

**MINUTES OF THE REGULAR MEETING
OF THE GOLETA WEST SANITARY DISTRICT
UCSB CAMPUS, PARKING LOT 32, SANTA BARBARA, CALIFORNIA
January 19, 2010**

CALL TO ORDER

President Geyer called the meeting to order at 7:15 p.m.

BOARD MEMBERS PRESENT

Dave Bearman, M.D.
Craig Geyer
Dr. David C. Lewis
Larry D. Meyer
Eva Turenchalk

STAFF PRESENT

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

OTHERS PRESENT

Mr. John R. Fox, Director, Goleta Sanitary District; Mr. Sudhir D. Pardiwala and Ms. Khan Phan, Raftelis Financial Consultants, Inc.; Mr. Lou Ventura, EMID; Mr. Wayne B. Norris; Ms. Tina Rivera, City of Goleta

APPROVE THE ORDER OF THE AGENDA

There was no change to the order of the agenda.

PUBLIC COMMENT

There was no public comment presented at this time.

MINUTES

(10-01-05)

Upon a motion by Director Meyer, seconded by Director Lewis the Board unanimously approved the minutes of the regular meeting of January 5, 2010 as written.

ACTION ITEMS

1) **Presentation of reports from Raftelis Financial Consultants concerning Detachment Proposal**

Mr. Steven A. Amerikaner informed the Board that the RFC draft report (Comments on Goleta West Sanitary District Financial Review Report Submitted by Bartle Wells Associates) presented at the Board meeting was back-up for the three (3) page executive summary of the same name that was included in the Board agenda packet. Mr. Sudhir D. Pardiwala provided a presentation that addressed the comments that were made in the draft report. He explained that the Bartle

Wells Report included a number of incorrect assumptions. Mr. Pardiwala addressed the most crucial of these assumptions to include: i) rate increases for City residents; ii) use of property taxes; iii) amount of property taxes gained by the City; iv) overestimated cost savings; v) pump station cost allocations; vi) underestimated future capital costs; vii) service to EMID.

Director Bearman inquired of Counsel if the Revenue Neutrality Agreement was still in force and Counsel replied that it was still in effect.

Mr. Pardiwala concluded his report by saying that there will be rate increases for IV residents and significant increases required both for Goleta West Sanitary District and City of Goleta customers. He then summarized the questionable assumptions raised in the Bartle Wells Report to include: i) That the City of Goleta gets all the property taxes and the County receives zero; ii) All property taxes are used for sewer service; iii) Post detachment O&M and capital expenses have been underestimated; iv) Cost savings have been overestimated.

2) Discuss scheduling and meeting time for Board Meetings
(10-01-06)

Upon a motion by Director Bearman, seconded by Director Turenchalk the Board unanimously approved to direct Counsel to draft an Ordinance to change the meeting time for Board meetings and to return with said Ordinance to the next regular meeting.

COMMUNICATIONS

The communications were noted as received.

REPORTS

Operating Report

There were no questions with regards to the Operating Report.

Ad-Hoc Committee Meeting

President Geyer provided a report on the January 14, 2010 Ad-Hoc Committee Meeting.

Goleta Sanitary District Board Meeting

Director Meyer provided a report on the January 18, 2010 Goleta Sanitary District Board Meeting.

City of Goleta

No report was provided.

Goleta Water District

Director Turenchalk provided a report on the January 12, 2010 Goleta Water District Board Meeting.

Special Districts Association

Director Meyer provided a report on the January 6, 2010 SBCSDA Executive Board Meeting.

Isla Vista Recreation & Park District

Director Lewis provided a report on the January 14, 2010 IVR&PD Board Meeting.

Other Director Reports

Director Bearman provided a brief report on the January 2010 CASA Conference.

FUTURE AGENDA ITEMS

There were no future agenda items presented at this time.

**CLOSED SESSION: Real Property Negotiations (Gov't Code sec. 54956.8).
Negotiators: General Manager and General Counsel**

The Board went into Closed Session at 8:29 p.m.

The Board returned to open session at 8:30 p.m. No action was taken upon return to open session.

**CLOSED SESSION: Conference with District Counsel – Anticipated Litigation
Initiation of Litigation pursuant to subdivision (c) of Section 54956.9 (one case)**

General Counsel announced that a Closed Session would not be necessary at this time.

ADJOURNMENT

There being no further business, President Geyer adjourned the meeting at 8:31 p.m.

Diane P. Powers, Secretary

APPROVED

Craig Geyer, President