

**MINUTES OF THE SPECIAL MEETING
OF THE GOLETA WEST SANITARY DISTRICT
UCSB CAMPUS, PARKING, LOT 32, SANTA BARBARA, CALIFORNIA
October 16, 2007**

CALL TO ORDER

President Meyer called the meeting to order at 7:16 p.m.

BOARD MEMBERS PRESENT

Dave Bearman, M.D.

Craig Geyer

Dr. David C. Lewis

Gary L. McFarland

Larry D Meyer

STAFF PRESENT

Diane P. Powers, Secretary; Mr. Mark Nation, General Manager/Superintendent; Mr. Steven A. Amerikaner, General Counsel

OTHERS PRESENT

Mr. Sudhir Pardiwala and Ms. Hanna Phan, Raftelis Financial Consultants, Inc., Mr. Erich Brown; Mr. Jack Wolever; Mr. Reed Radke; Ms. Lynda Radke; Mr. Kenneth A. Warfield; Mr. Roger Lagerquist; Ms. Norma Geyer; Mr. Lou Ventura; Ms. Erma Flynn; Mr. John Bedi; Ms. Bonnie Murdock; Mr. Bruce Murdock; Mr. David Bosso; Ms. Anna Roberts; Mr. Dan Moosbrugger; Mr. Steve Sorich

APPROVE THE ORDER OF THE AGENDA

The Board agreed to address agenda item #7 first followed by agenda item #8.

MINUTES

(07-10-75)

Upon a motion by Director Lewis, seconded by Director Geyer the Board unanimously approved the minutes of the Special Meeting of September 25, 2007, the Special Meeting of September 26, 2007 and the regular meeting of October 2, 2007 as written.

PUBLIC INPUT

There was no public input presented at this time.

BUSINESS

1) Presentation from Raftelis Financial Consultants, Inc. on the User Charge Study and Administrative Fee Study

Mr. Sudhir Pardiwala of Raftelis Financial Consultants, Inc. provided a Power Point presentation on the Administrative Fee Study and will return at another meeting to

present the User Charge Study Mr. Pardiwala informed the Board that the proposed fees and charges have been calculated based on a cost recovery method. He then proceeded to discuss the recommendations for each of the miscellaneous fees to include Connection Fee, Annexation Fee, Front Footage Fee, Industrial WW Discharge Fee, Inspection Fee, Plan Check Fee and Permit Processing Fee.

Director Bearman asked if fees increase as additional monies are spent for the plant upgrade. Mr. Pardiwala replied that fees would increase accordingly.

Following the presentation President Meyer requested that any comments be directed to Mr. Mark Nation to forward to Mr. Pardiwala.

**2) Ordinance No. 07-76: Repealing District Ordinance No. 21
(07-10-76)**

Upon a motion by Director Geyer, seconded by Director Lewis the Board approved to adopt Ordinance No. 07-76: Repealing District Ordinance No. 21 in its entirety.

AYES: Geyer, Lewis, McFarland
NOES: Meyer
ABSTAINED: Bearman
ABSENT: None

3) Review draft letter to UCSB regarding connection of San Clemente Housing Project

Mr. Steven A. Amerikaner provided a summary of the letter to UCSB. Director Bearman asked Counsel if the District is required to furnish sewer service to the University. Mr. Amerikaner replied that the District has the ability to treat the wastewater from this development. Director Bearman then commented that the District should take this opportunity to examine the in lieu of property tax fees. Mr. Amerikaner responded that the District has not mentioned in lieu of property tax fees to other properties, and that historically the District has treated each property individually and should do the same with the San Clemente Housing Development. Director Bearman remarked that perhaps the District should change its policy.

Director Lewis inquired of Counsel if the District can be held harmless against any retaliation efforts on the part of the UC Regents. Counsel replied that the letter states if the University does not pay per the agreement then the District can discontinue service.

President Meyer expressed concern that if the District changes its policy for one tax exempt constituent then would it be required to change it for all tax exempt constituents.

President Meyer then asked for public input. The following comments were made.

- The University is owned by the Regents of the University of California and that they are in the housing business.

- The University should not be tapping into the District's infrastructure as they have their own system in place. The community cannot accommodate UCSB's growth.
- Mr. Bruce Murdock read a letter that he submitted to the Board.
- Ms. Norma Geyer remarked that the District needs to develop another policy to handle tax exempt parcels.
- The District is giving the University a subsidy. District reserves have been generated by the people who paid into the system. The University did not. The District definitely needs a policy. Non-profits serve the rate payer. University housing does not.

Director McFarland asked Counsel if the proposed fee is affected by Prop 218. Mr. Amerikaner replied, not if the District has an agreement with the University.

Ms. Norma Geyer questioned whether the District could merge collection systems. Mr. Amerikaner said no since UCSB is not a local government agency and does not fall under LAFCO jurisdiction.

Director Bearman commented that the District needs a property equalization fee.

Mr. Amerikaner advised that the capital facility fee be recalculated as though the building were taking place today.

Director Bearman stated that staff should be directed to redo the letter to the University. Director Geyer suggested that the letter be reviewed by the Management Committee and the fees be examined by the Finance Committee and then return to the Board. Director Lewis added that the letter should include air tight language to avoid any possible lawsuits from the UC Regents. President Meyer then directed the Management Committee to review the revised letter and the Finance Committee to address the applicable fees.

4) Approval of Plan and Schedule for WDR Sewer System Management Plan
(07-10-77)

Upon a motion by Director McFarland, seconded by Director Geyer the Board unanimously approved the Plan and Schedule for the WDR Sewer System Management Plan.

5) Adjustment of General Manager/Superintendent's Salary
(07-10-78)

Upon a motion by Director McFarland, seconded by Director Geyer the Board unanimously approved a 4% salary increase for the General Manager/Superintendent.

Communications

The communications were noted as received.

REPORTS

Operating Report

Staff provided a written report to the Board, which has been made a part of these minutes.

Mr. Mark Nation provided a brief review of said report.

Personnel Committee

Director Lewis provided a report.

Goleta Sanitary District Board Meeting

President Meyer provided a report on the October 9, 2007 Goleta Sanitary District Board meeting.

Goleta Water District Board Meeting

Director Geyer provided a report on the October 9, 2007 Goleta Water District Board Meeting.

City of Goleta Council Meeting

There was no report presented for the October 15, 2007 City of Goleta Council Meeting.

Special Districts Association

President Meyer provided a report.

ADJOURNMENT

There being no further business, President Meyer adjourned the meeting at 9:33 p.m.

Diane P. Powers, Secretary

APPROVED

Larry D. Meyer, President