

**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 **March 4, 2008**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

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

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

Legal Counsel
Present: Anthony H. Trembley

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

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

Approval of Minutes of February 5, 2008 - Director Treloar made a motion that the Board approve the February 5, 2008 minutes as submitted; Director Damron seconded the motion, and the motion was approved by a 5-0 vote.

Public Forum. None

General Manager's Status Report: General Manager reported the General Manager's Status Report, usually presented at the end of each Board Agenda, has been moved up on the Agenda to be heard after the Public Forum item. This was a suggestion made at the Board's Workshop held on February 27th. The General Manager's Report included the following: **Digester Blower Project Update** – The new blower was up and running for about 70 hours when the shaft broke in half. The digester was converted back to the old blower and continues to run fine. The new equipment was under warranty and was taken out and sent back to the manufacturer who will install a new blower, probably sometime this week; **Santa Barbara Special District's Association Meeting Report** – Director Moorhouse and the General Manager attended the SBSDA meeting on February 15th in Solvang. Several emails from Mike Dillion, CASA Lobbyist were included in the Agenda packet from the

Legislative Analyst office talking about potentially shifting property tax revenue from enterprise special districts, which will continue to be monitored; **Amendment to Statewide General WDRs for Sanitary Sewer Systems** – This was an action that amended the Monitoring and Reporting Requirements for the Statewide General WDRs for Sanitary Sewer Systems, which require all parties covered under the general permit for sewer overflows to immediately report any overflows within two hours to the State Office of Emergency Services, the Environmental Health Department and the Regional Water Quality Control Board. Director Horwitz asked if someone was working overtime and dealing with an emergency situation, wouldn't it be more important that they deal with the situation than to try to make phone calls. General Manager said he would think so; **Joint Safety Officer Program Update** – Our Safety Officer is working on an Injury and Illness Prevention program (IIPP) for adoption by each of the five participating agencies. General Manager said the District's was updated in the year 2000, so it was due for an update. General Manager said the Safety Officer was trying to develop a uniform document that could be used by all participating agencies. General Manager said it would come back to the Board for adoption when completed; **General Manager's Vacation Schedule** – General Manager said he would be away from the office between March 26th and April 5th on a family vacation, and also traveling to Washington DC with his son's fifth grade class between May 19th and May 23rd. General Manager said he would be gone for the first regularly scheduled Board meeting in April, and the Board could decide at the next Board meeting whether to cancel that meeting or reschedule; **Staff Recruitment Report** – General Manager said the District was recruiting for an Operator II to fill a vacancy in the Operations Department, and the application period closed with two applicants submitting an application. General Manager said he wanted to meet with the Personnel Committee to discuss options going forward; **Operations Update** – The Treatment Plant is running fine and in full compliance with our NPDES Permit. The Biosolids Annual Report was submitted in January to USEPA. A new assurance quality control management program was delivered and installed this week consisting of software and a server combination that will help update the District's procedures for laboratory analysis. The Collection System is operating fine with no sewer overflows to report. Mark Bennett and Mark Rogers attended a CSRMA seminar a couple weeks ago in Santa Barbara. The presenter was retired CHP officer, Gordan Graham, talking about Managing Risk in an Organization. General Manager said if the Board had an opportunity to see and hear Gordan Graham, he was a very dynamic speaker and well worth their time.

South Coast Beach Communities Septic to Sewer Project Update – General Manager said he reported at the last Board Meeting the Boards of Supervisors from both Ventura and Santa Barbara counties called for a confirmation election following receipt of sufficient written protest by LAFCO. On February 7, 2008 Santa Barbara LAFCO affirmed the determination by the LAFCO Executive Officer ordering the confirmation election. It was determined that the election would be conducted by the Santa Barbara County Elections Division, with input from Ventura County Elections. It was decided they would conduct the election by mail ballots to be held on April 22, 2008. Every registered voter within the annexation area, whose registration had been filed by April 7, 2008, would be eligible to vote. General Manager said it was a single annexation area, but encompassed four component areas, representing each of the communities. The ballots will be mailed out the last week of March. General Manager said a copy of the Notice of Election that was published by the Elections Department was published in several local newspapers in accordance with State law. General Manager said the notice set the schedule for submittal of ballot arguments in favor and against the measure. General Manager said LAFCO prepared a copy of the Impartial Analysis for this ballot measure that was approved by the Commission on February 21, 2008 at a special meeting. General Manager said the District prepared and had the

Board President author an Argument for Measure U2008 that was submitted to the Elections Division on February 19, 2008. Hillary Hauser, of Heal the Ocean, also signed the argument in favor of the measure. General Manager said he attached a copy of the argument against Measure U2008, also filed on February 19th from the Elections Division, signed by a number of homeowners within the Rincon Point Community. General Manager said rebuttal arguments were solicited and were due on February 25th. General Manager said the District elected to allow other parties, including individual property owners, Homeowners' Association representatives, and third party interest groups to file a rebuttal argument. General Manager said a public examination period for the submitted materials was now in progress.

General Manager said he met with representatives from the State Water Resources Control Board Division of Financial Assistance last week. General Manager said they talked about the agreement for the Prop 84 grant. General Manager said it would come back to the Board for consideration in the next month or so.

President Graf recognized members of the public who wanted to address the Board on this item. **Giti White** said she was at the Board Meeting to express her concerns regarding both the argument for Measure U2008 and the rebuttal that resulted from CSD's decision to defer and allow interested parties to write a rebuttal. Ms. White talked about aspects of the argument and the rebuttal to the argument against Measure U2008 creating an impression that conflicted with the EIR and CSD Board Members' statements. Ms. White also talked about inaccurate claims regarding the DNA studies and environmental conditions in the project area. Ms. White said the rebuttal also characterized Rincon beach as "one of the most contaminated beaches in Santa Barbara County" but there were other beaches with more contamination; **Doug White** said he'd like to reiterate Giti's comments. Mr. White said he attended most of the Board's meetings and he didn't recall the authorization that led to the decision to allow Mr. Graf to actually take a role in the process, and asked if that had Board approval. General Manager said the question from Mr. White was if there was a Board action to authorize the filing of the argument. General Manager said there was not a Board action. **Jaleh White** talked about LAFCO's special meeting on February 21st and suggested the General Manager get a tape of the meeting to review since several questions had been brought up during the meeting. Ms. White said she was once again voicing her concern that the District was allying with organizations that, according to the District's assessment, was going to get money from the homeowners through the assessment. Ms. White sad she found that very troubling.

President Graf brought this item back to the Board for discussion. Director Moorhouse said the assessment for Measure U2008 submitted to the county was simply a summation of five years of what the District had been doing and was a summary of the facts. Director Treloar asked if there was a drop dead date to spend the grant funds. General Manager said the grant funds needed to be spent by the year 2012. Director Treloar asked if the District could get a letter from Bob Braitman saying that the election was properly noticed this time. General Manager said the election was being conducted by the Santa Barbara County Elections Division and LAFCO was not involved.

Affirmation and Adoption of Vision and Mission Statement for the Carpinteria Sanitary District - General Manager said this was an item brought back from a Board workshop held last week. In January, 2005 the Board developed a vision and a mission statement. General Manager said these statements were reviewed and reaffirmed by the Board at the workshop and staff was directed to present the Vision and the Mission Statement for adoption at its next Board meeting.

Director Damron made a motion that the Board adopt the Vision and Mission Statement as presented; Director Horwitz seconded the motion. President Graf asked if there

were any comments from the public. Hearing none, President Graf called for a vote, and the motion passed by a 5-0 vote.

Change Order No. 2 Collection System Rehabilitation Project Phase 1 – General Manager said this was a change order to Cash Contract No. 331 with Insituform Technologies. General Manager said the Board approved Cash Contract No. 331 in April, 2007, and there had been one (1) change order made to the contract, making the current contract total \$1,136,393. General Manager said work under this contract was essentially complete and approximately 16,000 linear feet of gravity sewer pipe had been rehabilitated. General Manager said a few minor punchlist items and submittals were outstanding, but were scheduled for completion. General Manager said during the construction phase, District staff instructed Insituform to perform some work that was outside the scope of the original contract. General Manager said there was a line on Via Real that had a major point repair prior to lining. At that time, staff requested installation of a manhole at this location. Excavation of a cleanout was necessary to complete lining of a pipe in Sixth Street. General Manager said early in the contract phase, the District directed one of the contractors on this project to use a pipe material that had a grey coating on the interior, instead of black, so when staff televised those lines they would be able to get a better view and picture. General Manager said Change Order No. 2 documents each of the changes and increases the contract price to \$1,190,149.20, still within the allocated budget. General Manager said there could be one more change order coming to the Board that had to do with some work done on the Reynolds offramp, which shouldn't be significant. General Manager said it was staff's recommendation that the Board approve Change Order No. 2 to Cash contract No. 331 with Insituform Technologies, amending the contract price to \$1,190,149.20.

Director Treloar said he was not happy that the Board had change orders to approve after the fact. Director Treloar said he thought it would be better if 10% were added to the original contract to handle these changes as they came up. Director Horwitz asked if a change order was something that let the Board know that something different from the original contract approved had been done. General Manager said this was a change to the construction contract the District has with Insituform, and he thought what Director Treloar was suggesting was that there be some authority granted at the staff level to process and deal with a change order like this item. General Manager said it would be his preference to always bring the changes to the Board before the work is authorized, but in some circumstances it was not possible. Director Treloar said he would like to see the Board give the General Manager authority to exceed the contract by a certain percentage or a certain dollar amount. General Manager said he had been dealing with these kinds of projects his whole career, and it was not uncommon for city councils or boards to authorize some percentage base over the contract amount for change orders when the project is approved.

Director Damron said it should be brought back as a future agenda item and discussed as a concept for future projects.

Director Damron made a motion that the Board approve Change Order No. 2 to Cash Contract No. 331 with Insituform Technologies, amending the contract price to \$1,190,149.20; Director Treloar seconded the motion, and the motion was approved by a 5-0 vote.

President Graf said, for the record, there were no members of the public left in attendance for public comment.

Resolution No. R-205 – A Resolution of Application of the Carpinteria Sanitary District Initiating Proceedings for the Lagunitas Annexation to the Carpinteria Sanitary District - General Manager said this was a parcel on Via Real, south of Bailard, comprised of a new public sewer main, sewer service laterals, sanitary sewer manholes and

property line clean outs for 73 residential units and an 85,000 sq. ft. commercial mixed use development at the project known as Lagunitas. General Manager said at this time it was a single annexation to the District. General Manager said it was staff's recommendation that the Board adopt Resolution No. R-205 requesting that Santa Barbara LAFCO approve the Lagunitas Annexation to the Carpinteria Sanitary District.

Director Horwitz made a motion that the Board adopt Resolution No. R-205 requesting that Santa Barbara LAFCO approve the Lagunitas Annexation to the Carpinteria Sanitary District; Director Damron seconded the motion, and the resolution was adopted by the following 5-0 roll call vote: Director Treloar voted aye, Director Damron voted aye, Director Moorhouse voted aye, Director Horwitz voted aye, and President Graf voted aye.

Change Order No. 1 – Solids Handling Building Replacement Project – General Manager said this was a change order to Cash Contract No. 332 with Spiess Construction Company, Inc. that was approved by the Board on October 3, 2006 for construction of a replacement solids handling building at the District's treatment facility. General Manager said the original contract price was \$145,750 with contract duration of 180 days. General Manager said the contractor had difficulty with building suppliers, so it took some time to get the building supplier in place for the project. General Manager said the building is fabricated and prior to erection it was determined that there were existing conduit banks from the old building that would conflict with the new, larger columns, beams and purlins at several locations. General Manager said staff had been working with Carollo Engineers to identify points in the process where it could have taken to avoid these conflicts. To address the conflicts it was necessary to redesign the conduit bank in several locations, and District staff directed Spiess to engage their electrical subcontractor (Taft Electric) to perform this work on a time and materials reimbursement basis. General Manager said concurrently, District staff worked with Taft and Spiess to incorporate some other improvements while the electrical system was taken apart. A badly corroded electrical junction box was replaced and some demolition and organizational improvements were also made. General Manager said the actual cost of all the work totaled \$53,108.85. This work was inspected by District staff and daily tickets were reviewed. General Manager said one other change was incorporated in this change order that Taft suggested and involved installation of six (6) new metal halide fixtures in lieu of installing the old lights, which will cost the District \$990. General Manager said the new lights were vapor proof (corrosion resistant) and more efficient than the fluorescent fixtures. General Manager said Change Order No. 1 included both the required electrical modifications and the proposed change in light fixtures for the building. General Manager said the change would increase the contract price by \$54,008.85, making the revised contract price \$199,758.85. General Manager said Spiess requested a time extension up to March 18, 2008. General Manager said he agreed to an extension of 60 calendar days. General Manager said staff anticipated one additional contract change order during the contract close-out, which should result in a modest credit to the District. General Manager said a modification of the CIP budget for this project was necessary to cover the projected total project cost, including the unanticipated extra work. General Manager said that staff recommends that the Board approve Change Order No. 1 to Cash Contract No. 332 with Spiess, amending the contract amount to \$199,758.85, extending the contract duration by 60 calendar days, and increasing the CIP budget for Project P-087 by \$70,000 to \$320,000.

Director Treloar said it was necessary work, but he did not like that it was after the fact. General Manager said that this was one that was previously discussed at a Board meeting and in this type of situation it was difficult to know what the costs might be. Director Treloar said that's why he'd like to see the Board give the General Manager some flexibility.

Director Damron made a motion that the Board approve Change Order No. 1 with Spiess, amending the contract price to \$199,758.85, extending the contract duration by 60 calendar days, and increasing the CIP budget for Project P-087 by \$70,000 to \$320,000; Director Horwitz seconded the motion, and the motion was approved by a 5-0 vote. Director Damron said he didn't think the Board needed to see individual timesheets and backup if the General Manager and professional staff had reviewed the information.

LAFCO Special District Seat Vacancies – General Manager said the Santa Barbara LAFCO is comprised of two members representing cities, two representing the county, one public member and two members representing special districts. General Manager said John Fox's seat and Cathy Schlottmann's seats were up for reelection. General Manager said there was a third candidate that expressed interest in a seat on LAFCO. General Manager said candidate's statements and nomination forms for each of the three candidates were included in the Board packet. General Manager said the information in the staff report had changed. After a meeting on February 25th, there was a Special Districts Selection Committee, and typically they meet an hour before the regular CSDA meeting in Solvang. General Manager said Director Moorhouse and he attended that meeting, but there was not a quorum of the special districts in the county. General Manager said there needed to be 50% plus 1 of the special districts in the county, so the decision was to conduct this election by mail ballot and to continue this process in the future by mail ballot. General Manager said this is an item authorized by the Board President. Director Moorhouse said he attends the CSDA meetings regularly and receives reports, and he would encourage our Board to support John Fox and Cathy Schlottmann as the alternate. Director Moorhouse said Bob Braitman said the candidate with the highest number of votes would get the seat, and the candidate with the second highest number of votes would be the alternate. So the Board, by selecting two candidates, will not know who will fill the seat and who will be the alternate until after all votes are counted. Director Moorhouse said both John Fox and Cathy Schlottman were both well versed in LAFCO matters and good candidates.

Director Moorhouse made a motion that the Board signify for election John Fox and Cathy Schlottman as nominees to Santa Barbara LAFCO and vote to approve the Minutes of March 27, 2008 Selection Committee Meeting and authorize the Board President to file the mail ballot; Director Damron seconded the motion, and the motion was approved by a 5-0 vote.

Legislative Committee of the Board of Directors – General Manager said this was an item discussed at the Board Workshop held on February 27, 2008. General Manager said the District's Board Bylaws established three standing committees of this Board (Finance Committee, Personnel Committee, and Public Relations Committee). General Manager said the Board President had the additional authority to establish adhoc or advisory committees on an as-needed basis. President Graf said he would suggest that the Board not form another standing committee to amend the Board Bylaws, but he would like to form an adhoc committee, consisting of Director Moorhouse, President Graf and General Manager to come up with a District policy to bring back to the Board that gave the General Manager the latitude to deal with Legislative issues, because most of the time they were on a short timeline and need to be dealt with immediately. Legal Counsel said an adhoc committee was composed solely of less than a quorum of the members of the Board, so Director Moorhouse and President Graf would be the members of the committee, and not the General Manager.

Board Committee Reports

Finance Committee – Director Treloar said the Quarterly Investment Report was passed out tonight and the Budget Detail Report for January 2008 was included with the Board Agenda packet. Director Treloar said at their meeting on February 20, 2008, the Finance Committee reviewed the monthly budget report, quarterly investment report and an annual review of the District's insurance policies. Director Treloar said one item that came up was credit cards for elected officials. Director Treloar said the committee did not think this item needed to go to the full Board. Director Treloar said all employees of the District had a District credit card to use for conferences and trainings, and it would make it much easier for Board Members when going to trainings and seminars to use a credit card, rather than advancing cash. Director Treloar said the Finance Director would hold the cards, secured in a locked area, and when needed Board Members can check out cards from the Finance Director and return their card and receipts when returning from the training or seminar. Director Treloar said this was the same policy that was in place for all the employees of the District. General Manager said there was a use policy every employee signs with requirements for use of their credit cards, and the same requirements with be contingent on use by Board Members. General Manager said there was not an annual fee or cost to the District. Director Moorhouse said there was an annual rebate or savings as the result of use of the District cards.

General Manager said included in the budget information in the Board Agenda packet was the Administration Department Detail, Plant Department Detail and the CIP Expenditures. General Manager asked if the Board wanted to receive all this budget information, or if the overview CSD Budget Detail report was all they wanted to see. After Board discussion it was decided that the overall budget detail report and CIP Expenditures were the reports to include for the entire Board.

Personnel Committee – Director Damron reported the Personnel Committee met regarding a potential employee matter and there was nothing to report at this time. General Manager said he would like to schedule another Personnel Committee Meeting the end of next week.

Public Relations Committee – did not meet.

Board General Items

CASA Legislative Committee Report – Director Moorhouse said he would be in Sacramento for a very extensive CASA Legislative Committee agenda set for next Friday, and he would report back to the Board. Director Moorhouse said he had also been dealing with a number of emails regarding the LAOs budget proposal.

Future Agenda Items – Percentage or \$ amount added to contracts to give General Manager ability to make necessary changes.

Adjournment. There being no further items to discuss, President Graf adjourned the meeting at 6:33 p.m.

Lin Graf
President

Pat Horwitz
Secretary Pro-Tem

Michael Damron
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary