

**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 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 - **absent**
Michael Damron – Treasurer
Lin Graf – Secretary
Gerald Velasco – Secretary Pro-Tem - **absent**

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

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 Modugno and Director Velasco 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. Hearing none, President Moorhouse said the agenda was approved as submitted.

Board Approval of Minutes of the Meeting of February 5, 2013 – General Manager noted one correction.

p. 3, 6th line from the top - insert *normally* between *flow* and *and*, to read *...does not flow normally and there are...* Director Graf made a motion that the Minutes of the February 5, 2013 Board meeting be approved as modified; Director Damron seconded the motion, and the motion was approved by a 3-0 vote.

Public Forum – None.

General Manager's Status Report – General Manager reported on the following:

APCD Response Letter – General Manager said the District received a response letter from the Santa Barbara County Air Pollution Control District accepting the District's counter settlement offer in relation to a Notice of Violation issued in January 2012. The result is a lower settlement amount that is suspended and forgiven after three years, assuming no nuisance odor violations occur during that period. A copy of the letter was attached.

Rincon Septic to Sewer Project Update – General Manager said the District has received the Caltrans Encroachment Permit authorizing work within the US101 right of way. District staff is working to get the Union Pacific Railroad permit reissued. The Santa Barbara County Board of Supervisors hearing was scheduled for today but has been postponed. The new target date is April 2nd. An approval for the required easements and consent to annex the Rincon Beach Park parcel is anticipated. District staff met with a local biologist to review monitoring requirements and to obtain a proposal for support services. Final review of the construction plans and specifications is underway and the team is working on final permitting and compliance activities, including obtaining a road encroachment permit from the City of Carpinteria and getting final zoning clearances from both Counties.

Operations Update – General Manager said the treatment plant is operating well and in full compliance with our NPDES discharge permit. The new plant air compressors were delivered and staff began the installation process. Unit one has been installed and an on-site factory technician from Kaeser, the equipment manufacturer, assisted in monitoring the startup. Installation of the 2nd unit will follow. Staff completed prep and epoxy painting of the launder support beams in the secondary clarifiers as part of our proactive maintenance program. The belt filter press was repaired and restored to full functionality. Staff continues to operate this unit periodically to ensure that it is always available as a redundant dewatering unit. The collections system is operating well. No SSOs or other significant problems have occurred since the last Board meeting. Staff initiated a lower lateral inventory and inspection/maintenance program. Laterals are being entered as assets in the District's Accela database. CCTV inspections are being conducted and recorded. Appropriate maintenance and repair activities are being scheduled and completed as necessary. A District-wide training session was held on February 26th on defensive driving and DOT pull program requirements.

Cash Contract No. 403 – Dudek – Cultural Resource Services for the Rincon Point Septic to Sewer Project - General Manager said the District is preparing to move forward with the Rincon Point Septic to Sewer Conversion Project. The project area encompasses a significant archeological site. Dudek senior staff, David Stone and Ken Victorino, have been working on this site on behalf of the District for nearly a decade.

General Manager said the District's environmental impact report and permit conditions require a number of mitigation measures during the construction phase of this project. Due to the magnitude of the effort and the associated costs, District staff obtained proposals from two other qualified firms. Costs were comparable or higher and neither firm had the same level of experience with this particular site.

General Manager said Dudek's proposal for cultural resource services, dated February 20, 2013, is included as Exhibit "A" to Cash Contract No. 403. The proposed scope of services for the project includes a comprehensive Phase 3 investigation and data recovery effort, construction period monitoring by qualified archaeological and Native American monitors, attendance at meetings, plan review and other necessary tasks. Dudek's proposed fee for the required services is based upon a time and materials reimbursement basis with a not to exceed amount of \$312,143. The cost estimate is based on presumptions related to density and distribution of intact cultural resources. Actual costs are expected to vary.

Director Damron made a motion that the Board approve Cash Contract No. 403 between the District and Dudek for Cultural Resource Services, with a not to exceed amount of \$312,143. Director Graf seconded the motion. The motion was approved by a 3-0 vote.

Biosolids Beneficial Reuse Options – General Manager said the District currently manages its biosolids through a partnership with Engel & Grey, Inc. that began in 2007 with issuance of Cash Contract No. 341. The District approved a three year extension to the original agreement, effective through February 28th of this year. The District has an option to approve a second three year extension at the original terms.

General Manager said Engel and Grey provides hauling to their Santa Maria facility and off-site composting of all dewatered biosolids generated at the District's wastewater treatment facility. The District's biosolids are co-composted with green waste. The material is then generated into a product that is beneficially reused in various landscape applications.

General Manager said Engel and Grey has provided exceptional service to the District over the past six years. Composting and hauling costs include a base per ton fee which escalates according to the consumer price index, plus a fuel surcharge. The base rate is currently \$55.26 per ton. The fuel surcharge is currently \$15.47 per ton. A table was provided to illustrate the amount of dewatered biosolids generated at the treatment facility in wet tons and the associated hauling costs for fiscal year 2006/07 through the current fiscal year to date.

General Manager said biosolids composting is a viable long-term management option for the District. However, there are other management options available. A CASA fact sheet was attached which provided a breakdown and overview of the reuse and disposal options in practice in California.

General Manager said District staff has been closely monitoring the Ventura Regional Sanitation Districts progress during the planning, development and operational phases of their Biosolids Drying Facility located at the Toland Road Landfill. The facility uses landfill gas to fuel heat drying equipment to convert dewatered biosolids to a dry pelletized product that can be used as a fertilizer or as a fuel feed stock for cement kilns. A detailed information fact sheet on the Ventura Regional facility was attached.

General Manager said it may be possible for the District to participate in this regional biosolids management program. The anticipated cost per ton would be in the \$52 range. There are a number of issues to consider before a possible transition into this program including participation commitment, hauling logistics and permitting variances with Ventura County.

General Manager said District staff is looking for input and direction from the Board on this topic. There was Board consensus that in an effort to explore alternative biosolids management options, a letter of interest should be sent to Ventura Regional Sanitation District.

Digester Replacement Project – Preliminary Design Report - General Manager said the District engaged Carollo Engineers to complete engineering design for the District's Digester Replacement Project. After a series of design workshops held at the treatment plant with Carollo and District staff, Carollo has drafted and submitted a Preliminary Design Report for review. A copy of the Executive Summary was attached. General Manager said this document is an important step in the design process, once it's approved, the project can move into final design and preparation of detailed construction drawings for project bidding.

General Manager said District staff has completed a comprehensive review of the Preliminary Design Report and provided comments and directions to Carollo.

General Manager said upon completion of this significant upgrade project, the agency and its rate payers will benefit greatly.

President Moorhouse asked what sort of odor, if any, is expected during the upgrade. General Manager said the likelihood of odors is low.

Update to District Personnel Rules and Regulations; Chapter 3 of the District Code - General Manager said policies have been added and revised as needed over the past several months to comply with new Federal and State laws or to clarify language. At a District wide staff meeting, an overview of the proposed changes was given and an opportunity for staff to make comments and suggestions was provided.

General Manager said the proposed revisions have been reviewed by the Board Personnel Committee, and legal counsel has reviewed the document in its entirety. A copy of the red-line version was attached for review.

Office Manager briefly reviewed several sections where amendments were proposed.

General Manager said staff recommends that the Board approve the updated version of Chapter 3 of the District Code, Personnel Rules and Regulations as submitted.

Director Graf made a motion that the Board approve the updated version of Chapter 3 of the District Code, Personnel Rules and Regulations as submitted. Director Damron seconded the motion, and the motion was approved by a 3-0 vote.

Check Signing & Fund Transfer Policy - General Manager said at its last regularly scheduled meeting of February 5, 2013 the Board of Directors approved authorization of the Finance Director as a signer on the District's accounts at Santa Barbara Bank & Trust. Because of the recent merger with Union Bank, this action was required to allow the Finance Director access to account information, balances and other key financial data from the bank.

General Manager said the District Board and staff are focused on maintaining an appropriate level of internal control. Therefore, direction was given to staff to develop an internal controls policy regarding check signing and funds transfer authority. A copy of the proposed Check Signing and Fund Transfer Policy was attached.

Director Damron said that the policy had been reviewed and approved by the District's Finance Committee at its last meeting.

Director Graf made a motion that the Board approve the District's Check Signing and Fund Transfer Policy as presented. Director Damron seconded the motion. The motion was approved by a 3-0 vote.

CSDA Board of Directors – Call for Nominations – President Moorhouse said this was a call for nominations for one open seat in Region 5 for the Board of Directors of the California Special Districts Association, and this item was placed on the Agenda in case anyone was interested in running for election or knew of any candidates to nominate. No action was taken.

2013 CASA Spring 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 – Director Damron reported that the committee met on February 20th and reviewed the monthly budget reports, COLA for FY 2013/14, quarterly insurance report, SSC and business survey updates.

Personnel Committee – General Manager said the personnel committee met on February 6th and discussed the proposed updates and revisions to the Personnel Rules and Regulations.

Public Relations Committee – Did not meet.

CASA Legislative Committee Report – President Moorhouse said the CASA Legislative Committee next meeting is scheduled for March 8th. A copy of the agenda was distributed.

LAFCO Report – None

SBCSDA Report – None.

CSRMA Report – None.

Board Member Vacation Dates – Director Graf will not be able to attend the April 2nd Board meeting.

Future Agenda Items – President Moorhouse said the Board workshop is tentatively scheduled for April 16th.

CLOSED SESSION – 6:30 p.m.

Legal counsel led the Board in to closed session on the following agendized item:

CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION: Pursuant to Government Code Section 54956.9(d)(1): Name of Case: Mark Gilbert v. Tierra Contracting, Inc.; City of Carpinteria; Carpinteria Sanitary District. Santa Barbara Superior Court Case No. 1415699.

RECONVENE OPEN SESSION – 6:34 p.m. President Moorhouse reconvened the open session and stated that there was no action taken on the closed session item.

Adjournment. There being no further items to discuss, President Moorhouse adjourned the meeting at 6:35 p.m.

Jeff Moorhouse
President

Lin Graf
Secretary

Mike Modugno
President Pro-Tem

Gerald Velasco
Secretary Pro-Tem

Michael Damron
Treasurer