system (“Existing Buildings”). Installment Plans shall apply only to Existing Buildings.

(b) The Eligible Parcel is located within the District’s jurisdictional boundaries.

(c) An existing main sewer line connecting to the District’s public sewer system is located adjacent to, or is otherwise available to serve the Eligible Parcel, or the owner of the Eligible Parcel has entered into an Agreement with the District

pursuant to which the owner has agreed to (i) construct, at the owner's expense, a main sewer line extension to serve the Eligible Parcel, and (ii) grant said extension to the District as part of its public sewer system.

2. **Eligible Costs.** The following costs are eligible to be covered under an Installment Plan (collectively, "Eligible Costs"):

(a) Constructing a side sewer, which includes (i) the building sewer beginning at the plumbing or drainage outlet of an Existing Building and running to the property line, and (ii) the lateral sewer within the public street connecting the building sewer to the District's public sewer system. Regardless of who is responsible for the construction of the side sewer, the side sewer shall be owned by the owner of the Eligible Parcel and such owner shall be responsible for the maintenance, repair and replacement thereof.

(b) Necessary plumbing to connect an Existing Building to the District's public sewer system.

(c) Converting an onsite septic system or other on-site private sewage disposal system and connecting the Eligible Buildings to the District's public sewer system, including, but not limited to, pipes, pumps, and other equipment, and septic system abandonment.

(d) Capacity fees, as set forth in District Ordinance No. O-16-04, or as set forth in any Ordinance of the District amending or replacing said Ordinance No. O-16-04.

(e) Miscellaneous charges consisting of permit and inspection charges, new construction lateral fees, and plan check fees imposed by the District pursuant to Section 808 of the District's Sewer Service Code.

(f) Project 1 or Project 2 fees, if applicable, to cover the Eligible Parcel's share of prior District collection system expansion projects.

(g) The time of District staff and legal counsel associated with the preparation of the Owner Agreement (as defined in Section 4), the preparation and adoption of the Approval Resolution, and the preparation and recording of the Lien Certificate (as defined in Section 6),

(h) Noticing, publication, and recording costs.

(i) Annexation administration charges imposed by the District pursuant to Section 805 of the District's Sewer Service Code to cover an Eligible Parcel's equitable, prorata share of (i) engineering, legal, and publication costs, (ii) costs of preparing and examining maps, legal descriptions, and other documents, and (iii) other expenses incurred by the District in connection with an annexation application, where the payment of such annexation administration charges was deferred by the District at the time of annexation.

(j) Additional capacity charges imposed by the District pursuant to Section 807 of the District's Sewer Service Code to cover an Eligible Parcel's equitable, prorata share of the cost of sewer main line extensions that have been constructed by the District or by other property owners and that are necessary to serve the Eligible Parcel.

Costs of constructing a side sewer pursuant to Section 2(a), constructing necessary plumbing pursuant to Section 2(b), converting and abandoning an onsite septic system or other on-site private sewage disposal system and connecting Eligible Buildings to the District's public sewer system pursuant to Section 2(c), and constructing sewer main line extensions pursuant to Section 2(j) shall not be included in Eligible Costs if the owner of the Eligible Parcel that is served by such facilities has elected to retain and pay the contractor to perform the work.

Where the District has retained and paid the contractor to construct a side sewer, construct necessary plumbing, or convert and abandon an onsite septic system or other on-site private sewage disposal system, the District shall assign to the owner of the Eligible Parcel any warranties relating to such work.

3. **Terms for Installment Payments.** Unless other terms are approved by the District's Board of Directors at the time it adopts the Approval Resolution, the terms for the repayment of Eligible Costs shall be as follows:

(a) The term for repayment shall be twenty (20) years ("Repayment Term").

(b) Interest shall accrue on the Eligible Costs at one (1) percentage point above the prime rate of interest, as published by the Wall Street Journal, which is in effect one (1) month prior to the adoption of the Approval Resolution. In no event shall the interest rate exceed twelve percent (12%) per annum.

(c) The principal amount of the Eligible Costs and interest thereon shall be fully amortized over the Repayment Term, with equal installments of principal

and interest being due and payable two (2) times per year at the time the property tax bills for the Eligible Parcel are due (the "Installment Payments").

(d) The Installment Payments shall be included on the tax bills for the Eligible Parcel and shall constitute a lien against the Eligible Parcel. All laws applicable to the levy, collection and enforcement of taxes, including penalties and interest, shall be applicable to the Installment Payments.

(e) Any Installment Payment which is not paid when due shall be subject to (i) a basic penalty of ten percent (10%) for nonpayment of the Installment Payment, and (ii) a penalty of one and one-half percent (1½%) per month for nonpayment of the Installment Payment and basic penalty.

4. **Owner Agreement.** Prior to consideration of or action on the Approval Resolution by the District's Board of Directors, the owner of the Eligible Parcel shall enter into an agreement with the District (the "Owner Agreement") providing as follows:

(a) The owner consents to and waives the right to protest or object to (i) the imposition of a lien against the Eligible Parcel to secure the Installment Payments, (ii) the collection of the Installment Payments on the tax roll, and (iii) the recording of the Lien Certificate; and

(b) In the event the owner does not connect the Existing Buildings on the Eligible Parcel to the District's public sewer system within one (1) year after the adoption of the Approval Resolution, the owner agrees to immediately reimburse the District for all costs referenced in Sections 2(a), (b), (c), (g) and (h).

5. **Approval Procedures.** The approval of an Installment Plan for an Eligible Parcel shall require the adoption of a resolution by a two-thirds (2/3) vote of the District's Board of Directors ("Approval Resolution"). The Approval Resolution shall fix the amount of the Eligible Costs that are subject to the Installment Plan and set forth the terms applicable to repayment, which terms shall be consistent with Section 3 hereof, unless otherwise determined by the Board. In order to make the principal amount of the Eligible Costs and interest thereon a lien against the Eligible Parcel, the District shall follow the following procedures:

(a) The District shall give notice to the owner(s) of the Eligible Parcel setting forth all of the following:

(i) The principal amount of the Eligible Costs, the total interest that will accrue thereon, and the amount of the Installment Payments.

(ii) A description of the Eligible Parcel.

(iii) The times at which the Installment Payments will become due.

(iv) The number of Installment Payments.

(v) The rate of interest to be charged on the Eligible Costs.

(vi) That the charges and interest will constitute a lien against the Eligible Parcel.

(vii) The time and place of the hearing at which persons may appear and present objections to the imposition of the Eligible Costs and interest as a lien against the Eligible Parcel.

(b) The notice must be published once a week for three successive weeks in a newspaper regularly published once a week or oftener, with at least five days intervening between the respective publication dates.

(c) At least ten (10) days prior to the hearing, written notice of the hearing must be mailed to the owner(s) of the Eligible Parcel.

(d) At the hearing the Board shall hear and consider all objections or protests, if any, to the Eligible Costs and interest thereon.

(e) Upon the conclusion of the hearing, the Board may (i) adopt, revise, change, reduce or modify the Eligible Costs and interest thereon, (ii) overrule any or all objections, (iii) make its final determination, and (iv) adopt the Approval Resolution by no less than a two-thirds (2/3) vote.

(f) On or before the tenth day of August of each year following the adoption of the Approval Resolution and continuing for the Repayment Term, the Board shall certify to the County auditor the amount of the Installment Payments to be entered against the Eligible Parcel on the assessment roll.

(g) The County auditor shall enter the amount of the Installment Payments on the current assessment roll and (except as provided in Section 5.(h) below), the amount of the Installment Payments shall constitute a lien against the Eligible Parcel as of noon on the first Monday in March immediately preceding the date of entry.

(h) The County tax collector shall include the amount of the Installments Payments on the tax bills for the Eligible Parcel. Thereafter, all laws applicable to the levy, collection and enforcement of taxes, including penalties and interest, shall be applicable to the Installments Payments. However, if the Eligible Parcel has been transferred to a bona fide purchaser for value or a lien of a bona fide encumbrancer for value has been created and attaches to the Eligible Parcel during the year prior to the date on which the first Installment Payment appears on the assessment roll, then the lien which would otherwise be imposed shall not attach to the Eligible Parcel and the Installment Payments will be transferred to the unsecured roll for collection.

6. **Recording of Lien.** Pursuant to Health & Safety Code Section 5474.6(b), the principal amount of the Eligible Costs and interest thereon shall be secured by recording a lien certificate (the "Lien Certificate") with the Santa Barbara County Recorder immediately following the adoption of the Approval Resolution by the District's Board of Directors. From the time of recordation of the Lien Certificate, the amount required to be paid, together with interest and penalties, constitutes a lien upon all real property in Santa Barbara County that is owned by the owner(s) of the Eligible Parcel or afterwards, and before the lien expires, acquired by such owner(s). The lien shall have the force, priority, and effect of a judgment lien and shall continue for ten (10) years. The lien may be extended for successive 10 year periods. The District's lien rights pursuant to this Section 6 and Health & Safety Code Section 5474.6(b) shall not be impaired by a transfer to a bona fide purchaser for value or a lien of a bona fide encumbrancer for value as referenced in Section 5(h) above.

7. **No Rights Conferred.** The District's Board of Directors may approve or disapprove a proposed Installment Plan for an Eligible Parcel in its sole and absolute discretion and shall be under no obligation to adopt an Approval Resolution for any Eligible Parcel, even where the Eligible Parcel satisfies all of the requirements hereunder for participation in an Installment Plan. This Resolution does not confer any rights upon any property owner or other person.

8. **Exceptions.** Exceptions to the foregoing policy and the requirements and procedures set forth herein may be made on a case-by-case basis in the sole and absolute

discretion of the District's Board of Directors to address special circumstances, or to avoid undue hardship or unjust or inequitable results.

9. Repeal of Resolution No. 15-03. Resolution No. 15-03 is repealed in its entirety and is replaced by this Resolution.

PASSED AND ADOPTED this 15th day of March, 2017, by the following vote of the Board of Directors of the Santa Ynez Community Services District:

AYES:

NOES:

ABSENT:

ABSTAIN:

David M. Seymour,
President of the Board of Directors

ATTEST:

Wendy Berry,
Secretary of the Board of Directors

**SANTA YNEZ
COMMUNITY SERVICES DISTRICT
STAFF REPORT**

TO: BOARD OF DIRECTORS

PREPARED BY: Jeff Hodge, General Manager

FOR: REGULAR BOARD MEETING

DATE: March 15, 2017

ITEM: Consideration and action regarding policies and procedures applicable to the Board and staff.

SUMMARY: The District's policies and procedures haven't been updated for at least four years and they should be reviewed to determine if an update is needed.

RECOMMENDATION: Appoint an Ad hoc committee to work with staff and legal counsel to review, update and develop policies and procedures and bring back to the Board for approval.

ATTACHMENTS:
None

