



**SANTA YNEZ COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS' REGULAR MEETING**

Minutes of June 16, 2021

NOTE: This meeting was held via teleconference, pursuant to the Governor's Executive Order N-29-20 (March 17, 2020)

1. CALL TO ORDER-5:30 PM OPEN SESSION

President Jones called the meeting to order at 5:31 pm.

2. ROLL CALL:

Secretary Berry called the roll. Directors Present: Jones, D'Ambra, Redfern, Beard, Van Pelt via zoom Staff Present: General Manager Jose Acosta, Secretary/Treasurer Wendy Berry, Legal Counsel Rick Battles Others in attendance: Gary Waples, Peg Ivy, David Kerr

3. PLEDGE OF ALLEGIANCE

4. DIRECTORS COMMENTS:

The Ad Hoc Committee is working on negotiations.

5. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None

6. REPORTS:

A. Manager Report

Send out modified solicitation of proposals for construction management services for the Horizon Drive project. All 3 proposals received will be presented to the Board for review and acceptance.

Deliver agreements and contract documents to Specialty Construction Inc. for Horizon Drive project. Discussed tentative construction startup dates and set up pre-construction kickoff meeting.

Provide a liaison for the district employee contract negotiation team, set up meeting, respond to union inquires, communicate with negotiating counsel, and communicate with committee members.

Advertise and solicit applicants for the Wastewater Chief Plant Operator position. We have received a few applicants thus far and looking to setup interviews the last week of June.

Received and responded to Mr. Paul Kaymark of Nigro & Nigro regarding their audit engagement letter. Staff will be preparing to provide required information in collaborating with Mr. Kaymark for a successful audit for FY ending June 30, 2021.

Sent out inquiry with property owner at the end of Horizon Drive to gauge interest in allowing their property to be used as staging area for the contractor. The agreement would be between the contractor and the property owner.

B. Legal Counsel – The Brown Act provisions from the executive order issued due to COVID-19 will continue until September 30, 2021. There are three bills pending regarding the Brown Act.

C. Secretary/Treasurer Report – the Board needs to complete their ethics and sexual harassment training.

D. Committee Report – The Ad Hoc committee for negotiations has been meeting.

7. CONSENT ITEMS:

- A. Approval of Regular Meeting Minutes of May 19, 2021.
- B. Approval of Special meeting Minutes of June 2, 2021.
- C. Approval of Finance Committee Meeting Minutes of May 13, 2021
- D. Treasurer's Report:
 1. Approval of Disbursements from May 15, 2021 through June 11, 2021
 2. Profit & Loss Budget Performance for May 2021

Director Beard motioned to approve the consent agenda as presented, Director D'Ambra seconded and the motion passed by a roll call vote:

AYES: Van Pelt, Redfern, Jones, D'Ambra, Beard

A. (1) PUBLIC HEARING: Public hearing on election to have sewer fees and charges collected on the tax roll and the filing of a report related to such fees and charges for the fiscal year 2021-2022. The public hearing was opened at 5:43 p.m. and with no objections the public hearing closed at 5:45 p.m.

(2) Resolution 21-04: Director Beard motioned to approve Resolution 21-04, 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 2021-2022, Director Redfern seconded and the motion passed by a roll call vote:

AYES: Beard, Jones, D'Ambra, Redfern, Van Pelt

B. (1) PUBLIC HEARING: The public hearing on proposed budget for fiscal year 2021/2022 opened at 5:50 p.m. and closed 5:51 p.m. with no public comments.

(2) Resolution 21-05: Director D'Ambra motioned to approve Resolution 21-05, a Resolution of the Board of Directors of the Santa Ynez Community Services District

fixing, approving, and adopting the budget for fiscal year 2021-2022, Director Beard seconded and the motion passed by a roll call vote:

AYES: Beard, Jones, D'Ambra, Redfern, Van Pelt

C. Review and Approve Capacity Fee Study: At the February 17, 2021, meeting the Board requested Mr. Tuckfield to perform a review of the current capacity fees charged by the CSD. The Board requested Mr. Tuckfield to provide an updated study for presentation and consideration by the Board. The current capacity fee charged to customers for any new connection to the District's sewer system is \$6,336.98 per Equivalent Residential Unit (ERU) and it is projected to increase to \$9995.56.

The capacity fees were last reviewed and updated in 2016. The fees have increased annually based on the change in the April Engineering News Record (ENR) Construction Cost Index (CCI) figures. The last comprehensive review of the capacity charges was performed in 1998.

The Board believes it is important to ensure that the current fees charged are a true reflection of the current infrastructure especially when considering the current and future costs to be incurred for the City of Solvang WWTP system upgrades. The Board requested Mr. Tuckfield to review and provide current facility values for existing and future infrastructure for use in calculating the capacity fees.

Included in the study are the current facility value of assets owned and operated by the CSD that are applicable for capacity fees, the CSD's share of capital projects relating to the City of Solvang WWTP, the value of future CIP projects, and the recommended capacity charges by customer type. Director D'Ambra motioned to approve the capacity as presented, direct staff to notice the public hearing and bring the Ordinance back to the Board for approval with the effective date to be determined, Director Redfern seconded and the motion passed by a roll call vote:

D. Horizon Drive Mainline Extension Project Updates:

Loan Application: The Board has authorized staff to sign the term sheet for loan with CSDA, in the amount of \$1,300,000. The terms for repayment of the loan are for 20 years at an interest rate of 2.93%.

Easements: All three easements have been signed by the property owners. Staff has contacted Hamner, Jewell and Associates notifying them that the construction contract has been awarded and that we may proceed with the deed filings and escrow paperwork.

Construction Updates: Staff has notified Specialty Construction Inc. (SCI) that their bid has been accepted by the Board. Staff has signed and sent over the notice of award and agreement documents for signature and acceptance. Once the forms are returned with signatures, along with appropriate insurance and bond requirements, Staff will sign and send over the notice to proceed documents.

SCI has already initiated communication with staff and made a few requests. A tentative pre-construction meeting has been setup for Tuesday June 29th. Also, SCI has provided a very tentative start date for the project, they are hoping to start groundwork the week of July 12, 2021.

Staff has also notified the three firms who submitted their proposals for construction management services that their bids have been rejected and a revised request for proposal would be sent out. Staff has received the responding firms bids and they will be presented to the Board this evening for discussion and to provide direction to staff.

Engineering Services: District engineer has been soliciting proposals for soils engineering work for the project.

E. Review and adopt Resolution Nos. 21-06, 21-07 and 21-08 accepting Easement Deeds:

The three easements and right of way agreements were necessary to acquire to move forward with the Horizon Drive mainline extension project. The District will pay to Marilyn A. Larson, \$8,220.00 for the easement and right-of-way agreements, pay through escrow a check to Lin Lilan Lee \$16,350.00, pay \$5,450.00 to Donald F. Hart and Marilyn A. Hart and pay all title insurance and recording fees incurred for these three transactions. The easement and right-of-way agreement will be for sewer purposes to lay, construct, use, operate, maintain, reconstruct, alter, add to, repair, replace and remove subsurface pipelines and appurtenances thereto, for the purposes of conveying sewage through, over, under, across the real properties owned by Larson, Lin Lilan Lee, and Hart. The work conducted by Hamner, Jewell and Associates to acquire the easements and right-of-way agreements originated in 2016 and was placed on hold in 2017. The SYCSD Board of Directors approved the recommencement of the work by Hamner, Jewell and Associates on February 19, 2020. Hamner, Jewell and Associates was successful in acquiring the needed easements and right-of-way agreements for all three parcels. Director Beard motioned to adopt Resolution Nos. 21-06, 21-07 and 21-08 accepting Easement Deeds, Director Van Pelt seconded and the motion passed by a roll call vote:

AYES: Beard, D'Ambra, Jones, Redfern, Van Pelt

F. Review and adopt Resolution No. 21-09 regarding expenditures and financing for Horizon Drive Mainline Extension Project: The financing agreement for completion of the Horizon Drive mainline extension project is in the amount of \$1,300,000. Financing will be provided by Municipal Finance Corporation for 2.93% for 20 years. Total payments at maturity will be \$1,736,317.80. Director Beard motioned to approve Resolution 21-09, Resolution of the Board of Directors of the Santa Ynez Community Services District approving installment sale financing arrangement, authorizing the execution and delivery of an installment sale agreement, and authorizing and directing certain actions in connection with the financing, acquisition and construction of the Horizon Drive mainline extension project, Director D'Ambra seconded and the motion passed by a roll call vote:

AYES: Beard, D'ambra, Jones, Redfern, Van Pelt.

G. Review and approve agreement for construction management services for the Horizon Drive Mainline Extension Project: At the June 2 special meeting, the Board of Directors rejected all bids to save money for the Horizon Drive residents. District staff sent out a second solicitation for proposals for construction management and inspection services for part time to reduce the overall cost of the project. The second proposal costs were between \$37,000-\$42,388.00. Director Van Pelt motioned to approve Kerr Construction Management proposal for \$37,000.00 with the inclusion of the standard addendum, Director Redfern seconded and the motion passed by a roll call vote:

AYES: Van Pelt, Redfern, Jones, Beard, D'Ambra

H. Review, discuss and vote on CSDA Coastal Network Seat A candidate: The California Special District Association needs a representative to serve on their Board for the coastal network Seat A. In March 2021, the SYCSD Board of Directors reviewed the requirements to serve as a CSDA Board member and no Directors were interested at that time. The candidates running are Hugh Rafferty, SM Airport District and Elaine Magner, Pleasant Valley Rec and

Park District. Director Jones motioned to vote for Hugh Rafferty, Director D'Ambra seconded and the motion passed by a roll call vote:

AYES: Jones, D'Ambra, Beard Noes: Redfern Abstain: Van Pelt

9. INFORMATIONAL ITEMS:

None

10. LABOR NEGOTIATIONS:

A. Designation of labor negotiators for closed session agenda item, below:

Director Beard motioned to appoint Nate Kowolski, Director Redfern and Jones as the labor negotiators, Director D'Ambra seconded the motion and the motion passed by a roll call vote:

AYES: Beard, D'Ambra, Jones, Redfern, Van Pelt

B. Closed session:

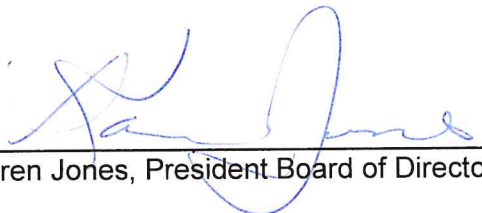
- **Public comments on closed session agenda item:** No public was in attendance. The Board entered closed session at 7:30 p.m.
- **Closed session conference with labor negotiators pursuant to Government Code 54957.6**
Agency designated representatives: As designated pursuant to open session agenda item, above
Employee organization: Teamsters Local 986
- **Open session report on closed session agenda item.** The Board entered open session at 8:41 p.m. with no reportable action.

11. ADJOURNMENT. Director D'Ambra motioned to adjourn the meeting at 8:42 p.m., Director Van Pelt seconded, and the motion passed by a roll call vote:

AYES: Beard, Jones, D'Ambra, Redfern, Van Pelt

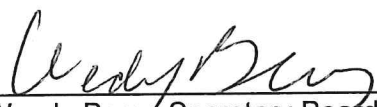
The next regular Board of Director's meeting is scheduled for Wednesday, June 16, 2021.

APPROVED:



Karen Jones, President Board of Directors

ATTEST:



Wendy Berry, Secretary Board of Directors