

# **AGENDA**

## **REMOTE MEETING NOTICE**

To address concerns relating to COVID-19, this meeting will be accessible by remote video conferencing. The public may participate in this meeting remotely via zoom as set forth below.

### **INSTRUCTIONS FOR USING ZOOM**

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

### **TO SPEAK ON AN ITEM USING ZOOM**

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

### **FOR OPEN SESSION PARTICIPATION**

Join Meeting Electronically at:

#### **Join Zoom Meeting**

**<https://us02web.zoom.us/j/84482645471?pwd=ZG5RaXFTalhsalFydXRfbjNsTFFHUT09>**

**Meeting ID: 844 8264 5471**

**Passcode: 623514**

**A G E N D A**  
REGULAR MEETING OF THE GOVERNING BOARD  
OF THE GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY

One William Moffett Place  
Goleta, California 93117

May 1, 2023

**CALL TO ORDER:** 6:30 p.m.

**ROLL CALL OF MEMBERS**

**BOARD MEMBERS:** Sharon Rose  
Edward Fuller  
Jerry D. Smith  
Steven T. Majoewsky  
George W. Emerson

**CONSIDERATION OF THE MINUTES OF THE BOARD MEETING**

The Board will consider approval of the Minutes of the Regular Meeting of April 17, 2023.

**PUBLIC COMMENTS** - Members of the public may address the Board on items within the jurisdiction of the Board.

**POSTING OF AGENDA** – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District’s web site 72 hours in advance of the meeting.

**BUSINESS:**

1. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 23-700 AMENDING POLICY #302 OF THE HUMAN RESOURCES PROCEDURE AND POLICY MANUAL REGARDING VACATION LEAVE ELIGIBILITY  
(Board may take action on this item.)
2. CONSIDERATION OF RESOLUTION NO. 23-701 TO RATIFY THE INTERFUND LOAN FOR THE UNFUNDED ACCRUED LIABILITY PAYMENT TO CALPERS  
(Board may take action on this item.)
3. CONSIDERATION OF FY 2023-24 ACTION PLAN SUMMARY  
(Board may take action on this item.)

4. REVIEW AND CONSIDERATION OF METHODS TO SELECT NEW LEGAL SERVICES PROVIDER FOR NEXT FISCAL YEAR  
(Board may take action on this item.)
5. GENERAL MANAGER'S REPORT
6. LEGAL COUNSEL'S REPORT
7. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
8. PRESIDENT'S REPORT
9. ITEMS FOR FUTURE MEETINGS
10. CORRESPONDENCE  
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
11. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT  
(The Board will be asked to ratify claims.)

## **ADJOURNMENT**

*Persons with a disability 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 Finance & H.R. Manager at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at [info@goletasanitary.org](mailto:info@goletasanitary.org).*

*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 One William Moffett Place, Goleta, California 93117.*

# MINUTES

**MINUTES**  
REGULAR MEETING OF THE GOVERNING BOARD  
GOLETA SANITARY DISTRICT  
A PUBLIC AGENCY  
DISTRICT OFFICE CONFERENCE ROOM  
ONE WILLIAM MOFFETT PLACE  
GOLETA, CALIFORNIA 93117

April 17, 2023

**CALL TO ORDER:**

President Rose called the meeting to order at 6:33 p.m.

Director Majoewsky advised the Board via Zoom that he had a caregiving need. His spouse was ill and he therefore is attending the meeting by Zoom.

**BOARD MEMBERS PRESENT:**

Sharon Rose, Edward Fuller, Jerry Smith, Steven T. Majoewsky (via Zoom), George W. Emerson

**BOARD MEMBERS ABSENT:**

None

**STAFF MEMBERS PRESENT:**

Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance and Human Resources Manager/Board Secretary, Lena Cox, Laboratory and Technical Services Manager, and Richard Battles, Legal Counsel from Howell Moore & Gough LLP.

**OTHERS PRESENT:**

Tom Evans, Director, Goleta Water District

**APPROVAL OF MINUTES:**

Director Fuller made a motion, seconded by Director Smith, to approve the minutes of the Special Board meeting of 03/31/2023. The motion carried by the following vote:

(23/04/2319)

AYES:	4	Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:		None
ABSTAIN:	1	Rose

**POSTING OF AGENDA:**

The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.

**PUBLIC COMMENTS:**

None

**BUSINESS:**

1. PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 95 ESTABLISHING DIRECTOR COMPENSATION

Mr. Wagner gave the staff report.

Public Hearing was opened at 6:40 p.m. There was no public present nor comment. Public Hearing was closed at 6:41 p.m.

Director Fuller made a motion, seconded by Director Smith to approve and adopt Ordinance No. 95 establishing director compensation effective July 1, 2023.

The motion carried by the following vote:

(23/04/2320)

AYES:	5	Rose, Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:		None
ABSTAIN:		None

2. PRESENTATION ON LABORATORY OPERATIONS

Mr. Wagner began the staff report and introduced Lena Cox, Laboratory and Technical Services Manager, who presented to the Board. No Board action was taken on this item.

3. CONSIDERATION OF INSURING DEPOSITS IN EXCESS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) LIMIT ON DISTRICT MONEYS HELD AT COMMUNITY WEST BANK

Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Majoewsky to direct staff to enroll the District in Insured Cash Sweep program at Community West Bank, providing FDIC insurance on the District's funds.

The motion carried by the following vote:

(23/04/2321)

AYES:	5	Rose, Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:		None
ABSTAIN:		None

Director Smith made a motion, seconded by Director Fuller to move agenda items 4 and 5 to the end of the meeting.

The motion carried by the following vote:

(23/04/2322)

AYES:	5	Rose, Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:		None
ABSTAIN:		None

The Board took a brief recess before returning to these two items.

4. CONSIDERATION OF COST OF LIVING ADJUSTMENT TO COMPENSATION FOR ALL DISTRICT EMPLOYEES FOR FISCAL YEAR 2023-24

Mr. Wagner gave the staff report.

Director Fuller made a motion, seconded by Director Majoewsky to authorize and approve a cost-of-living adjustment (COLA) of 6.7% for all District employees for FY 2023-24 effective July 1, 2023 and direct staff to return with a resolution and revised pay scale for approval.

The motion carried by the following vote:

(23/04/2224)

AYES:	5	Rose, Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:		None
ABSTAIN:		None

5. CLOSED SESSION

Mr. Wagner gave the staff report.

(i) PUBLIC COMMENTS ON CLOSED SESSION ITEM

There was no public present nor comment.

The Board entered closed session at 8:22 p.m.

(ii) DESIGNATION OF STEVE WAGNER, GENERAL MANAGER, AS DISTRICT REPRESENTATIVE FOR LABOR NEGOTIATIONS

(iii) CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957.6 - CONFERENCE WITH LABOR NEGOTIATOR REGARDING EMPLOYEE REQUESTS



FOR MODIFICATIONS TO COMPENSATION AND BENEFITS AGENCY DESIGNATED REPRESENTATIVE: STEVE WAGNER, GENERAL MANAGER

UNREPRESENTED EMPLOYEES: ALL EMPLOYEE TITLES  
(Board may take action on this item.)

The Board exited closed session at 8:30 p.m.

(iv) PUBLIC REPORT ON CLOSED SESSION

It was reported that in closed the Board (i) designated Steve Wager, General Manager, as District representative for labor negotiations, (ii) reviewed its negotiating position, and (iii) instructed Mr. Wagner regarding the negotiations.

6. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

7. LEGAL COUNSEL'S REPORT

Mr. Battles reported on information from the District's Administration Code and Investment Policy.

8. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Majoewsky – Reported that his Goleta Water District meeting report would be forthcoming.

Director Emerson – No report.

Director Fuller – Reported on the Outreach and Public Education Committee meeting he attended.

Director Smith – No report.

9. PRESIDENT'S REPORT

President Rose – Read her report on the Goleta West Sanitary District meeting she attended.

10. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

11. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

12. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Smith made a motion, seconded by Director Fuller, to ratify and approve the claims, for the period 04/01/2023 to 04/17/2023 as follows:

Running Expense Fund #4640	\$	241,903.03
Capital Reserve Fund #4650	\$	10,066.39
Depreciation Replacement Reserve Fund #4655	\$	3,089,892.50

The motion carried by the following vote:

(23/04/2323)

AYES:	5	Rose, Fuller, Smith, Majoewsky, Emerson
NOES:		None
ABSENT:		None
ABSTAIN:		None

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 8:36 p.m.

\_\_\_\_\_  
Sharon Rose  
Governing Board President

\_\_\_\_\_  
Robert O. Mangus, Jr.  
Governing Board Secretary

\_\_\_\_\_  
Edward Fuller

\_\_\_\_\_  
Jerry D. Smith

\_\_\_\_\_  
Steven T. Majoewsky

\_\_\_\_\_  
George W. Emerson

# **AGENDA ITEM #1**

**AGENDA ITEM: 1**

**MEETING DATE: May 1, 2023**

**I. NATURE OF ITEM**

Consideration and Adoption of Resolution No. 23-700 Amending Policy #302 of the Human Resources Procedure and Policy Manual Regarding Vacation Leave Eligibility

**II. BACKGROUND INFORMATION**

The District's Board adopted a Human Resources Procedure and Policy Manual (the "HR Manual") on October 4, 2005 and has adopted updates and revisions to the HR Manual from time to time as necessary. On April 17, 2023, the Board considered an employee requested change to HR Manual Policy #302 to allow use of accrued vacation time after six months of employment instead of the current 12-month requirement. The Board approved the change as requested and directed staff to bring the revised policy back for approval following the conclusion of the labor negotiation process.

The attached resolution and amended HR policy have been developed in consultation with the District's legal counsel in order to reflect the policy change mentioned above. Redlined and clean versions of the proposed revised policy are attached to this report for Board consideration.

**III. COMMENTS AND RECOMMENDATIONS**

HR Policy #302 (Vacation Leave) provides that employees are not eligible to use vacation leave during their twelve-month probationary period. On April 17, 2023 the District's employees made a request that HR Policy #302 be revised to allow new staff members to be eligible to use vacation leave after six-months' time during their twelve-month probationary period. HR Policy #302 has been revised to reflect the approval of that request. The revised policy also allows for exceptions to be approved by the General Manager.

In order to formally approve these changes to the District's HR Manual, staff recommends the Board adopt Resolution No. 23-700 Amending Policy #302 of the Human Resources Procedure and Policy Manual Regarding Vacation Leave.

**IV. REFERENCE MATERIALS**

Proposed Resolution No. 23-700 Amending Policy #302 of the Human Resources Procedure and Policy Manual Regarding Vacation Leave Eligibility

Redlined Version of HR Policy #302 Showing Proposed Revisions

**RESOLUTION NO. 23-700**

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA  
SANITARY DISTRICT AMENDING POLICY #302 OF THE HUMAN RESOURCES  
PROCEDURE AND POLICY MANUAL REGARDING VACATION LEAVE ELIGIBILITY**

**WHEREAS**, the Goleta Sanitary District (the “District”) has adopted a Human Resources Procedure and Policy Manual (the “HR Manual”), effective as of October 4, 2005, and has amended the policies and procedures set forth therein from time to time thereafter; and

**WHEREAS**, Policy #302 of Section III (Benefits) of the HR Manual sets forth policies and procedures relating to the eligibility of employees for vacation leave after their twelve-month probationary period; and

**WHEREAS**, the Governing Board of the District deems it to be in the District’s best interests to amend Policy #302 to provide that employees are eligible for vacation leave after completing six months of their twelve-month probationary period.

**NOW, THEREFORE**, be it resolved by the Governing Board of the Goleta Sanitary District as follows:

- 1. Amendment of Policy #302.** Policy #302 of Section III (Benefits) of the HR Manual is hereby deleted in its entirety and is replaced with the revised Policy #302 attached hereto as Exhibit “A” and incorporated herein by this reference.
- 2. Continued Effect.** Except as specifically amended herein, the HR Manual, as previously amended, shall continue in full force and effect.

**PASSED AND ADOPTED** this 1st day of May 2023, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

\_\_\_\_\_  
Sharon Rose  
President of the Governing Board

**COUNTERSIGNED**

\_\_\_\_\_  
Robert O. Mangus, Jr.,  
Secretary of the Governing Board

**EXHIBIT "A"**

**Amended Policy #302**

**Section III: Benefits**

**Subject: Vacation Leave**

**Policy #: 302**

**Page 1 of 2**

**Revised 05/01/23**

**POLICY**

Full-time, non-temporary employees accrue paid vacation from the first day of employment. Vacation accrual is calculated in hourly increments per pay period as shown below.

<u>Years of Service</u>	<u>Annual Accrual</u>	<u>Pay Period</u>	<u>Max. Accrual</u>
During 1 through 5	80 hours	3.08 hours	80 hours
During 6 through 10	120 hours	4.62 hours	120 hours
During 11 through 15	160 hours	6.15 hours	160 hours
After 15	200 hours	7.69 hours	200 hours

Each pay period, employees' vacation accounts will be credited with the appropriate number of hours for that period. It is the District's practice that employees not carry over from year to year more vacation time than one year's accrual amount. Unless otherwise authorized by the General Manager, accrued vacation time in excess of one year will be paid out in December of each year. Under specific circumstances, and upon approval of the General Manager, vacation time accrued in excess of one year may be carried forward.

Employees are not eligible to use vacation time during the first six months of their twelve-month probationary period, unless approved by the General Manager. Employees will not be granted vacation advances.

Vacation time accrues only while employees receive District pay. Vacation time does not accrue during periods of unpaid absence from work.

Employees will be paid for their accrued but unused vacation time at their final rate of pay upon termination of employment.

**PROCEDURE**

**1. Scheduling**

- A. Scheduling for vacations shall be made in such a manner as to insure continuous and efficient departmental operations. All vacations are subject to cancellation in cases of emergency conditions.
- B. Employees shall be given their preference in vacation time within the limits of the vacation schedule established by the Department Head who shall establish a system for assignment of vacations, which affords reasonable recognition of seniority. In the event that more than one employee requests the same vacation schedule, the request received and approved first shall have priority.

- C. Requests for approval of vacation shall be submitted as follows:
  - 1. For requests of more than three (3) days, employees shall submit a written request at least ten (10) working days prior to the requested time off.
  - 2. For requests of three (3) days or less, prior Department Head approval is required.
  - 3. Employees shall obtain Department Head approval by completing the appropriate request form.
- D. Special consideration may be given when unusual circumstances occur or if an emergency occurs and an employee must take vacation without prior notice.
- E. The Department Head must be advised, and approve the request, if an employee desires to cancel a request for vacation.
- F. If a District holiday occurs during vacation leave, the employee's vacation accrual shall not be charged for that day.
- G. If an employee on sick leave exhausts his/her sick leave accrual, the employee may then request to use vacation accruals to maintain a paycheck.

**2. Vacation Pay-Out**

Employees who separate from the District shall receive vacation payout for all unused accrued vacation in a lump-sum payment at the time the final paycheck is provided

## Section III: Benefits

**Subject: Vacation Leave**

**Policy #: 302**

**Page 1 of 2**

**Revised 5/1/23**

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Employees are not eligible to use vacation time during **the first six months of** their twelve-month probationary period, **unless approved by the General Manager**. Employees will not be granted vacation advances.

Vacation time accrues only while employees receive District pay. Vacation time does not accrue during periods of unpaid absence from work.

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# **AGENDA ITEM #2**

**AGENDA ITEM: 2**

**MEETING DATE: May 1, 2023**

**I. NATURE OF ITEM**

Consideration of Resolution No. 23-701 to Ratify the Interfund Loan for the Unfunded Accrued Liability Payment to CalPERS

**II. BACKGROUND INFORMATION**

CalPERS's actuarial calculations are based on several demographic and economic assumptions, which include life expectancy, ages at retirement, rate of retirements, disabilities, terminations, and payroll inflation. Economic assumptions are based on salary growth rates, inflation rates, and the assumed rate of return known as the discount rate.

In December 2021, the Board discussed how significant cost savings could be achieved by paying off the CalPERS "Unfunded Accrued Liability" (UAL) through an interfund loan from the replacement reserve fund #655 at a much lower interest rate than the 6.8% discount rate being charged by CalPERS. Board directed staff to bring back the proposed UAL payoff plan for further consideration.

The Governing Board considered pension management strategies at the April 18, 2022 meeting and directed staff to proceed with a pension liability management strategy that included using an interfund loan to pay down the CalPERS UAL.

In subsequent discussions with CalPERS, district staff were informed that the deadline for an additional UAL payment to be reflected in the following fiscal year had passed. Making a payment after the deadline would result in having to delay the loan payment or doubling the payment, in the form of a UAL payment and an interfund loan payment the following fiscal year. As such, the additional UAL payment was included in the approved FY 2022-23 budget and a payment in the amount of \$3.09M to pay off the District's current UAL balance was made on April 14, 2023.

A resolution ratifying the additional UAL payment and associated interfund loan has been prepared and is presented herein for Board consideration.

**III. COMMENTS AND RECOMMENDATIONS**

Staff worked with Julio Morales and CalPERS staff to facilitate the UAL payment in order to have a UAL holiday, no CalPERS UAL payment, in July, 2023. This arrangement allows for the first interfund loan payment to be made in lieu of a UAL payment in July, 2023. The CalPERS actuarial produced annually and published generally in July each year has a projected payment stream of UAL

payments that show what would have been required if the additional UAL payment wasn't made. The interfund loan payments amount is set up to be a constant annual amount of \$400,000 that is accrued and paid on a monthly basis by the District and its plant partners as it would have been if no additional UAL payment was made. The reduction in the UAL loan principal each month will vary based on the amount of interest the loan principal amount would have earned if left in the District capital reserve fund. The difference between the capital reserve fund interest rate (currently 4.7%) and the CalPERS discount rate (currently 6.8%) allows for a quicker payoff of the UAL at a lower amount resulting in cost savings to the District and its plant partners.

Staff recommends the Board approve the attached resolution ratifying the UAL payment and interfund loan as described above with any modifications the Board so desires.

#### **IV. REFERENCE MATERIALS**

Resolution No. 23-701 to Ratify the Interfund Fund Loan and the UAL Payment to CalPERS to Pay Down the CalPERS Unfunded Accrued Liability

**RESOLUTION NO. 23-701**

**RESOLUTION OF THE GOVERNING BOARD OF  
THE GOLETA SANITARY DISTRICT REGARDING  
INTERFUND FUND LOAN TO PAY DOWN CALPERS  
UNFUNDED ACCRUED LIABILITY**

**WHEREAS**, as set forth in Resolution No. 99-363, which was adopted by the District's Governing Board on June 21, 1999, the District has established and now maintains a separate fund designated as the "Replacement Reserve Fund" (Fund No. 4655) into which it deposits the depreciation portion of its sewer service charge revenues, as well as revenues received from property taxes and other sources.

**WHEREAS**, as set forth in Resolution No. 99-360, which was also adopted by the District's Governing Board on June 21, 1999, the District has established and now maintains a separate fund designated as the "Running Expense Fund" (Fund No. 4640) into which it deposits sewer service charge revenues, payments from other entities that share capacity rights in the District's treatment plant and ocean outfall, and interest and miscellaneous income.

**WHEREAS**, the District has determined that paying down the California Public Employees' Retirement System ("CalPERS") unfunded accrued liability ("UAL"), an operational cost, using an interfund loan makes fiscal sense as the opportunity cost of funds is less than the present discount rate of 6.8% used by CalPERS.

**WHEREAS**, the transfer of funds from the Replacement Reserve Fund into the Running Expense Fund to pay down the CalPERS UAL as described above will reduce the financing costs payable by the District and the other entities that share capacity rights in the District's treatment plant and ocean outfall.

**WHEREAS**, the District desires to (i) ratify and approve the transfer of funds from the Replacement Reserve Fund into the Running Expense Fund as described herein in order to make the UAL paydown, and (ii) set forth the terms and conditions applicable to the transfers.

**NOW, THEREFORE**, the Governing Board of the Goleta Sanitary District does hereby resolve as follows:

1. The transfers into the Running Expense Fund from the Replacement Reserve Fund totaling \$3,089,370 (the “Transferred Funds”) to pay down the CalPERS UAL are hereby ratified and approved.

2. The District will begin repaying the Transferred Funds to the Replacement Reserve Fund in July of 2023 using a portion of the District’s future sewer service charge revenues. Such repayment of the Transferred Funds shall include interest thereon at a rate equal to the rate of return that the District receives on its investments with the California Cooperative Liquid Assets Securities System Prime Cash Fund, calculated on a monthly basis. Full repayment of the Transferred Funds, together with interest thereon, will be made on or before August, 2038. The Governing Board reserves the right to change the terms of such repayment in the future, in its sole discretion.

**PASSED AND ADOPTED** this 1st day of May, 2023, by the following vote of the Governing Board of the Goleta Sanitary District:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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Sharon Rose,  
President of the Governing Board

**COUNTERSIGNED**

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Robert O. Mangus, Jr,  
Secretary of the Governing Board

# **AGENDA ITEM #3**

**AGENDA ITEM: 3**

**MEETING DATE: May 1, 2023**

**I. NATURE OF ITEM**

Consideration of FY 2023-24 Action Plan Summary

**II. BACKGROUND INFORMATION**

The District's Governing Board held its annual planning meeting on Wednesday, March 22, 2023, at the Leta Hotel to review the 2022 Annual Report, prior year activities, and develop a new list of goals and objectives for FY 2023-24. The list of goals and objectives identified at the meeting have been put together into a draft Action Plan Summary that is presented herein for Board consideration.

**III. COMMENTS AND RECOMMENDATIONS**

The attached FY 2023-24 Action Plan Summary includes 26 separate goals with a total of 72 associated actions to be completed over the next year. Many of these goals and actions carried over from the prior year and are already in progress. While the goal is to complete all identified actions, the timing and/or completion of most of the actions is dependent on the availability of the staff time and resources required. Some actions are dependent on other entities/agencies which are not under the District's control. This Action Plan Summary represents a preliminary outline for planned work to be accomplished over the following 12-month period.

Staff recommends the Board review and approve the FY 2023-24 Action Plan Summary subject to any revisions as desired. Once finalized, staff will prepare a detailed Action Plan that includes the estimated timelines for completion of all proposed actions. Status reports on the implementation of the FY 2023-24 Action Plan will be provided to the Board on a quarterly basis.

**IV. REFERENCE MATERIALS**

2023 Action Plan Summary



# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### CATEGORY #1 CAPITAL IMPROVEMENTS

- \* Implement Long Range Master Plan (LRMP) Projects
- \* Consider long term use of Lystek Refeed Project
- \* Initiate design and installation of additional work spaces in Admin. Building

#### Goal #1 Implement LRMP Projects

- Action Items:
- 1 Complete Construction of Influent Pump Station Rehabilitation Project
  - 2 Start Construction of BESP Phase 1 Project
  - 3 Complete final engineering for BESP Solids Handling Improvement Project

#### Goal #2 Consider long term use of Lystek Refeed Process to Reduce Operating Costs

- Action Items:
- 4 Negotiate lease-purchase of existing Lystek refeed equipment
  - 5 Confirm proforma for project is positive
  - 6 Board consideration of lease-purchase of Lystek refeed equipment
  - 7 Reconfigure remaining Lystek equipment as needed

#### Goal #3 Initiate design and installation of additional work spaces in Admin. Building

- Action Items:
- 8 Purchase and install office cubicle in lobby area for temporary staffing
  - 9 Prepare plans and cost estimate to divide GM office space into 2 separate offices

Responsibility: Board, GM, staff, contractor, consultants, legal counsel

# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### CATEGORY #2 ENGINEERING

- \* Initiate prelim. engineering on supplemental UV disinfection of recycled water
- \* Initiate prelim. engineering on future onsite advanced water treatment facility
- \* Update LRMP/CIP Storyboard and post to District Website
- \* Continue value engineering analyses of BESP Solids Handling Improvement project
- \* Continue to research and evaluate ways to mitigate interference in treatment process

Goal #4 Initiate prelim. engineering on supplemental UV disinfection of recycled water

- Action Items:
- 10 Meet with GWD on supplemental UV disinfection
  - 11 Seek grant funding for design
  - 12 Work with Hazen to develop scope and fee of prelim. Engineering effort.
  - 13 Complete prelim. engineering and prepare preliminary design report (PDR)
  - 14 Present PDR to GWD and Board
  - 15 Seek grant funding for project

Goal #5 Initiate prelim. engineering of future onsite advanced water treatment facility

- Action Items:
- 16 Meet with GWD on advanced treatment
  - 17 Prepare and issue RFQ for engineering analysis
  - 18 Select Consultant and complete study
  - 19 Board consideration of study findings
  - 20 Seek grant funding for project

Goal #7 Update LRMP/CIP Storyboard and post on District Website

- Action Items:
- 21 Update individual CIP project worksheets based on latest information
  - 22 Update cost and schedule summary based on revised worksheets
  - 23 Revise story map based on updated project information

Goal #8 Continue value engineering analyses of BESP phase 2 project

- Action Items:
- 24 Conduct value engineering analysis at completion of 30%, 60%, and 90% design plans

Responsibility: Board, GM, staff, consultants, legal counsel

# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### CATEGORY #3 FINANCE

- \* Adopt & Implement Capacity Exceedance Policy
- \* Conduct Rate Study based on results of CASA F&L Study
- \* Implement recommended pension liability management strategies
- \* Expend BESP Loan funds in accordance with Loan agreement

#### Goal #9 Adopt and Implement Capacity Exceedance Policy

- Action Items: 25 Complete outreach to affected users and schedule public hearing on proposed policy  
26 Review draft policy with Board  
27 Board consideration of Capacity Exceedance Policy  
28 Implement policy as directed by Board

#### Goal #10 Conduct rate study based on results from CASA's Flow & Loadings Study

- Action Items: 29 Continue participation in CASA F&L study  
30 Prepare RFQ/P for selection of rate study consultant  
31 Board consideration of rate study consultant  
32 Conduct rate study based on results of CASA F&L study  
33 Board consideration of rate study  
34 Board adoption new rate structure  
35 Develop outreach communications plan on proposed rate changes

#### Goal #11 Implement pension liability management strategies

- Action Items: 36 Update UAL payoff plan based on latest information  
37 Process UAP payment by 4/28/23  
38 Board approval of UAL payment and Interfund Loan  
39 Presentation UAL payoff plan to contract entities

#### Goal #12 Expend BESP Loan funds in accordance with Loan agreement

- Action Items: 40 Submit all BESP project expenses for reimbursement by June 10, 2025

Responsibility: Board, GM, staff, consultants, legal counsel

# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### Category #4 BOARD GOVERNANCE AND ORGANIZATIONAL MANAGEMENT

- \* Improve collaboration with partner agencies organizations
- \* Maintain Platinum Level District of Distinction recognition by CSDA
- \* Attain Utility of the Future designation
- \* Legislative and Regulatory monitoring

Goal #13 Improve collaboration with partner agencies

- Action Items: 41 Schedule meetings with UCSB on existing and future energy sustainability efforts  
42 Meet with City and County of Santa Barbara to consider approval of MJA's  
43 Hold quarterly CIP status meetings with GWSD and other plant partners  
44 Meet with new SBMA director on capacity contract, roles, and responsibilities

Goal #14 Maintain Platinum Level District of Distinction recognition by CSDA

- Action Items: 45 Have Board members and exec. staff complete annual training as required  
staff to track training requirements

Goal #15 Attain Utility of the Future designation

- Action Items: 46 Submit UOTF application for consideration by April 12, 2023

Responsibility: Board, GM, staff, legal counsel, consultants

# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### **CATEGORY #5 ENVIRONMENTAL STEWARDSHIP AND RESILIENCY PLANNING**

- \* Maintain certification as Santa Barbara County Green Business
- \* Document ongoing Resiliency Efforts
- \* Prepare Greenhouse Gas Reduction Report

Goal #16 Maintain certification as Santa Barbara County Green Business

- Action Items: 47 Review Green Business certification criteria to ensure compliance  
48 Submit application if required to renew/maintain certification  
49 Continue to support and participate in SBC Green Business program

Goal #17 Document ongoing resiliency efforts

- Action Items: 50 Review information related to all ongoing resiliency efforts  
51 Prepare summary/overview of resiliency efforts  
52 Post summary on website with links to associated resiliency efforts and documents

Goal #18 Prepare Greenhouse Gas Reduction Report

- Action Items: 53 Prepare and issue RFQ to update green house gas inventory and analysis  
54 Prepare Greenhouse Gas Reduction Report  
55 Communicate and post Greenhouse Gas Reduction Report on District Website

Responsibility: Board, GM, staff, consultants, legal counsel

# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### CATEGORY #6 OUTREACH PROGRAM

- \* Implement annual outreach program activities
- \* Enhance use of social media to communicate District efforts and accomplishments
- \* Expand Spanish translation to all outreach efforts as appropriate
- \* Consider alternative outreach activities during construction of major CIP projects

#### Goal #19 Implement Annual Outreach Program Activities

- Action Items: 56 Review annual outreach program with Board Outreach Committee  
57 Board consideration of annual outreach program  
58 Implement annual outreach programs in accordance with plan

#### Goal #20 Enhance use of social media to communicate District efforts and accomplishments

- Action Items: 59 Boost targeted social media messages to increase level of communication on District  
60 Create Nextdoor account

#### Goal #21 Expand Spanish translation to all outreach efforts as appropriate

- Action Items: 61 Expand Spanish translation to all outreach efforts as appropriate  
62 Produce 3 Spanish tour videos of plant

#### Goal #22 Consider alternative outreach activities during construction of major CIP projects

- Action Items: 63 Develop time lapse construction videos of work in progress  
64 Develop "what's going on at GSD" short video segments for use on social media

Responsibility: Board, GM, staff, consultants

# Goleta Sanitary District

## DRAFT FY23-24 Action Plan Summary

### CATEGORY #7 PERSONNEL

- \* Recruit and hire top notch staff to fill vacant positions
- \* Continue to support and improve the safety of our employees
- \* Provide training to ready staff for advancement
- \* Review and update succession plans for near term retirements and key positions

Goal #23 Recruit and hire top notch staff to fill vacant positions

- Action Items: 64 Conduct internal recruitment for open Senior Plant Operator positions  
65 Recruit and hire Senior Accounting Technician  
66 Recruit and hire Instrumentation Technician  
67 Recruit and hire Maintenance Technician I

Goal #24 Continue to support and improve the safety of our employees

- Action Items: 68 Implement competency-based training for operations and maintenance personnel  
69 Consider contract staff to assist with meeting safety and regulatory training needs

Goal #25 Provide training to prepare staff for advancement

- Action Items: 70 Develop and initiate first phase of the Employee Leadership Academy (ELA)  
71 Incorporate ELA training opportunities in annual review process as appropriate

Goal #26 Update succession plans for near term retirements of key positions

- Action Items: 72 Update retirement eligibility spreadsheet and associated succession plans as needed

Responsibility: Board, GM, staff, consultants, Legal Counsel

# **AGENDA ITEM #4**



**AGENDA ITEM: 4**

**MEETING DATE: May 1, 2023**

**I. NATURE OF ITEM**

Review and Consideration of Methods to Select New Legal Services Provider for Next Fiscal Year

**II. BACKGROUND INFORMATION**

The District contracts for legal services with Howell Moore & Gough (HM&G) in accordance with a legal services agreement dated September 15, 2008. Rick Battles of HM&G has done an outstanding job as our primary contact for District related legal matters for over 35 years and has recently informed us that he is planning to retire at the end of June. Since there are no other attorneys at HM&G that could provide the District with legal services at this time, staff is seeking the Board's input and direction on the process it would like to use in selecting a new legal services firm/team.

This issue was discussed at the April 17, 2023 Board meeting and staff was directed to bring this item back to the Board for further discussion and direction.

**III. COMMENTS AND RECOMMENDATIONS**

As with any professional services, a legal service provider can be selected through a qualification-based selection process. Mr. Battles and District General Manager Steve Wagner have discussed various methods of selecting a new legal services team and will present them at the meeting for Board consideration and direction.

**IV. REFERENCE MATERIALS**

None

# **GENERAL MANAGER'S REPORT**

## **GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT**

The following summary report describes the District's activities from April 18, 2023, through May 1, 2023. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

### **1. COLLECTION SYSTEM REPORT**

#### **LINES CLEANING**

Staff has been conducting routine lines cleaning in the area of Foothill and La Cumbre Roads.

#### **CCTV INSPECTION**

Staff has been conducting routine Closed-Circuit Television (CCTV) inspections in the area of Cathedral Oaks Road and State Highway 154.

#### **GREASE AND OIL INSPECTIONS**

Staff continues with Grease and Oil Inspections.

#### **REPAIR AND MAINTENANCE**

District staff replaced the fuel filters on the Vactor truck. District staff lowered two manholes on Sanford Court near South Walnut Lane in preparation for grinding and paving by Santa Barbara County.

#### **SEWER SERVICE CHARGES**

Updates to the District's Sewer Service Charges for FY 2023-24 continue.

#### **CALIFORNIA WATER ENVIRONMENT ASSOCIATION (CWEA) ANNUAL CONFERENCE**

Staff attended the CWEA annual conference held in San Diego, CA on April 18-21, 2023. GSD and Hazen & Sawyer staff led a workshop on the development and implementation of the District's Asset Management Program. The presentation was well received by the 50+ attendees from agencies throughout the state. The District has been asked to give this presentation as part of a California Sanitation Risk Management Authority (CSRMA) webinar to be held on May 11, 2023.

