

**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 **April 1, 2014**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

Directors Present: Mike Modugno – President
Michael Damron – President Pro-Tem - **absent**
Jeff Moorhouse – Treasurer
Gerald Velasco – Secretary
Lin Graf – Secretary Pro-Tem

Staff Present: Craig Murray – General Manager
Hamid Hosseini – Finance Director
Kim Garcia – Office Manager

Legal Counsel
Present: Anthony Trembley – Musick, Peeler & Garrett, LLP

Public Present: Sandy Pierce – Cate School
Richard Jones

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

President Modugno noted for the record that Director Damron would be absent from tonight's meeting.

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

Board Approval of Minutes of the Meeting of March 4, 2014 – Two minor corrections were noted to the minutes of March 4, 2014. Pg. 3, paragraph 7, sentence 2, *the* and *thank* were transposed, should read *...said he would like to thank the Board...*; Pg. 3, paragraph 8, sentence 2, last word *manufactures* is misspelled should be *manufacturers*. Director Graf made a motion that the Minutes of the March 4, 2014 meeting be approved as modified; Director Moorhouse seconded the motion, and the motion was approved by a 4-0 vote. The vote was unanimous.

Public Forum – None.

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

Rincon Point Septic to Sewer Project Update – General Manager said good progress continues on both components of this project. Startup of the central lift station happened on March 25th and 26th with Romtec, the pump station designer/supplier, on site. All system tests were performed and everything is functioning well. Travis Ag has completed all of the lateral installation and air testing of the main and lateral collection system. The first home is likely to be connected in the first week of April.

Collection System Rehabilitation Update – Sancon has completed approximately 50 percent of the project. Planning and coordination is underway for rehabilitation of the line under Carpinteria creek from the Concha Loma neighborhood.

West Padaro Lane Main Sewer Extension Project – General Manager said CalProp has entered into a construction contract with Tierra Contracting. Work began yesterday and is projected to continue through June 2014. District staff will be providing inspection throughout the construction period to ensure conformance to construction standards and engineered plans.

District Newsletter – General Manager said the Winter 2014 newsletter was mail to District customers on March 20th. Extra copies are available at the administration office and an electric copy was posted to the District website.

CSRMA Long Range Planning – General Manager said he attended the two-day CSRMA Executive Board long range planning session. The 60 member insurance pool continues to perform very well. Focus was on emerging risks for wastewater utilities and enhanced services to pool members. The CSRMA Risk Control program continues to expand and offer more benefits to the group. David Patzer will facilitate the roll out of a new mobile application in May for documentation of SSO response.

SAMA Meeting Report – General Manager said he attended the March 12th meeting of the Sanitation Agency Managers Association at the Goleta Wastewater Treatment Plant. Heather Billing of the Wallace Group gave a presentation on control of Fats, Oils & Grease in collection systems. There was an excellent round table discussion, with many agencies having key capital projects underway.

APCD Permit to Operate Renewal – General Manager said that District is in the triennial renewal process for the APCD Permit to Operate process. District staff met with Santa Barbara APCD technical staff on March 21st to discuss potential changes to permit criteria and monitoring requirements related to the dry scrubber odor control units.

Operations Update – General Manager said the treatment plant is operating well and in full compliance with our NPDES discharge permit. A copy of the weekly performance report was attached. The collection system is functioning well with no problems to report. Over 10,000 linear feet of hydrocleaning was accomplished during the week of March 17th. Periodic lift station inspection and maintenance activities have been completed. Seven District staff members attended the CWEA March Workshop held at the El Estero Wastewater Treatment Plant on March 13th. Mark Bennett and Lance Lawhon have both taken on leadership roles with the local CWEA. Operations and collections staff are working with Lucity on the new asset management system development and participated in a user group training session on March 18th. All District departments are currently working on the 2014/15 Fiscal Year budget development task.

Cate School – Wastewater Sample Analysis Services – General Manager said that this item was on tonight's agenda to seek input from the Board regarding a service agreement between the District and Cate School for wastewater sample analysis services.

General Manager said Cate School maintains its own on-site wastewater treatment facility. Their newly upgraded facility is a state of the art tertiary treatment plant with an underground recycled water storage tank. General Manger said one of the requirements of their permit to allow for unrestricted use of their recycled water is daily sampling and testing for total coliform.

General Manger said Cate School has approached the District about creating an agreement which would allow our certified laboratory and staff to perform their required analysis. This agreement would provide Cate School with a convenient cost effective method of meeting their permit requirements. The next nearest laboratory is in Santa Paula.

General Manager said the District would recover any costs incurred to perform the analysis.

Director Graf asked what Ventura Regional Sanitary District's relationship to Cate is. General Manager said they are the contract operator at the Cate wastewater facility.

President Modugno opened public forum.

Sandy Pierce of Cate School introduced herself and thanked the Board for considering this item.

Director Moorhouse asked how many gallons per day are processed through the facility. Ms. Pierce said their capacity is 25,000 gallons per day but that current average flow is between 12,000 and 14,000 gallons per day.

Director Moorhouse said he thinks this is a great opportunity to partner with a local educational institution.

Director Graf asked what happens to the excess water not used for turf application. Ms. Pierce said the facility is equipped with a 400,000 gallon underground holding tank.

After Board discussion, President Modugno directed staff to proceed with the agreement negotiations for sample analysis services between the District and Cate School.

CIP Budget Amendment – Aerated Sludge Holding Tank Replacement Project –

General Manager said the aerated sludge holding tank replacement project has been awarded. This project is being funded, in part, through the issuance of \$4.5 million in revenue bonds. Capital reserves will be used to fund the balance of the overall project cost.

General Manager said the project budget was developed in phases, design and construction. The Board initially approved a CIP budget of \$350,000 for preliminary and final design. The CIP budget for the project was amended during the last budget cycle to reserve the \$4.5 million in bond proceeds, increasing the authorized project budget to \$4.85 million.

General Manager said the Board approved issuance of a Notice of Award to Cushman Contracting Corporation for project construction based on their bid of \$5,198,000.

General Manger presented a table outlining the authorized project costs. These numbers have been reviewed by the Finance Committee and it was determined that an additional \$2 million would need to be allocated to fully fund the project. District staff and the committee have completed a comprehensive analysis of reserve fund availability. Adequate reserve capacity exists to convey the additional \$2 million from the District's General Fund to the Capital Improvement Fund in order to execute the Aerated Sludge Holding Tank Replacement Project.

General Manager said that is was staff's recommendation that the Board amend the CIP budget for the Aerated Sludge Holding Tank Replacement Project.

Director Graf made a motion that the Board amend the CIP budget for the Aerated Sludge Holding Tank Replacement Project to \$6,850,000 as proposed; Director Moorhouse seconded the motion and the motion was approved by a 4-0 vote. The vote was unanimous.

Cash Contract No. 416 Aerated Sludge Holding Tank Replacement Project –

General Manager said the Board of Directors approved issuance of a Notice of Award to Cushman Contracting Corporation for the Aerated Sludge Holding Tank Replacement Project at its March 4, 2014 regular meeting. Notice was sent to Cushman on March 6, 2014 with

two copies of the Contract Agreement. Cushman returned executed copies of the agreement together with the requisite performance and payment bonds and certificates of insurance.

General Manager said Legal Counsel has reviewed the submittal package to verify compliance with contract requirements.

General Manager said once the Contract Agreement is executed by the Board, Notice to Proceed will be issued to Cushman and the contract performance period is approximately 700 working days from the NTP date.

Director Graf made a motion that the Board approve and execute Cash Contract No. 416 between the District and Cushman Contracting Corporation for the Aerated Sludge Holding Tank Replacement; Director Velasco seconded the motion and the motion was approved by a 4-0 vote. The vote was unanimous.

Change Order No. 2 to Cash Contract No. 404 – Rincon Point Offsite Improvements Project – General Manager said the District Board of Directors approved Cash Contract No. 404 between the District and Tierra Contracting, Inc. on August 17, 2013 for the Rincon Point Offsite Improvements Project. General Manager said Tierra has completed 95% of the contract work and thus far the project has proceeded very well, with no major complications.

General Manager said on November 18, 2013, Tierra damaged an existing concrete duct bank containing a fiber optic cable owned by Verizon. The utility was approximately 20 feet below ground surface and had not been accurately located or marked by Verizon's contractor, Utiliquest.

General Manager said Change Order No. 2 was drafted to appropriately update the contract terms. The change order, including attachments, documents all of the extra work to complete the repair. The work was successfully performed by Tierra and their subcontractor in accordance with direction provided Verizon.

General Manager said if approved, Change Order No. 2 would increase the contract price by \$12,797 making the revised total \$1,492,346.00. No change in the contract time is proposed.

General Manager said the District filed a claim with Utiliquest, the company responsible for the mismarked duct bank and fiber optic cable, requesting reimbursement of the full cost of the repair work. No formal response to the claim has been received.

General Manager said staff recommends that the Board approve Change Order No. 2 to Cash Contract No. 404 with Tierra Contracting, Inc. as presented.

Director Graf made a motion that the Board approve Change Order No. 2 to Cash Contract No. 404 with Tierra Contracting, Inc. as presented; Director Velasco seconded the motion and the motion was approved by a 4-0 vote. The vote was unanimous.

Cash Contract No. 411 – Earth Systems Southern California – Amendment No.1 – General Manager said the District engaged Earth Systems Southern California to provide compaction testing, materials testing and related field services during construction of the offsite and onsite portions of the Rincon Point Septic to Sewer Conversion Project through approval of Cash Contract No. 411 in June 2013 in the amount of \$8,000.

General Manager said Earth Systems has completed all field and lab work required for this project. The compaction testing and materials testing program was more comprehensive than originally anticipated by Earth Systems.

General Manager said a fee amendment of \$10,000 is recommended to cover the costs of work provided in excess of the originally authorized budget.

General Manager said staff recommends that the Board approve a \$10,000 amendment to Cash Contract No. 411 between the District and Earth Systems Southern California as proposed.

Director Velasco made a motion that the Board approve Amendment No.1 to Cash Contract No. 411 with Earth Systems Southern California as presented; Director Graf seconded the motion and the motion was approved by a 4-0 vote. The vote was unanimous.

Finance Committee – Director Moorhouse said that the committee met on March 20th and discussed various line items that may exceed the projected budget but that the overall budget would not run over.

Personnel Committee – Director Velasco said he would like each Board member to submit the General Manager evaluation forms by next week.

Public Relations Committee – None.

Utilities Committee – None.

Ad-Hoc Facilities Planning Committee – None.

CASA Legislative Committee Report –Director Moorhouse reported on several bills.

LAFCO Report – None.

SBCSDA Report – Director Moorhouse said the CSDA website has been update. He encouraged everyone to log on and become familiar with the new site.

CSRMA Report – None.

Board Member Vacation Dates – None.

Future Agenda Items – Director Moorhouse said he would like an update on the SDLF Transparency Certificate Award process.

Adjournment There being no further items to discuss, President Modugno adjourned the meeting at 6:31 p.m.

Mike Modugno
President

Michael Damron
President Pro-Tem

Gerald Velasco
Secretary

Lin Graf
Secretary Pro-Tem

Jeff Moorhouse
Treasurer