

**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 5, 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 - **absent**
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 - **absent**

Public Present: None

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

President Moorhouse noted for the record that Director Damron and Legal Counsel would be absent from tonight's meeting.

Board Approval of Agenda - President Moorhouse asked if there were any modifications and/or changes to the agenda. President Moorhouse said there was one minor typographical correction to the heading of Section III-A, item 3 and the agenda was approved as modified.

Board Approval of Minutes of the Meeting of January 15, 2013 – Director Graf made a motion that the Minutes of the January 15, 2013 Regular Board meeting be approved as submitted; Director Velasco seconded the motion, and the motion was approved by a 4-0 vote.

Public Forum – None.

General Manager's Status Report – General Manager reported on the following: **CASA Mid-Year Conference Report** – General Manager said that he attended the CASA Mid-Year Conference held January 16-18 in Indian Wells. The CSRMA Risk Management Seminar on Wednesday included a variety of risk control topics and presenters. Randy Musgraves, a contracted representative of CSRMA, presented findings from a recent survey on administrative practices of member agencies. A copy of the conference newsletter was attached to the packet. **Sanitary Sewer System WDR – Comments on MRP Revisions** – The District is an enrollee in the State Water Resources Control Board's General Waste Discharge Requirements program. This program was started in 2006 and affects wastewater collection systems and operators throughout the State of California. In 2012 SWRCB staff proposed changes to this program that would have created onerous new requirements for collection system operators. The changes to the WDR were not accepted by the State Board, but they did direct staff to proceed with minor revisions to the Monitoring and Reporting Program, which is an appendix to the WDR. CASA, through Tri-Tac and the Clean Water Summit Partners, have provided comments to the SWRCB on the proposed MRP revisions. The joint response letter was attached to the packet for Board review. **Rincon Septic to Sewer Project Update** – General Manager said the Rincon Point S2S project is moving into high gear. A meeting was held on January 28th with Supervisor Carbajal and management level staff at the County of Santa Barbara to discuss final hurdles including action to grant a permanent easement to the District and issuance of land use permits. General Manager said he met with the project archaeologist to finalize the scope of services required for the pre-construction and construction phase cultural resource investigations. The technical details have been worked out with CalTrans and an encroachment permit is forthcoming. A site meeting was held with the Rincon Colony HOA to address remaining concerns and execute easements for common roadways. The project team is busy completing the bid document for the two projects. **Operations Update** – General Manager said the NPDES Annual Report was finalized and submitted. District staff attached to the report a letter in response to the Compliance Evaluation Inspection Report that was received in early 2012 following a December 2011 inspection by an EPA contractor. The letter objected to several findings and was considered important to get into the record. The treatment plant is operating well and in full compliance with our NPDES discharge permit. The collections system is operating well. No SSOs or other significant problems have occurred since the last Board meeting.

Board Workshop Planning - General Manager said District staff has provided an outline of important governance issues for the Board to consider as potential topics for the upcoming Board workshop. With feedback on desired topics, staff can put together an agenda and informational materials in advance of the workshop. At the Board's discretion details regarding time and date could be set.

General Manager said copies of the Final Reports from the facilitated workshops held in 2005 and 2008 were attached for reference.

Director Graf said he recommends holding the workshop after the CASA D.C. conference which is to be held the week of February 25th.

President Moorhouse said he would like to look at the possibility of holding the workshop on a regularly scheduled Board meeting date in lieu of conducting regular business. Perhaps the first or second meeting of March with a start time of 3:00. Director Graf said the second meeting scheduled for March 19th should be the target date.

President Moorhouse said he would coordinate with District staff to determine topics to be covered in the workshop setting.

Santa Claus Lane Freeway Undercrossing – General Manager said the District provides sewer service to the developed commercial properties on Santa Claus Lane and to the Sand Point residential community. Flow from these areas is conveyed under US 101 in an 8-inch diameter PVC gravity sewer that was installed within a 24-inch diameter steel casing. This crossing has been the source of ongoing problems.

General Manager said the existing pipe does not flow normally and there are problems with the grade that cannot be easily identified or remedied. District staff hydrocleans the lines in this area, including the crossing, at two week intervals. This represents a very significant ongoing expenditure. Customer impacts sometimes result, in the form of slow flowing plumbing and periodic odors.

General Manager said the as-built drawing reflects a non-conventional installation. The existing 24-inch diameter steel casing contains gravel as a means of providing the grade for the 8-inch sewer pipeline. As a result of the carrier pipe not flowing normally, wastewater sits in the pipe on the south side of the freeway, allowing for major grease and debris accumulation.

General Manager said this past week, the Smartcover monitoring system notified staff of a backup within manhole 5D-035 and allowed staff to respond and avoid a potential SSO. For many reasons, there is no easy fix for this problematic pipeline. Data generated by in house equipment to determine incline measured by the camera as it ran through the pipeline, starting at the Santa Claus Lane end to the Via Real side, was distributed for review. Ideally, the data should show negative slope across this line, however, as depicted in the data, slope in the existing pipe is variable presenting extremely high and low spots throughout.

General Manager said a contractor was engaged to excavate the downstream end of the casing at manhole 5D-020 to evaluate the actual in-place conditions. In this area, the ground water is significant and extremely high. A hole was cut in the top of the casing and water was found inside, between the casing and the carrier pipe.

General Manager said District staff intends to develop a project for incorporation as a CIP project for FY 2013/14.

Update Authorized Individuals for District Accounts at Union Bank to Include Finance Director - General Manager said the District has maintained a banking relationship with Santa Barbara Bank & Trust since 1990. Historically, the General Manager and each of the five Directors have been authorized signers on the Districts accounts. The District checking accounts, with the exception of our payroll account, are set up to require two signatures. Generally, the District General Manager reviews and signs the checks and one of the five Directors provides the second signature.

General Manager said the District's Finance Director has historically been designated as an agent for the District accounts at Santa Barbara Bank & Trust. This gives the Finance Director full access to all account information and allows him to initiate wire transfers and certain other transaction, but all transactions must be approved by an authorized signer. The agent designation does not allow the Finance Director to sign check. This arrangement has worked very well and has supported the District's system of internal control.

General Manager said with the completion of the Santa Barbara Bank & Trust merger with Union Bank, certain bank policies and practices are changing. Union Bank does not allow an agent designation in the way Santa Barbara Bank & Trust did. As of March 1st, the District Finance Director will need to be authorized as a signer or be removed altogether. However, removing his name altogether will not allow for any access to account information.

General Manager said it is critical that the Finance Director have access to the District's banking information to perform his job duties.

General Manager recommended that the Board approve a motion to include the Board of Directors, the District General Manager, and the District Finance Director as authorized signers on District accounts at Union Bank, formerly Santa Barbara Bank & Trust. Internal practices will not change. Checks will generally be signed by the General Manager and one Director. When the General Manager is unavailable and a check needs to be issued, we will obtain signatures from two Directors. Having the Finance Director as an authorized signer will provide additional flexibility in the event of an emergency, but the Finance Director role will not change from current standard practice and the level of internal control will not be diminished.

President Moorhouse asked if the two signature policy is an internal policy. General Manager said yes. President Moorhouse said the auditor has shared concerns with respect to the policy of not allowing the check writer to also be a check signer.

Director Velasco suggested that the District should create its own internal written policy which will govern the check signing practice. There was consensus that a policy be drafted and brought back to the Board for consideration.

Director Graf made a motion that the Board approve the Board of Directors, the District General Manager, and the District Finance Director as authorized signers on District accounts at Union Bank and also directing staff to develop a policy regarding check signing internal controls for Board consideration. Director Modugno seconded the motion, and the motion was approved by a 4-0 vote.

Carpinteria Sanitary District Tablet Device Use Guidelines - General Manager said the District Board of Directors has elected to streamline Board and committee packet distribution by approving a paperless Board agenda process. With direction from legal counsel, District staff has developed Tablet Device Use Guidelines, which were attached in preliminary form for consideration. Several amendments were made after the packet had been distributed, therefore a revised red-line copy was provided.

Director Graf made a motion that the Board adopt the Carpinteria Sanitary District Tablet Device Use Guidelines as amended. Director Velasco seconded the motion, and the motion was approved by a 4-0 vote.

2013 CASA Washington D.C. Conference – President Moorhouse said this item was on the Agenda for the Board’s information, and if any member was interested in attending to call the Board Clerk to make arrangements.

Finance Committee – Did not meet.

Personnel Committee – Did not meet.

Public Relations Committee – Did not meet.

CASA Legislative Committee Report – President Moorhouse said he attended the CASA Mid-Year conference and participated in several committee meetings. The CASA Legislative Committee is in the process of monitoring proposed bills, the next meeting is scheduled for March 8th.

LAFCO Report – President Moorhouse said the next meeting is to be held February 7th.

SBCSDA Report – None.

CSRMA Report – President Moorhouse said he participated in the CSRMA Pooled Liability Committee conference call last week.

Board Member Vacation Dates – Director Modugno will not be able to attend the March 5th Board meeting.

Future Agenda Items – None.

Adjournment. There being no further items to discuss, President Moorhouse adjourned the meeting at 6:45 p.m.

Jeff Moorhouse
President

Lin Graf
Secretary

Mike Modugno
President Pro-Tem

Gerald Velasco
Secretary Pro-Tem

Michael Damron
Treasurer