

**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 19, 2010**, 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 asked Director Horwitz to lead the Board and staff in the Pledge of Allegiance.

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

Approval of Minutes of the Meeting of December 15, 2009 – Director Treloar made a motion that the minutes of the December 15, 2009 Board Meeting be approved as submitted; Director Graf seconded the motion, and the motion was approved by a 4-0 vote. Director Horwitz abstained since she was absent from the meeting.

Public Forum – None

General Manager's Status Report – General Manager reported on the following:
Carpinteria Emergency Response Exercise – General Manager said he participated in an all-day tabletop emergency response exercise on December 16, 2009, held at the Carpinteria Summerland Fire Protection District offices. The exercise simulated a train derailment and associated chlorine gas leak that affected the City of Carpinteria. General Manager said his role during the exercise involved working with Matt Roberts from the City of Carpinteria on response logistics. A debriefing was held following the exercise and a full evaluation report is being prepared; **Reimbursement of Prior Septic to Sewer Project Expenditures** – The Santa Barbara County Board of Supervisors approved a motion, at their meeting on January

5, 2010, authorizing reimbursement of \$67,000 to the District for unrecoverable costs incurred during the first Rincon Point assessment district formation process in 1999 and 2000. These funds were part of the Onsite Wastewater Treatment System Remediation Program, a state grant administered by the County public Health Department. General Manager said Director Horwitz and the District's Engineering Technician, Lance Lawhon attended the meeting on January 5th; **CASA Mid-Year Conference Report** – General Manager said Directors Moorhouse and Damron and he attended the CASA Mid-Year Conference in Desert Springs on January 13-15, 2010. Overall, it was a good conference with good information. General Manager said Director Moorhouse would report on the CASA Conference a little later in the meeting; **Bluffs Sewer Relocation Project Update** - The land use permit application submitted to the City of Carpinteria was reviewed by IDAG, the Interdepartmental Advisory Group with no major concerns from the participating agencies. The City determined the application incomplete and required written authorizations from private property owners affected by the proposed project prior to processing. Penfield & Smith is working to obtain these authorizations, concurrently with construction and utility easements; **Western Padaro Lane Main Sewer Extension** – District staff met with representatives of a property owner at the western end of Padaro Lane who is proposing a main sewer extension to obtain public sewer service. The parcels in question are currently located within the Summerland Sanitary District service area, but are not being serviced by Summerland Sanitary. A formal detachment and annexation proceeding will be required through LAFCO. Preliminary plans were reviewed and the project was found to be feasible. A sewer construction agreement and a reimbursement agreement will be required for the project to proceed. The project will be funded by the project proponent; **Safety and Training Officer Recruitment** – Interviews were held on January 5, 2010 with the top four ranked candidates for the Safety and Training Officer position. The panel asked two of the candidates to return for a second interview, which will be held on January 21st, at which time they will present a mock safety training session; **Information Request for Texas Case** – An attorney representing CertainTeed Corporation requested information regarding the District's standards for pipeline construction in the early 1960's related to a case pending in Texas where an individual claims to have laid asbestos cement (AC) sewer pipe in Santa Barbara, Montecito and Carpinteria in 1963-64. Staff transmitted a copy of Ordinance No. 1 and the sewer construction standards that were in effect during that period. District records and comprehensive pipe inventories indicate that we have no AC main sewer pipe within our system. The District standards at that time allowed only vitrified clay pipe or cast iron pipe; **Plant Water System Upgrade Project Report** – The CIP project to upgrade the plant water system and reinstate the hydropneumatic tank has been completed. ProSys completed installation of a new control panel and related control equipment. Piping and plumbing improvements were completed by District staff. This coordinated effort resulted in a successful and cost-effective project. General Manager said in the first four weeks of operation the 20 horsepower vertical turbine water pump ran a total of 36 hours, instead of the 672 hours under the pre-project condition. Substantial energy savings will be realized, and a SCE rebate of nearly \$5,000 is pending final inspection by SCE staff; **Montecito Sanitary District Outfall Dispersion Study** – Researchers from UC Santa Barbara completed a study evaluating the fate and transport of the effluent plume from the Montecito Sanitary District's Ocean Outfall. The study was promoted by Heal the Ocean and funded in large part by a State Water Resources Control Board grant. General Manager said a copy of a recent *Santa Barbara Newspress* article on the study, along with a copy of the Executive Summary from the study was attached to the Staff Report; **Operations Update** – The Treatment Plant is operating fine and in full compliance with our NPDES Permit. The Collection System is operating fine with no sewer overflows reported during the period. Staff is working on a Report of Waste Discharge, which is essentially the application for renewal of

the District's NPDES discharge permit. District staff, with support from an electrical contractor, are upgrading the controls and wiring at Lift Station No. 2 to begin operation of the variable frequency drives that were installed concurrent with replacement of the pumps in the second half of 2009. The new operating procedure will have benefits downstream. Staff replaced the odor scrubber media during the week of December 28th with no problems or issues. The SCADA upgrade project is underway. Software and hardware have been procured and AIA Automation has started the programming. Staff is working on an annexation proposal for the Dahlia Court expansion proposed by people's Self Help Housing. The property is in escrow and the application will be submitted once the sale is complete.

Task Order No. 5 - Penfield & Smith General Services Agreement Bluffs Sewer Relocation Project Permitting Assistance - General Manager said Task Order No. 5, attached to the Staff Report, would engage Penfield & Smith to assist the District in the permitting and related services for the Bluffs Sewer Relocation Project. General Manager said Penfield & Smith was performing the engineering design for this project and their in-house staff was well suited to assist the District with procurement of an encroachment permit from the City of Carpinteria, an encroachment permit from Caltrans, a utility easement from the City of Carpinteria, and consultation with other state and federal agencies. General Manager said it was staff's recommendation that the Board authorize the General Manager to approve Task Order No. 005 in the amount of \$19,500, pursuant to the as-needed engineering services agreement with Penfield & Smith.

Director Treloar made a motion that the Board authorize the General Manager to approve Task Order No. 005 in the amount of \$19,500, pursuant to the as-needed engineering services agreement with Penfield & Smith; Director Horwitz seconded the motion, and the motion was approved by a 5-0 vote.

FY 2009/10 Mid-Year Budget Adjustment - General Manager said modifications to the FY 2009/10 Operating Budget and CIP Budget were being presented to the Board with a recommendation by the Board Finance Committee. General Manager said the Board Finance Committee had reviewed and discussed staff's mid-year budget adjustment recommendation for the 2009/10 fiscal year. General Manager said District staff had reviewed each account within the current year operating budget, considering expenditures to date and projected expenses through the end of the fiscal year. General Manager said there were no proposed changes to the revenue section of the budget. On the expense side, a net increase of \$29,000 was proposed, representing a 1.0% increase over the original budget estimate of \$2,960,800, and one change to the FY 2009/10 Capital Improvement Program (CIP) budget was proposed.

General Manager said there were three modifications. The first modification was for Account Number 5290 - Licenses and Permits. General Manager said the District was obligated to pay \$9,000 for three Minimum Mandatory Penalties assessed by the State Water Resources Control Board for NPDES permit violations that occurred in 2006 due to unanticipated upset conditions resulting from a protracted clarified rehabilitation project.

General Manager said the second modification was for Account Number 5521 - Odor Control Chemicals for \$20,000. General Manager said based on media testing and analysis results, the District's dry scrubber odor control units require media replacement in several passes during the current fiscal year to maintain compliance with our Air Pollution Control District permit requirements. This expenditure had originally been programmed for the 2010/11 fiscal year, but had been authorized by the Board of Directors in a prior action.

The third modification to the FY 2009/10 budget was an increase of \$20,000 to the Capital Improvement Projects fund for the SCADA System Software Upgrade. General Manager said this project was approved by the Board in the current fiscal year budget with a budget of \$60,000. Detailed project planning and scope development activities identified

resource and equipment needs that increased the overall project cost. General Manager said the Board had previously approved the \$20,000 increase to the budget for this capital project and this mid-year adjustment was reflective of that action.

General Manager said all three modifications included in the mid-year budget adjustment had previously been approved by the Board, and it was the recommendation of the Board Finance Committee that the proposed modifications to the FY 2009/10 budget be approved as submitted.

Director Treloar made a motion that the Board of Directors approve the mid-year budget adjustment as recommended by the Board Finance Committee; Director Horwitz seconded the motion, and the motion was approved by a 5-0 vote.

Policy and Procedure for Annual Employee Cost of Living Adjustment (COLA) –

General Manager said an Adhoc COLA Committee was appointed by the Board President, after discussion and direction from the Board at a previous Board meeting, to review historical practices and policies related to the annual employee Cost of Living Adjustment (COLA). General Manager said the committee met and determined there were no written policies or procedures consistent with historical practice. General Manager said this policy puts into writing what the District had been practicing. This policy was presented to the Board for their review and information at the December 15, 2009 Board meeting. General Manager said if approved, the Policy and Procedure for Annual Employee Cost of Living Adjustment (COLA) will become a policy supplement to the District's Chapter 3, Personnel Rules and Regulations, Section 3.3.100 Compensation Plan.

General Manager said it was the recommendation of the Board Adhoc Committee that the proposed Policy and Procedure for Annual Employee Cost of Living Adjustment be approved as presented by the Board Adhoc COLA Committee.

Director Graf made a motion that the Board approve the Policy and Procedure for the Annual Employee Cost of Living Adjustment as recommended by the Board Adhoc COLA Committee; Director Moorhouse seconded the motion.

Director Treloar said he had a problem with the second paragraph of the policy that said "It is the intent of the District Board of Directors to provide an employee salary structure that is competitive and in-line with other local and regional and wastewater agencies. The objective is to promote the recruitment and retention of high quality staff members." Director Treloar said he did not like the wording and did not think the COLA should be used to promote the recruitment and retention of high quality staff members. President Damron, a member of the Adhoc COLA Committee, said that paragraph did not refer specifically to the COLA, but was referring to the salary structure of the District.

Director Graf made a motion that the Board of Directors approve the Policy and Procedure for Annual Employee Cost of Living Adjustment as recommended by the Board Adhoc COLA Committee; Director Moorhouse seconded the motion, and the motion was approved by a 4-1 vote. Director Treloar voted nay.

2010 CASA D.C. Conference – President Damron said this item was on the Agenda for the Board's information and to see if any Board Member was interested in attending. Director Damron said he might be attending. Director Moorhouse, a member of CASA's Executive Board, said he thought it would be an important conference. Director Moorhouse said there were several important legislative issues, and this would be a chance for those attending to speak directly with their legislative representatives. Director Treloar expressed his opinion that it would show fiscal prudence to not attend this CASA conference. Several other directors commented that there was good value to the agency in participating in CASA directly, and in attending this conference specifically.

Finance Committee – Director Treloar said the Finance Committee met twice since the last Board meeting. They met on December 21, 2009 and January 19, 2010. At both meetings the Committee went over the usual monthly reports. Director Treloar said at the January 19, 2010 meeting the Committee met with representatives from Santa Barbara Bank and Trust and went over the District’s collateralization contract. The Carpinteria Branch Manager, Anthony Castillo reassured the Committee that the District’s funds were safe, and if there was a takeover the contract would still be honored.

There was discussion regarding the District’s funds and the collateralization contract agreement with Santa Barbara Bank and Trust. Board direction was given to staff to bring this back as an agenda item for a report from the General Manager and discussion at the next meeting.

Personnel Committee – did not meet.

Public Relations Committee – did not meet. Director Graf said the PR Committee would like to schedule a meeting soon to talk about media coverage regarding the reimbursement dollars received related to recoverable costs from the State Water Resources Board for the Septic to Sewer Project.

Board General Items

CASA Legislative Committee Report – Director Moorhouse said General Manager, Director Damron and he attended the CASA Mid-Year Conference held on January 13-15, 2010 in Palm Desert. Director Moorhouse said it was a great conference, and being a member of the CASA Executive Board he got some good feedback from those attending. Director Moorhouse said he attended a lot of good sessions, including the one on PERS. Director Moorhouse said there was a lot of discussion related to the Delta Water issue, and he would continue to monitor this legislative bill. Director Moorhouse said he thought starting the conference a day earlier in the week and ending on Friday, instead of the usual Saturday, was better for those attending.

Future Agenda Items – Report on Santa Barbara Bank and Trust Deposits

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:10 p.m.

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary