

**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 15, 2013**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

Directors Present: Jeff Moorhouse – President
Mike Modugno – President Pro-Tem
Michael Damron – Treasurer
Lin Graf – Secretary
Gerald Velasco – Secretary Pro-Tem

Staff Present: Craig Murray – General Manager
Kim Garcia – Board Clerk
Hamid Hosseini – Finance Director

Legal Counsel
Present: Anthony Trembley – Musick, Peeler & Garrett, LLP

Public Present: None

President Moorhouse called the meeting to order and asked Director Damron to lead those present in the Pledge of Allegiance.

President Moorhouse noted for the record that Director Velasco had not arrived, but would be arriving shortly.

Board Approval of Agenda - President Moorhouse asked if there were any modifications and/or changes to the agenda. Hearing none, President Moorhouse said the agenda was approved as submitted.

Board Approval of Minutes of the Meeting of December 18, 2012 – Director Modugno made a motion that the Minutes of the December 18, 2012 Regular Board meeting be approved as submitted; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

President Moorhouse noted for the record that Director Velasco had just arrived to the meeting.

Public Forum – None.

General Manager's Status Report – General Manager reported on the following: **Quarterly Incident Report** – The Quarterly Incident Report for the period October – December 2012 was presented to the Board. This report detailed incidents, complaints and other customer interactions received during this period. **Staff Professional Certifications** – General Manager reported that Paul Sweningson successfully passed the SWRCB Grade III Operator Certification exam. Casey Balch successfully passed the Grade II Operation Certification exam, as well as the Grade I Treatment Plant Maintenance and Collection System Maintenance exams offered through CWEA's Technical Certification Program. Copies of recognition letters from the Board President were attached to the Board packet for review. **SAMA Meeting Report** – General Manager said he and Mark Bennett attended the January meeting of the Sanitation Agency Managers Association held at the City of Santa Barbara's El Estero WWTP on January 9th. The speaker was Larry Fay, the new Environmental Health Director for the County of Santa Barbara. A good discussion followed on coordination with wastewater agencies on on-site wastewater issues, SSO reporting, and beach closure posting. Montecito Sanitary District reported on testimony given by Dr. Edo McGown at the Regional Water Quality Control Board hearing held on their NPDES renewal. His concerns related to contaminants of emerging concern in wastewater discharges to the marine environment were heard by the Board but did not affect the permit renewal process. **Solar Project Opportunities** – General Manager said he and Director Modugno met with representatives from Chevron Energy Solutions to discuss potential for solar energy projects at District facilities. The breakpoint seems to remain at around 5 acres to fully leverage financial incentives and generate sufficient power during peak periods. There is insufficient space at the District facility to really make a solar project pencil out. **Digester Replacement Project Update** – General Manager said a half-day workshop was held with Carollo's project manager and project coordinator. The goal was to address a number of critical site layout issues and project parameters. We expect to receive the Preliminary Design Report within the next 6 six weeks and which will presented to the Board. **Paperless Agenda Process Update** – General Manager said based on previous direction, tablet devices were procured for those Board members electing to use a District owned reader for Board and committee agenda packets. The District's Office Manager distributed the iPads to the three Board members. A device use policy will be considered at the next regularly scheduled meeting of the Board. **Operations Update** – General Manager said the operations staff has been responding to recurring problems with the sodium bisulfite chemical used to dechlorinate treated effluent prior to discharge. The collections system is operating well. No SSOs or other significant problems have occurred since the last Board meeting. Collection staff completed CCTV inspection and an extensive effort to clean the line crossing under Carpinteria Creek from the Concha Loma neighborhood. Operations staff completed installation of the polymer blending unit and associated plumbing. This capital project, completed within budget, provides operational flexibility and system redundancy. Staff is working to finalize an update to the District's standard construction specifications and standard details. Grease interceptor inspections were conducted recently, and for the most part the restaurants are doing a good job on maintenance. Several new residential connections have been made or are in progress, including dwelling units on Serafin Way, Dorrance Way, Third Street and Padaro Lane.

FY 2012/13 Mid-Year Budget Review – General Manager said a number of years ago, the District discontinued the practice of formally amending its annual operating budget at the mid-point of the fiscal year. At the request of the District's Finance Committee, staff has provided a summary report of year to date expenses for each individual account where a variance from the budgeted amount is expected.

General Manager said account 5241, Uniform Expenses, realized some unanticipated costs associated with staffing changes during the fiscal year that necessitated uniform purchases. An overage of about \$2,000 is expected.

General Manager said account 5521, Odor Control Chemical Expenses, had an approved budget for the current fiscal year of \$35,000. Recent testing of odor scrubber media has preliminary indicated that the media beds in both odor control units may need to be replaced entirely. Original budget projections anticipated replacement of only a portion of the scrubber media. If further testing confirms the need for complete replacement, staff anticipates a total cost overrun of approximately \$15,000.

General Manager said account 5831, Legal Counsel, had an approved budget for the current fiscal year of \$24,000. Although there are no significant ongoing legal matters, a straight-line projection through the end of the fiscal year would result in an overage of approximately \$2,000.

General Manager said in the first half of fiscal year 2012/13 the District has completed several capital improvements projects including the Bluffs Sewer Relocation Project, Lift Station 3 Pump Replacement, Polymer Blending System and Headworks Mechanical Bar Screen Overhaul Projects. Each of the projects was completed within the approved capital budget and no amendments or budget augmentations are proposed.

General Manager said District staff is confident that we will complete the 2012/13 fiscal year well within the total projected annual operating budget of \$3,208,100. The minor variances in individual accounts will be offset by more significant savings in other accounts.

DOT Substance Abuse and Alcohol Testing Policy Update - General Manager said the Omnibus Transportation Employee Testing Act of 1991 and the U.S. Department of Transportation Federal Motor Carrier Safety Administration require employers to establish, implement and maintain an effective DOT Substance Abuse and Alcohol Testing Policy. The policy applies to certain District staff members who possess a commercial driver's license who drive vehicles in excess of 26,000 pounds.

General Manager said attached to the Board packet for review is a copy of the revised District DOT Substance Abuse and Alcohol Testing Policy which has been updated to fully comply with current regulatory requirements and better reflects actual practice and procedures on the part of the District and its outside testing facility and administrator. Some of the changes include updates to the numerical testing cutoff values of each substance for which testing is required and elimination of sections related to a formalized rehabilitation and employee assistance program that is not currently in place.

Staff recommended that the Board adopt the updated version of the District's DOT Substance Abuse and Alcohol Testing Policy as submitted.

Director Graf made a motion that the Board adopt the revised Carpinteria Sanitary District DOT Substance Abuse and Alcohol Testing Policy. Director Damron seconded the motion, and the motion was approved by a 5-0 vote.

Tiered CalPERS Retirement Benefits for New Employees - General Manager said the California Public Employees' Pension Reform Act of 2013, known as PEPRA, was signed into law by Governor Brown late last year and became effective on January 1, 2013. PEPRA affects new CalPERS member who enroll on or after January 1, 2013. New provisions affect benefit formulas, the definition of what comprises pensionable earnings, limits on pensionable earnings and other matters. The new law also calls for new members to pay 50 percent of the normal cost of benefits and strengthens the rules involving pension forfeiture for public employees and elected officials who commit job-related felonies.

General Manager said the District anticipated receipt of a new CalPERS contract that would detail the tiered benefit program. It now appears that the Tier II benefits for new members, which apply state-wide, will become effective automatically and has been reflected in the CalPERS on-line reporting system.

General Manager said current CalPERS members will now be termed as classic members and all District employees fit this description. Classic members will maintain their current benefit in the Tier I classification (2% @ 55 Miscellaneous benefit, final year compensation, compensation cap set by IRS guidelines, and Employer Paid Member Contribution) remains in effect and no normal cost contribution is required. All new hires after January 1, 2013, who don't meet the reciprocity guidelines, will fall into the Tier II benefit schedule. Tier II includes 2% @ 62 Miscellaneous benefit, three-year average final compensation, \$136,440 compensation cap for 2013 and is subject to CPI adjustments, PEPRA does not allow employers to pick up any portion of the employee share and mandates employees to pay 50% off the normal cost up to 8%.

General Manager said at this time, there is no Board action required to implement the tiered CalPERS benefit arrangement. District staff is in the process of updating the District's Personnel Rules and Regulations to reflect the mandated changes to the retirement benefit.

Board Workshop Planning - General Manager said in 2012 the District Board confirmed interest in pursuing a Board workshop. District staff is seeking direction with regards to workshop content and scheduling.

President Moorhouse asked members of the Board to provide input. There was discussion and ultimately a consensus to distribute, at the next regularly scheduled Board meeting, a copy of the report document that was prepared to summarize the outcome of the previous Board workshop which took place in 2008.

General Manager said District staff will also provide an array of potential items that may be discussed during the workshop for the Board to review and to determine priority levels.

Finance Committee - Director Damron reported that a meeting of the Finance Committee was held Friday, December 21, 2012 at 8:30 a.m. The committee reviewed the monthly reports.

Personnel Committee - Did not meet.

Public Relations Committee - Did not meet.

CASA Legislative Committee Report - Director Moorhouse reported that he would be attending the Legislative Committee meeting at the upcoming CASA conference.

LAFCO Report - None.

SBCSDA Report - None.

CSRMA Report - None.

Board Member Vacation Dates - None.

Future Agenda Items - None.

Adjournment. There being no further items to discuss, President Moorhouse adjourned the meeting at 6:27 p.m.

Jeff Moorhouse
President

Lin Graf
Secretary

Mike Modugno
President Pro-Tem

Gerald Velasco
Secretary Pro-Tem

Michael Damron
Treasurer