



**SANTA YNEZ COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS' REGULAR MEETING  
Minutes of January 20, 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 5:30 pm.

**2. ROLL CALL:**

Secretary Berry called the roll. Directors Present: Jones, D'Ambra, Beard, Redfern absent then came in on zoom at 5:39 p.m. Staff Present: General Manager Jose Acosta, Secretary/Treasurer Wendy Berry, Rick Battles Legal Counsel by zoom came on for the closed session.

**3. PLEDGE OF ALLEGIANCE**

**4. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

No public comment

**5. CONSENT ITEMS:**

- A. Approval of Regular Meeting Minutes of December 16, 2020.
- B. Approval of Finance Committee Minutes of January 7, 2021.
- C. SYCSD Treasurer's Dashboard December Report
  - 1. Approval of Disbursements from December 11, 2020 to January 14, 2021
  - 2. Profit & Loss Budget Performance

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

**AYES: Jones, D'Ambra, Beard, Redfern**

**6. ACTION ITEMS:**

**A. Discussion and possible appointment to fill vacancy on the Board of Directors:**

Barry White and Bradlee Van Pelt have applied for the Director position. Barry White attended in person and Bradlee Van Pelt attended by zoom. The Board interviewed both candidates and decided to hold a special meeting to interview both candidates in person. The tentative date is January 27, 2021. The Director's position should be filled by January 31, 2021 to comply with the 60-day deadline.

**B. Administer Oath of Office for newly appointed Director.**

No oath was administered because the Board did not fill the vacancy.

**C. Horizon Drive Mainline Project Updates:**

All paperwork and documents required of the CWSRF loan application have been submitted or uploaded, prior to the December 31, 2020 deadline. Our project Manager has informed staff we can anticipate hearing from the State in January regarding the priority scoring worksheet.

The easement deed paperwork for the Lee property has been reviewed and signed by Ms. Lee. The easement deed paperwork is being held until the project is contract awarded.

The Hart property easement agreement has been delivered and being reviewed by Mr. and Mrs. Hart.

The offer letter for the Larson property has been sent and is currently with Mrs. Larson for consideration.

The monitoring wells are in place and have been routinely monitored by staff. There has been no recording of groundwater in either of the monitoring wells.

Staff, legal counsel and district engineer have discussed the bid documents for preparation to present to the Board for approval. A tentative timeline is: Request for Proposals (RFP) to be finalized and presented to the Board for review at the March 2021 Board meeting, Release of the RFP after the March 2021 Board meeting, Conduct a mandatory pre-bid walk through with all interested contractors early/mid-April 2021, Final bids will be due by Friday May 7<sup>th</sup>, 2021, at this time Bids will be opened publicly and announced, Award the contract to the selected contractor at the May 2021 Board meeting Construction will commence in June 2021, with an anticipated ending timeframe of October 2021.

Staff has sent out an update letter to Horizon drive residents regarding the project and will continue sending the update letters on a monthly basis.

Mrs. Larson has inquired about items staff does not have authority to discuss so staff recommends forming an Ad Hoc Committee for the purposes of sewer on Horizon Drive. Director Beard motioned to form an Ad Hoc Committee with Directors D'Ambra and Redfern for the purposes of sewer on Horizon Drive, Director D'Ambra seconded and the motion passed by a roll call vote:

**AYES: D'Ambra, Beard, Jones, Redfern**

**D. Mid-Year Budget Report:**

Revenue – The District received half of its property tax money which totaled \$649,386 for sewer fees which is 11% higher than what was projected and \$107,762 for property tax which is a 16% increase than what was projected. Interest income is decreased by 16%. Overall revenue received is at 56%. Administration expenses are currently at 41% which is under the 50% halfway mark. Building expense is at 52% which is slightly over the 50% mark from utilities being higher than usual and an increase in insurance. Operation expense is at 52% from an increase in insurance, uniforms and pump station repairs. Horizon Drive expenses are also included of \$44,284.00 which did not have a

current budget amount. Budget adjustments are calculated by looking at the total expense at the sixth month mark and possible expense for the whole year and if it goes over the budgeted amount, staff will ask for a budget adjustment. Budget adjustments needed are: Acct #52290 Building utilities \$100.00, Acct. # 55015 Uniforms \$400.00 and Acct. # 55070 Insurance \$6000.00. Director Beard to approve the mid-year budget with mid-year budget adjustments as presented, Director D'Ambra seconded and the motion passed by a roll call vote:

**AYES: Beard, D'Ambra, Jones, Redfern**

**E. Approval of 10-year Capital Improvement Plan (CIP):**

The CIP is a planning tool for projects and purchases in the future. The 10-year CIP includes: Force Main Bracing, Sewer Camera, Vehicle Replacement, West Side Extension Projects, Solvang WWTP Upgrades, Manhole Cover Replacements Along HWY 246, Hydrojetter, Operations Vehicle Replacement, Financial Accounting Software, Office Space/Storage Upgrades, and Rate Study. Director D'Ambra motioned to approve the 10-year CIP with the changes of the office upgrade to \$50,000 and \$50,000 for the manhole cover replacement, Director Redfern seconded and the motion passed by a roll call vote:

**AYES: D'Ambra, Beard, Jones, Redfern**

**F. Approval of proposal for Auditing Services**

Staff received RFP's from seven auditing firms with a price range for services from \$24,909 - \$47,673.00 with a range of hours per year from 50-141. Staff met with the Finance Committee and the Finance Committee recommended Nigro and Nigro and Moss, Levy, Hartzheim. Fedak and Brown have been the District auditors since 2013. Director Beard motioned to approve Nigro and Nigro as the District auditors for the next three years, Director Redfern seconded and the motion passed by a roll call vote:

**AYES: Beard, Jones, D'Ambra, Redfern**

**G. Discussion of Wastewater Rate Study and approval of preferred finance option.**

A wastewater rate study is conducted every 5 years. The current wastewater rate study is set to expire on June 30, 2021. Staff will need to notify Tuckfield and Associates of the preferred financing option for Horizon Drive project along with the ten-year CIP to complete both the wastewater rate study and capacity charges for the Horizon Drive project. Board consensus is to use a 3% interest rate for financing and submit the approved 10-year CIP plan to Clayton Tuckfield and Associates so he can finalize the wastewater rate study.

**H. Review, Discuss and Recommendation of Financial Software Purchase**

The District currently uses QuickBooks to maintain and conduct all accounting practices for District funds. QuickBooks software is not intended to be used for governmental or fund accounting and presents some challenges. The upgrade in software will allow more comprehensive reports to be generated, the ability to perform governmental and fund accounting and more practical for staff use.

Staff contacted three software firms Tyler, Caselle and Black Mountain, regarding their product and services who have experience with California Special Districts. Each firm was given an opportunity to make an online presentation of their product to staff. The quotes

and product information were presented to the Finance Committee at their meeting on January 7, 2021. The Finance Committee made a recommendation to pursue the software provided by Black Mountain. Director D'Ambra motioned to purchase the Black Mountain software, Director Beard seconded and the motion passed by a roll call vote:

**AYES: Beard, D'Ambra, Jones, Redfern**

**7. INFORMATIONAL ITEMS:**

- A. Treasurer Report – Submittal and review quarterly cash position pursuant to Government Code §61053 for quarter ending 09-30-2020.  
The District received \$9,187.52 in interest and has a total of \$4,156,645.01 in all the accounts.
- B. Treasurer Report – Submittal and review quarterly cash position pursuant to Government Code §61053 for quarter ending 12-31-2020.  
The District earned \$5,792.58 in interest and has \$4,638,351.02 in all the accounts.  
The interest rate in the Five Star account was .59% and .01% in LAIF.

**8. REPORTS:**

**A. Manager's Report** – The state will contact us in January with the priority scoring worksheet, staff attended online webinar regarding new CAL/OSHA guidelines for COVID-19 and staff has compiled a prevention plan, based on a template provided by CAL/OSHA, I compiled an update letter to mail out to all Horizon Drive residents, The district website has been updated with a Horizon Drive mainline extension tab, staff has completed the tapping of the mainline on Sienna Way, allowing the residents to connect to the SYCSD's sewer collection system, staff is working on compiling a newsletter for disbursement to all customers, compiled staff reports for presentation to Finance Committee at their January 7, 2021 meeting, conducted individual personnel meetings with staff, and created a task listing for Horizon Drive Mainline Extension project

**B. Legal Counsel's Report** - None

**C. Secretary/Treasurer's Report** – SDRMA is looking for nominations for their 2021 Board of Directors, if interested staff will bring back a nomination Resolution – there was no Board interest, 700 conflict of interest forms will be due in April.

**D. Committee Reports** – None

**9. CLOSED SESSION:**

**Public comments on closed session item:** No Public comments

**Closed session: Public Employee Performance Evaluation pursuant to Government Code Section 54957(b)(1)**  
**Title: General Manager**

The Board entered into closed session at 7:42 p.m.

The Board reconvened into regular session at 8:09 p.m. with no reportable action and the GM evaluation was completed.

**10. DIRECTORS COMMENTS:**

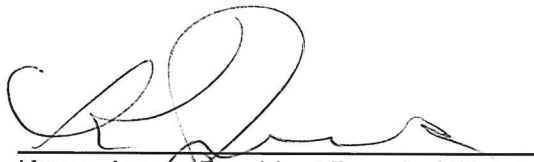
Director Beard updated the Board, the Solvang Chamber of Commerce is pursuing a prosperity grant that will be used for the WWTP upgrade and could offset the District's cost.

- 11. ADJOURNMENT.** Director D'Ambra motioned to adjourn the meeting at 8:13 p.m., Director Beard seconded, and the motion passed by a roll call vote:

**AYES: Beard, Jones, D'Ambra, Redfern**

The next regular Board of Director's meeting is scheduled for Wednesday, February 17, 2021.

APPROVED:

  
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Karen Jones, President Board of Directors

ATTEST:

  
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Wendy Berry, Secretary Board of Directors