### **2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT**

Plant flows for the month of March 2023 averaged 6.1 million gallons per day (MGD). The Reclamation Plant is still offline while we are in the process of coating the baffles to hopefully mitigate some of the continuing issues we have been seeing there. Goleta Water District is filling the reservoir as needed with potable water. High concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of plant interference.

The Nanobubbler has been online since February 22, 2023. We received the sample information back from the lab, and are reviewing it to integrate with the previous data points, which will give us a complete picture.

The construction phase has started on the Influent Pump Station Rehabilitation Project. The bypass for the Influent Pump Station started on March 7, 2023. The general contractor, GSE Construction is onsite, as is the electrical contractor, Smith Electric. Operations, Maintenance, and Collections Departments have also been helping the contractors with the Rehab. Project.

The Operations staff has been working on cleaning up the Plant. They have cleaned both sides of the Final Effluent CCC. We have taken down Secondary Clarifier #4 for cleaning and inspection.

Maintenance staff continue repairing air valves at the Lift Station, working on vehicle maintenance and flow meters, pulling the jockey pump at the Lift Station to perform maintenance, as well as performing general plant maintenance.

### **PUBLIC OUTREACH AND EDUCATION**

Staff participated in the first Earth Day Festival in three years. Information and educational materials were shared with the public about the District's work and upcoming plans. Visitors to the booth enjoyed spinning the question-and-answer wheel to win a prize and had a good time interacting with staff. The festival took place on Saturday, April 29 and Sunday, April 30, 2023 at Alameda Park in Santa Barbara.

### **GENERAL AND ADMINISTRATIVE ITEMS**

#### **Financial Report**

The District account balances as of May 1, 2023 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 3,589,039
Investment Accounts:	\$ 32,705,043
Total District Funds:	\$ 36,294,082

The following transactions are reported herein for the period 04/17/23 – 05/01/23

Regular, Overtime, Cash-outs and Net Payroll:	\$ 128,866
Claims:	\$ 630,784
Total Expenditures:	\$ 759,650
Total Deposits:	\$ 3,777,426

Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ - 0 -
CWB Money Market to CWB Operational:	\$ - 0 -
CWB Operational to CA-Class Investment Account	\$ - 0 -
CA-Class Investment Account to CWB Operational	\$ - 0 -

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

**Local Agency Investment Fund (LAIF)**

LAIF Monthly Statement – Previously submitted.  
LAIF Quarterly Report – April, 2023  
PMIA/LAIF Performance – Previously submitted.  
PMIA Effective Yield – Previously submitted.

**CA-Class Investment Account**

CA-Class Investment Account – Previously submitted.

**Community West Bank (CWB)**

CWB Money Market Account – Previously submitted.

**Deferred Compensation Accounts**

CalPERS 457 Deferred Compensation Plan – Previously submitted.  
Lincoln 457 Deferred Compensation Plan – Previously submitted.

**Personnel Update**

A verbal update will be provided at the meeting.



MALIA M. COHEN

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name	GOLETA SANITARY DISTRICT
Account Number	70-42-002

As of 04/14/2023, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2023.

Earnings Ratio		.00007493902135155
Interest Rate		2.74%
Dollar Day Total	\$	184,302,338.82
Quarter End Principal Balance	\$	2,049,223.69
Quarterly Interest Earned	\$	13,811.44

**DISTRICT  
CORRESPONDENCE**  
Board Meeting of May 1, 2023



**Date:**                      **Correspondence Sent To:**

1. 04/12/2023    Robert & Jane Forsyth  
**Subject:** Roots at Sewer Mainline Connection: 540 S. San Marcos  
A.P.N. 065-511-004  
Letter also sent to:
  - Terry & Lynda Benedetto or Current Resident  
5984 Cuesta Verde  
A.P.N. 069-030+007
  - McCarthy Living Trust or Current Resident  
480 S. San Marcos Rd.  
A.P.N. 065-511-008
  - Javier Rodriguez or Current Resident  
447 S. San Marcos Rd.  
A.P.N. 065-512-003
  - Violet Henderson or Current Resident  
320 La Patera Ln  
A.P.N. 077-251-002
  - David Fryklund Living Trust or Current Resident  
3956 Foothill Rd  
A.P.N. 055-070-023
  - Hartley Freedman or Current Resident  
256 La Patera Ln  
A.P.N. 077-251-007
  - Michael Kronman & Ginger Gillquist or Current Resident  
282 La Patera Ln  
A.P.N. 077-251-005
  - Lisa Clark or Current Resident  
3948 Foothill Rd  
A.P.N. 055-070-019
  - Kay Heltmach or Current Resident  
3954 Foothill Rd  
A.P.N. 055-070-021

***Hard Copies of the Correspondence are available at the District's Office for review***