

AGENDA

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TO SPEAK DURING PUBLIC COMMENT USING ZOOM

- The Board President will announce when it is time for Public Comment.
- Click on the Raise Hand icon if you would like to speak during Public Comment.
- 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.
- You will have three (3) minutes to speak. When your time is up, you will be muted.

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- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

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Join Meeting Electronically at:

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<https://us02web.zoom.us/j/82943208367?pwd=T1BWby9sQkZxcUI1Y2hVtHVm0vUT09>

Meeting ID: 829 4320 8367

Passcode: 032921

Please attend in Person or by submitting your comment via email to:
RMangus@GoletaSanitary.Org

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 20, 2024

CALL TO ORDER: 6:30 p.m.

ROLL CALL OF MEMBERS

BOARD MEMBERS: Edward Fuller
Jerry D. Smith
Steven T. Majoewsky
Dean Nevins
Sharon Rose

CONSIDERATION OF THE MINUTES OF THE BOARD MEETING

The Board will consider approval of the Minutes of the Regular Meeting of May 06, 2024.

PUBLIC COMMENTS - Members of the public may address the Board on items within the jurisdiction of the Board. Under provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda. Please limit your remarks to three (3) minutes and if you wish, state your name and address for the record.

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. PRESENTATION ON ROSENBERG’S RULES OF ORDER BY DISTRICT LEGAL COUNSEL
(Board may take action on this item.)
2. CONSIDERATION OF PROPOSED ANNEXATION OF 801 POINSETTIA WAY
A.P.N. 067-030-041
(Board may take action on this item.)
3. DISCUSSION AND ACTION ON ANNUAL AUDIT SERVICES CONTRACT
(Board may take action on this item.)

4. GENERAL MANAGER'S REPORT
5. LEGAL COUNSEL'S REPORT
6. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
7. PRESIDENT'S REPORT
8. ITEMS FOR FUTURE MEETINGS
9. CORRESPONDENCE
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
10. 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 Director at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at 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

May 6, 2024

CALL TO ORDER: President Fuller called the meeting to order at 6:30 p.m.

BOARD MEMBERS PRESENT: Edward Fuller, Jerry Smith (arrived at 6:33 p.m.), Steven T. Majoewsky, Dean Nevins, Sharon Rose

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance Director/Board Secretary, Reese Wilson, Senior Project Engineer and Jeff Ferre, General Counsel (via Zoom)

OTHERS PRESENT: Tom Evans, Director, Goleta Water District (via Zoom)
David Bearman, M.D., Director, Goleta West Sanitary District

APPROVAL OF MINUTES: Director Majoewsky made a motion, seconded by Director Nevins, to approve the minutes of the Regular Board meeting of 04/15/2024. The motion carried by the following vote:

(24/05/2220)

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

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. **CONSIDERATION OF THE 2024 ANNUAL PLANNING MEETING SUMMARY REPORT**
Mr. Wagner gave the presentation. No Board action was taken.

2. CONSIDERATION OF BOARD MEMBER MILEAGE REIMBURSEMENT FOR ATTENDANCE AT GOVERNING BOARD MEETINGS

Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Rose to direct staff to return with action items necessary to remove mileage reimbursements from the list of pre-approved expense reimbursements for Regular, Special and Committee meetings.

The motion carried by the following vote:

(24/05/2221)

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

3. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 24-714 AMENDING THE SHIFT DIFFERENTIAL PAY RATE FOR EMPLOYEES WORKING WEEKENDS AND/OR EVENING SCHEDULES

Mr. Wagner gave the staff report.

Director Majoewsky made a motion, seconded by Director Nevins to approve, as corrected, and adopt Resolution No. 24-714 amending the shift differential pay rate for employees working weekends and/or evening schedules.

The motion carried by the following vote:

(24/05/2222)

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

4. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

5. LEGAL COUNSEL'S REPORT

Mr. Ferre reported on a recent California Attorney General opinion, giving guidance, on legal issues, including the Brown Act. The opinion was given to the Ventura Chamber of Commerce in which the Mayor and all Council members attended a State of the City event that was not free. The opinion was that the meeting should have been noticed.

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

Director Smith – No report.

Director Rose – No report.

Director Nevins – No report.

Director Majoewsky - No report.

7. PRESIDENT'S REPORT

President Fuller - No report.

8. ITEMS FOR FUTURE MEETINGS

A request was made to have a presentation and review on Rosenberg's Rules of Order.

9. CORRESPONDENCE

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

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

Director Smith made a motion, seconded by Director Rose, to ratify and approve the claims, for the period 04/16/2024 to 05/06/2024 as follows:

Running Expense Fund #4640	\$	441,501.98
Capital Reserve Fund #4650	\$	56.40
Retiree Health Insurance Sinking Fund #4660	\$	13,645.20

The motion carried by the following vote:

(24/05/2223)

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

Regular Meeting Minutes

May 6, 2024

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ADJOURNMENT

There being no further business, the meeting was adjourned at 7:23 p.m.

ATTEST

Edward Fuller
Governing Board President

Robert O. Mangus, Jr.
Governing Board Secretary

AGENDA ITEM #1

AGENDA ITEM: 1

MEETING DATE: May 20, 2024

I. NATURE OF ITEM

Presentation on Rosenberg's Rules of Order by District Legal Counsel

II. BACKGROUND INFORMATION

Prior to 2015, Section 2-1.5.8 of the District's Administrative Code provided that meetings of the Governing Board would be conducted in accordance with *Robert's Rules of Order*. In 2015 the Board amended Section 2-1.5.8 to provide that Board meetings shall be conducted in accordance with *Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century*, insofar as such rules are compatible with the District's Principal Act and the other laws of the State of California. At its meeting on May 5, 2024, the Board asked staff to return with a summary presentation on *Rosenberg's Rules of Order*. District Legal Counsel Ryan Guiboa will present a summary of these rules and will be prepared to answer any questions the Board may have.

III. COMMENTS AND RECOMMENDATIONS

It is recommended that the Board consider the presentation of *Rosenberg's Rules of Order* and discuss any questions the Board may have.

IV. REFERENCE MATERIALS

Rosenberg's Rules of Order: Simple Parliamentary Procedures for the 21st Century



Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg



MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

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ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.



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INTRODUCTION

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move . . .”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: “I move that we amend the motion to have a 10-member committee.” A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: “I move a substitute motion that we cancel the annual fundraiser this year.”

“Motions to amend” and “substitute motions” are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a “motion to amend” or a “substitute motion” is left to the chair. So if a member makes what that member calls a “motion to amend,” but the chair determines that it is really a “substitute motion,” then the chair’s designation governs.

A “friendly amendment” is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, “I want to suggest a friendly amendment to the motion.” The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic “motion to have a five-member committee to plan and put on our annual fundraiser.” During the discussion of this motion, a member might make a second motion to “amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser.” And perhaps, during that discussion, a member makes yet a third motion as a “substitute motion that we not have an annual fundraiser this year.” The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: “I move we adjourn this meeting at midnight.” It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

How does this work in practice?

Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote?

Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, “point of privilege.” The chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

Order. The proper interruption would be, “point of order.” Again, the chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, “return to the agenda.” If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair’s determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.



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AGENDA ITEM #2

AGENDA ITEM: 2

MEETING DATE: May 20, 2024

I. NATURE OF ITEM

Consideration of Proposed Annexation of 801 Poinsettia Way A.P.N. 067-030-041

II. BACKGROUND INFORMATION

Tom Wahlquist, the owner of 801 Poinsettia Way, requested a Sewer Service Availability (SSA) letter on October 7, 2022. The SSA letter was issued on October 19, 2022. There is an existing single-family residence (SFR) on the property, and Mr. Wahlquist plans to propose the construction of an accessory dwelling unit (ADU). There is an existing District sewer line on Cathedral Oaks Road that could serve the property.

The 1.41-acre parcel located at the northwest corner of Cathedral Oaks Road and Poinsettia Way, is currently within the District's service area (sphere of influence) but is not annexed to the District. Mr. Wahlquist submitted an application to LAFCO for District sewer service on April 30, 2024. Mr. Wahlquist proposes to connect one existing SFR and one proposed ADU. The parcel is currently being served by a septic system.

Staff received a letter from LAFCO dated May 1, 2024, requesting District review of the proposed annexation. A copy of the letter is attached to this report and is presented herein for Board consideration.

III. COMMENTS AND RECOMMENDATIONS

It is the District's understanding that Mr. Wahlquist is preparing the LAFCO submittals required for the annexation to bring the property into the District boundary and jurisdiction.

This is a straightforward annexation boundary adjustment proposal for a single-family residential lot. Staff has reviewed the proposal and has prepared an SSA letter with standard conditions. As such, staff recommends the Board authorize the General Manager to inform LAFCO that the District does not object to the proposed annexation.

IV. REFERENCE MATERIAL

LAFCO Letter Dated May 1, 2024

Parcel Map

LAFCO

Santa Barbara Local Agency Formation Commission
105 East Anapamu Street ♦ Santa Barbara CA 93101
805/568-3391 ♦ FAX 805/568-2249
www.sblafco.org ♦ lafco@sblafco.org

May 1, 2024

Steve Wagner, General Manager
Goleta Sanitary District
One William Moffett Place
Goleta, CA 93117

Subject: 801 POINSETTIA WAY – Annexation to the Goleta Sanitary District (LAFCO № 24-01)

Dear Steve Wagner:

A petition has been submitted to the Santa Barbara County Local Agency Formation Commission (LAFCO) proposing the annexation of territory to the Goleta Sanitary District. A copy of the proposal is attached to this letter for LAFCO Proceeding № 24-01. This proposal will annex land to your district.

The above-titled application has been filed with LAFCO on April 30, 2024. This notice is pursuant to Government Code Sections 56658 (b) and 56662 (c). The Proposed Project includes annexation of approximately 1.41 acres of property into the Goleta Sanitary District for sewer service. The property is within the sphere of influence and are located at 801 Poinsettia Way north of Cathedral Oaks Road.

We request that you review these documents and notify us of any questions, comments, concerns or conditions you have. If you identify conditions for this project, please explain why they are necessary. We also welcome any additional comments you wish to make concerning this proposal.

By state law your district has 60 days in which to request termination of these proceeding pursuant to Government Code Sections 56857. Please respond with your comments before June 30, 2024. Your input will be considered in the preparation of the staff report that will be presented to LAFCO.

This proposal will be on LAFCO's May 2, 2024 agenda for information purposes only. You will be notified in advance before LAFCO considers the merits of the proposal.

Sincerely,



Mike Prater
Executive Officer

Attachments:
Petition, Questionnaire, Map and Legal

February 13, 2024

Executive Officer
Santa Barbara LAFCO
105 East Anapamu Street
Santa Barbara CA 93101

Subject: **Proposed**

Dear Mr. Prater,

The undersigned hereby requests approval of the proposal described in the attached materials. It is proposed to process this application under the provisions of the Cortese/Knox/Hertzberg Local Government Reorganization Act (Government Code Section 56000 et seq.)

Enclosed in support of this proposal are the following:

1. Petition of landowners initiating the change.
2. Completed LAFCO Proposal Questionnaire
3. Assessor Parcel Map showing proposal area outlined in red ink.

Written consent has been given to this annexation by all affected property owners and it is therefore requested that the Commission waive the protest hearing requirements.

If you have any questions regarding this proposal, please contact the undersigned.

Sincerely,



Tom Wahlquist
801 Poinsettia Way, SB CA 93111 - 805.452.9462

TO:
Local Agency Formation Commission
County of Santa Barbara
105 East Anapamu Street, Rm 407
Santa Barbara, CA 93101

To be filled in by LAFCO

File No: _____
Date Presented: _____
Officially Filed: _____
Designated as: _____

LAFCO Action: _____
Date: _____

PETITION FOR
Proposed Annexation of A.P.N. 067-030-041 at 801 Poinsettia Way, Santa Barbara CA into Goleta
Sanitary District Sewer Service District

(Name of Proposal)

The undersigned by their signature hereon DO HEREBY REPRESENT REQUEST AND PETITION as follows:

1. The proposal is made pursuant to Part 3, Division 3, and Title 5 of the California Government Code (commencing with Section 56000, Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000).
2. The nature of the proposed change of organization (i.e., annexation, detachment, Reorganization, etc.) is/are:

Annexation of A.P.N. 067-030-041 at 801 Poinsettia Way, Santa Barbara CA into Goleta Sanitary District Sewer Service District

3. The name or names of all districts and/or cities for which any such change or organization is proposed is as follows:

Santa Barbara, Goleta

4. The names of all other affected counties, cities and districts are:

n/a

5. The territory(ies) proposed for n/a

is/are: _____
(uninhabited (less than 12 people) or inhabited (12 or more people))

6. This proposal is ~~is not~~ within the sphere of influence of the affected city and/or district.
(Circle one)

7. Complete description of the exterior boundaries of the territory proposed for annexation.
Please attach legal description to this petition.

8. Do the boundaries of the districts or cities listed above overlap or conflict with the boundaries of the proposed annexation? Yes No

If yes, justify the need for overlapping or conflicting boundaries:

9. List any of the districts or cities, as above-listed, which possess authority to perform the same or similar function as requested herein.

(Name of public agency or agencies)

10. Do the boundaries of the territory proposed split lines of assessment?
 Yes No

11. Do the boundaries of the territory proposed create an island or corridor of unincorporated territory or a strip? Yes No

If yes, justify the necessity for the island corridor or strip:

12. If the proposed boundary follows a street or highway, does it follow the center of the street or highway? Yes No

13. It is desired that this proposal provide for and be made subject to the following terms and conditions:

A. obtain a District sewer connection permit for the existing Single-Family Residence and the proposed ADU at this property

B.

14. The reasons for this proposal are:

- A. We would like to take our house off the septic system and connect to Goleta Sanitary District's sewer line

- B. The proposed ADU will need to connect to Goleta Sanitary District's Sewer Line

15. The persons signing this petition have signed as _____ registered voters **OR** owners of land.

16. If the formation of a new district is included in the proposal:

- A. The principal act(s) under which said district(s) is/are proposed to be formed is/are: _____

- B. The proposed name(s) of the new district(s) is/are: _____

- C. The boundaries of the proposed new district(s) are as described in Exhibit(s) _____, _____, heretofore incorporated herein.

17. If an incorporation or formation of a district is in the proposal:

- A. The proposed name of the new city/district is: _____
- B. Provisions are requested for appointment of:
- | | | |
|------------------------------------------------|-----------|----------|
| i. City/District Manager | _____ Yes | _____ No |
| ii. City Clerk & City Treasurer
(City only) | _____ Yes | _____ No |
- C. Number of members proposed for initial Board of Directors/City Council, pursuant to Chapter Three commencing with §61120. (Please check one, below.)
_____ 3 (Three) _____ 5 (Five)

18. If the proposal includes the consolidation of special districts, the proposed name of the consolidated district(s) is/are: _____

19. How will the new district be financed?

20. Proponents of this proposal: (Names of Chief Petitioners, not to exceed three (3), who hereby request that proceedings be taken in accordance with the provisions of Section 56000, et. seq. of the Government Code and herewith affix signatures) as follows:

Please sign on the top line and print on the line below.

Name	Mailing Address
1. THOMAS WILLIAM WAHLQUIST	801 POINSETTIA WAY Santa Barbara CA 93111
2.	
3.	

When a form is completed and the requisite number of qualified signatures has been obtained (after circulation), the petition is to be filed with the Executive Officer.

The petition and signature sheets must be left intact. Removal of the signature sheets from one counterpart to another counterpart will invalidate the entire petition.

NOTE: THIS PAGE MUST BE COMPLETED AND ATTACHED TO EACH PETITION.

According to Election Code, Section 104, whenever any petition is submitted to the elections official, each section of the petition shall have attached to it a declaration signed by the Circulator of the petition, setting forth, in the Circulator's own hand, the following:

PRINTED NAME OF CIRCULATOR (including given name, middle name or initial and last name):

THOMAS WILLIAM WAHLQUIST

RESIDENCE ADDRESS OF CIRCULATOR:

801 POINSETTIA WAY SANTA BARBARA CA 93111

DATES ON WHICH ALL SIGNATURES TO THE PETITION WERE OBTAINED:

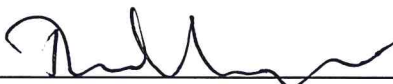
Starting date: 2/13/24

Ending date: 2/13/24

The Circulator, by affixing his/her signature below, hereby certifies:

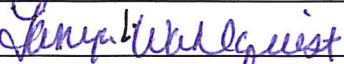
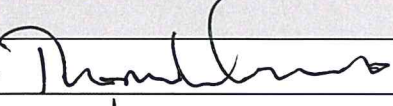
1. That the Circulator circulated the attached petition and witnessed the appended signatures being written;
2. That, according to the best information and belief of the Circulator, each signature is the genuine signature of the person whose name it purports to be;
3. That the Circulator shall certify to the content of the declaration as to its truth and correctness, under penalty or perjury under the laws of the State of California, with the signature of his or her name at length, including given name, middle name or initial, and last name.

2/17/24
Date


Name (as required above)

As a signer of this Petition, I hereby certify that I have read the content of the Petition and request that proceedings be taken for the proposal as provided by said Petition.

PLEASE SIGN NAME ON THE TOP LINE
PRINT NAME ON THE SECOND LINE

Date signed	Signature & printed name of Petitioners	Residential Address of Petitioners	Official Use Only
2/13/24	Sign: 	801 Poinsettia Way	
	Print: Tanya Wahlquist	Santa Barbara, Ca.	
2/13/24	Sign: 	801 Poinsettia Way	
	Print: Tom ^W WAHLQUIST	Santa Barbara CA 93111	
	Sign:		
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PLEASE SIGN NAME ON THE TOP LINE
PRINT NAME ON THE SECOND LINE

Date signed	Signature & printed name of Petitioners	Residential Address of Petitioners	Official Use Only
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	Print:		
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As a signer of this Petition, I hereby certify that I have read the content of the Petition and request that proceedings be taken for the proposal as provided by said Petition.

PLEASE SIGN NAME ON THE TOP LINE
PRINT NAME ON THE SECOND LINE

Date signed	Signature & printed name of Petitioners	Residential Address of Petitioners	Official Use Only
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SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

**Proposal Justification Questionnaire for Annexations,
Detachments and Reorganizations**
(Attach additional sheets as necessary)

1. **Name of Application:** (The name should match the title on the map and legal description; list all boundary changes that are part of the application)

A.P.N. 067-030-041 at 801 Poinsettia Way, Santa Barbara CA 93111

2. **Describe the acreage and general location; include street addresses if known:**

ALL THAT CERTAIN REAL PROPERTY IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS: A PORTION OF LOT 11 MARKED "HELEN HILL" IN CLASS OR DIVISION "B" OF THE RANCHO LA GOLETA, IN THE UNINCORPORATED AREA OF THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, PARTITIONED TO HELENA HILL, BY DECREE OF PROBATE COURT, OF SAID COUNTY ON FEBRUARY 1, 1868, IN THE MATTER OF THE ESTATE OF DANIEL A. HILL, DECEASED AS SHOWN ON THE MAP ACCOMPANYING THE COMMISSIONER'S REPORT IN SAID MATTER, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE TRACT OF LAND CONVEYED IN THE DEED TO G.L. BEAN AND LELA A. BEAN HIS WIFE, RECORDED OCTOBER 15, 1921, IN BOOK 193, PAGE 385, OF DEEDS RECORDS OF SAID COUNTY, SAID POINT BEING DESIGNATED AS POST NO. 24, AS SHOWN ON SAID MAP, AT THE SOUTHWEST CORNER OF SAID LOT ELEVEN (11), THENCE ALONG THE WEST LINE OF SAID BEAN TRACT, NORTH 1° 10' 00" EAST 237.04 FEET TO A 1-1/2 INCH SURVEY MONUMENT THENCE LEAVING THE WEST LINE OF SAID BEAN TRACT, SOUTH 54° 50' 30" EAST 103.92 FEET TO A 1-1/2 INCH SURVEY MONUMENT THENCE SOUTH 66° 31' 45" EAST 129.49 FEET TO A 1-1/2 INCH SURVEY PIPE MONUMENT, THENCE SOUTH 60° 04' 00" EAST 26.30 FEET TO A 1/2 INCH SURVEY PIPE AND THE TRUE POINT OF BEGINNING OF THE TRACT OF LAND HEREIN DESCRIBED THENCE CONTINUING SOUTH 60° 04' 00" EAST 114.01 FEET TO A 1-1/2 INCH SURVEY MONUMENT THENCE SOUTH 82° 08' 30" EAST 171.72 FEET TO A 1-1/2 INCH SURVEY MONUMENT SET AT THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A DELTA OF 125° 50' 45" AND A RADIUS OF 20 FEET THENCE EASTERLY, NORTHERLY AND NORTHWESTERLY ALONG THE ARC OF SAID CURVE 43.93 FEET TO A 2 INCH SURVEY MONUMENT SET ON THE SOUTHWESTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN THE RIGHT OF WAY GRANT TO THE COUNTY OF SANTA BARBARA, RECORDED MARCH 31, 1961 AS INSTRUMENT NO. 11057, IN BOOK 1837, PAGE 742 OF OFFICIAL RECORDS, RECORDS OF SAID COUNTY, THENCE NORTH 62° 00' 45" EAST 10.00 FEET TO A POINT IN THE NORTHEASTERLY LINE OF SAID BEAN TRACT, SAID POINT BEING ALSO THE NORTHEASTERLY LINE OF SAID RIGHT OF WAY IN POINSETTIA WAY (FORMERLY CATHEDRAL OAKS ROAD), A COUNTY ROAD OF VARIOUS WIDTHS, THENCE ALONG THE NORTHEASTERLY LINE OF SAID BEAN TRACT AND THE NORTHEASTERLY LINE OF SAID RIGHT OF WAY NORTH 27° 59' 15" WEST 250 FEET MORE OR LESS TO A POINT FROM WHICH

THE TRUE POINT OF BEGINNING BEARS SOUTH 45° 59' 50" WEST THENCE SOUTH 45° 59' 50" WEST 250 FEET, MORE OR LESS TO THE TRUE POINT OF BEGINNING

3. List the Assessor's Parcels within the proposal area:

A.P.N. 067-030-041

4. Purpose of proposal: (Why is this proposal being filed? List all actions for LAFCO approval. Identify other actions that are part of the overall project, i.e., a tract map or development permit.)

The subject property, as shown on the attached parcel map, is currently within the Goleta Sanitary District service area (sphere of influence) but is not annexed to the District. We're proposing to connect to the District's sewage collection facilities one existing Single-Family Residence and one proposed ADU. Currently the existing parcel is being served by a septic system.

5. Land Use and Zoning - Present and Future

A. Describe the existing land uses within the proposal area. Be specific.

Single family residence and one proposed ADU

B. Describe any changes in land uses that would result from or be facilitated by this proposed boundary change.

n/a

C. Describe the existing zoning designations within the proposal area.

1-E-1

D. Describe any proposed change in zoning for the proposal area. Do the existing and proposed uses conform with this zoning?

We're not proposing any changes to the zoning. Proposed use conforms with the zoning.

E. (For City Annexations) Describe the prezoning that will apply to the proposal area upon annexation. Do the proposed uses conform with this prezoning?

F. List all known entitlement applications pending for the property (i.e., zone change, land division or other entitlements).

6. Describe the area surrounding the proposal

Using Table A, describe existing land uses, general plans and zoning designations for lands adjacent to and surrounding the proposal area. The application is incomplete without this table.

7. Conformity with Spheres of influence

A. Is the proposal area within the sphere of influence of the annexing agency?

Yes

B. If not, include a proposal to revise the sphere of influence.

8. Conformity with County and City General Plans

A. Describe the existing County General Plan designation for the proposal area.

B. (For City Annexations) Describe the City general plan designation for the area.

C. Do the proposed uses conform with these plans? If not, please explain.

9. Topography and Natural Features

A. Describe the general topography of the proposal area and any significant natural features that may affect the proposal.

Private Residence adjacent to Cathedral Oaks with several oak, fruit, and pine trees

B. Describe the general topography of the area surrounding the proposal.

level to gently rolling terrain. No streams or lakes on site.

10. Impact on Agriculture

A. Does the affected property currently produce a commercial agricultural commodity?

NO

B. Is the affected property fallow land under a crop rotational program or is it enrolled in an agricultural subsidy or set-aside program?

NO

C. Is the affected property Prime Agricultural Land as defined in Government Code §56064?

NO

D. Is any portion of the proposal area within a Land Conservation (Williamson) Act contract?
NO

- 1) If “yes,” provide the contract number and the date the contract was executed.
- 2) If “yes”, has a notice of non-renewal be filed? If so, when?
- 3) If this proposal is an annexation to a city, provide a copy of any protest filed by the annexing city against the contract when it was approved.

11. Impact on Open Space

Is the affected property Open Space land as defined in Government Code Section 65560?
NO

12. Relationship to Regional Housing Goals and Policies (City annexations only)

If this proposal will result in or facilitate an increase in the number of housing units, describe the extent to which the proposal will assist the annexing city in achieving its fair share of regional housing needs as determined by SBCAG.

13. Population

A. Describe the number and type of existing dwelling units within the proposal area.
1

B. How many new dwelling units could result from or be facilitated by the proposal?
Proposed ADU

Single-family _____ 1 _____ Multi-family _____

14. Government Services and Controls – Plan for Providing Services (per §56653)

A. Describe the services to be extended to the affected territory by this proposal.

B. Describe the level and range of the proposed services.

C. Indicate when the services can feasibly be provided to the proposal area.

D. Indicate any improvements or upgrading of structures, roads, sewers or water facilities or other conditions that will be required as a result of the proposal.

E. Identify how these services will be financed. Include both capital improvements and ongoing maintenance and operation.

F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of services.

15. Ability of the annexing agency to provide services

Attach a statement from the annexing agency describing its ability to provide the services that are the subject of the application, including the sufficiency of revenues (per Gov't Code §56668j).

16. Dependability of Water Supply for Projected Needs (as per §56653)

If the proposal will result in or facilitate an increase in water usage, attach a statement from the retail water purveyor that describes the timely availability of water supplies that will be adequate for the projected needs.

17. Bonded indebtedness and zones – These questions pertain to long term debt that applies or will be applied to the affected property.

A. Do agencies whose boundaries are being changed have existing bonded debt? _____
If so, please describe.

B. Will the proposal area be liable for payment of its share of this existing debt? _____
If yes, how will this indebtedness be repaid (property taxes, assessments, water sales, etc.)

C. Should the proposal area be included within any 'Division or Zone for debt repayment? __
If yes, please describe.

D. (For detachments) Does the detaching agency propose that the subject territory continue to be liable for existing bonded debt? _____. If yes, please describe.

18. Environmental Impact of the Proposal

A. Who is the "lead agency" for this proposal? _____

B. What type of environmental document has been prepared?

None, Categorically Exempt -- Class _____

EIR _____ Negative Declaration _____ Mitigated ND _____

Subsequent Use of Previous EIR _____ Identify the prior report. _____

C. If an EIR has been prepared, attach the lead agency's resolution listing significant impacts anticipated from the project, mitigation measures adopted to reduce or avoid significant impacts and, if adopted, a "Statement of Overriding Considerations."

19. Boundaries

- A. Why are these particular boundaries being used? Ideally, what other properties should be included in the proposal?
- B. If any landowners have included only part of the contiguous land under their ownership, explain why the additional property is not included.

20. Final Comments

- A. Describe any conditions that should be included in LAFCO's resolution of approval.
- B. Provide any other comments or justifications regarding the proposal.
Goleta Sanitary provided a Can And Will Serve Letter
- C. Enclose all pertinent staff reports and supporting documentation related to this proposal. Note any changes in the approved project that are not reflected in these materials.

21. Notices and Staff Reports

List up to three persons to receive copies of the LAFCO notice of hearing and staff report.

Name

Address

A. Tom Wahlquist

801 Poinsettia Way, Santa Barbara CA 93111

B.

C.

Who should be contacted if there are questions about this application?

Name

Address

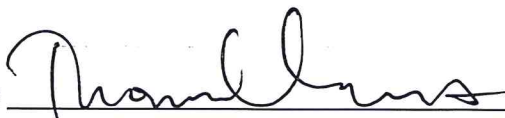
Phone

Tom Wahlquist

801 Poinsettia Way, Santa Barbara CA 93111

805-452-9462

Signature



Date

2/13/24

TABLE A

Information regarding the areas surrounding the proposal area

	Existing Land Use	General Plan Designation	Zoning Designation
East	Residential	Residential	R-1.0
West	Residential	Residential	R-1.0
North	Residential	Residential	R-1.0
South	Residential	Residential	R-1.0

Other comments or notations:

AGENDA ITEM #3

AGENDA ITEM: 3

MEETING DATE: May 20, 2024

I. NATURE OF ITEM

Discussion and Action on Annual Audit Services Contract

II. BACKGROUND INFORMATION

Moss, Levy and Hartzheim (MLH) of Santa Maria was hired to prepare the District's annual audit and review its financial statements from 2013 until 2018. In 2018 the District elected to issue a Request for Proposals (RFP) for the Fiscal Year 2017-18 (FY18) audit services and engaged Fechter & Company CPAs (Fechter) from the list of respondents. While Fechter is a qualified audit services firm and completed the District's FY18 audit report, staff had some difficulties with their process and found that they were not quick to correct errors once identified. As such, the Board supported re-hiring MLH for audit services for FY19, and MLH has continued to complete the District's annual audit since. Staff is recommending MLH be hired once again to complete the FY24 audit. This would be the sixth consecutive year that MLH's partner, Adam Guise, has served as the lead.

MLH has been serving many local agencies for over 40 years and performed well for the District. District staff attached the proposal from MLH for FY24 audit services for Board consideration and approval.

Assembly Bill 1345 added section 12410.6.(b) to Government Code regarding auditor rotation requirements of public accounting firms providing audit services to local agencies.

Government Code section 12410.6.(b) indicates that commencing in FY14, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to FY14. The Controller may waive this requirement if he or she finds that another eligible public accounting firm is not available to perform the audit.

III. COMMENTS AND RECOMMENDATIONS

Staff recommends the Board direct the General Manager to retain MLH to conduct the District's annual audit for FY23-24 as described in the attached proposal from MLH.

IV. REFERENCE MATERIAL

Proposal from MLH



May 9, 2024

To the Board of Directors
Goleta Sanitary District
1 Moffett Place
Goleta, CA 93117

We are pleased to confirm our understanding of the services we are to provide Goleta Sanitary District for the fiscal year ended June 30, 2024.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities including the major fund and the disclosures, which collectively comprise the basic financial statements of Goleta Sanitary District as of and for the fiscal year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Proportionate Share of Net Pension Liability
- 3) Schedule of Pension Contributions
- 4) Schedule of Changes in the Net OPEB Liability and Related Ratios
- 5) Schedule of OPEB Contributions

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Goleta Sanitary District and other procedures we consider necessary to enable us to

express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Goleta Sanitary District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial

statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Moss, Levy & Hartzheim LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to [Name of Regulator] or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Moss, Levy & Hartzheim LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Adam V. Guise is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately July 15, 2024 and to issue our reports no later than November 30, 2024.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$16,800. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

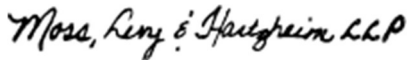
We will issue a written report upon completion of our audit of Goleta Sanitary District's financial statements. Our report will be addressed to management and the Board of Directors of Goleta Sanitary District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a

separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Goleta Sanitary District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Goleta Sanitary District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,



Moss, Levy & Hartzheim LLP

RESPONSE:

This letter correctly sets forth the understanding of Goleta Sanitary District.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

GENERAL MANAGER'S REPORT

GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT

The following summary report describes the District's activities from May 7, 2024, through May 20, 2024. 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 have been conducting priority lines cleaning throughout the District. Staff have also been conducting routine lines cleaning in the area of North Patterson Ave. and University Dr.

CCTV INSPECTION

Staff have been conducting routine Closed-Circuit Television (CCTV) inspections in the area of South San Marcos Rd. and Hollister Ave.

REPAIR AND MAINTENANCE

Staff replaced the oil on three rotating sewer cleaning nozzles. All Collections staff were involved for training purposes.

2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT

Plant flows for the month of May 2024 so far have averaged 5.2 million gallons a day. The Reclamation Plant was put online April 4, 2024 and there have been no issues at this time.

The notice of completion for the Influent Pump Station rehabilitation project has been recorded and returned. The final retention payment had been issued formally closing out the project.

Installation of the new laser flow meter for the influent line continues to be postponed due to high flows. Estimated timeline for installation and calibration is late May 2024. Construction of the Biosolids and Energy (BESP) Phase 1 project continues. Current construction activities include the construction of new underground electrical duct banks and site preparation for the Combined Heat and Power equipment pad.

The Operations staff has been continuing with Plant clean up and fixing the Secondary Clarifiers. Maintenance staff is continuing work on the preventative maintenance tasks and other miscellaneous repair projects around the Plant.

Goleta West Sanitary District brought their 24" force-main online on May 1, 2024, in accordance with a recommissioning plan shared with the District. Staff assisted by monitoring the headworks and by tracking influent flows in SCADA. GWSD will perform daily walks of their force-main until further notice.

PUBLIC EDUCATION AND OUTREACH

Members of the Collections, Administration, Maintenance, and the Plant Operations departments staff interacted with the public at the annual Earth Day Festival on April 27-28, 2024, in Alameda Park in Santa Barbara. Visitors totaled 493 on Saturday and 413 on Sunday, for a total of 906 attendees who visited the Goleta Sanitary District's booth and learned about our environmental work.

3. GENERAL AND ADMINISTRATIVE ITEMS

Financial Report

The District account balances as of May 20, 2024, shown below, are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 536,912
Investment Accounts:	<u>\$ 38,116,348</u>
Total District Funds:	\$ 38,653,260

The following transactions are reported herein for the period 05/07/24 – 05/20/24

Regular, Overtime, Cash-outs, and Net Payroll:	\$ 137,932
Claims:	\$ 338,968
Total Expenditures:	\$ 476,901
Total Deposits:	\$ 5,578

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 reported.

LAIF Quarterly Report – Previously reported.

PMIA/LAIF Performance – April, 2024

PMIA Effective Yield – April, 2024

CA-Class Investment Account

CA-Class Investment Account – Previously reported.

General Manager's Report

May 20, 2024

Page 3

Community West Bank (CWB)

CWB Money Market and ICS Accounts – Previously reported.

Deferred Compensation Accounts

CalPERS 457 Deferred Compensation Plan – April, 2024

Lincoln 457 Deferred Compensation Plan – Previously reported.

Personnel Update

A verbal update will be provided at the meeting.



PMIA/LAIF Performance Report as of 5/8/24



Quarterly Performance Quarter Ended 03/31/24

LAIF Apportionment Rate ⁽²⁾ :	4.30
LAIF Earnings Ratio ⁽²⁾ :	0.00011755619077389
LAIF Administrative Cost ^{(1)*} :	0.27
LAIF Fair Value Factor ⁽¹⁾ :	0.994191267
PMIA Daily ⁽¹⁾ :	4.22
PMIA Quarter to Date ⁽¹⁾ :	4.12
PMIA Average Life ⁽¹⁾ :	226

PMIA Average Monthly Effective Yields⁽¹⁾

April	4.272
March	4.232
February	4.122
January	4.012
December	3.929
November	3.843

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 3/31/24 \$156.5 billion

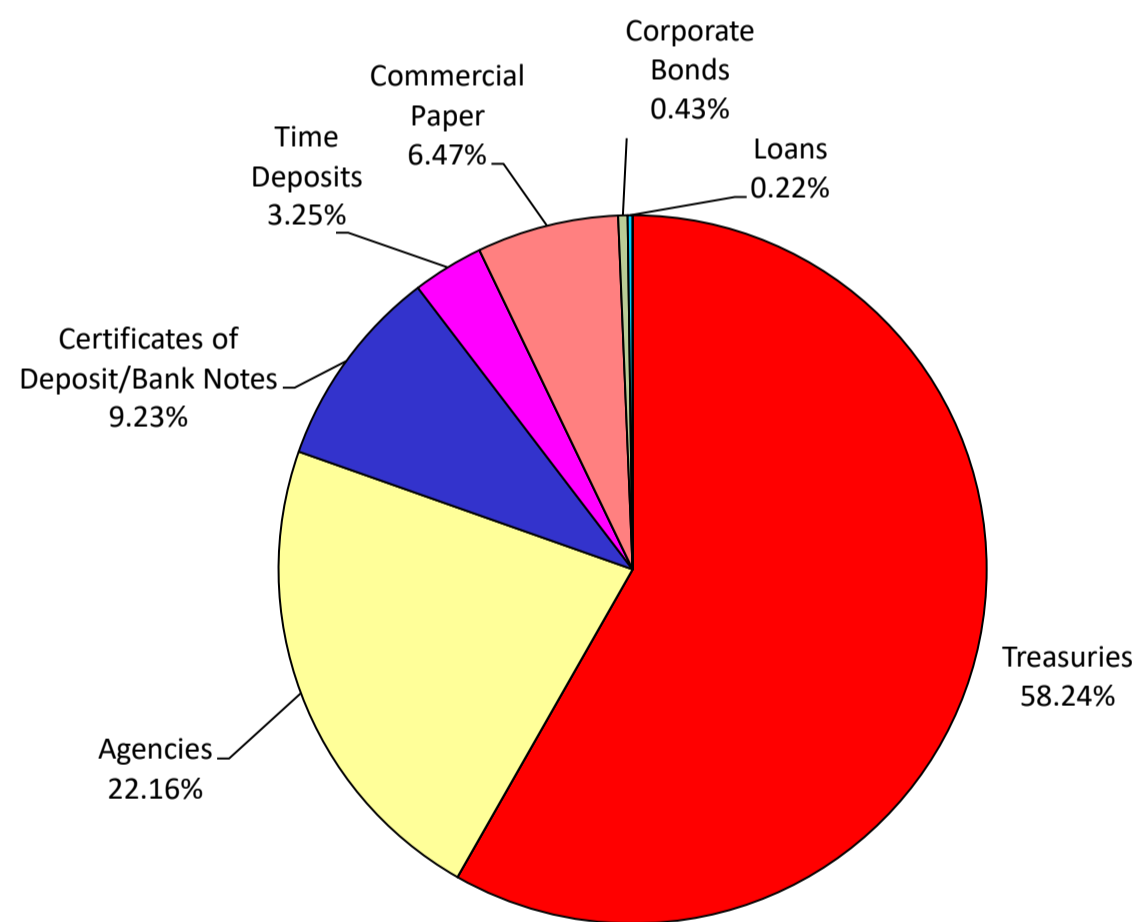


Chart does not include \$2,005,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

CalPERS 457 Plan

April 30, 2024

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to <https://calpers.voya.com>.

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial
Attn: CalPERS 457 Plan
P.O. Box 389
Hartford, CT 06141
(800) 260-0659

Document Summary

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

CalPERS 457 PLAN

Part I. Performance Information For Periods Ended April 30, 2024

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods¹. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option². The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

Table 1 - Variable Net Return Investments

Name of Fund / Name of Benchmark	Performance		Annualized Performance				Total Annual Operating Expenses ³	
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000
Equity Funds								
State Street Russell All Cap Index Fund - Class I	3.97	22.07	12.14	11.48	11.98	10/07/13	0.25%	\$2.50
<i>Russell 3000 Index</i>	4.03	22.30	12.43	11.81	12.32			
State Street Global All Cap Equity ex-US Index Fund - Class I	3.57	8.50	4.95	3.86	4.23	10/07/13	0.26%	\$2.60
<i>MSCI ACWI ex-USA IMI Index (net)</i>	3.64	9.36	5.09	4.02	4.42			
Fixed Income								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	-0.37	2.53	0.92	0.83	0.81	10/07/13	0.26%	\$2.60
<i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i>	-0.30	2.79	1.24	1.24	1.23			
State Street US Bond Fund Index - Class I	-3.05	-1.68	-0.42	0.91	1.10	10/07/13	0.25%	\$2.50
<i>Bloomberg US Aggregate Bond Index</i>	-3.02	-1.47	-0.16	1.20	1.38			
Real Assets								
State Street Real Asset Fund - Class A	3.82	1.23	6.23	2.84	3.36	10/08/13	0.38%	\$3.80
<i>State Street Custom Benchmark⁴</i>	3.89	1.66	6.48	3.19	3.73			
Cash (Cash Equivalents)								
State Street STIF	1.31	5.41	1.96	-	1.34	09/02/14	0.27%	\$2.70
<i>ICE BofA US 3-Month Treasury Bill Index</i>	1.29	5.36	2.07	-	1.47			
Target Retirement Date Funds⁵								
CalPERS Target Income Fund	-0.17	4.85	3.42	3.10	4.64	12/01/08	0.26%	\$2.60
<i>SIP Income Policy Benchmark⁶</i>	-0.13	5.12	3.61	3.31	5.10			
CalPERS Target Retirement 2020	0.27	6.22	4.51	3.69	6.23	12/01/08	0.26%	\$2.60
<i>SIP 2020 Policy Benchmark⁶</i>	0.31	6.51	4.68	3.90	6.69			
CalPERS Target Retirement 2025	1.08	8.52	5.62	4.58	7.15	12/01/08	0.26%	\$2.60
<i>SIP 2025 Policy Benchmark⁶</i>	1.12	8.86	5.78	4.78	7.58			
CalPERS Target Retirement 2030	1.80	10.45	6.54	5.23	8.01	12/01/08	0.26%	\$2.60
<i>SIP 2030 Policy Benchmark⁶</i>	1.84	10.82	6.76	5.47	8.45			
CalPERS Target Retirement 2035	2.53	12.67	7.59	5.99	8.79	12/01/08	0.26%	\$2.60
<i>SIP 2035 Policy Benchmark⁶</i>	2.58	13.09	7.79	6.22	9.27			
CalPERS Target Retirement 2040	3.30	14.87	8.52	6.70	9.41	12/01/08	0.26%	\$2.60
<i>SIP 2040 Policy Benchmark⁶</i>	3.36	15.34	8.72	6.93	9.87			
CalPERS Target Retirement 2045	3.60	15.61	8.71	7.06	9.63	12/01/08	0.26%	\$2.60
<i>SIP 2045 Policy Benchmark⁶</i>	3.66	16.09	8.91	7.30	10.12			
CalPERS Target Retirement 2050	3.60	15.61	8.71	7.06	9.69	12/01/08	0.26%	\$2.60
<i>SIP 2050 Policy Benchmark⁶</i>	3.66	16.09	8.91	7.30	10.12			
CalPERS Target Retirement 2055	3.60	15.61	8.71	7.07	7.39	10/07/13	0.26%	\$2.60
<i>SIP 2055 Policy Benchmark⁶</i>	3.66	16.09	8.91	7.30	7.69			
CalPERS Target Retirement 2060	3.60	15.61	8.70	-	9.57	11/01/18	0.26%	\$2.60
<i>SIP 2060 Policy Benchmark⁶</i>	3.66	16.09	8.91	-	9.80			
CalPERS Target Retirement 2065	3.60	15.61	-	-	13.82	12/01/22	0.26%	\$2.60
<i>SIP 2065 Policy Benchmark⁶</i>	3.66	16.09	-	-	14.38	-		
Broad-Based Benchmarks⁷								
<i>Russell 3000 Index</i>	4.03	22.30	12.43	11.81	-	-	-	-
<i>MSCI ACWI ex-USA IMI Index (net)</i>	3.64	9.36	5.09	4.02	-	-	-	-
<i>Bloomberg US Aggregate Bond Index</i>	-3.02	-1.47	-0.16	1.20	-	-	-	-

Part II. Explanation of CalPERS 457 Plan Expenses

April 30, 2024

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

Table 2 - Fees and Expenses				
Individual Expenses ⁸				
Service	Fee Amount	Frequency	Who do you pay this fee to?	Description
Loan Origination Fee	\$50	Per loan application	Voya	The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account.
Maintenance Fee (For loans taken on or after April 1, 2020)	\$35 (\$8.75 assessed quarterly)	Annual	Voya	The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account.
Self-Managed Account (SMA) Maintenance Fee	\$50	Annual fee deducted monthly on a pro-rata basis	Voya	Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments ⁹ in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment.
Self-Managed Account (SMA) Plan Administrative Fee	0.23% (\$2.30 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

Footnotes for Table 1 and Table 2:

- ¹ Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.
- ² Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on SSGA investment management, Voya recordkeeping, and SSGA capped operating expenses.
- ³ Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.
- ⁴ State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Roll Select Commodity Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.
- ⁵ If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.
- ⁶ The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the SSGA customized benchmark for Real Assets (see footnote 4), and ICE BofA US 3-Month Treasury Bill Index.
- ⁷ Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.
- ⁸ The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.
- ⁹ Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").

**DISTRICT
CORRESPONDENCE**
Board Meeting of May 20, 2024



- | <u>Date:</u> | <u>Correspondence Sent To:</u> |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. 05/07/2024 | Kirk Lagerquist, General Services Director
County of Santa Barbara
Subject: Sewer Service Charge
Fiscal Year ending June 30, 2024 |
| 2. 05/10/2024 | Steve Fort
Susanne Elledge Planning & Permitting Services, Inc.
Subject: Sewer Service Availability
Proposed Public Restroom and Exterior Site Improvements
5677-5796 & 5652-5820 Calle Real Goleta, CA
APNs: 069-110-058, 069-110-059, 069-110-067, 069-110-070, 069-110-084, 069-110-085, 069-110-090, 069-110-093, 069-110-094, 069-110-095
Owner: Hill Goleta Family Limited Partnership and Cal Real North
Developer: Towbes Group |

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