

**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 17, 2007**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

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

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

Legal Counsel
Present: Anthony H. Trembley

Public Present: None

President Moorhouse called the meeting to order and asked Director Horwitz to lead the Pledge of Allegiance; Director Horwitz then did so.

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

Minutes of the March 20, 2007 Board Meeting: A correction was made on page two of the minutes, last paragraph. The date of the 2007 CASA Spring Conference was changed to read May 2- May 5, 2007. Director Treloar made a motion that the March 20, 2007 minutes be accepted as modified; Director Horwitz seconded the motion and the motion was approved by a 5-0 vote.

Public Forum. None

Contract Award – Cash Contract No. 331

Collection System Rehabilitation Project – Phase 1. General Manager said the Board of Directors approved issuance of a Notice of Award for the Collection System Rehabilitation Project – Phase 1 at its March 20, 2007 regular meeting to Insituform Technologies, Inc., the lowest responsible bidder for a bid price of \$888, 173. General

Manager said this project involved rehabilitation of approximately 12,000 linear feet of sewer lines, ranging in size from six inch to twenty-one inch within the District. Two copies of the contract agreement sent to Insituform were executed and returned, along with the required bonds and certificates of insurance and all were reviewed by staff to verify compliance. General Manager said the contract performance period was 180 calendar days from the Notice to Proceed date and liquidated damages would apply for schedule noncompliance.

General Manager said staff was recommending, based upon a review of all the materials, that the Board approve and execute Cash Contract No. 331 between the District and Insituform Technologies, Inc. for the Collection System Rehabilitation Project – Phase 1.

Director Treloar asked if the form of agreement presented was provided by Insituform. General Manager said the contract presented was from the District's contract documents that were used to bid the project. Director Treloar said he was concerned with provisions regarding holdback or retainage after 50% of the project is complete. General Manager explained that the District has the option to continue to retain 10% for the entire project duration if the District feels the character or quality of the work is not satisfactory. Legal Counsel said this provision is common among public entities to use because it allows for a district in its discretion to use as an incentive to the contractor to get the project done.

Director Damron made a motion that the Board approve Cash Contract No. 331 with Insituform Technologies, Inc. for the Collection System Rehabilitation Project – Phase 1 for the bid amount of \$888,173; Director Horwitz seconded the motion, and the motion was approved by a 5-0 vote.

Cash Contract No. 343 – MNS Engineers, Inc.

Collection System Rehabilitation Project Construction Inspection Services.

General Manager said construction of the Collection System Rehabilitation Project was scheduled to begin in May, 2007 and would proceed at a rapid pace. General Manager said the project would require on-site construction observation. General Manager said it was staff's intent to administer the construction project using in-house staff, but for the actual field observation a contract field observation is proposed using a contract construction inspector. General Manager said Cash Contract No. 343 with MNS Engineers, Inc. is being presented to the Board. General Manager said MNS Engineers is a firm that the District has used previously. The proposal from MNS Engineers is based on 80 working days of construction activities at an all inclusive, prevailing wage rate. General Manager said MNS was proposing to use an inspector named Jim Murphy who has 35 years experience inspecting or managing public works projects. The total estimate for the contract is \$61,000, billed on a time and material basis. General Manager said Jim Murphy lived in Carpinteria, which offered an advantage if construction was down one day, Mr. Murphy would not be forced to be on the job since he is local.

General Manager said staff was recommending that the Board approve and execute Cash Contract No. 343 with MNS Engineers, Inc. for construction inspection services on a time and material basis with a not to exceed contract amount of \$61,000.

Director Graf made a motion that the Board approve Cash Contract No. 343 dated April 17, 2007, between the District and MNS Engineers, Inc. with a not to exceed contract amount of \$61,000; Director Treloar seconded the motion, and the motion was approved by a 5-0 vote.

Certificates of Participation (COP) in Public Financing. President Moorhouse commented on a recent newspaper article regarding a Santa Barbara Civil Grand Jury report on the use of Certificates of Participation (COPs) for public financing. President Moorhouse noted that the District has not participated in this type of financing. General Manager said

information is provided to the Board as an informational item only. General Manager said the District did respond to the Grand Jury's initial inquiry about COPs saying the District did not use COPs as a financing vehicle. General Manager said many respectable agencies do use COPs, but he didn't have any further comments to add.

Letter to Oppose AB 503. General Manager said AB 503 (Swanson) is a bill that would take away the District's flexibility to assign overtime to employees by requiring agencies to provide prior written notice to its employees before any overtime, other than in emergency condition overtime. General Manger said that CSDA requested that its member agencies oppose this legislation. A letter was drafted on behalf of the Board for President Moorhouse to sign in opposition to AB 503. General Manager said there were many times when our District could not anticipate overtime requirements. The bill is nebulous in the absence of a clear definition of an "emergency condition". General Manager said it took away some of the flexibility the District needs to have as an agency to meet the needs of the District's constituents.

General Manager said it was staff's recommendation that the Board approve sending the letter, signed by President Moorhouse, to oppose AB 503.

Legal Counsel said it was his recommendation that a copy of the letter also be sent to Assemblyman Pedro Nava and State Senator Tom McClintock.

Director Horwitz made a motion that the Board approve sending a letter, signed by President Moorhouse, opposing AB 503 to the list of Assembly Members, Chief Consultant and Republican Consultant as designated on the attached Legislative Alert from CSDA, and to include a copy to Nava and McClintock, as recommended by Legal Staff; Director Damron seconded the motion, and the motion was approved by a 5-0 vote.

CSDA Legislative Days. General Manager said information was included in the packet regarding the speakers, registration and hotel accommodations. General Manager said he was not attending this year, but this information was being provided in case any Board members were interested in attending. Director Graf said he might be interested in attending.

General Manager's Status Report: General Manger reported on the following: Commercial Shellfish Harvesting – Management Plan Response Letter – General Manager said a letter was attached to the Staff Report drafted jointly by the Summerland, Carpinteria and Montecito Sanitary Districts in response to a request from the Department of Health Services to approve a Management Plan for Commercial Shellfish Harvesting on Offshore Oil Platforms Hogan and Houchin, Santa Barbara Channel. General Manager said the District had approved shellfish management plans for one or two other offshore leases by Santa Barbara. General Manager said it was his opinion that the District's operations could in no way impair the water quality seven miles offshore at these harvesting sites, even if the District's treatment system was not functioning properly. General Manager said the requirements that go along with approving these plans require the District, any time there is an upset or a problem with the disinfection treatment process at the District's treatment plan to notify DHS and the shellfish operators. The joint letter was drafted to DHS saying if there was evidence that there was potential that the District would have an impact on water quality, then the District would consider approving the document. Director Horwitz asked if the District had signed a similar letter in the past. General Manager said there was a previous operation called Ecomar that was harvesting mussels off of fourteen different platforms, and the District was not party to any management plan for Ecomar's operation. General Manager said there were some offshore leases in Santa Barbara that the District has

agreed to notify the DHS in the past. Director Treloar said the District had been involved in this in the past, and it cost \$25,000 to get the District's name dropped from the lawsuit and he was glad to see the District opposing this type of action; **LAFCO's Proposed Budget for FY 2007/08** – attached for the Board's information. General Manager said it did not show the District's breakdown, but it was similar to what our share was last year. LAFCO's total cost is split 1/3 between the County, 1/3 Cities, and 1/3 Special Districts; **Integrated Regional Water Management Plan Update** – General Manager said he attended a meeting on April 12th at the Goleta Water District to review and address comments received on the Public Draft of the IRWMP. General Manager said there were comments from the cooperating partners on the Public Draft and also comments from the public. General Manager said they talked about the timing for each cooperating partners' Board of Directors to approve the document. General Manager said there has been a target date of August set to have the plan to the State for approval, and that it would probably come back to the District's Board for approval in June. General Manager said a meeting to plan for preparation of a detailed implementation grant application will be held on April 24 to decide which projects on a regional basis should be submitted to the State for grant funding. General Manager said there was approximately \$33M in grant funding that is now being made available to three areas – San Diego County, Antelope Valley and Santa Barbara County. General Manager said the chances for getting grant funds for Santa Barbara County are good. President Moorhouse asked how many projects there were in Santa Barbara County and how do they rank to the District's on the list. General Manger said there were 98 projects in the plan from SB County, and each project has been checked to see if they meet certain criteria. General Manager said our District had a couple of projects that ranked pretty high on the list, but it has yet to be determined how they rate against other projects in SB County. General Manager said the relocation of the Bluffs sewer line was on the list and ranked very high. General Manger said there was a joint project with the water district for master planning of recycled water for the Carpinteria Valley. President Moorhouse asked who made the decision in Sacramento. General Manager said Sacramento was trying to get away from making the decision, and has asked the regions to plan and rank themselves. President Moorhouse asked if there was anyone that the Board could talk to regarding funding for the District's projects. General Manager said the Board could talk to Lester Snow, the Dept. of Water Resources Chair. President Moorhouse said he would be in Sacramento in about a month and would like to make an appointment to talk to someone on this matter; **South Coast Beach Communities Septic to Sewer Project Update** – The District's Concept Proposal application for grant funding under the Prop 50 Clean Beaches Initiative Program was placed on the Recommended Project List by the SWRCB. General Manager said the District was working on a detailed application package, and if it's funded the District would receive up to 25% of the projected construction costs for Rincon Point, Sandyland Cove and Sand Point Road. Applications for Annexation and Sphere of Influence boundary modifications have been finalized, and it turns out LAFCO will probably move this item to the July meeting when it meets in Santa Barbara at the Board of Supervisor's Hearing Room. General Manager said the Assessment District formation process is ongoing. Staff is considering changes to the conceptual sewer system design modifications for Sandyland Cove and Sand Point Road. The original design concept for those communities had a gravity system with two pump stations proposed in each community. The cost estimate from 1999, when they were first done, and 2006 was a staggering increase. The engineer considered some type of low pressure sewer system approach for those communities. Those communities have very narrow roads with existing utilities in high groundwater areas, and the deep excavation was driving those costs upward. General Manager said outreach efforts to property owners in these communities have been made to get input on these

modifications. Letters were sent out to all homeowners in these communities; **Operations Update** – The WWTP is operating in full compliance with the District’s NPDES Permit. The Collection system is operating fine with no SSOs to report. The odor scrubber media has been delivered and is expected to be installed on Thursday of this week. Restoration efforts are still underway for the Administration building and should be completed in the next week. The annual operating and CIP budget development process for FY 2007/08 is underway. Staff will be attending the CWEA Annual Conference in Ontario Wednesday through Friday. Also staff from the District’s collections crew is attending a No-Dig Conference in San Diego Monday and Tuesday of this week.

Board Committee Reports

Finance Committee. Director Horwitz reported the Finance Committee met and went over the monthly budget report, the quarterly report and the DIF study report update. Director Horwitz said the District is getting ready for the annual audit, which will be in June and finalized in August. Staff is preparing the 2007/08 budget. Finance Committee will be meeting on May 16 at 8:30 next month.

Personnel Committee. Director Graf said the Personnel Committee did not meet.

Public Relations Committee. Director Graf said the PR Committee did meet and was looking at some different communications options and would be reporting back to the Board at a later date on these options.

Board General Items:

Future Agenda Items: General Manager’s evaluation in Closed Session on May 1, 2007 agenda.

Adjournment. There being no further items to discuss, President Moorhouse adjourned the meeting at 6:15 p.m.

Michael Damron
Secretary

Lin Graf
President Pro-Tem

Patricia Horwitz
Treasurer

Jeff Moorhouse
President

Douglas Treloar
Secretary Pro-Tem