

**AGENDA**  
**FOR THE REGULAR MEETING OF THE GOVERNING BOARD**  
**TO BE HELD May 21, 2013**

The regular meeting of the Governing Board will be held commencing at 5:30 p.m. The location of the meeting is at 5300 Sixth Street, Carpinteria, California.

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**BOARD APPROVAL OF AGENDA** AS [SUBMITTED] [MODIFIED]  
Board President asks the Board, public, staff, and legal counsel if there are any additions and/or modifications to the Agenda.

**I. APPROVAL OF MINUTES** AS [SUBMITTED] [MODIFIED]  
May 7, 2013

**II. PUBLIC FORUM**  
The public may address the Governing Board on items of interest to the public which are not already on this evening's agenda and are within the subject matter jurisdiction of the Board. The time allotted for this discussion shall be pursuant to Board Bylaws.

**III. MATTERS BEFORE THE BOARD**

**A. GENERAL REPORTS:**

**1. General Manager's Status Report** (Pages 1-5)

Description: General Manager to review his written report regarding the following issues:

- Certificate of Achievement for Excellence in Financial Reporting
- Digester Replacement Project
- Southern California Edison Energy Savings
- City of Carpinteria Public Works Coordination Meeting
- Joint Safety Officer Program Update
- Operations Update

2. **Resolution No. R-260** (Pages 6-9)  
**Resolution Setting the Date for a Hearing and Giving Notice thereof of Election to Collect Sewer Service Charges on the County Tax Toll for the Fiscal Year 2013/14**

Description: The Board to consider adopting Resolution No. R-260.

Staff Recommendation: Staff recommends that the Board adopt Resolution No. R-260.

3. **Cash Contract No. 407 – Olin Corporation** (Pages 10-17)  
**Sodium Hypochlorite Supply**

Description: The Board to review and consider approving Cash Contract No. 407 between the District and Olin Corporation for the provision of bulk sodium hypochlorite for a two-year term.

Staff Recommendation: Staff recommends that the Board approve Cash Contract No. 407.

4. **Cash Contract No. 408 – JCI Jones Chemicals** (Pages 18-25)  
**Sodium Bisulfite Supply**

Description: The Board to review and consider approving Cash Contract No. 408 between the District and JCI Jones Chemicals for the provision of bulk sodium bisulfite for a two-year term.

Staff Recommendation: Staff recommends that the Board approve Cash Contract No. 408.

5. **Cash Contract No. 409 – SMPLSolutions** (Pages 26-36)  
**Telephone System Upgrade**

Description: The Board to review and consider approving Cash Contract No. 409 between the District and SMPLSolutions for the provision of equipment and services related to upgrading the District's existing telephone system.

Staff Recommendation: Staff recommends that the Board approve Cash Contract No. 409.

#### IV. BOARD ITEMS

##### A. **COMMITTEE REPORTS**

Description: Verbal reports by the committee chairperson(s) of the following committees:

- Standing Finance Committee
- Standing Personnel Committee
- Standing Public Relations Committee

**B. GENERAL ITEMS**

1. CASA Legislative Committee Report (Jeff Moorhouse)
  - Discussion of pending legislation affecting CASA member agencies.
2. LAFCO Report (Jeff Moorhouse)
3. SBCSDA (Santa Barbara – California Special Districts Association) Report
4. CSRMA Report (Jeff Moorhouse)
5. Board Member Vacation Dates
6. Future Agenda Items

**V. CLOSED SESSION**

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

CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): one case.

**VI. RECONVENE OPEN SESSION**

**A. CLOSED SESSION REPORT**

**VII. ADJOURNMENT**

---

**FURTHER INFORMATION AVAILABLE**

A staff report providing more detailed information is available for most agenda items and may be reviewed in the District office during regular hours (Monday - Friday from 8:00 a.m. to 12:00 p.m. and/or 1:00 p.m. to 5:00 p.m.). Copies of individual reports may be requested at this office. Call (805) 684-7214 extension 10 for more information.

In compliance with the Ralph M. Brown Act and the Americans with Disabilities Act, if you need a disability-related modification, accommodation, or other special assistance to participate in this meeting, please contact the District's Board Secretary at (805) 684-7214, extension 10, at least 48 hours prior to the start of the meeting.

---

Next Ordinance Available.....#14  
Next Resolution Available.....R-261  
Posting Date.....05/17/13

**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 **May 7, 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  
Michael Damron – Treasurer – **absent**  
Lin Graf – Secretary  
Gerald Velasco – Secretary Pro-Tem

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

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

Public Present: David Rundle – Penfield & Smith  
Hillary Hauser – Heal the Ocean

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

President Moorhouse noted for the record that Director Damron 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 March 19, 2013 and April 16, 2013**  
- Director Modugno made a motion that the Minutes of the March 19, 2013 Regular Board and the Minutes of the April 16, 2013 Special Board meeting be approved as submitted; Director Velasco seconded the motion, and the motion was approved by a 4-0.

**Public Forum** – None.

**Contract Document Acceptance and Authorization to Solicit Bids – South Coast Beach Communities Septic to Sewer Project Rincon Point Component** – General

Manager said the District has been working on this project since 1998 to provide public sewer service to the residential community at Rincon Point. The overall project involves conversion of 72 existing residences from on-site wastewater management systems, developed in the early 1930's, to public sewer. The project evolution has included comprehensive environmental review, annexation of the community into the District's service area, acquisition of a State grant to defray a portion of the project costs, formation of an assessment district to provide a funding mechanism for the project, detailed design and complex permitting and right of way acquisition.

General Manager said the community will be served by a low pressure sewer system. This involves installation of a grinder pump and tank assembly to serve each home and small diameter conveyance piping. This approach was utilized due to significant constraints within the area that would have made a conventional sewer collection system infeasible and cost prohibitive.

General Manager said the design activities were completed by Penfield & Smith pursuant to Cash Contract Number 365 initiated in July 2009. General Manager commended Dave Rundle and the support staff at Penfield & Smith for their efforts and perseverance on this important project. Mr. Rundle thanked General Manager for his comments.

General Manager said the District has received the final plans and specifications that incorporate draft comments and input provided by District staff. Copies of the 100% complete Contract Documents are available for review at the District office.

General Manager said this component has been broken into two discrete projects for the purpose of soliciting public bids. One project includes all necessary infrastructure outside of the community, including the pump station, the force main within the US 101 corridor and the gravity sewer into Carpinteria Avenue. From a land use perspective three permitting agencies were involved including the County of Ventura, the City of Carpinteria and the County of Santa Barbara. General Manager said this morning the County of Santa Barbara Board of Supervisors approved the easement documents to allow for construction of critical improvements within the Rincon Beach Park as well as certified the environmental document and authorized their General Services department to consent to annex. The annexation hearing is scheduled for the June LAFCO regular meeting.

General Manager said the District intends to purchase the low pressure system grinder pumps, tanks, control panel and appurtenant equipment directly from Environment One, the selected manufacturer. The timing for the equipment purchase will be coordinated with the bid award process and upon verification that project funding is adequate.

General Manager said the District will engage a consultant to provide construction management and on-site inspection during the installation phase. General Manager recommended that the District engage Penfield & Smith to maintain continuity and to leverage the extensive experience gained through the Sandyland Cove and Sand Point Road projects.

General Manager said it was staff's recommendation that the Board accept the 100% complete Contract Documents for the Rincon Point component of the South Coast Beach Communities Septic to Sewer Project and that authorization be given to advertise and solicit bids for construction.

President Moorhouse acknowledged one public speaker request had been submitted. Hillary Hauser, Heal the Ocean Executive Director, was invited to address the Board on Item A1.

Ms. Hauser introduced James Hawkins, Ruston Slager and Heal the Ocean Board member, Heather Hudson, and said on behalf of Heal the Ocean she would like to thank the Board of Directors for their continued support and commitment to this project. Ms. Hauser delivered a presentation which described many of the trials and tribulations that Heal the Ocean, the affected homeowners and the District have endured since inception of the project including environmental challenges, permitting issues, funding hurdles and lawsuits. Heal the Ocean's annual newsletter will contain a timeline piece beginning in 1998 until present documenting events and milestones that have taken place. Ms. Hauser again thanked the Board for their participation in the septic to sewer projects.

President Moorhouse noted that although Pat Horwitz no longer sits on the District Board of Directors, she was instrumental in the project movement and progress during her tenure as a Director.

President Moorhouse thanked Ms. Hauser for her contributions to this project. President Moorhouse said over the last decade, through CASA and through relationships with foundations such as Heal the Ocean, wastewater agencies are becoming stewards of the environment.

President Moorhouse closed public forum and Director Graf made a motion that the Board accept the 100% complete Contract Documents for the Rincon Point component of the South Coast Beach Communities Septic to Sewer Project and that authorization be given to advertise and solicit bids for construction. Director Modugno seconded the motion, and the motion was approved by a 4-0 vote.

**2013 Long Range Planning Workshop – Summary Report** – General Manager said on April 16, 2013 the District Board and staff participated in a strategic planning workshop. The meeting was facilitated by the General Manager.

General Manager said a Summary Report was attached to the packet for review and comment. The report is in draft form and additional input or suggested edits from Board members are welcome prior to finalizing the document.

President Moorhouse asked if there were any comments or input. Hearing none, President Moorhouse said the report is a moving target and should be brought back to the Board during subsequent workshops for reference.

**City of Carpinteria Utility Committee** – General Manager said that many years ago a joint meeting of the local agencies occurred to work on policy matters that affect or involve utility providers in the Carpinteria Valley. The city believes that it may be valuable to reconvene the meetings on a more regular basis. District staff supports this concept.

President Moorhouse appointed himself and Director Graf to serve as members of an ad-hoc committee to meet with the City of Carpinteria Utilities Committee and representatives from the water district for the purpose of working cooperatively on policy matters.

**General Manager's Status Report** – General Manager reported on the following:  
**Quarterly Incident Report** – The Quarterly Incident Report for the period January – March 2013 was presented to the Board. This report detailed incidents, complaints and other customer interactions received during this period. **SBSDA Meeting Report** – General Manager said he and President Moorhouse attended the monthly Santa Barbara Special Districts' Association meeting on April 22<sup>nd</sup>. Representatives from Goleta Water District spoke about the updated organizational management approach that they have rolled out with great success. **Annual Budget Process Update** – General Manager said District staff continues to work on the annual operating budget and a preliminary budget document was reviewed at

the April Finance Committee meeting. A tentative schedule for budget consideration and approval was attached. A letter from the District's auditor explaining their role throughout the annual audit process was distributed for review. **Digester Replacement Project Update** – General Manager said on April 1<sup>st</sup>, Carollo delivered the 60% completion level plans and specifications to the District. The complete project team will be meeting on May 9<sup>th</sup> here at the District to review the documents and to provide input on equipment selection and design specifications. **City of Carpinteria Public Works Coordination Meeting** – General Manager said the City of Carpinteria Public Works Department initiated a staff level meeting with area utility service providers to review a number of upcoming capital projects. **AB 371 Opposition Letter** – General Manager said Board President Moorhouse signed a letter sent to the Assembly Local Government Committee opposing AB371. A copy of the letter was attached. Although passage of this bill would not have immediate, direct impacts on our agency, it would have industry-wide implications. **Operations Update** – General Manager said the treatment plant is operating well and in full compliance with our NPDES discharge permit. Staff administered a bid process for bulk chemical supply. Results were favorable and contracts will be prepared for Board consideration at an upcoming meeting. The interior gate mechanical operator at the treatment plant was replaced. The original unit failed after 17 years of use. Two staff members attend the CWEA Annual Conference in Palm Springs held the week of April 15<sup>th</sup>. General Manager said he and Operations Manager, Mark Bennett, drove down for one day to visit the exhibition hall and to coordinate with equipment vendors on upcoming capital project and procurements. The collections system is operating well. No SSOs or other significant problems have occurred since the last Board meeting. Two Smartcover alarms went out to on-call staff over the past several weeks. Staff responded to the first call and found evidence of a backup that had cleared itself. The second alarm was for a high level in a manhole on Santa Clause Lane, staff responded and cleared a blockage to restore flow prior to any SSO occurring. As part of the District's annual collection system maintenance and repair program, a number of point repairs have been made to address structural defects within the collection system pipeline network. Bi-annual CPR and First Aid refresher training for District staff was conducted in April. Matt Oliver passed the Collection System Operator Grade I exam offered by the CWEA. He also passed his Class B driver's license examination. Congratulations Matt.

**Finance Committee** – Did not meet.

**Personnel Committee** – Did not meet.

**Public Relations Committee** – Director Graf reported that the committee met on Monday, May 6<sup>th</sup>, but nothing to report at this time.

**CASA Legislative Committee Report** – President Moorhouse said the CASA Legislative Committee met April 5<sup>th</sup>. Minutes will be distributed once complete.

**LAFCO Report** – None.

**SBCSDA Report** – None.

**CSRMA Report** – None.

**Board Member Vacation Dates** – None.

**Future Agenda Items** – None.

**CLOSED SESSION** – 6:30 p.m.

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

**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.

**CONFERENCE WITH LEGAL COUNSEL — ANITICIPATED LITIGATION:** Pursuant to Government Code Section 54956.9(d)(2): one case. Concerning April 24, 2012 “Frac-out” incident in Carpinteria Creek as part of the Bluffs Sewer Relocation Project.

**RECONVENE OPEN SESSION** – 6:50 p.m. President Moorhouse reconvened the open session and stated that there was no action taken on the closed session items.

**Adjournment** There being no further items to discuss, President Moorhouse adjourned the meeting at 6:51 p.m.

---

Jeff Moorhouse  
President

---

Lin Graf  
Secretary

---

Mike Modugno  
President Pro-Tem

---

Gerald Velasco  
Secretary Pro-Tem

---

Michael Damron  
Treasurer





# Carpinteria Sanitary District

Board of Directors Meeting  
General Manager's Status Report

TO: Board of Directors  
FROM: Craig Murray, P.E. - General Manager  
SUBJECT: **General Manager's Status Report**  
DATE: May 21, 2013

**Certificate of Achievement for Excellence in Financial Reporting.** The District was notified through the attached letter that the Government Finance Officers Association (GFOA) awarded the District its Certificate of Achievement for Excellence in Financial Reporting based on their review and evaluation of our CAFR for FY 2011/12.

**Digester Replacement Project Update.** Carollo's design team was on-site for a half day workshop to review the 60% completion level plans and specifications. Some final decision on site and piping layout were reached and the team focused on electrical and instrumentation issues to ensure seamless integration with our existing control and SCADA systems.

**Southern California Edison Energy Savings.** District staff met with a team of representatives from SCE to discuss upcoming energy efficiency projects and to identify the potential for future improvements. Baseline demand monitoring was initiated on the primary digester blower as part of the "Savings By Design" grant program we are pursuing for the digester replacement project. Monitoring of two other pumps, scheduled for replacement in FY 2013/14, was also initiated to provide baseline data for potential energy efficiency rebates.

**City of Carpinteria Public Works Coordination Meeting.** Due to a scheduling conflict, the City cancelled the May 21<sup>st</sup> joint committee meeting. It will get rescheduled, but not likely before July. I discussed the general purpose and objective of this group meeting with the City Manager. He suggested that the District put forth any issues or topics that are of interest to include in the upcoming meeting agenda.

**Joint Safety Officer Program Update.** As previously reported, Montecito Sanitary District has elected to opt out of the program effective June 30, 2013. The three remaining agency managers have reached out to other potential co-op participants over the past few months. Ventura Regional Sanitation District (VRSD) has indicated strong interest in participating and we have had a number of meetings with their staff to assess whether or not they would be a good fit for the group. VRSD is a CSRMA member and has many identical functions to the other members, however, they are significantly larger in size. As this prospect develops, I will provide updates to the Board.

**Operations Update:** WWTP and Collection System operations updates are as follows:

- The treatment plant is operating well and in full compliance with our NPDES discharge permit. Annual receiving water sampling for priority pollutants was conducted the week of June 13<sup>th</sup>.
- The collection system is operating well. No SSOs or other significant problems have occurred since our last meeting.

- Annual E-one unit inspections were completed and maintenance program planning was coordinated with the manufacturer's representative.
- Final budget development activities are being wrapped up. Staff has received budget quotes on major equipment and completed project cost estimation.



Government Finance Officers Association  
203 N. LaSalle Street - Suite 2700  
Chicago, IL 60601

Phone (312) 977-9700 Fax (312) 977-4806

May 17, 2013

Hamid Hosseini  
Finance Director  
Carpinteria Sanitary District  
5300 Sixth Street  
Carpinteria CA 93013

Dear Mr. Hosseini:

We are pleased to notify you that your comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012, qualifies for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Each entity submitting a report to the Certificate of Achievement review process is provided with a "Summary of Grading" form and a confidential list of comments and suggestions for possible improvements in its financial reporting techniques. Your list has been enclosed. You are strongly encouraged to implement the recommended improvements into the next report and submit it to the program. If it is unclear what must be done to implement a comment or if there appears to be a discrepancy between the comment and the information in the CAFR, please contact the Technical Services Center (312) 977-9700 and ask to speak with a Certificate of Achievement Program in-house reviewer.

Certificate of Achievement program policy requires that written responses to the comments and suggestions for improvement accompany the next fiscal year's submission. Your written responses should provide detail about how you choose to address each item that is contained within this report. These responses will be provided to those Special Review Committee members participating in the review.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. As the designated individual we have enclosed your AFRA.

Your Certificate of Achievement plaque will be shipped to you under separate cover in about eight weeks. We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release has been enclosed. We suggest that you provide copies of it to local newspapers, radio stations and television stations. In addition, details of recent recipients of the Certificate of Achievement and other information about Certificate Program results are available in the "Awards Program" area of our website, [www.gfoa.org](http://www.gfoa.org).

A current holder of a Certificate of Achievement may include a reproduction of the award in its immediately subsequent CAFR. A camera ready copy of your Certificate is enclosed for that purpose. If you reproduce your Certificate in your next report, please refer to the enclosed instructions. A Certificate of Achievement is valid for a period of one year. To continue to participate in the Certificate of Achievement Program it will be necessary for you to submit your next CAFR to our review process.

In order to expedite your submission we have enclosed a Certificate of Achievement Program application form to facilitate a timely submission of your next report. This form should be completed and sent (postmarked) with three copies of your report, three copies of your application, three copies of your written responses to the program's comments and suggestions for improvement from the prior year, and any other pertinent material with the appropriate fee by Please Tell Jake to Update @Submit Formula.

Your continued interest in and support of the Certificate of Achievement Program is most appreciated. If we may be of any further assistance, please contact Delores Smith ([dsmith@gfoa.org](mailto:dsmith@gfoa.org) or (312) 578-5454).

Sincerely,  
Government Finance Officers Association

A handwritten signature in black ink that reads "Stephen J. Gauthier". The signature is written in a cursive style with a large, stylized initial "S".

Stephen J. Gauthier, Director  
Technical Services Center

SJG/ds

# Certificate of Achievement For Excellence in Financial Reporting

## Summary of Grading

Name of Unit: Carpinteria Sanitary District  
 Fiscal Year of Report FY2012 Report # 514.00

The Certificate of Achievement Program Special Review Committee (SRC) has completed its review of your comprehensive annual financial report (CAFR). Listed below are the grading categories used and a summary of the SRC's evaluation of your CAFR. The detailed comments and suggestions for reporting improvements on the attached listing are grouped under similar grading categories. Any category which received a grade of "Needs Significant Improvement" indicates an area of particular concern to the SRC and the related comments and suggestions for improvement in this category should be given special attention. An indication is provided on the list by the specific comments(s) or category(ies) that were the cause of receiving this grade. For each item, the notation also states whether it is 1) the basis or part of the basis for the CAFR not receiving the Certificate of Achievement, 2) a serious deficiency which will almost certainly preclude the awarding of the Certificate of Achievement if it is not corrected in your next CAFR, or 3) a deficiency, that if not corrected in future CAFRs, could result in the Certificate of Achievement not being awarded.

<u>Grading Category</u>	<u>Grade</u>
Cover, table of contents, and formatting	Proficient
Introductory section	Proficient
Report of the independent auditor	Proficient
Management's discussion and analysis (MD&A)	Proficient
Basic financial statements (preliminary considerations)	Proficient
Statement of net assets/balance sheet	Proficient
Statement of revenues, expenses, and changes in net assets/equity	Proficient
Statement of cash flows	Proficient
Summary of significant accounting policies (SSAP)	Proficient
Note disclosure (other than the SSAP and pension-related disclosures)	Proficient
Pension-related note disclosures	Proficient
Required supplementary information (RSI)	Not Applicable
Statistical section	Proficient
Other considerations	Proficient



**Carpinteria Sanitary District**  
Board of Directors Meeting

**STAFF REPORT**

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: **RESOLUTION No. R-260 – Resolution Setting the Date for a Hearing and Giving Notice thereof of Election to Collect Sewer Service Charges on the County Tax Roll for the Fiscal Year 2013/14**

DATE: May 21, 2013

**REQUESTED ACTION:** Board to consider adopting Resolution No. R-260 setting the hearing date of June 18, 2013 for consideration of placing sewer service charges on the 2013/2014 tax roll and authorizing the notice thereof.

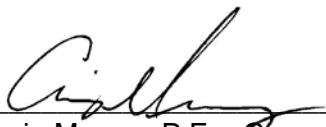
**BACKGROUND:** The Board, through adoption of Ordinance No. 1987-1 on June 16, 1987, initially authorized the collection of sewer charges on the Santa Barbara County Assessor’s tax roll. Ordinance No. 12 additionally authorizes such collection. This authority to collect via the tax roll, granted by state law, remains in place until an ordinance “to change” is adopted. The Board must also conduct a hearing and approve placement of the charges on the tax roll annually. This hearing must be noticed and published as set forth in the California Health and Safety Code. Approval and adoption of Resolution No. R-260 will authorize staff to publish notice of the June 18, 2013 hearing in the local *Coastal View News* newspaper. The hearing will be at the District’s office located at 5300 Sixth Street, Carpinteria, California, at 5:30 p.m.

**RECOMMENDATION:** Staff recommends adoption of Resolution No. R-260.

**SUGGESTED MOTION:** I move that the Board adopt Resolution No. R-260 setting the location, time, and date of the hearing and authorizing publication and notice per State law.

M\_\_\_\_\_ S\_\_\_\_\_

Ayes:\_\_\_\_\_ Nays:\_\_\_\_\_ Abstentions:\_\_\_\_\_

Prepared By:   
Craig Murray, P.E. - General Manager

Attachments: Resolution No. R-260  
Notice of Hearing

**RESOLUTION NO. R-260**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
CARPINTERIA SANITARY DISTRICT  
SETTING THE DATE FOR A HEARING AND  
GIVING NOTICE THEREOF OF ELECTION TO  
COLLECT SEWER SERVICE CHARGES  
ON THE COUNTY TAX ROLL  
FOR THE FISCAL YEAR 2013 - 2014**

**WHEREAS**, pursuant to the authority of Section 6520.5 of the Health and Safety Code (“Code”), the Governing Board (“Board”) of the Carpinteria Sanitary District has prescribed sewer service rates; and

**WHEREAS**, pursuant to Section 5473 of the Code, the Board by its Ordinance No. 1987-1, dated June 16, 1987, initially elected to collect sanitary sewer service charges by means of the County Tax Roll each fiscal year; and

**WHEREAS**, the Sewer Service Charges for fiscal year 2013-2014 have been determined in accordance with District Ordinance 12 adopted on June 7, 2011; and

**WHEREAS**, Section 5473 of the Health and Safety Code requires that in the event of such an election the District shall cause a written report to be filed, and the report shall contain a description of each parcel to be served by sewers and the charge therefore; and

**WHEREAS**, the report for fiscal year 2013-2014 is being prepared and will be on file in the office of the District on or before June 5, 2013; and

**WHEREAS**, Section 5473.1 of the Health and Safety Code requires that a hearing be held on the report and that notice of the hearing by publication and mailing be given.

**NOW, THEREFORE, BE IT RESOLVED:**

1. That a hearing is hereby set and shall be held at 5:30 p.m. on the 18<sup>th</sup> day of June, 2013 at the Carpinteria Sanitary District's administrative office located at 5300 Sixth Street, Carpinteria, California, for the purpose of hearing all objections and protests, if any, to the report on file in the office of the District;
2. That notice of the said hearing shall be given as follows:
  - a. By publication in the COASTAL VIEW on or before the 6<sup>th</sup> day of June, 2013 and the 13<sup>th</sup> day of June 2013.

- b. By mailing a notice in writing to those owners of those parcels of real property described in the report who are connected to the District's facilities and which parcels were not shown on the District's report for the prior fiscal year 2012-2013. The notice shall be mailed to the said owner's address as it appeared on the last equalized assessment roll available or the address shown to the Secretary of this District. Mailing is to be completed by June 5, 2013.
  - c. A copy of the said written report will be available for inspection by the public on June 5, 2013 at the District office located at 5300 Sixth Street, Carpinteria, California.
3. That the General Manager shall be and hereby is authorized and directed to give the notice in form as required by law and to do any and all such other things as necessary for the holding of said hearing.

**PASSED AND ADOPTED** by the Governing Board of the Carpinteria Sanitary District on the 21<sup>st</sup> day of May, 2013 by the following vote to wit:

AYES:

NAYS:

ABSTENTIONS:

Resolution No. R-260 was thereupon declared, carried, and adopted.

Dated this 21<sup>st</sup> day of May, 2013.

**We certify that the above is a true and correct copy of Resolution No. R-260, adopted by the Board of Directors of the Carpinteria Sanitary District on May 21, 2013.**

**APPROVED:**

---

Jeff Moorhouse  
President, Board of Directors

**ATTEST:**

---

Lin Graf  
Secretary, Board of Directors



**NOTICE OF HEARING DATE ON REPORT TO COLLECT  
CARPINTERIA SANITARY DISTRICT  
SEWER SERVICE CHARGES  
ON COUNTY TAX ROLL**

**NOTICE IS HEREBY GIVEN that at 5:30 p.m. on the date of June 18, 2013, at 5300 Sixth Street, Carpinteria, California**, a hearing will be held on a written report on file in the office of the District at 5:30 p.m., located at the above-referenced address. The report containing a description of each parcel of real property within Carpinteria Sanitary District to which sewer service is being rendered or for which an application for service has been made to the District has been filed on or before June 5, 2013. The report also sets for the charge to be made for sewer services to each of said parcels for the fiscal year 2013/2014.

The purpose of the hearing on the report is to enable the Governing Board of the Carpinteria Sanitary District to hear and consider all objections or protests to the election by the District to collect the sewer service charges as shown on the report on the County Tax Roll in the same manner and at the same time as general taxes.

The report is available for examination during normal business hours beginning June 5, 2013, and will remain available for examination during regular business hours at the administrative office of the District located at 5300 Sixth Street, Carpinteria, California, 93013.

Dated this 21<sup>st</sup> day of May, 2013.

***Jeff Moorhouse***, President  
Board of Directors  
Carpinteria Sanitary District



# Carpinteria Sanitary District

Board of Directors Meeting

## STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: **SODIUM HYPOCHLORITE SUPPLY: OLIN CORPORATION**  
**Cash Contract No. 407**

DATE: May 21, 2013

**REQUESTED ACTION:** It is requested that the Board review and approve Cash Contract No. 407 between the District and Olin Corporation of Tracy, California for the provision of bulk sodium hypochlorite for a two-year term.

**FUNDING SOURCE:** Operating Budget - Account 5522-1

**BACKGROUND:** Sodium hypochlorite (chlorine bleach) is essential for the disinfection or the selective destruction of disease-causing organisms found in treated municipal wastewater. The District currently purchases bulk sodium hypochlorite at a unit price of \$0.729 per gallon from Olin Corporation. The supply agreement with Olin is effective through June 30, 2013.

A competitive joint bidding process for a two-year supply of sodium hypochlorite and sodium bisulfite was undertaken with the Goleta Sanitary District. A request for proposal and project specifications were prepared and distributed to regional bulk chemical suppliers. Three bids were received prior to the May 1, 2013 submittal date. A tabulated summary of the bid prices is provided with this staff report.

The lowest responsive and responsible bid for bulk sodium hypochlorite was submitted by Olin Corporation. Their unit bid price was **\$0.6790 per gallon** delivered, including all applicable sales tax and mill charges.

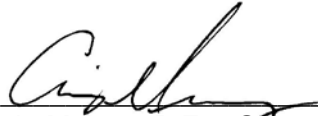
Olin Corporation is a national provider of chlor alkali products and they currently serve many of the water and wastewater agencies in the Tri-Counties area. Staff believes they have the resources and capacity to fulfill the terms of this two-year agreement.

**RECOMMENDATION:** Staff recommends the Board approve Cash Contract No. 407 between the District and Olin Corporation for the two-year supply of bulk sodium hypochlorite at the unit price of \$0.6790 per gallon delivered, including all applicable sales tax and mill charges.

**SUGGESTED MOTION:** I move that the Board approve Cash Contract No. 407 between the District and Olin Corporation for the two-year supply of bulk sodium hypochlorite at the unit price stated therein.

M\_\_\_\_\_ S\_\_\_\_\_

Ayes:\_\_\_\_\_ Nays:\_\_\_\_\_ Abstentions:\_\_\_\_\_

Prepared By:  \_\_\_\_\_  
Craig Murray, P.E. - General Manager

Attachments: Cash Contract No. 407  
Bid Tabulation Summary

P:\Board\Staff Reports\2013\05-21-13\CC407\_Olin.doc

# CASH CONTRACT NO. 407

## AGREEMENT FOR THE SUPPLY OF SODIUM HYPOCHLORITE

This Agreement is made and entered into, effective May 21, 2013 between:

**CARPINTERIA SANITARY DISTRICT**, (hereinafter referred to as "District")

AND

**OLIN CORPORATION**, (hereinafter referred to as "Contractor")

### RECITALS

**WHEREAS**, pursuant to the invitation of the District, the Contractor in accordance therewith, on or before the 1<sup>st</sup> day of May, 2013, filed with the District a bid (proposal) containing an offer to provide bulk sodium hypochlorite; and

**WHEREAS**, the District has determined that Contractor's proposal represented the lowest responsive and responsible bid; and

**WHEREAS**, the District Board of Directors accepted the proposal as the lowest responsive and responsible bid at their regular Board Meeting on May 21, 2013, for a two-year term commencing on July 1, 2013.

### NOW, THEREFORE, IT IS AGREED:

1. The Contractor shall supply bulk sodium hypochlorite to District and shall comply in every way with the requirements of those certain specifications entitled "Specifications and Proposal for Furnishing Sodium Hypochlorite and Sodium Bisulfite" dated March 2013.
2. In consideration of faithful compliance with the terms and conditions of this Agreement, the District agrees to pay the Contractor **\$0.679 per gallon** of sodium hypochlorite delivered. This unit price includes all delivery costs, applicable sales tax and mill charges for the term of this Agreement. Exact quantities may vary from the volume estimate given, and may be increased or decreased to meet the District's requirements. No minimum is guaranteed.
3. Unless terminated earlier pursuant to Section 9, this Agreement shall begin on the 1st day of July 2013 and terminate two years later on the 30th day of June 2015.
4. The Contract Documents which are hereby made a part of this Agreement by actual attachment or by this reference are as follows:
  - a. The "Specifications and Proposal for Furnishing Sodium Hypochlorite and Sodium

Bisulfite" dated March 2013.

b. The executed "Proposal Form" dated April 29, 2013, attached and incorporated herein as "Exhibit A".

5. This Agreement shall be governed and construed in accordance with the laws of the State of California. Should litigation be filed concerning this Agreement, such litigation shall be filed and heard in a court of competent jurisdiction in the County of Santa Barbara, State of California.

6. Any notice, payment or instrument required or permitted to be given hereunder shall be deemed received upon personal delivery or upon deposit in the United States mail, registered, postage prepaid and addressed as follows:

**District:**

Craig Murray  
General Manager  
Carpinteria Sanitary District  
5300 Sixth Street  
Carpinteria, CA 93013

Telephone: (805) 684-7214 x12  
FAX: (805) 684-7213  
Email: [craigm@carpsan.com](mailto:craigm@carpsan.com)

**Contractor:**

John Schabacker  
Olin Corporation  
dba Olin Chlor Alkali Products  
26700 South Banta Road  
Tracy, CA 95304

Telephone: (209) 835-7204  
FAX: (209) 835-9760  
Email: [jmschabacker@olin.com](mailto:jmschabacker@olin.com)

7. No claim or right arising out of a breach of this Agreement can be discharged in whole or in part or by a waiver unless the waiver is supported by consideration and is in writing signed by the aggrieved party.

8. This Agreement represents the entire Agreement between the parties and shall not be modified, except as agreed in writing.

9. The District in its sole discretion, without cause or penalty, may terminate this Agreement at any time. In such event, Contractor shall be paid for its services rendered up to the date of termination.

10. Contractor acknowledges that: (a) its bid proposal was made to two public agencies, including the District; (b) this Agreement is solely between Contractor and District; and (c) separate agreements are to be reached between Contractor and the other public agencies involved in the joint bid process.

/  
/  
/  
/  
/  
/  
/

By signing hereunder, Contractor acknowledges he has reviewed all of the foregoing provisions of the Agreement and agrees with the terms, requirements, and conditions contained herein.

The parties have executed this Agreement on the day and year first set forth above.

**CARPINTERIA SANITARY DISTRICT**

By: \_\_\_\_\_

Jeff Moorhouse  
President, Board of Directors

“District”

**OLIN CORPORATION**

By: \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

“Contractor”

APPROVED AS TO FORM:

**MUSICK PEELER & GARRETT, LLP**

By: \_\_\_\_\_

Anthony H. Trembley  
Legal Counsel for District

# PROPOSAL FORM

12.5% Sodium Hypochlorite (NaOCl)

Date: 4/29/13

The undersigned vendor, having carefully examined the bid specifications provided and referred to in the information proposes to furnish and deliver the following:

## BASIC PROPOSAL TWO (2) YEAR CONTRACT PERIOD

\*Prices quoted to include all delivery costs and applicable taxes and mill charges.

<b>Carpinteria Sanitary District</b>	Estimated Annual Quantity: <u>75,000</u> gallons
Unit price in figures F.O.B. Carpinteria SD: <u>\$0.679</u> /gallon*	<u>min. 4800 - 5000 gal. del.</u>
Two-year Extended Price: \$ <u>\$101,850.00</u>	
Total Sum F.O.B. Carpinteria in Words: <u>One hundred one Thousand, Eight hundred Fifty dollars.</u>	

<b>Goleta Sanitary District</b>	Estimated Annual Quantity: <u>350,000</u> gallons
Unit price in figures F.O.B. Goleta SD: <u>\$0.679</u> /gallon*	<u>min. 4800 - 5000 gal. del.</u>
Two -year Extended Price: \$ <u>475,300.00</u>	
Total Sum F.O.B. Goleta in Words: <u>Four hundred Seventy-five Thousand Three hundred dollars.</u>	

PROPOSED DELIVERY SCHEDULE AFTER NOTIFICATION: 3 DAYS A.R.O.

EXCEPTIONS TO SPECIFICATIONS (IF ANY): Sales tax in price is 8% and price may adjust +/- if tax rates change during contract term

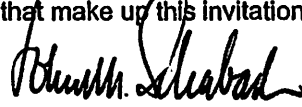
TERMS/PROMPT PAYMENT DISCOUNT (IF ANY): Net 30

PROPOSED DELIVERY SCHEDULE: 3 days ARO

**ORIGINAL SIGNATURES ONLY (COPIES WILL NOT BE ACCEPTED). UNSIGNED BIDS WILL NOT BE CONSIDERED.**

Submission of a signed bid will be interpreted to mean that bidder has read the entire document and agrees to all of the terms and conditions set forth in all the sheets that make up this invitation.

Olin Corporation, dba Olin Chlor Alkali Products  
Company Name



Signature of Authorized Representative

26700 South Banta Road  
Address

John M. Schabacker

Authorized Representative (Please Print)

Tracy, CA 95304  
City, State and ZIP

Business Director  
Title

209-835-7204  
Phone Number

JMSchabacker@olin.com  
Email Address

209-835-9760  
FAX Number

www.olin.com  
Web Page Address





# Carpinteria Sanitary District

Board of Directors Meeting

## STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: **SODIUM BISULFITE SUPPLY: JCI Jones Chemicals  
Cash Contract No. 408**

DATE: May 21, 2013

**REQUESTED ACTION:** It is requested that the Board review and approve Cash Contract No. 408 between the District and JCI Jones Chemicals of Torrance, California for the provision of bulk sodium bisulfite for a two-year term.

**FUNDING SOURCE:** Operating Budget - Account 5522-1

**BACKGROUND:** Sodium bisulfite is a chemical used to remove residual free chlorine from disinfected wastewater effluent prior to discharge to the Pacific Ocean. Dechlorination is a requirement of the District's NPDES permit. The District currently purchases bulk sodium bisulfite at a unit price of \$0.9557 per gallon from Univar USA, Inc. (formerly Basic Chemical Solutions, Inc.). The current supply agreement is effective through June 30, 2013.

A competitive joint bidding process for a two-year supply of sodium hypochlorite and sodium bisulfite was undertaken with the Goleta Sanitary District. A request for proposal and project specifications were prepared and distributed to regional bulk chemical suppliers. Two bids were received prior to the May 1, 2013 submittal date. A tabulated summary of the bid prices is provided with this staff report.

The lowest responsive and responsible bid for bulk sodium bisulfite was submitted by JCI Jones Chemicals (JCI). Their unit bid price was **\$0.8770 per gallon** delivered, including all applicable sales tax and mill charges.

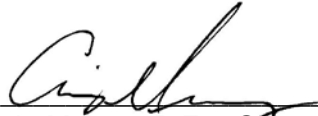
JCI currently serves many of the water and wastewater agencies in Tri-Counties area. The District has previously contracted with JCI for the supply of bulk sodium hypochlorite. Staff believes they have the resources and capacity to fulfill the terms of this two-year agreement.

**RECOMMENDATION:** Staff recommends the Board approve Cash Contract No. 408 between the District and JCI Jones Chemicals, Inc. for the two-year supply of bulk sodium bisulfite at the unit price of \$0.8770 per gallon delivered, including all applicable sales tax and mill charges.

**SUGGESTED MOTION:** I move that the Board approve Cash Contract No. 408 between the District and JCI Jones Chemicals, Inc., for the two-year supply of bulk sodium bisulfite at the unit price stated therein.

M\_\_\_\_\_ S\_\_\_\_\_

Ayes:\_\_\_\_\_ Nays:\_\_\_\_\_ Abstentions:\_\_\_\_\_

Prepared By:  \_\_\_\_\_  
Craig Murray, P.E. - General Manager

Attachments: Cash Contract No. 408  
Bid Tabulation Summary

# CASH CONTRACT NO. 408

## AGREEMENT FOR THE SUPPLY OF SODIUM BISULFITE

This Agreement is made and entered into, effective May 21, 2013, between:

**CARPINTERIA SANITARY DISTRICT**, (hereinafter referred to as "District")

AND

**JCI Jones Chemicals, Inc.** (hereinafter referred to as "Contractor")

### RECITALS

**WHEREAS**, pursuant to the invitation of the District, the Contractor in accordance therewith, on or before the 1<sup>st</sup> day of May 2013, filed with the District a bid (proposal) containing an offer to provide bulk sodium bisulfite; and

**WHEREAS**, the District has determined that Contractor's proposal represented the lowest responsive and responsible bid; and

**WHEREAS**, the District Board of Directors accepted the proposal as the lowest responsive and responsible bid at their regular Board Meeting on May 21, 2013, for a two-year term commencing on July 1, 2013.

### NOW, THEREFORE, IT IS AGREED:

1. The Contractor shall supply bulk sodium bisulfite to District and shall comply in every way with the requirements of those certain specifications entitled "Specifications and Proposal for Furnishing Sodium Hypochlorite and Sodium Bisulfite" dated March 2013.
2. In consideration of faithful compliance with the terms and conditions of this Agreement, the District agrees to pay the Contractor **\$0.877 per gallon** of sodium bisulfite delivered. This unit price includes all delivery costs, applicable sales tax and mill charges for the term of this Agreement. Exact quantities may vary from the volume estimate given, and may be increased or decreased to meet the District's requirements. No minimum is guaranteed.
3. Unless terminated earlier pursuant to Section 9, this Agreement shall begin on the 1st day of July 2013 and terminate two years later on the 30th day of June 2015.
4. The Contract Documents which are hereby made a part of this Agreement by actual attachment or by this reference are as follows:

- a. The "Specifications and Proposal for Furnishing Sodium Hypochlorite and Sodium Bisulfite" dated March 2013.
  - b. Contractor's executed "Proposal Form" dated April 25, 2013, attached and incorporated herein as "Exhibit A".
5. This Agreement shall be governed and construed in accordance with the laws of the State of California. Should litigation be filed concerning this Agreement, such litigation shall be filed and heard in a court of competent jurisdiction in the County of Santa Barbara, State of California.
6. Any notice, payment or instrument required or permitted to be given hereunder shall be deemed received upon personal delivery or upon deposit in the United States mail, registered, postage prepaid and addressed as follows:

**District:**

General Manager  
 Carpinteria Sanitary District  
 5300 Sixth Street  
 Carpinteria, CA 93013

Telephone: (805) 684-7214 x12  
 FAX: (805) 684-7213  
 Email: [craigm@carpsan.com](mailto:craigm@carpsan.com)

**Contractor:**

Colleen DuBose  
 JCI Jones Chemicals, Inc.  
 1401 Del Amo Blvd.  
 Torrance, CA 90501

Telephone: (310) 523-1629  
 FAX: (310) 523-2944  
 Email: [cdubose@jcichem.com](mailto:cdubose@jcichem.com)

7. No claim or right arising out of a breach of this Agreement can be discharged in whole or in part or by a waiver unless the waiver is supported by consideration and is in writing signed by the aggrieved party.
8. This Agreement represents the entire Agreement between the parties and shall not be modified, except as agreed in writing.
9. The District in its sole discretion, without cause or penalty, may terminate this Agreement at any time. In such event, Contractor shall be paid for its services rendered up to the date of termination.
10. Contractor acknowledges that: (a) its bid proposal was made to two public agencies, including the District; (b) this Agreement is solely between Contractor and District; and (c) separate agreements are to be reached between Contractor and the other public agencies involved in the joint bid process.

/

/

/

/

/

/

/

/

By signing hereunder, Contractor acknowledges he has reviewed all of the foregoing provisions of the Agreement and agrees with the terms, requirements, and conditions contained herein.

The parties have executed this Agreement on the day and year first set forth above.

**CARPINTERIA SANITARY DISTRICT**

By: \_\_\_\_\_

Jeff Moorhouse  
President, Board of Directors

“District”

**JCI JONES CHEMICALS, INC.**

By: \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

“Contractor”

APPROVED AS TO FORM:

**MUSICK PEELER & GARRETT, LLP**

By: \_\_\_\_\_

Anthony H. Trembley  
Legal Counsel for District

# PROPOSAL FORM

25% Sodium Bisulfite (NaHSO<sub>3</sub>)

Date: 4/25/13

The undersigned vendor, having carefully examined the bid specifications provided and referred to in the information proposes to furnish and deliver the following:

## BASIC PROPOSAL TWO (2) YEAR CONTRACT PERIOD

\*Prices quoted to include all delivery costs and applicable taxes and mill charges.

<b>Carpinteria Sanitary District</b>	<b>Estimated Annual Quantity: <u>55,000</u> gallons</b>
Unit price in figures F.O.B. Carpinteria SD: <u>\$0.877</u> /gallon*	
Two-year Extended Price: \$ <u>48,235<sup>00</sup></u>	
Total Sum F.O.B. Carpinteria in Words: <u>Forty Eight Thousand, Two Hundred Thirty Five Dollars</u>	

<b>Goleta Sanitary District</b>	<b>Estimated Annual Quantity: <u>115,000</u> gallons</b>
Unit price in figures F.O.B. Goleta SD: <u>\$0.877</u> /gallon*	
Two -year Extended Price: \$ <u>100,855<sup>00</sup></u>	
Total Sum F.O.B. Goleta in Words: <u>One Hundred Thousand, Eight Hundred Fifty Five Dollars.</u>	

PROPOSED DELIVERY SCHEDULE AFTER NOTIFICATION: 2-3 DAYS A.R.O.

EXCEPTIONS TO SPECIFICATIONS (IF ANY): \_\_\_\_\_

TERMS/PROMPT PAYMENT DISCOUNT (IF ANY): Net 30 days

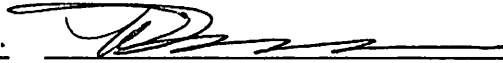
PROPOSED DELIVERY SCHEDULE: 2-3 days ARO

**ORIGINAL SIGNATURES ONLY (COPIES WILL NOT BE ACCEPTED). UNSIGNED BIDS WILL NOT BE CONSIDERED.**

Submission of a signed bid will be interpreted to mean that bidder has read the entire document and agrees to all of the terms and conditions set forth in all the sheets that make up this invitation.

JCI Jones Chemicals, Inc.

Company Name



Signature of Authorized Representative

1401 Del Amo Blvd.

Address

Colleen DuBose

Authorized Representative (Please Print)

Torrance, CA 90501

City, State and ZIP

Sales Coordinator

Title

310-523-1629

Phone Number

cdubose@jcichem.com

Email Address

310-523-2944

FAX Number

www.jcichem.com

Web Page Address



# Carpinteria Sanitary District

Board of Directors Meeting

## STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

**SUBJECT: Telephone System Upgrade: SMPLSolutions  
Cash Contract No. 409**

DATE: May 21, 2013

**REQUESTED ACTION:** It is requested that the Board review and approve Cash Contract No. 409 between the District and SMPLSolutions of Lake Forest, California for the provision of equipment and services related to upgrading the District's existing telephone system.

**FUNDING SOURCE:** Account 5610 (Equipment (minor) Related Expenses)

**BACKGROUND:** The District's administration building was installed in 1991 and it was at that time that the existing phone lines were wired, including a multi-strand wire connection in a buried conduit to the treatment facility. An AT&T branded centranet style analog phone system was installed concurrently and has been in service since that time. Over the past two decades, we have experienced both intermittent and continuous problems with line noise and general poor quality communication. In 2007 the District replaced the Avaya Partner Messaging Module at a significant cost. We have further pursued several avenues to address the wiring and corrosion issues with limited success.

District staff evaluated various options for upgrading the phone system and received budget quotes for several solutions. True VOIP (externally hosted) was determined to have recurring costs that were not in line with our usage levels. However, a hybrid digital system that incorporates the use of digital telephones on our local Ethernet network appears to be the best upgrade alternative from a cost and reliability standpoint.

Staff solicited a proposal from SMPLSolutions, of Lake Forest, CA, for equipment and services necessary to upgrade the District's existing phone and messaging system. SMPLSolutions is the authorized provider of Toshiba phone systems through their current CMAS and GSA contracts. Procuring equipment at the CMAS contract pricing ensures that the District receives competitive pricing, consistent with our purchasing policy.

SMPLSolutions' proposes to supply a Toshiba CIX40 digital phone system and 12 digital phones to replace the existing, antiquated equipment. This purchase was not anticipated for the current budget year, however, we have at least one critical telephone that is completely nonfunctional and it is recommended that we move forward with the upgrade as soon as possible. Ample funds exist within Account 5610 (Equipment Related Expenses) in the current fiscal year to complete the project.



SMPLSolutions' proposal for telephone equipment and services, dated May 14, 2013, is included as Exhibit "A" to Cash Contract No. 409 which is attached herewith for your review. The proposed equipment procurement and Scope of Services for the project includes provision of 12, 20-button 9-line IP speakerphones including licenses, voice processing system, 16-channel IP interface unit, 7 year extended warranty, and installation and programing of each phone. SMPLSolutions inclusive proposal contains a not to exceed fee, including applicable taxes, of \$7,978.18.


**A copy of Cash Contract No. 409 is attached herewith. This form of agreement has been reviewed and approved by the District General Manager and District Counsel.**

**RECOMMENDATION:** Staff recommends that the Board approve Cash Contract No. 409 between the Carpinteria Sanitary District and SMPLSolutions for equipment procurement and services related to upgrading the District's existing telephone system, with a not to exceed amount of \$7,978.18.

**SUGGESTED MOTION:** I move that the Board approve Cash Contract No. 409 between the Carpinteria Sanitary District and SMPLSolutions for equipment procurement and services related to upgrading the District's existing telephone system, with a not to exceed amount of \$7,978.18.

M \_\_\_\_\_ S \_\_\_\_\_

Ayes: \_\_\_\_\_ Nays: \_\_\_\_\_ Abstentions: \_\_\_\_\_

Prepared By:  \_\_\_\_\_  
Craig Murray, P.E. - General Manager

Attachments: Cash Contract No. 409

P:\Board\Staff Reports\2013\05-21-13\PhoneSystemUpgrade.docx

# CASH CONTRACT NO. 409

## AGREEMENT FOR DIGITAL TELEPHONE SYSTEM INSTALLATION

This Agreement is made and entered into, effective May 21, 2013, between:

**CARPINTERIA SANITARY DISTRICT**, (hereinafter referred to as "District")

AND

**SMPLSolutions** (hereinafter referred to as "Contractor")

### RECITALS

**WHEREAS**, the District desires to obtain services from Contractor that include provision of equipment and services necessary to upgrade the District's existing phone and messaging system; and

**WHEREAS**, the Contractor represents that it has the skills, experience, and expertise to perform these services for the District; and

**WHEREAS**, Contractor has developed a scope and approach to perform the system upgrade that includes installation of a digital phone system, and placement of 12 digital telephones; and

**WHEREAS**, subject to the specific terms and conditions set forth herein, Contractor desires to enter into an agreement with the District for said installation;

**NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS SET FORTH HEREIN, THE PARTIES AGREE AS FOLLOWS:**

Section 1: Nature of Agreement. This agreement, when fully executed by the Parties, shall constitute a contract whereby Contractor agrees to supply and install a digital phone system throughout the administration office and plant locations. Compensation payable to Contractor pursuant to this agreement shall be paid on a lump sum basis with a total cost of \$7,978.18 in accordance with Contractor's price proposal, dated May 14, 2013, included as Exhibit "A" and incorporated herein by reference. Final invoice shall be dated and submitted on or before June 28, 2013.

Section 2: Term of Agreement. This Agreement shall continue in full force and effect for a period of thirty (30) days beginning May 21, 2013 and ending June 20, 2013, except as subject to early termination as provided in Section 3 of this Agreement.

Section 3: Early Termination. During its term, this Agreement may be sooner terminated by written notice of termination as follows:

- A. By either Party in the event the defaulting Party fails to cure a material breach of this Agreement within five (5) days of receipt of a written notice from the non-defaulting Party of such material breach.
- B. By the District, without cause and without penalty or cost to the District, immediately upon written notice, given in the sole discretion of the District's General Manager or designee.

Section 4: Safety and Protection

- A. The Contractor shall be solely responsible for supervising its personnel and initiating, maintaining, and supervising all safety precautions and programs in connection with the Scope of Work. The Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss, to its personnel at the location of the work and any third parties.
- B. The Contractor shall promptly and fully comply with and carry out and shall, without separate charge to the District, enforce compliance with safety and first aid requirements pertaining to the work stated herein, prescribed by all applicable Laws and Regulations (whether referred to herein or not) of any public body having jurisdiction or charged with the enforcement thereof, for the safety of persons or property or to protect them from damage, injury, or loss, including without limitation all OSHA rules, regulations and guidelines pertaining to confined space entry, and Contractor shall erect and maintain all necessary safeguards for such safety and protection. The Contractor shall notify District, owners of adjacent property and utilities when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property. The Contractor shall take such other measures as may be necessary to ensure that work is done in a safe manner and that the safety and health of the employees and people of the local communities is safeguarded.
- C. The Contractor shall designate, in writing, a responsible representative at the site whose duty shall be the prevention of accidents, and the maintaining and supervising of safety precautions and programs. This person shall be the Contractor's superintendent unless otherwise designated in writing by the Contractor to the District.

Section 5: Insurance. Contractor shall procure and maintain for the duration of this Agreement, and thereafter as specified in Exhibit "B" incorporated herein by reference, liability insurance naming the District as an additional insured.

Section 6: Indemnity. Contractor shall investigate, defend, indemnify, and hold harmless the District and its directors, officers, agents, and employees from and against any and all loss, damage, liability, claims, demands, costs, charges, and expenses (including reasonable attorney's and expert consultant fees), and any fines or penalties from regulatory agencies and any causes of action of whatsoever character which the District may incur, sustain, or be subjected to on account of loss or damage to District's property or other real or personal property or loss of use thereof, or for bodily injury to or death of any persons (including but not limited to employees, subcontractors, agents, and invitees of each party hereto), and for violation of any laws, ordinances, rules or regulations (including without limitation safety standards), arising out of or in any way connected with the work to be performed under this Agreement, except and only to the extent where caused by the active negligence, sole negligence, or willful misconduct of District. Contractor's indemnity obligations shall survive the term of this Agreement.

Submission by Contractor of proof of compliance with the insurance requirements of this Agreement shall not relieve Contractor from liability under this indemnity section. The obligations of this indemnity section shall apply whether or not such insurance policy(ies) shall have been determined to apply to any of such losses damage, liability, claims, demands, costs, charges, or expenses.

Section 7: Successors and Assigns; No Subcontracting. No assignment of this Agreement shall be effective without the prior written consent of the non-assigning party. District may withhold such consent in its sole discretion. Contractor may not utilize subcontractors.

Section 8: Independent Contractor. The parties agree that the Contractor is an independent contractor to the District, not an employee of the District, and therefore is not entitled to the salaries, benefits, or privileges of being an employee of the District, including, but not limited to vacation pay, holiday pay, overtime pay, health insurance, disability or retirement benefits, and workers' compensation benefits.

Section 9: Notice. Any notice, payment or instrument required or permitted to be given hereunder shall be deemed received upon personal delivery or upon deposit in the United States mail, registered, postage prepaid and addressed as follows:

DISTRICT:  
Craig Murray, General Manager  
Carpinteria Sanitary District  
5300 Sixth Street  
Carpinteria, CA 93013

CONTRACTOR:  
David Case, President & CEO  
smplsolutions  
20503 Crescent Bay Drive  
Lake Forest, CA 92630

Section 10: Claims and Disputes. This Agreement shall be governed and construed in accordance with the laws of the State of California. Should litigation be filed concerning this Agreement, such litigation shall be filed and heard in a court of competent jurisdiction for the County of Santa Barbara, State of California.

Section 11: Integration Clause. No claim or right arising out of a breach of this Agreement can be discharge in whole or in part by a waiver unless the waiver is supported by consideration and is in writing signed by the aggrieved party. This Agreement represents the entire agreement between the parties and shall not be modified, except as agreed in writing.

Section 12: No Waiver. No failure or delay by either party in asserting their rights or remedies hereunder as to any default shall operate as a waiver of the default, of any subsequent or other default, or any rights or remedies. No such delay shall deprive the parties of their right to institute and maintain any action or proceeding which may be necessary to protect, assert, or enforce any rights or remedies arising out of this Agreement or the performance thereof. No claim or right arising out of a breach of this Agreement can be discharged in whole or in part by a waiver unless the waiver is supported by consideration and is in writing signed by the aggrieved party.

Section 13: Partial Invalidity. If any term, covenant, or condition of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions herein shall remain in full force and effect and shall not be affected, impaired, or invalidated thereby.

Section 14: Recitals. The foregoing recitals are incorporated herein as if fully set forth.

Section 15: Authority. The individuals executing this Agreement on behalf of the respective parties represent and warrant that they have the requisite authority to take such action.

Section 16: Drafting. The provisions of this Agreement shall be construed in accordance with the fair meaning of the language and shall not be construed against the drafting party.

By signing hereunder, Contractor acknowledges he has reviewed all of the foregoing provisions of the Agreement and agrees with the terms, requirements, and conditions contained herein.

The parties have executed this Agreement on the day and year first set forth above.

**CARPINTERIA SANITARY DISTRICT**

By: \_\_\_\_\_  
Jeff Moorhouse  
President, Board of Directors  
"District"

**SMPLSOLUTIONS**

By: \_\_\_\_\_  
Print Name \_\_\_\_\_  
Title \_\_\_\_\_  
"Contractor"

APPROVED AS TO FORM:

**MUSICK PEELER & GARRETT, LLP**

By: \_\_\_\_\_  
Anthony H. Trembley  
Legal Counsel for District



## CMAS/GSA Based Proposal

**Client:** Carpinteria Sanitary District  
**Address:** 5300 Sixth Street  
Carpinteria, CA 93013

**Proposal #:** 1000.003  
**Reference:** CIX40 with VM and ITPs

**Date:** May 14, 2013

**CMAS #3-07-58-0183C**  
**GSA #GS-35F-0252T**  
**CONTRACTOR'S LIC. # 769308**

20503 Crescent Bay Drive  
Lake Forest, CA 92630

# Scope of Work

Prepared for:  
**Carpinteria Sanitary District**  
5300 Sixth Street  
Carpinteria, CA 93013

Prp. #: 1000.003  
Site: 5300 Sixth Street

Date: 5/14/2013

	Description	Quantity	Unit Price	Total Price
<b>EQUIPMENT AND MATERIALS:</b>				
	<i>Description</i>	<i>Quantity</i>	<i>Unit Price</i>	<i>Total Price</i>
<b>KIT &amp; BASE SYSTEM COMPONENTS:</b>				
Val+	CIX40 4x8 cabinet, system processor and power adaptor.	1	559.20	559.20
Val+	CIX40 4-Port Voice Processing System card.	1	655.18	655.18
<b>STATION EQUIPMENT:</b>				
Val+	20-button IP Speakerphone 9-line, 10/100/1000Mbps.	12	214.40	2,572.80
Val+	IP Endpoint License for Strata CIX.	12	48.00	576.00
Val+	16-channel IP Interface Unit.	1	639.20	639.20
<b>TOTAL EQUIPMENT LIST PRICE:</b>				\$ 5,002.38
INCLUDING SALES TAX:			8.00%	\$ 400.19
				<b>\$ 5,402.57</b>

<b>ITEMIZATION OF LABOR:</b>				
	Description	Quantity	Unit Price	Total Price
	Install & Program for CIX40.	1	317.00	317.00
	Install & Program IP telephone phone - existing cable.	12	75.00	900.00
	Install and program GVMU or GVPH Voice Mail system.	1	215.00	215.00
	Install and program one VoIP Interface card.	1	220.00	220.00
	Program and license one IP Telephone end point port.	12	19.00	228.00
	Toshiba Provided Extended Hardware Warranty 7 years.	1	695.61	695.61
				<b>\$ 2,575.61</b>

**TOTAL INSTALLED PRICE (INCLUDING CA SALES TAX):** **\$ 7,978.18**



20503 Crescent Bay Drive  
Lake Forest, CA 92630

# Project Authorization Form

*Purchaser:*  
**Carpinteria Sanitary District**  
5300 Sixth Street  
Carpinteria, CA 93013

**Proposal Number:** 1000.003  
**Site Location:** 5300 Sixth Street

**Date:** 5/14/2013

## Scope of Work

	<i>Amount</i>
<b>Total Project Costs</b>	<b>\$ 7,978.18</b>

## Sales Agreement

Service Provider: **smplsolutions** (A California Corporation) "SMPL".

SMPL shall sell to "Purchaser", and "Purchaser" shall purchase from SMPL, according to the prices and the terms set forth herein, the equipment and services as specified on the attached itemizations. This Agreement shall become effective and binding upon Purchaser's and SMPL's authorized signatures. Once effective, this Agreement is non-cancelable except by written consent of SMPL and will include indemnity terms as deemed necessary.

This "Sales Agreement" constitutes the entire and complete agreement between SMPL and Purchaser and includes all pages as attached. SMPL is not bound by any representations or inducements not set forth herein, with exception given to additional authorizations signed by Purchaser/Client. All information contained herein is considered confidential and shall not be reproduced or distributed.

## Authorized By

**PURCHASER**

Please fax the initialed pages and signed authorization to (877) 943-7675

\_\_\_\_\_  
Authorized Signature (Officer or Owner)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

## Accepted By

**smplsolutions**

\_\_\_\_\_  
smplsolutions Authorized Signature (Officer)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title



## Conditions & Definitions

Pricing is valid for: (30) days from Proposal date; (60) days from Effective Date in the absence of a Commencement Date.

**Terms of Payment: 10% down payment and 40% retainer is required to commence this project. An additional 40% is due upon commencement of on-site installation on the Material Delivery Date as defined below. The remaining 10% Final Payment is due upon completion of the scope of work.**

Cancellation of this Sales Agreement by Purchaser with written consent by SMPL will result in 20% re-stocking fees. In addition Purchaser will be liable for labor incurred to date of cancellation, including but not limited to planning, surveys, and programming.

This Sales Agreement and resulting project will be scheduled as follows:

1. Effective Date of Sales Agreement: The contract shall be in effect when a signed Sales Agreement is received by SMPL.
2. Commencement Date: The project shall commence upon receipt of the down payment/retainer funds. Project materials will not be ordered from suppliers until these funds are received, which customer agrees may delay a requested Material Delivery
3. Planning Meeting: The Purchaser and SMPL shall schedule and attend a project-planning meeting or conference call within (7) to (14) business days from the commencement date. At this meeting the Purchaser shall provide all documentation required to complete the project.
4. Programming/Installation: Programming and/or installation will begin approximately (7) to (14) business days, either, after the commencement date of the Sales Agreement, or prior to the Material Delivery Date, as appropriate.
5. Change Orders (CO): Additions or changes to the scope of this agreement require written authorization by Purchaser in the form of a signed CO. CO's must be paid in full at time of ordering and scheduling in order to have them added to the scope of work. CO's made within (7) days of the Material Delivery Date may delay the final completion date of the project.
6. Material Delivery Date: The date SMPL delivers materials to the Purchaser's site and commences the on-site installation (invoice will be delivered to Purchaser during the (5) days prior). 40% payment is due on this date. SMPL reserves the right to re-schedule delivery and installation if payment is not available at the time of delivery.
7. Final Payment: Final payment is due in full upon completion of material installation per scope of work and sales agreement, unless prior written arrangements have been made with SMPL.

Purchaser shall keep the equipment delivered to Purchaser's premises insured against loss or damage by all risks including but not limited to fire, theft, or the elements, for an amount not less than the balance due on full contract price. All work will be performed during SMPL normal business hours of Monday through Friday, 8:00 a.m. to 5:00 p.m.

Project delays or additional costs including, but not limited to, return trips and overtime costs due to lack of access to Purchaser's site, performance by Purchaser or Purchaser's vendor(s) and/or service provider(s) are the responsibility of Purchaser and will be charged on a time and material basis. All unit pricing prevails.

Additional costs associated with building permits, additional insurance, parking & equipment rental (i.e. hydraulic lift), are the responsibility of Purchaser. Unless specifically listed in the scope of work, this proposal does not include any data or voice cabling and phone system installations assume all voice cabling is labeled and in working condition.

When requested by Purchaser, not-for-resale equipment and materials, will be purchased directly from the distributor using Purchaser's credit card. Purchaser must pre-pay SMPL for the item(s) if Purchaser wishes to have item(s) purchased with SMPL credit card. When using a SMPL card, a 10% additional processing surcharge will apply.

SMPL reserves the right to suspend installation or service to Purchaser for lack of payment when due. Title to all equipment and right of possession thereto shall be and remain in SMPL until the contract is paid in full. Purchaser hereby agrees that jurisdiction for all transactions and disputes will be the State of California, County of Orange.

## Warranty

SMPL WARRANTS THAT SYSTEM SHALL BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP FOR THE LIMITED PERIOD FROM THE INVOICE DATE UNDER NORMAL USE AND CONDITIONS FOR WHICH IT WAS INTENDED. SMPL COMPLIES WITH THE WARRANTIES SET FORTH BY THE MANUFACTURER OF THE PRODUCTS REPRESENTED.

THEREBY THE FOLLOWING POLICIES ARE IN EFFECT:

1. Out of Box Failure or Dead on Arrival: Any purchased equipment discovered to be defective at the time of installation will be replaced with like equipment.
2. Provide proper environmental conditions: any powered electrical equipment must be installed in a location with room temperatures ranging between 45°F and 75°F and relative humidity not exceeding 30% - 80% (non-condensing).
3. In the event the system should fail to meet the warranties herein and upon written notice from Purchaser to SMPL during the warranty period, SMPL's sole obligation hereunder shall be to correct the failure by repair, adjustment and/or replacement of the defective product.
4. This warranty shall not cover equipment or wiring which is damaged or otherwise rendered unserviceable by accident, purchaser's misuse, abuse, theft, vandalism, fire, water, wind, act of God, or any other cause other than wear and tear from normal use and service.
5. Operational malfunctions resulting from a non-dedicated power source, inadequate power conditioning, radio frequency interference or telephone line problems are expressly excluded.
6. Any installation, repair, or alteration of the system, its equipment, its programming or any component thereof by anyone other than SMPL shall render this warranty null and void.

System is installed with a one (1) year warranty on parts and labor, under normal wear and tear. Repaired or replaced items shall be warranted to be free from defects for the balance of the warranty period remaining on the original equipment.

The warranties set forth herein are in lieu of any and all other warranties, expressed or implied, including the warranties of merchantability and fitness for a particular purpose.

## Miscellaneous

**LIMITATION OF LIABILITY:** CLIENT AGREES THAT SMPL SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR FOR THE LOSS OF PROFIT, REVENUE, OR DATA ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT, NOR SHALL SMPL BE LIABLE FOR ANY CLAIM BY ANY THIRD PARTY. THE LIABILITY OF SMPL TO CLIENT OR ANY OTHER PARTY FOR ANY LOSS OR DAMAGES RESULTING FROM ANY CLAIMS, DEMANDS, OR ACTIONS ARISING OUT OF OR RELATING TO THE SERVICES, EQUIPMENT, OR MATERIALS PROVIDED OR AGREED TO BE PROVIDED BY SMPL SHALL BE LIMITED TO SUCH AMOUNTS AS HAVE BEEN PAID TO SMPL FOR SUCH SERVICES, EQUIPMENT, OR MATERIALS.

CLIENT AGREES TO HOLD HARMLESS AND INDEMNIFY SMPL FROM ANY AND ALL CLAIMS (INCLUDING THE COST OF DEFENDING SUCH CLAIMS) WHICH MAY BE BROUGHT AGAINST SMPL BY ANY THIRD PARTIES AND ARISING FROM THE PERFORMANCE OF SERVICES OR THE PROVIDING OF MATERIALS OR EQUIPMENT BY SMPL, OR FROM CLIENT'S BREACH OF ANY OF THE TERMS OF THIS AGREEMENT.

**FORCE MAJEURE:** Except for payment obligations, neither party shall be held responsible for any delay or failure in performance of this Agreement to the extent that such delay or failure is caused by fires, strikes, labor disputes, embargoes, explosions, earthquakes, floods, wars, water, the elements, government requirements, civil or military authorities, acts of nature or by the public enemy, inability to secure raw materials, or transportation facilities, acts or omissions of carriers or suppliers, or any other such causes beyond its reasonable control whether or not similar to the foregoing.

**ARBITRATION:** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitration shall be held in Orange County, California. The arbitrator(s) shall award to the prevailing party, if any, as determined by the arbitrator(s), all of its costs and fees. "Costs and fees" mean all reasonable pre-award expenses of the arbitration, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, witness fees, and attorneys' fees.