

**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 **February 3, 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 - **Absent**
Doug Treloar – Treasurer

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

Legal Counsel
Present: Anthony Trembley - **Absent**

President Damron called the meeting to order, and Director Treloar led the Board, staff and public in the Pledge of Allegiance. President Damron noted for the record that Director Horwitz was absent.

Board Approval of Agenda - President Damron asked if there were any modifications and/or changes to the agenda. President Damron said he'd like to move up item III.A.4 on the Agenda to be heard after item III.A.1. Hearing no other changes or additions, President Damron said the Agenda was approved as modified.

Approval of Minutes of the Meeting of January 20, 2009 – A correction was made on page 2, line 6 to read “The outcome of the case **has** not been determined,...” and on page 5, **CASA Legislative Committee Report** – “Director Moorhouse said he **has...**”, instead of the word had. Director Treloar made a motion that the minutes of January 20, 2009 be approved as modified; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

Public Forum. None

General Manager's Status Report – CSRMA Safety Superstar Award – The District was awarded the CSRMA Safety Superstar Award at the CASA Conference in Indian Wells the end of January. This award is one given to agencies within the CSRMA pool that did not have a workers compensation claim causing a loss time from work for the period July 2007 through June 30, 2008. General Manager said a copy of the award was attached to the Staff

Report, and the District would also receive a plaque and banner. General Manager said a recognition luncheon has been scheduled for this week to thank our employees for their efforts in making this a safe working environment. Director Treloar said it made them happy to see the District has conscientious employees that take safety as a number one issue;

CWEA Tri-Counties Section Plant of the Year Award – The District’s wastewater treatment facility was named “Plant of the Year” by the CWEA Tri-Counties Section, and the trophy for this award is on display in the administration office. There was a press release in the *Coastal View News* acknowledging this achievement on January 29th. As a result of our receiving this award, the District will be hosting the CWEA “Plant of the Year Workshop”, a regional professional training event, in June 2009. Director Treloar asked if the District’s application would be forwarded to the state level. General Manager said the District’s application has been forwarded to the state and the winner would be announced in April at CWEA Annual Conference;

Bluffs Sewer Relocation Project Update – The District received a 30% design submittal from Penfield & Smith that included the geotechnical report. General Manager said the geotechnical report was an extensive report because the project will include a trenchless crossing under Carpinteria Creek and trenchless construction near the Bailard Avenue offramp. General Manager said there was some discussion at the last Board Meeting in regards to this project and the IRWMP grant, and the District is intending to move forward despite a temporary suspension of grant funds by the state. General Manager said he put together a request for proposals for environmental consulting, which at that point would be advanced enough to prepare a CEQA document. Several firms have been asked to submit a proposal for that work, and we expect to receive those the end of this month for the Board’s consideration to offer a contract sometime in March;

CASA Mid-Year Conference Report – General Manager said he attended the CASA Mid-Year Conference in Indian Wells on January 21-24, 2009 with Directors Graf and Moorhouse. The CSRMA training session on Wednesday included a good discussion on accommodation of injured and disabled employees and how you deal with injuries within and outside the workplace. There were some new risk control solutions offered by CSRMA pertaining to loss control and included OSHA compliance documents that were prepared as online templates. These templates will be a big help to the District’s Safety Officer. General Manager said there was also a session on enhancing performance evaluations for employees, which he found valuable. General Manager said a lot of the topics centered on the current budget crisis in Sacramento, and how that will effect local governmental agencies, and forthcoming economic stimulus funding opportunities, which may provide opportunities for funding capital projects. General Manager said he attended the CSRMA Board of Directors meeting where the group approved the audited financial statements and authorized annual dividend disbursements, which for our agency would be about \$11,000 for this year;

