

**CARPINTERIA SANITARY DISTRICT
IN THE
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

MINUTES

These are the **minutes** of the **regular** meeting of the Governing Board of the Carpinteria Sanitary District in the City of Carpinteria, County of Santa Barbara, and State of California.

The Governing Board of the Carpinteria Sanitary District held a regular meeting on **January 6, 2009**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

Directors Present: Michael Damron– President
Lin Graf – President Pro-Tem
Jeff Moorhouse – Secretary
Pat Horwitz – Secretary Pro-Tem
Doug Treloar – Treasurer

Staff Present: Craig Murray – General Manager
Judy Kirkman – Board Secretary
Hamid Hosseini – Finance Director

Legal Counsel
Present: Anthony Trembley

President Damron called the meeting to order, and Director Treloar led the Board, staff and public in the Pledge of Allegiance.

President Damron asked if there were any modifications and/or changes to the agenda. Hearing none, the agenda stood as submitted.

Approval of Minutes of the Meeting of December 16, 2008 – General Manager made the following additions and corrections: Page 5, 1st sentence, “General Manager talked about the collection of fees and charges **on the tax roll**, and said ...”, and in the 8th sentence, the word **which** was added after due charges on the tax roll. On Page 6, 2nd line, “Legal Counsel said what he was looking into was whether or not **a lien** remedy is available in a situation where it is an unauthorized connection,” and the 3rd line was corrected to read – “Legal Counsel said he was not prepared to say, but clearly the District has other enforcement remedies that are in the District’s Ordinance No. 2...” Director Treloar corrected the spelling of **Saugus** on Page 3, 4th line. Director Horwitz made a motion that the Board approve the December 16, 2008 Minutes as modified; Director Graf seconded the motion, and the motion was approved by a 5-0 vote.

Public Forum. None

General Manager’s Status Report - State Budget Letter Regarding Clean Water Grant Programs – The California Department of Finance issued a letter dated December 18, 2008 indicating that grant disbursements for state grant programs, including Prop 84 and

Prop 50 grants, had been frozen due to the State's budget crisis. General Manager said if any grantees had ongoing projects and were to submit an invoice for reimbursement through a grant program, the State would not pay them at this time. General Manager said that for the District's two outstanding grants, we have not yet invoiced the State. General Manager said the Prop 84 CBI grant for the South Coast Beach Communities Septic to Sewer Project and the Prop 50 IRWMP grant for the bluffs Sewer Relocation Project are both subject to the freeze. General Manager reiterated that the District is not at the point where reimbursement requests/invoices are ready to be submitted for reimbursement. Both grant agreements remain intact, and General Manager said the hope is once the budget issues with the State are resolved, the State would be able to sell bonds and reinstate reimbursements for affected grant programs. General Manager said staff is continuing to work on compliance with the IRWMP grant by working with Kennedy/Jenks Consultants and the group of cooperating partners to deal with grant administration. Director Horwitz asked if one of the stipulations that the Board had in approving the design of the Bluffs project was that these funds were going to be available, and if the process should be slowed down until the District was sure it would receive the funds. General Manager said for the Prop 50 IRWMP grant, the Board had committed a 50% match for implementation of the grant, and reimbursement would come in the construction phase. Director Horwitz asked if the District would have gone ahead with this project without the grant funds. General Manager said he could not answer this. It was a Board decision made at a time when the District was going to get the grant funding to help the project along. Director Horwitz said the District had an approved contract for the design of the pipeline and wanted to know if those designs would still be adequate in five years if the District did not receive the funding and the project had to slow down. General Manager said he thought the designs would hold up. It's a pipeline design, and General Manager said he did not think there would be new technologies that would warrant the District putting the brakes on the design phase. General Manager said a decision might be made to hold off on the environmental review phase. General Manager said he thought the budget issues would get sorted out sooner than later, and the State of California would be able to sell bonds that the voters have approved. Director Treloar said one or both of these grants had a specific time period, and asked if the District's time would be extended due to the State putting a freeze on the funds. General Manager said he had not received an answer to that question, but he expected the State to extend the time period; **Emergency Generator Repairs** – During routine exercise/testing of the District's emergency generator, a component of the generator control system failed and a portion of the plant motor control center failed to reenergize when Edison power was restored. A contractor came out and took care of the problem, but it was determined that part of the control system for the backup generator needed to be replaced. General Manager said this was an item that would be included in the mid-year budget adjustment to be considered as an item later on the agenda; **Operations Update** – The Treatment Plant and Collection System are operating fine. Annual reports for the treatment plant were submitted to the RWQCB. A contractor, working for Cox Cable, installing some telecommunications conduit in the business park area bored through one of the District's laterals that serves a commercial building on Cindy Lane. The District engaged a contractor who came out and identified the problem, exposed our line and made the repairs. Cox Cable was notified, and their contractor was cooperative, so those costs will be back charged to Cox Cable. Director Treloar asked if this was discovered right away. General Manager said unfortunately the customer saw they had some backup issues shortly after the telecom work was done and called a plumbing contractor. The plumbing contractor came out and proceeded to replace lines underneath their foundation. The customer was appreciative of the District staff's efforts once the problem was identified. General Manager said the District received the new CCTV van and it was delivered to Advanced Infrastructure Technology, who was working on the buildout and the installation of the CCTV equipment.

Delivery is expected in early February 2009. Investigation is continuing into the Serena Park area connections and will be something that will come back to the Board on a future agenda.

President Damron said there were two speaker slips from the public to speak on this item. The first speaker was Jaleh White who asked why the homeowners had not been informed about the freezing of grant funds. Giti White encouraged the Board to update the homeowners in the various communities affected by the freezing of the grants, and also encouraged the Board to assess whether there would be funds available to build the project. Ms. White said the District had a small reserve, and asked if the money collected, along with the bonds sales, would be sufficient. Ms. White urged the Board to disclose to homeowners if there would be further assessments if the freeze is protracted. Ms. White voiced her concerns regarding the Bluffs line relocation.

FY 2008/09 Mid-Year Budget Adjustments – General Manager said he'd like to give kudos to the District's Finance Director for keeping on top of the budget and helping to get the mid-year information together. General Manager said this mid-year period paints a picture for staff's performance to date through the first half of this fiscal year. General Manager said the District almost did not need a mid-year budget review, and very few changes to the Operations budget were necessary. General Manager said all changes amounted to \$108,200, representing a 3.6% increase. General Manager said there were two changes to the Capital Improvement Program (CIP) budget for two projects already approved by the Board.

General Manager went over the following proposed changes to the General Expenses category: There was a decrease of \$7,000 in the Director Election Expense account, since there were not any challengers to the incumbents. There was a slight increase of CASA dues, resulting in an increase of \$500 to Membership and Dues. General Manager said the IRS mileage rate had gone up, so there was a proposed increase of \$600 to the Employee Mileage Reimbursement account proposed. General Manager said under Supplies and Equipment, Odor Control Chemicals, staff was proposing a decrease to this account by 50% or \$30,000 due to a change in the District's approach to completing scrubber media replacement. General Manager said instead of hiring a contractor to do the entire process, District staff would be removing spent media and replacing it with new carbon using in-house equipment. General manager said he talked earlier about the proposed increase in the Equipment Maintenance account of \$8,500 due to the replacement of the automatic transfer switch for the main plant backup generator, which could not have been anticipated. General Manager said this item had been added to the Mid-Year Adjustments since the Finance Committee had reviewed the proposed changes. Director Graf asked if the transfer switch had failed due to the age of the switch. General Manager said it was in service about fifteen years, and it had worked the last time it was tested. General Manager said staff was proposing an increase of \$15,000 to the Computer Related Expenses account directly related to ongoing expenses necessary to update and maintain the District's Supervisory Control and Data Acquisition (SCADA) computer system. General Manager said one of the things staff was talking about doing for the next budget year was separating Computer Related Expenses from SCADA expenses. General Manager said the SCADA system monitors and reports all of the District's plant operations.

General Manager said under Other Expenses relating to the LAFCO pro-rated cost account, an increase over the prior year's LAFCO budget resulted in a higher than expected cost to the District. General Manager said on the Septic to Sewer Recoverable Expenses this account had been a catchall for project-related expenses for the Septic to Sewer Project. General Manager said, ultimately, the District expects to recover some or all of the expenses through the bond proceeds or by other means. General Manager said the proposed increase of \$120,000 included a \$35,140 expense to the County that the Board was familiar with due

to a charge to by the County Elections Office to cover the cost of the special annexation election that was conducted, and legal defense costs, not anticipated, amounting to approximately \$75,000.

General Manager said under Capital Improvement Projects there were two changes that were previously authorized by the Board. The first project was the Lift Station #5 Rehabilitation project. General Manager said due to inflation and a modest expansion in the scope of work, the Board had previously approved an increase of \$40,000, and the mid-year adjustment revised that budget to \$150,000. General Manager said the other project was the Bluffs Sewer Relocation-Design Phase, which the Board previously approved an increase of \$70,200 to cover development of the design scope of services and a larger than anticipated effort related to trenchless construction of specific pipeline segments. General Manager said the revised budget is \$220,200.

General Manager said staff reviewed all the financial information and the proposed changes were discussed with the Finance Committee, with the exception of the generator expense. General Manager said he would be happy to go through any of the attachments, the budget snapshot, budget spreadsheets or the Capital Improvement Project summary, but it was staff's recommendation that the Board approve the Board Finance Committee's recommendation that the proposed modifications to the FY 2008/09 budget be approved as presented.

President Damron called upon the public who had submitted a speaker's slip for this item: Giti White talked about the Septic to Sewer mid-year adjustment to the budget and urged the Board to look at the expenses carefully, characterize them accurately and disclose them to the homeowners.

Director Treloar said, as Chairman of the Finance Committee he would like to make a motion that the Board approve the mid-year budget adjustments as recommended; Director Horwitz seconded the motion. Director Treloar said he had a concern on the Employee Mileage Reimbursement and that staff should use the District vehicles and not their personal vehicles as much as possible. Director Treloar said the District had a very efficient, economical vehicle and wanted to make sure it was used. Director Moorhouse said the District's fleet of one vehicle was getting used like it was intended. President Damron called for the vote, and the motion was approved by a 5-0 vote.

Dedication of Sewer Facilities at 3315 Padaro Lane – General Manager said this was the main sewer extension that was completed in 2007. A Notice of Completion on this project was filed in January 2008, and the one-year maintenance period was complete. General Manager said this was a very short extension at the western end of Padaro Lane completed by one property owner. General Manager said the facilities included a gravity sewer main, one manhole and all other sanitary sewer appurtenances required to serve the residence located at 3315 Padaro Lane. General Manager said the lines were inspected and found to be in acceptable condition through CCTV inspection after a one-year period, and it was the recommendation from staff that the Board approve the dedication of the sewer facilities constructed at 3315 Padaro Lane, APN 005-400-033 and authorize recordation with the County of Santa Barbara.

Director Horwitz made a motion that the Board accept the dedication of sewer facilities constructed at 3315 Padaro Lane, APN 005-400-033, and authorize execution by the appropriate District officials and recordation thereof; Director Graf seconded the motion. Director Treloar said his concern with reading the Notice of Completion was that the new single family dwelling was not scheduled to be completed until 2008/09. Director Treloar said the one-year maintenance was up, and if it hasn't been used how does the District know that it will perform. General Manager said the TV inspection that was done followed the

upstream users. General Manager said it does show that the line is flowing. General Manager said during the one-year maintenance period the District looked mainly for load shifting of the pipe where an offset or belly might have developed that wasn't evident at the time the structure was accepted.

President Damron called for a vote, and the motion was accepted by a 5-0 vote.

Sewer System Management Plan Development – Adoption of Updated SSO

Response Plan - General Manager said this was an important document for the District. It is the guidelines on how to deal with a sewer overflow, whether it is from a main sewer, lateral or backup affecting private property. General Manager said the document submitted to the Board was replacing the District's current Sewer Overflow Response Plan that had been in effect since the mid 1990's. General Manager said this document was an improvement and also a requirement of the Statewide WDRs for sewer system management. General Manager said this statewide permit program was intended to reduce the number and severity of SSOs and minimize associated impacts to waters of the State. General Manager said the final SSMP was not required under the order until August 2, 2009, but one of the components of the plan was the preparation of the SSO Response Plan that meets specific requirements set forth in the Waste Discharge Requirements.

General Manager said the SSO Response Plan was updated and addressed protocols for response, cleanup, restoration, mutual aid, contractor/vendor support, notification and reporting. It also addresses some requirements set forth by CSRMA.

General Manager said he asked the Board to review the document to be aware of the procedures in place, and it was also a requirement of the State as part of the WDR that the Board approve certain components. General Manager said a few months back the Board approved a schedule for SSMP development.

General Manager said it was staff's recommendation that the Board approve the District's SSO Response Plan dated December 2008.

Director Horwitz made a motion that the District's Sanitary Sewer Overflow Response Plan dated December 2008 be approved as submitted; Director Graf seconded the motion.

Director Graf asked who was authorized to respond to the media in this plan. General Manager said what was written in the plan was for staff to not give comments at the staff level, but to direct them to speak with the District's General Manager or Operations Manager. General Manager said at times it was unclear when responding to an overflow what the cause is or who is responsible. Director Horwitz said the plan said generally public comments should not be made by responding staff. Director Horwitz said maybe in the training it could be addressed. General Manager said it had been discussed with staff, but a section could be added to this document. Director Moorhouse said there was a whole section on how to deal with private property owners. Director Moorhouse said the section on public comments on page 7 is vague, but is clear. General Manager said some of the District's supervisory staff have attended training on how to deal with the media under a crisis situation.

Director Treloar said he had concerns when reading the plan that said the protocol was that the responding person should contact a specific person. Director Treloar asked what would happen if that specific person was on vacation, and is there a chain of command. Director Treloar said he thought it was too specific. Director Treloar asked if this was strictly an in-house document. General Manager said this was a public document, but it was the District's internal guidelines for response. Director Treloar asked if CSRMA had guidelines for the District to follow, and were there other examples for the District to follow. Director Treloar said he would like the District present this to CSRMA so other agencies could benefit from our knowledge and experience. General Manager said the District did look at the City of Santa Barbara's emergency plan, Goleta West Sanitary District's emergency plan, and the District's existing SSO response plan. General Manager said he would be happy to send it to

CSRMA to use as a model. General Manager said Appendix G used Incident Claim Forms, Livability Assessment Flow Chart, Customer Information Regarding Sewer Backup Plan and the Hotel Authorization Form are all from CSRMA.

Director Horwitz modified her motion for the Board to approve the plan with modifications to be included in the plan or in training; Director Graf seconded the modified motion, and the motion was approved by a 5-0 vote.

Board Committee Reports

Finance Committee – did not meet. Director Moorhouse asked if the revised budget approved earlier on the agenda showed the District’s ratio at 1.42%, and considered to be more than adequate reserves for the District. Directors Horwitz and Treloar, members of the Finance Committee, said yes. Director Treloar said the District was required to have 1.25% in reserves.

Personnel Committee – did not meet.

Public Relations Committee – did not meet.

Board General Items

CASA Legislative Committee Report – Director Moorhouse said the Governor released the State budget on December 31st. Director Moorhouse said the proposed budget does not impact the EPA or the SWRCB budget. The budget includes an increase of 2.9 million to provide grant funds to small disadvantaged communities for various wastewater projects. Director Moorhouse had copies of final bills of 2008 and CASA’s annual report to file with the District. Director Moorhouse said he received the Omnibus Act of 2009 document that had a couple of issues dealing with marking subsurface installations and underground utilities that CASA asked for comments from agencies. Director Moorhouse said an omnibus bill are bills grouped together and are supposed to be noncontroversial in an attempt to get them all passed as one bill. Director Moorhouse also filed a copy of the history of CASA with the District.

Future Agenda Items – Public Relations Committee - Open House.

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:24 p.m.

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary