

**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, 2012**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

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

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

Legal Counsel
Present: Anthony Trembley

Public Present: None

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

President Graf noted for the record that Director Horwitz was absent from the meeting.

Board Approval of Agenda - President Graf asked if there were any modifications and/or changes to the agenda. Legal Counsel suggested moving Conference with Legal Counsel under Section V, Closed Session, up on the Agenda to be heard prior to Item A, General Reports, under Section III, Matters Before the Board. President Graf agreed with the modification and the Agenda was approved as modified.

Public Forum – None.

CLOSED SESSION – 5:34 p.m.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Government Code Section 54956.9(b): one case concerning breach of the District’s ocean outfall pipeline discovered April 10, 2012.

RECONVENE OPEN SESSION – 5:51 p.m. President Graf reconvened the open session and Legal Counsel stated that there was no action to report from the closed session.

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

Quarterly Incident Report - General Manager presented a table summarizing incidents and or customer interactions during the first quarter of 2012.

Bluffs Sewer Relocation Project Update – General Manager said this project continues to go very well. Pipeline installation is complete and all of the existing commercial buildings have been connected to the new sewer line. The main line and lateral branches have been tested and video inspected. The manholes were tested and coated prior to making the change over so that the process could be completed while the system was dry. The tie over to the new sewer line was completed and included the City of Carpinteria restrooms at Viola Fields. Abandonment of the existing manholes on the Bluffs is underway, but progress has slowed due to coordination of nesting bird surveys. The last, and perhaps most significant, part of the project is scheduled to start this week. The installation of the inverted siphon system under Carpinteria Creek at Carpinteria Avenue will be installed using a trenchless method called horizontal directional drilling. An entry pit and an exit pit will be built on either side of the creek in the roadway. Following installation of the new 6-inch and 8-inch diameter pipes, several new manholes will be constructed by Tierra to complete the work. General Manager said he drafted a press release, which was forwarded to the Coastal View, to update the community on the project and its progress. Director Modugno asked how flow in the new siphon, once on-line, gets started. General Manager explained that this was not a true siphon, but an inverted siphon that conveys flow from a higher elevation to a lower elevation and is designed to have self cleaning flow velocities.

Sandyland Cove Septic to Sewer Project Update – General Manager said progress is continuing. As of last week 29 homes have been connected, leaving just 10 homes. There have been installation challenges at this location, more than in the Sand Point Road community, due to more compact sites and a much higher density of on-site utilities. Our project inspector from Penfield & Smith has done a great job in keeping this project running smoothly. Weekly construction progress meetings are continuing. A copy of the Heal the Ocean monthly newsletter, including photos of the project, is attached to the Board packet.

Digester Replacement Project Update – General Manager said a project kick-off meeting was held at the District offices on April 13th. The team of designers from Carollo was on site to review the project scope, complete site inspections and evaluations, and to obtain design and operational data. Surveying and geotechnical investigations of the site will commence in the coming weeks.

Operator in Training Recruitment – General Manager said from an outstanding pool of applicants, the District selected Kenneth “Casey” Balch to fill the Operator in Training position. Casey started on April 2nd. He brings a great energy to the position and will be a great fit for the agency.

SAMA Meeting Report – General Manager said on April 11th he attended a meeting of the Sanitation Agency Managers’ Association at the Lompoc WWTP. The meeting included a vendor presentation. General Manager said he toured the facility which had recently wrapped up a major upgrade and looked specifically at new generation blowers in use there.

Proposed LAFCO Budget and Processing Fees – General Manager said attached for the Board’s reference is a copy of the LAFCO budget and a letter from the LAFCO Executive Officer regarding proposed increases to annexation and related processing costs. General Manager said he doesn’t anticipate any increase to the District’s annual pro-rata contribution for LAFCO operations.

Padaro Lane

Sewer Connection and Reimbursement – General Manager said the property at 3281 Padaro Lane was connected to the public sewer in late March. This parcel was within a reimbursement agreement area and pro-rata costs were collected from the applicant and distributed to the two original project proponents in accordance with the agreement. **SWRCB SSO WDR Revisions Postponed** – General Manager said the State Water Resources Control Board was looking at updating and making revisions to the general waste discharge requirements for sanitary sewer systems which the District is subject to. Many agencies have argued that sufficient time had not been given to determine what improvements will result with the existing regulatory program before making it more onerous and more stringent on the regulated community. The State Board announced that it will postpone making the updates and revisions. **Operations Update** – General Manager said the WWTP is operating in full compliance with our NPDES permit. General Manager said the District's annual operating and capital budget development activities are underway. General Manager said on Tuesday, last week, plant operations staff noticed that the incoming flow was black in color. This was traced to maintenance activities at a Carpinteria Valley Water District well site. While no deleterious effects occurred, the District and CVWD will coordinate to prevent recurrence. General Manager said the collection system is operating well with no problems to report since our last meeting. General Manager said Sylvania Lighting Services is installing replacement light fixtures throughout the treatment facility and administration office as part of the Lighting Efficiency Upgrade Project.

Cash Contract No. 398 – Teaman, Ramirez & Smith, Inc. – Independent Auditing Services FY 2011/12 to FY 2013/14 – General Manager said each year an independent audit of District finances is performed by an outside auditing firm. For the last six years, the District has engaged Teaman, Ramirez & Smith, Inc. Based on their performance and level of service outside of the audit, District staff, with concurrence from the District's Finance Committee, requested a fee proposal to provide independent audit services for an additional three years.

General Manager said attached to Cash Contract No. 398 is a letter proposal from Teaman, Ramirez & Smith, Inc. that sets forth a fee of \$8,800 for the coming fiscal year and escalates to \$9,100 in the third year. General Manager said staff's analysis concludes this to be a very reasonable fee compared to audit service expenditures of other local agencies. The proposal was reviewed by the Board Finance Committee at its regular meeting on March 19, 2012.

General Manager said what's before the Board is a joint recommendation from staff and the Board Finance Committee to engage Teaman, Ramirez & Smith, Inc. to provide independent auditing services for another three-year period commencing in FY 2011/12. A copy of Cash Contract No. 398 is attached and the form agreement has been reviewed and approved by District Counsel.

General Manager said staff recommends that the Board review and approve Cash Contract No. 398 between the District and Teaman, Ramirez & Smith, Inc. for independent auditing services with a not to exceed contract amount of \$ 26,900.

Director Modugno made a motion that the Board approve Cash Contract No. 398 between the District and Teaman, Ramirez & Smith, Inc. as proposed Director Damron seconded the motion. Director Modugno said he would like to thank staff for their efforts in providing well organized materials and data to the independent auditor and feels this fee reflects those efforts. The motion was approved by a 4-0 vote.

Resolution No. R-247 – Declaring an Emergency With Regard to Certain District Facilities, Authorizing Remedial Work to be Performed Without Competitive Bidding, Declaring the Project to be Exempt From the Requirements of the California Environmental Quality Act, and Making Necessary Findings Thereof – General Manager

said the District owns and operates a 24-inch diameter ocean outfall pipeline that conveys treated effluent from the wastewater treatment facility to the discharge point approximately 1,100 feet offshore of the western-bank of Carpinteria Creek where it meets the Pacific Ocean. The pipe material is a steel pipe with a mortar lining on the interior and a 2-inch thick concrete weight coat surrounding the exterior that serves as ballast. The pipe is underground until a couple of hundred feet offshore then daylights and rests on the ocean floor out to the end diffuser section feet where the treated effluent is discharged into the ocean.

General Manger said on April 10, 2012, during a periodic underwater inspection, District staff identified a break in the concrete weigh coat which extended through the steel carrier pipe allowing effluent to escape through the fracture. The break appeared to be a crack, approximately ½” in width, spanning the top half of the pipe. The location of the break is approximately 100 feet inside the diffuser section where treated effluent is normally discharged in accordance with the District’s NPDES permit. This failure requires immediate repair necessary to maintain service, ensure water quality and discharge of effluent in compliance with environmental requirements. Repair is also necessary to prevent further damage to or failure of the pipeline.

General Manager said although the broken section of pipe was supported by sand at the time of the inspection, it is likely that the pipe in this location was undermined and not supported at the time of failure, thus leading to the break. During the inspection it was noted that other sections of the outfall pipe are unsupported. The pipe is suspended off of the ocean floor in areas where the sand substrate has seasonally or temporally eroded away from underneath the pipe. Segments of the pipe, as long as 40-50 feet, are bridging between two high hard substrate spots and in some cases as much as 18-24 inches off the ocean floor.

General Manager said based on the occurrence of this pipeline failure, there exists certainty that the unsupported sections of the outfall pipeline are currently in imminent threat of failure attributable to lack of support. Immediate stabilization is required to prevent additional structural failure of the outfall pipeline.

General Manager said Resolution No. R-247, if approved, would declare that an emergency condition exists pursuant to Public Contract Code section 20806 and 1102. This determination would exempt the District from competitive bidding requirements and allow the District to proceed immediately with construction activities to repair the pipe break. The resolution would further authorize the General Manager to proceed with the project and expend necessary funds for the repairs. Resolution No. R-247 finds that the proposed emergency work is statutorily exempt from environmental review under the California Environmental Quality Act and authorizes the District to file a Notice of Exemption with the Santa Barbara County Clerk’s Office.

General Manager said on April 11, 2012 District staff met with representatives from Harbor Offshore, Inc., a marine contractor based in Ventura, to discuss repair methods and materials. In 2006 the District engaged Harbor Offshore, Inc. to repair the District outfall end gate. Repairs were made in a competent manner and at a reasonable cost at that time. Harbor Offshore, Inc. is a highly qualified underwater contactor, having performed similar work throughout California and around the world.

General Manager said the proposed work to repair the break, includes removing the weight coat to expose the steel and installing a stainless steel repair clamp over the damaged

steel pipe. At the same time, measurements of the unsupported sections will be taken by Harbor Offshore, Inc. divers. Based on those measurements, custom fabricated ballistic nylon grout sacks will be ordered. These sacks will be positioned under the unsupported lengths of pipe and then filled in place with grout from shore and much like a pillow will support the pipe from underneath. Under a separate item, the Board may consider a contract with HOI to perform the emergency repair work.

General Manager said Resolution No. R-247 outlines the background of the situation. In order for the District to remain in compliance with our NPDES permit, it is imperative that the breach be repaired as soon as possible so that the treated effluent is discharged through the diffusers in the outfall pipeline as designed. Resolution No. R-247 includes findings that an emergency exists within the meaning of the Public Contract Code Section 20806 and 1102 and in the interest of the public and general necessity demand that the District expend funds for the work to safeguard life, health and property. The next section of Resolution No. R-247 states pursuant to Public Contract Code 22050(a)(2) the emergency will not allow for a delay resulting from a competitive solicitation for bids, and that immediate response to the emergency is necessary. The third finding states pursuant to Public Contract Code Section 22050(b)(1) the Board directs the General Manger to proceed with and expend funds for the work, without giving notice for competitive bids. The fourth finds that the work is statutorily exempt from environmental review under the California Environmental Quality Act pursuant to Public Resources Code Sections 21080(a)(2) and 21080(a)(4) and Title 14 Cal. Code of Regs. Section 15269(b) and 15269(c). and directs District staff to file a Notice of Exemption with the Clerk of the Board of Supervisors for the County of Santa Barbara.

Legal Counsel reviewed the definitions of an emergency under the Public Contract Code to provide understanding for the Board in their consideration of Resolution No. R-247. District Counsel said under Public Contract Code Section 1102 an emergency is defined as “a sudden unexpected occurrence that posses a clear and imminent danger requiring immediate action to prevent or mitigate a loss or impairment of life, health, property or essential public services”. The key words to be noted are “sudden” and “occurrence”. This breach in the pipeline occurred and it now poses a clear and imminent threat as outlined in the resolution and further described in the staff report. It requires immediate action to mitigate the loss and to prevent any further damage to the line. Under the competitive bidding laws applicable to 1923 Act Sanitary Districts, in the event of an emergency the Board may pass a resolution with a 4/5 vote, as noted in the staff report, declaring that the public interest and necessity demand the immediate expenditure of funds to safeguard life, health or property and to do so without competitive bidding. An emergency for purpose of the California Environmental Quality Act (CEQA) is defined as “a sudden unexpected occurrence involving a clear and imminent danger demanding immediate action to prevent or mitigate loss of or damage to life, health, property or essential public services”. This definition of emergency is with respect to an occurrence. Under CEQA there are statutory exemptions from the CEQA process for emergencies pursuant to Public Resources Code Section 21080(b)(2) stating “emergency repairs to public service facilities necessary to maintain service” and 21080(b)(4) states “specific actions necessary to prevent or mitigate an emergency” and those provisions are echoed in CEQA regulations under 14 California Code of Regulations Section 15269(b) and 15269 (c) respectively.

Director Modugno asked if the grout bags that are to be placed by Harbor Offshore will lay on the ocean floor bedrock. General Manager explained that this is critical to provide lasting support and based on the inspection video, the bedrock is already exposed in most locations and may not require removal of sand. Director Modugno said has there ever been a camera run through the pipe internally. General Manager said in his tenure with the District, video of the internal condition of the pipe has not been done. The pipe generally

flows full. Around 2007, District staff performed a condition assessment of the pipe itself. A methodical approach was used to measure the thickness of the steel pipe and found throughout the length of the pipe the condition was the same as it was when it was installed in 1961. Generally, it's believed that the structure of the pipe is sound.

Director Damron said the breach area is well offshore, approximately 1,000 feet offshore. General Manager said it may not be that quite that far offshore but it is relatively closed to the diffuser section. Director Damron said it's closer to the ocean end than the shore end. Legal Counsel noted for the record the geographic proximity of the line to the State Beach Park.

Director Damron made a motion that the Board approve Resolution No. R-247. Director Moorhouse seconded the motion and the motion was approved by the following 4-0 roll call vote. Director Damron voted aye, Director Moorhouse voted aye, President Graf voted aye, Director Modugno voted aye.

Cash Contract No. 399 – Harbor Offshore, Inc. – Ocean Outfall Emergency Repairs – General Manager said Cash Contract No. 399 would engage Harbor Offshore, Inc. (HOI) on a time and materials basis to effect the necessary repairs to the ocean outfall pipeline. On the first day of work HOI would remove the weight coat at the location of the breach. Some effort would be made with an epoxy product to stop the effluent discharge at the location of the break and start the process of preparing the steel pipe for the installation of the repair clamp. HOI will also take measurements for the purpose of ordering the clamp. HOI would then take measurements of all the locations where the pipe has been undermined and is at risk of imminent failure. On the next day of work, HOI would install the repair clamp and complete that portion of the work. On the third day the grout bags would be installed and affixed to the ground. On the fourth day support work from the shore would commence and include concrete trucks containing cementitious grout and a pumping truck using a hydraulic hose to pump grout out to fill the sacks.

General Manager said pursuing this work on a time and materials basis makes the most sense as there is still uncertainty regarding what work will happen and how long it will take to complete the work plan. General Manager said he has reviewed a copy of HOI's labor and equipment rates and finds them to be fair and reasonable.

General Manager said it was staff's recommendation that the Board approve and execute Cash Contract No. 399 between the District and Harbor Offshore, Inc. for emergency outfall pipeline repairs on a time and materials reimbursement basis.

Director Damron made a motion that the Board approve Cash Contract No. 399 between the Carpinteria Sanitary District and Harbor Offshore, Inc. dated April 17, 2012. Director Moorhouse seconded the motion. Director Modugno asked if the support work HOI does to support the undermined lengths of pipe will be a permanent fix. General Manager said that it would be. The motion was approved by a 4-0 vote.

Finance Committee – President Graf said the Finance Committee had not met since the last Board meeting.

Personnel Committee – Director Moorhouse said the Personnel Committee is meeting tomorrow, April 18th.

Public Relations Committee – Director Modugno said he would like to schedule a Public Relations Committee meeting.

CASA Legislative Committee Report – None.

SBCSDA Report – None.

LAFCO Report – None.

Board Member Vacation Dates – None.

Future Agenda Items – None.

CLOSED SESSION – 6:42 p.m.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION: Per Government Code Section 54957. Title: General Manager.

RECONVENE OPEN SESSION – 6:50 p.m. President Graf reconvened the open session and stated that there was no action to report from the closed session.

Adjournment. There being no further items to discuss, President Graf adjourned the meeting at 6:50 p.m.

Lin Graf
President

Mike Modugno
Secretary

Jeff Moorhouse
President Pro-Tem

Michael Damron
Secretary Pro-Tem

Pat Horwitz
Treasurer