CASA “Day in the District” Legislative Day – February 13, 2009 is the day that CASA has identified as “Day in the District”. General Manager said in years past there has been a legislative day in Sacramento, but this year member agency representatives will meet with their legislators in their own field offices. On the District’s behalf CASA has made some contacts with Tony Strickland’s office and Pedro Nava’s office, and the meetings will be held either on or around the date of February 13th. General Manager said he expressed interest on the part of our District to meet, and said perhaps one or more Directors might want to participate, and he would let the Directors know where and when the meetings would occur. General Manager said information was attached to the Staff Report about Legislative Day;

Operations Update – The treatment plant is operating in full compliance with our NPDES permit. A purchase order has been issued to purchase a grit classifier in the District’s headworks area. General Manager said this was one of the District’s approved capital projects for the current year. The collection system is operating fine. Our new CCTV inspection van was delivered today outfitted from Advanced Infrastructure Technologies, and training is being scheduled.

Director Treloar asked when the CCTV van would be on the road. General Manager said the training would be the end of this week or the beginning of next week, and after that the van would be in full operation.

Request to Modify Sewer Service Charge Assessments for FY 2008/09 – Carpinteria Camper Park (4096 Via Real – APN 004-013-019 &20) 1987-1) – General Manager said the District’s Finance Director, Hamid Hosseini, would be able to answer questions on this proposal, as well as Eric Michielssen from Peoples’ Self Help Housing Corporation (PSHHC). General Manager said what was before the Board tonight for consideration was a request to modify the annual Sewer Service Charges for the Carpinteria Camper Park (CCP), located at 4096 Via Real. Carpinteria Camper Park is owned by the Peoples’ Self Help Housing Corporation, which is a nonprofit organization, and their goal is to provide low income housing to members of the communities in which they operate. Dahlia Court in Carpinteria is one of their projects. General Manager said Mr. Michielssen had provided a drawing to pass out to the Board Members showing the proposed development concept for the Carpinteria Camper Park. Historically, the park has been made up of small trailer-type residences. The District currently has a total of 84 equivalent dwelling units assigned to this parcel, resulting in charges of \$512 per unit each year. General Manager said since the Peoples’ Self Help acquired the property, they had been moving toward the development proposal to reduce the density on that site. General Manager said there are 48 trailers remaining on the site at this time, and 42 of them are occupied.

General Manager said PSHHC came to the District and asked for a reduction in the number of units that the District bills them each year for sewer service charges from 84 EDUs to 48 EDUs. This would result in a revenue reduction to the District of approximately \$8,000 in the current year and approximately \$18,000 in future years. General Manager said PSHHC provided a current tenant roster and a copy of a recent Carpinteria Valley Water District bill which indicates a major reduction in water usage over the past twelve-month period. General Manager said their claim that the reduction has already happened is born out in their water bill.

General Manager said it was a fair request based on what they’re proposing to do with that parcel in the future, and it is staff’s recommendation that the Board consider the PSHHC’s request and make a recommendation on how to proceed.

Eric Michielssen from PSHHC reported that their revenue began dropping when families were moved out of the park to other areas. Mr. Michielssen said over the last two or three years they had been moving people into Dahlia Court, as vacancies occurred, and also into Santa Barbara. Presently, there are 41 units occupied, and there are seven other units in various stages of disrepair. Mr. Michielssen said their reduction in revenue, from dropping 36 units of occupancy, was down \$14,000 per month. Mr. Michielssen said they wanted to leave the number of units at 48 because sometimes they have people that will move from one trailer to another, even though they would keep the occupancy level at 42. Mr. Michielssen said they were planning on disconnecting and capping all the sewer connections that were not being used, or whatever the District said was necessary to render them unusable. Mr. Michielssen said they were hoping to start on the redevelopment this year, but with the financial crisis they would probably not start for another year or two. Mr. Michielssen said they were trying to put together a project there to beautify the area, and any help from the Carpinteria Sanitary District would be appreciated.

President Damron thanked Mr. Michielssen for coming to the Board Meeting, and asked the Board if there were any comments or questions. Director Treloar said his big concern was that additional units might be added back during the two to three year time period that is anticipated to develop the property. Director Treloar asked General Manager if the District had the ability to permanently block off those existing connections that were not

in use. General Manager said that if units were added back it would be with an understanding that the District would add back those charges.

