

**MINUTES OF THE SPECIAL MEETING
OF THE GOLETA WEST SANITARY DISTRICT
UCSB CAMPUS, PARKING LOT 32, SANTA BARBARA, CALIFORNIA
January 27, 2009**

CALL TO ORDER

President Lewis called the meeting to order at 7:15 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

Ms. Alexandra M. Barnhill, Brownstein, Hyatt, Farber, Schreck; Mr. George W. Emerson and Mr. John R. Fox, Directors, Goleta Sanitary District; Mr. Tim Giles, City of Goleta; Ms. Cathy Murillo, Santa Barbara Independent/KCSB

ORDER OF THE AGENDA

There was no change to the order of the agenda.

PUBLIC INPUT

There was no public input presented at this time.

BUSINESS

1) **Discussion of correspondence to District from City of Goleta dated January 22, 2009 entitled "City of Goleta Detachment Proposal"**

Mr. Steven A. Amerikaner reported that he has spoken with Mr. Bob Braitman of LAFCO and that he and Mr. Mark Nation will be meeting tomorrow with both the City Manager and City Attorney from the City of Goleta. He recommended that the Board direct Mr. Nation to engage the services of an engineer and a financial analyst to examine the Detachment Proposal. President Lewis remarked that funds are needed for the Goleta Sanitary District Treatment Plant Upgrade and that rates may increase in the future. Director Meyer commented that he, too has spoken with Mr. Braitman and that the Revenue Neutrality Agreement can be renegotiated if the detachment proposal is successful. Director Bearman noted that it must be money that is motivating the City of Goleta. He suggested that each member of the Board have the opportunity to ask questions that would then be addressed at the next meeting.

Mr. Steven A. Amerikaner replied that he is not yet sure how the Revenue Neutrality Agreement applies to the Detachment Proposal. He added that Mr. Braitman believes that the Revenue Neutrality Agreement no longer applies since it has been nine years since its inception. Mr. Amerikaner acknowledged that the process of detachment is legal under the Cortese Knox Act. He remarked that the City of Goleta should be questioned as to who will provide sewer service and how in addition to treatment and disposal of the wastewater. The cost of the plant upgrade is also a consideration. Mr. Amerikaner made the following two recommendations: (i) hire an engineering consultant and a financial analyst to examine the Detachment Proposal; (ii) create an Ad-Hoc Committee to work in conjunction with Mr. Nation and Counsel. Reports would then be provided by the consultants and the Ad-Hoc Committee.

Director McFarland queried Counsel as to whether LAFCO will require an EIR. Mr. Amerikaner replied that the proposal is exempt from CEQA. Director Bearman asked about the impact to Isla Vista self government and if merging with the Goleta Sanitary District would hurt in this situation. Director Meyer remarked that all the Directors reside in the City of Goleta and was concerned about the establishment of a Board of Directors should the Detachment Proposal succeed. Director Geyer asked if a Director should then live in Isla Vista. Mr. Amerikaner replied that their principal residence must be in Isla Vista and that the Board of Supervisors can fill any vacancies.

Mr. Amerikaner declared that LAFCO has to consider orderly boundaries and that the District needs a map that clearly identifies the areas within and outside the boundaries of the City of Goleta.

Director Bearman wanted to know if the District could sue the City of Goleta.

Director Geyer questioned whether the detachment can be approved without the consent of the people. He then asked if the District can communicate its concerns with its constituents. Director Geyer inquired of Counsel if his firm has had much experience dealing with LAFCO in such situations. Mr. Amerikaner replied that his firm has had a great deal of experience working with LAFCO.

Director McFarland wished to know why the City of Goleta is not detaching from the Goleta Water District and that it appears odd to him that if they are so interested in public services then why detach from the sewer district. Director Meyer noted that the Detachment Proposal came up on such short notice. Director McFarland wanted to know how sewer service would be improved if taken over by the City of Goleta. Director Meyer replied that they would most likely contract out for services and perhaps hire some additional staff. President Lewis expressed concern for the street sweeping program.

(09-01-11)

Upon a motion by Director Geyer, seconded by Director Meyer the Board unanimously approved to direct Counsel and the General Manager/Superintendent to hire both an

engineering consultant and a financial analyst to address the City of Goleta Detachment Proposal.

President Lewis asked if there was a stopper. Mr. Amerikaner answered that he will know more after tomorrow's meeting with the City of Goleta.

**The Board scheduled a Special Meeting for February 2, 2009 at 7:15 p.m.*

President Lewis appointed an Ad-Hoc Committee to address the City of Goleta Detachment Proposal. The Ad-Hoc Committee will consist of Director Geyer (Chair) and Director Bearman. Director Meyer will serve as the alternate.

Mr. Tim Giles, City Attorney, City of Goleta introduced himself and stated that he looks forward to meeting with the District.

Director McFarland responded that the City of Goleta's financial situation is driving this proposal and that it is a deceitful way to secure revenues and subsequently force the sanitary district to raise rates.

Director Geyer inquired if the City of Goleta would honor any treatment plant agreements and that the issue of property tax should be brought to the Board as a separate issue.

Director Bearman commented that the Detachment Proposal does not look orderly. Director Meyer concurred.

ADJOURNMENT

There being no further business, President Lewis adjourned the meeting at 8:17 p.m.

Diane P. Powers, Secretary

APPROVED

Dr. David C. Lewis, President