Director Moorhouse asked how many units would be there when the property is developed. Mr. Michielssen said the plan is for forty units.

Director Graf asked if the sewer system there was a private system hooking into the District's lines. General Manager said it was, and staff has talked with PSHHC about the different requirements. Currently, they have a lift station that pumps to a manhole on Trieste Lane at Santa Monica Gardens that would not be ideal for a new development. Mr. Michielssen said they have had problems with the lift station, and it would have to be rebuilt.

Director Graf asked if the units would be permanent residences. Mr. Michielssen said they would be regular apartment buildings.

Director Damron said he has been impressed with everything he has seen PSSHC do in this area. Director Damron said he thought this request was very reasonable, and he wholeheartedly supports their request.

Director Graf agreed with Director Damron, and said he lived across the street from Dahlia Court and since they were taken over by PSSHC the difference was like night and day.

Director Graf made a motion that the Board authorize staff to reduce the number of EDUs from 84 to 48 and to make a commensurate adjustment in annual sewer service charges for the Carpinteria Camper Park property; Director Moorhouse seconded the motion. Director Treloar asked if this would create any complications for the District since the numbers have been given to the County to collect on the tax roll. Finance Director, Hamid Hosseini said the County had not paid the second payment, so there would not be a problem with making an adjustment, and the County would send a new bill to the Carpinteria Camper Park.

President Damron called for a vote, and the motion passed by a 4-0 vote.

Cash Contract No. 356 – MNS Engineers, Inc. Lift Station No. 4 Modifications

Project – General Manager said construction began this week on Lift Station No. 4. General Manager said this cash contract was for a proposal from MNS Engineers for construction inspection services on that project. Jim Murphy, who was the inspector on the Collection System Rehabilitation Project, will be the inspector assigned to this project. General Manager said Mr. Murphy was a very appropriate inspector because he lives in the Sandpiper Mobile Home Park next to the project. General Manager said an estimate of time was put together with MNS Engineers for the proposed services that coincide with the project schedule, and this was a very conservative estimate that gives flexibility to cover the project for Lift Station Nos. 4 and 5. General Manager said it was staff's recommendation that the Board approve and execute Cash Contract No. 356 with MNS Engineers, Inc. for construction inspection services on a time and material basis with a not to exceed contract amount of \$28,000.

Director Treloar made a motion that the Board approve Cash Contract No. 356 dated February 3, 2009, between the District and MNS Engineers, Inc. with a not to exceed contract amount of \$28,000; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

City of Goleta Proposal for Detachment from Goleta West Sanitary District –

General Manager said he attended a very interesting Goleta City Council Meeting this afternoon. General Manager said this item had no direct bearing on the District, but is an issue going on between the City of Goleta and Goleta West Sanitary District. General Manager said he attached the staff report from Dan Singer, Goleta City Manager that provided some background information on their proposal and a resolution that was considered by Goleta City Council this afternoon. General Manager said the Council was

moving forward with this LAFCO application to detach from the Goleta West Sanitary District. General Manager said that within the City's boundary, the City of Goleta would take over all the assets of the Goleta West Sanitary District (collection system, manholes, pipelines, pump stations) and assume the property tax revenue stream going forward. The City of Goleta would also take the pro-rata share of the reserve funds that Goleta West Sanitary District has accumulated. General Manager said Goleta West Sanitary District gets a higher fraction of the property tax than most sanitary districts. Our District gets 1% of the 1% tax increment, and they get 5.9% of the 1% increment. It all relates to Prop. 13 and how much they collected before Prop. 13 went into effect and tax exchange agreements that happened around that time. General Manager said the City of Goleta, when they were formed seven years ago, entered into some tax exchange agreements that did not involve Goleta West Sanitary District. A revenue neutrality agreement with the County of Santa Barbara left them with a small revenue of tax compared to other municipalities, and it is now affecting their balance sheet. They are looking for revenue, and that's the purpose of this proposal.

General Manager said today the Goleta City Council heard testimony unanimously opposed to the resolution. Goleta West Sanitary District's legal counsel made a fifteen minute presentation urging the City Council to come to the table first before making a decision. At the end of the day the Council decided they did want to have some public process, and they would form an adhoc committee, but they did not want it to delay the LAFCO application, so the recommended items in the staff report were approved (A, B, C), and in addition they said they would get together with Goleta West Sanitary District and have a conversation.

General Manager said he would be happy to answer any of the Board's questions, but he really just wanted to keep the Board up to speed on what's going on in our general area and what our LAFCO Commission would be considering in regards to this proposal. General Manager said he would keep watching what was going on.

Director Graf asked how they would be able to take over if they were detaching. General Manager said it was the way it's written in the Cortese-Knox-Hertzberg Act that talks about boundaries and formation of agencies.

President Damron asked if Goleta West Sanitary District's boundaries are larger than the City of Goleta's boundaries, or are they completely inside the City of Goleta. General Manager said the City of Goleta's boundaries encompassed parts of Goleta Sanitary District's and parts of Goleta West Sanitary District's boundaries. Goleta West Sanitary District serves Isla Vista, the Winchester Canyon area and some other areas outside the boundaries of Goleta. What would remain for Goleta West would be bits and pieces of an agency that are disparate. President Damron asked where Goleta West Sanitary District's plant was located. General Manager said Goleta West does not have a plant; they are a collection system. General Manager said the City of Goleta was saying they might contract back with Goleta West to provide the service. The City of Goleta feels like they are entitled to the property tax revenue stream that Goleta West has been getting.

Director Graf asked if it appeared as if all the Council was in favor of this. General Manager said they all voted to move forward.

Director Treloar said he was disturbed by the news article that said Goleta West was a private company, and they're not looking at Goleta West as a special district. Director Treloar said there had been talk over the years about Goleta Sanitary and Goleta West Sanitary districts combining. Director Treloar asked if the City of Goleta went in and took it away, would that force Goleta West into folding into Goleta Sanitary.

General Manager said there were a lot issues and he would continue to watch this.

Director Moorhouse said he thought LAFCO's mission in looking at this type of issue, was what's in the best interests of the taxpayer and the ratepayer. If this is going to cause rates to increase, it is not in the best interests of the ratepayer.

General Manager said he did not know exactly if that was one of their missions, but one of their missions was to create logical and orderly boundaries for local government. General Manager said he wasn't sure that would be achieved by leaving Goleta West with fragments of an agency.

Director Treloar asked if it would be in our interests as a sister agency to write a letter to LAFCO. General Manager said that this is an issue that probably Goleta West should elevate to the organizations where they are a member (CASA, CSDA, etc).

General Manager said he hasn't heard anything about this issue in our community, but said times are changing and cities are facing some serious issues with state and property tax revenue.

Director Treloar said when the City of Carpinteria talked about becoming a full-service agency years ago he sat on the committee for special districts. Director Treloar said the city would have to grow and expand many times to cover the District. Most of the people in that visioning process said they did not want the city to grow in the process.

Finance Committee – did not meet.

Personnel Committee – did not meet.

Public Relations Committee – did not meet.

Board General Items

CASA Legislative Committee Report – Director Moorhouse presented a written report and handouts from the CASA Mid-Year Conference to the Secretary to the Board. Director Moorhouse said he attended the CSRMA Training Seminar on Wednesday, all the sessions, working lunch and evening reception on Thursday and all the sessions on Friday. Director Moorhouse said this was one of the best conferences he has attended in a while. A lot of information was shared about the economy going forward. Director Moorhouse said he attended the State Legislative Committee meeting where they talked about some of the bills proposed. The theme is that it is very ugly in Sacramento right now and no stone will be unturned in their quest to find money. Director Moorhouse said they were anxiously awaiting the budget. Beginning this Friday the Governor plans to begin furloughing state employees.

Future Agenda Items – None

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:18 p.m.

Michael Damron
President

Pat Horwitz - **Absent**
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary