

**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 **June 17, 2008**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

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

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

Legal Counsel
Present: Anthony Trembley

President Pro-Tem Damron called the meeting to order and led the Board, staff and public in the Pledge of Allegiance.

President Pro-Tem Damron reported that President Graf and Director Treloar were absent from the meeting. Legal Counsel said there were three Board Members present, and that was a quorum.

President Pro-Tem Damron asked if there were any modifications and/or changes to the agenda. District Legal Counsel he would like to request that the Board add a Closed Session item per Government Code Section 54954.2(b), and adding it to the Agenda per Government Code 54956.9(a). Legal Counsel said the item was Ventura County Superior Court Case No. 56-2008-00320612-CU-JR-VTA; Title: William Taylor, et. al. vs. Joseph E. Holland, Santa Barbara County Clerk, etc., et. al, Carpinteria Sanitary District as defendants who were served with the lawsuit on Friday, June 13, 2008 after the Agenda for this meeting was posted. Legal Counsel said the Board needed to take immediate action to appoint District Legal Counsel to defend the District, and based upon these facts and Government Code 54954.2(b), the Board needed to consider the addition of that item to the Agenda.

Upon a motion made by Director Horwitz, seconded by Director Moorhouse, the Board approved the modified agenda adding the addition of a Closed Session item to the end of the Agenda at IV. C. by a 3-0 vote.

President Pro-Tem Damron said he'd like to remind the public if they'd like to speak during the Public Forum or on any item on the Agenda, they would need to fill out a speaker's slip, and they would be given three minutes to speak.

Approval of Minutes of May 6, 2008 – Tabled to July 1, 2008 Board Meeting.

Approval of Minutes of June 3, 2008 – Director Horwitz made a motion that the Minutes of the June 3, 2008 Board Meeting be approved as submitted; Director Moorhouse seconded the motion, and the motion was approved by a 3-0 vote.

Public Forum. None

General Manager's Status Report: General Manager reported on the following:
South Coast Beach Communities Septic to Sewer Project Update – The South Coast Annexation to the Carpinteria Sanitary District was completed and recorded following approval of a Certificate of Completion by Santa Barbara LAFCO on June 5, 2008. The district cut a \$5,200 check to the State Board of Equalization and delivered it to LAFCO to finalize the tax rate area change as required by law. The Board will continue to see some items on the Agenda related to this project; **SAMA Meeting Report** – General Manager said he attended the June 11, 2008 SAMA meeting at Goleta West Sanitary District. A very interesting presentation was made by Santa Barbara County Public Works staff on the ongoing evaluation of waste conversion technologies. A coalition of agencies is considering a “waste to energy” project at the Tajiguas Landfill site. Feasibility studies are complete and the group will be soliciting RFPs from eight different vendors. This is of interest to the SAMA members because biosolids are a logical feedstock for several of the proposals, particularly the ones based on thermal processes. The sanitation agencies will remain involved through participation on the Solid Waste Task Force; **IRWMP Update** – General Manager attended the June 11, 2008 meeting of the project partners group to discuss near term planning for administration of \$25M Prop 50 IRWMP grant. Plans are being made to maintain continuity following Rob Almy's retirement from the Santa Barbara County Water Agency by using Rob as a consultant on the Project. The IRWMP process for Prop. 84 funds is moving forward with the State Department of Water Resources taking the lead. General Manager said a MOU for all the partners would be drafted to update the IRWMP and pursue the pool of Prop. 84 grant funds; **Annual Independent Audit** – District staff worked with a team of auditors from Teaman, Ramirez & Smith, the District's independent auditing company on June 11th. Our Finance Director worked very closely with their auditors, providing them with the necessary requested information. They will return in August to conduct a final audit for FY 2007/08; **Operations Update** – The treatment plant is operating in full compliance of our NPDES Permit. The collection system is operation fine with no sewer overflows to report. Lift Station No. 3 pump replacement and electrical improvements have been completed. This is the pump station located at our plant that serves the eastern side of Highway 101 and the Bluffs. Painting of the aerobic digester and other cosmetic improvements were recently completed. Director Horwitz said she was absent when the Board went on the tour of the plant at an earlier Board Meeting, and reported she was able to tour the plant last week and said it looked very nice with a lot of improvements going on.

Resolution No. R-207 – 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 2008/09 – General Manager said this was the resolution that the Board considers annually and in this year it sets the hearing date of July 1, 2008 for consideration of placing sewer service charges on the 2008-2009 tax roll and authorizes the notice thereof.

The notice of hearing will be published twice in the *Coastal View* prior to the hearing per State Code. General Manager said it was staff's recommendation that the Board adopt Resolution No. R-207.

Director Moorhouse made a motion that the Board adopt Resolution No. R-207 setting the location, time, and date of the hearing and authorizing publication and notice per State Law; Director Horwitz seconded the motion, and the motion was approved by the following 3-0 roll call vote: Director Horwitz voted aye, Director Moorhouse voted aye, and Director Damron voted aye. Directors Treloar and Graf were absent.

Resolution No. R-208 – A Resolution Ordering Changes and Modifications to Engineer's Report for Assessment District 2007-1 – General Manager said he had a lengthy staff report to go over for the Board. General Manager said when the Assessment District was formed it was broken out into four benefit zones. Zone "D" is comprised of 11 parcels on Padaro Lane, located west of the District's current service area boundary and east of Beach Club Road. General Manager said on October 16, 2007 property owners in Zone "D" overwhelmingly voted in favor of paying for the provision of public sewers in the assessment district vote. General Manager said subsequent to the vote, Mr. Bob Short and Mr. George Handtmann, property owners within the Padaro Lane assessment area contacted District staff and expressed their desire to expedite the sewer construction project for Padaro Lane by undertaking the improvements privately and outside the assessment district to get public sewers to their properties sooner rather than later. Due to delays associated with the annexation proceedings, and the very likely delays associated with future legal challenges by project opponents within the Rincon Point community and getting to the point that sewers are actually constructed, Mr. Short and Mr. Handtmann proposed to construct essentially the same physical improvements that would have been constructed by the District, including approximately 580 linear feet of 8-inch gravity sewer, two standard manholes, and sewer laterals to the property line. General Manager said the sewer would be located in the existing paved roadway on the alignment depicted in the preliminary engineering study. General Manager said a majority of the owners intend to participate in the project and contribute a pro-rata share of the construction costs up front to help fund the improvements.

General Manager said District staff reviewed this proposal at length with District Counsel and with Scott Ferguson of Jones Hall, bond counsel for the assessment district proceedings. General Manager said elimination of Zone "D" from the assessment district at this time was clearly within the authority of the District Board of Directors. General Manager said the assessment district had not been completed, and Resolution No. R-208 directs the District's engineer, Penfield and Smith to take Zone "D" (Padaro Lane community) out of the assessment district entirely. General Manager said elimination of Zone "D" is facilitated by the original construct of the Preliminary Engineer's Report, which set up separate and discrete benefit zones. General Manager said to ensure that property owners within this zone who voted in favor of the assessment were not disenfranchised by the change, each was asked to sign a Petition and Waiver form requesting exclusion from Assessment District 2007-1, and copies of the executed forms were attached to the staff report. General Manager said the affected property owners (proponents) clearly support private sewer construction.

General Manager said the proponents engaged Penfield & Smith to prepare an engineering design of the public sewer required to serve the Padaro Lane parcels, which was reviewed and approved by District staff. General Manager said construction bids have been received from qualified contractors and the proponents have pursued the required permits and approvals necessary to construct the facilities in the County owned roadway. General Manager said they have secured an encroachment permit from the County, and a Coastal Development Permit is being processed by the County Planning and Development Department.

General Manager said once all the necessary permit and approvals had been obtained by the proponents, the District would then enter into a standard Sewer Construction Agreement with the proponents for the proposed privately funded main sewer extension which would establish requirements for funding, surety bonds and sewer design, construction and dedication when completed.

General Manager said the District would also enter into a standard Reimbursement Agreement with the proponents to collect a pro-rata share of sewer improvement costs from property owners who elected to connect to the Padaro Lane sewer at a future time. General Manager said monies collected would be conveyed to the appropriate parties in accordance with the agreement.

General Manager said the Sewer Construction Agreement and the Reimbursement Agreement would come back to the Board at a future meeting. General Manager said annexation of these properties had been completed and recorded by Santa Barbara LAFCO and they were within the District's service area boundary, so no further action was required related to the annexation.

General Manger said removing Zone "D" from the assessment district would have no impact on the assessments for the remaining benefit zones. General Manager said the proponents had agreed to pay certain costs that were included as line items in the Preliminary Engineer's Report, including costs for annexation proceedings, FEIR legal defense reimbursement costs, and costs associated with assessment district formation. General Manager said this would ensure that the other benefit zones do not bear costs that would have been equitably spread to the Padaro Lane parcels through the assessment district.

General Manager said Resolution No. R-208 directs the assessment engineer, Penfield & Smith, to make the appropriate modifications to the Engineer's Report to permanently remove Zone "D" (Padaro Lane) from Assessment District 2007-1.

General Manager said the District had prepared an Addendum to the FEIR and FSEIR for the South Coast Beach Communities Septic to Sewer Project to ensure strict compliance with law that will appropriately modify the findings and project approvals set forth in Resolution No. R-188 and would be presented to the Board as a separate item on the agenda.

General Manager said the modified Engineer's Report, containing Zones "A", "B" and "C" would be presented to the Board at a future meeting and the Board would consider a Resolution Adopting Engineer's Report, Confirming the Assessment, Ordering the Work and Directing Actions with Respect Thereto. General Manager said this would cause the Engineer to record the assessment diagrams and notice of assessment liens and would initiate the 30-day cash payment period for the parcels remaining the assessment district.

General Manager said it was staff's recommendation that the Board adopt Resolution No. R-208 ordering changes and modifications to the Engineer's Report for Assessment District 2007-1, which was necessary to delete Zone "D" (Padaro Lane community) from the assessment district.

President Pro-Tem Damron said he had some speaker's slips for this item and reminded the speakers they had three minutes to speak. The first speaker was Bob Short. Mr. Short's remarks included: He was one of the proponents of this resolution, and the proponents were in favor of Resolutions R-208 and R-209. Mr. Short said the first meeting regarding the Padaro sewer was in 2002 and it was an ongoing intent of a number of them in that area. Mr. Short said almost six years later this had led them to follow up and try to do this on a private basis. Mr. Short said, more importantly, when the vote was challenged back in 2007 that crystallized their thinking on this. Mr. Short said he and George Handtmann decided together to go ahead and try to get this accomplished. Mr. Short said the neighbors on Padaro had been very much in favor, and all of the neighbors that voted in favor of the assessment district have now signed the waivers and consents to be excluded from this

assessment district and have it proceed on a private basis. Mr. Short said the specifics are what they were asking the Board to approve tonight, which would be to remove Zone "D", the eleven Padaro Lane parcels and modify the Engineer's Report accordingly. Mr. Short said, in turn, private owners are undertaking the extension of private infrastructure basically under the same standards and requirements as the District would have done. Mr. Short said the proponents had agreed to reimburse the District for proportionate costs associated with the assessment district, so the assessment district would be made whole and not burdened. Mr. Short said it was a win/win proposition for all parties involved.

Giti White's comments included: Different communities are butting heads because we pursued a combined process. We pursued a combined EIR and we pursued a combined annexation and assessment. The communities involved should have been allowed to go their own way. It's a big surprise to find out about this on Friday and to know that CSD and Padaro Lane pursued the annexation and allowed annexation materials not to reflect what was going on and voted in the annexation knowing they would not be assessed. In Ms. White's comments she asked if other communities would be given the opportunity to be shown the same consideration.

Jaleh White's comments included: Five communities combined and it's complicated. Ms. White said she heard tonight the proponents waited years and years for the project to begin. If they had their own EIR and own assessment by 2003 they would have had their project. Ms. White voiced concern on the addendum of the Board not telling other people in the annexation during the voting process that this was going on and what happens to those at Padaro Lane who do not wish to be annexed. Are you going to do that with any minority in the other communities? Ms. White commented she had a problem with the waivers presented and the assessed amounts not being clear.

Doug White commented about the Board's behavior over the years and the times they had been asked not to lump the five communities together. Mr. White said he would implore the Board not to include all communities in one annexation. Mr. White talked about the situation and problems in the Rincon community being more complex than in some of the other communities. Mr. White said the people in the Padaro community had been held hostage to their problems. Mr. White commented they asked the Board not to do it, but you have not listened. Mr. White said it would have been of interest to people as they voted on the annexation to understand that you extended these offers to other communities. Mr. White said he wished CSD had been as accommodating to them over the years.

Sandra Carradine's comments included: Ditto what fellow community has said. I would like to say in agreement that these people have been held hostage. It is so wrong that it has been made so personal. Ms. Carradine said she was told for the last ten years that you guys are here to supply sewer service. Ms. Carradine said you should accept the fact that a majority of Rincon residents served on the side that she lived on, which is Ventura County, do not want this project. It is much more complicated and has many environmental impacts. We have been harassed, intimidated, slandered and it's been made personal. Now I learn at the twelfth hour about Padaro. Those votes were counted and it affects me and the community I live in. You just continue to not listen and not acknowledge. Personalities and likes and dislikes have nothing to do with this.

President Pro-Tem Damron said he'd like to bring this back to the Board. Director Damron asked if staff wanted to answer any of the questions that were raised. General Manager said he'd be happy to answer some of the questions and he was sure Legal counsel would also like to respond.

Director Horwitz asked General Manager for a clarification regarding Padaro Lane being a part of the assessment district. General Manager said Zone "D" would be eliminated by this resolution, even though they voted in favor. Padaro Lane would undertake this project as individuals. Director Horwitz asked if the Reimbursement Agreement states that a

homeowner who did not initially hook up to sewer, but later made the decision to hook up, would at that time pay their pro rata share. General Manager said that was correct.

Director Moorhouse said the District went down this path many years ago and asked General Manager if the District had an overwhelming majority of support for this project from all zones for a sewer system. General Manager said that was correct, and after the District certified the EIR in 2004, the District did a survey of property owners and the response from each community was in favor of proceeding with this project. General Manager said the District proceeded on that basis. General Manager said there was a comment from the public regarding the majority of homeowners within Rincon Point were not in favor of this project. General Manager said that was not the case during the assessment vote of property owners in October last year. General Manager said 41 property owners voted in favor of an \$88,000 assessment and 31 homeowners voted against. General Manager said the reason staff was making a recommendation that the District proceed with this project was that the majority of property owners in Rincon Point and the other two communities want to have sewer service and they want the District to provide it.

Legal Counsel said he had some specific comments for the record. Legal Counsel said he was concerned when he hears an allegation that there is some kind of a "special deal" going on. Legal Counsel said there has been no manipulation that had been implied by one of the speakers or special deal. Legal Counsel said there was nothing legally improper in the action before the Board, so he categorically rejects that assertion. The fact of the matter, according to Mr. Murray's staff report, is that Padaro Lane residents approached Mr. Murray, as the staff report indicates, and by that time the annexation process had been underway for several months. Padaro Lane residents are still subject to annexation in order to be able to move forward with effectuating the conversion project for that area. In other words, they still need to annex their properties anyway in order to effectuate a conversion. The action that is in front of you tonight is only regarding participation in financing the project through an assessment district, and elimination of Zone "D" as Mr. Murray indicated in the staff report is clearly within the authority of the Board.

Legal Counsel said he was concerned with one of the speakers alleging that she and others had been harassed and intimidated and these attacks had been made personal. Legal Counsel said he was not aware of anything by the District, any actions by this District, by this Board, by this staff in any way engaging in any kind of activity.

Legal Counsel said another speaker said that they implored the Board not to include all communities in the same annexation. Padaro was one of the four areas included by LAFCO in the annexation proceedings. The District is the applicant, but in these proceedings, LAFCO decided that all four together would be the appropriate way to go. There is nothing illegal or improper about that. That was a determination made by LAFCO at that time. These recent proceedings are not the District's proceedings - they are LAFCO's proceedings.

Legal Counsel said he was concerned by some implication that the District knew or somebody knows how Padaro Lane residents would have voted. The truth is, that I am aware of, no one knows how Padaro residents would have voted or how many would have voted. The voting process for the annexation is very different than the voting process for the assessment district. The annexation deals with registered voters, and the assessment district deals with property owners who are going to finance the improvements.

General Manager said he had a few more general comments. General Manager said there was a comment made on the form of petition and waivers and differing assessment values. General Manager said the form was blank when it was circulated to the homeowners and he thought there may have been some confusion on their part as to whether this meant the assessment value or their home's assessed value. General Manager said this form was

not legally required, but the intent of the form was met with every property owner's signature on the page.

General Manager said another comment was made about elimination of mitigation measures. General Manager said this would be addressed by the next CEQA item on the agenda, but the mitigation measures would not be going away. General Manager said since the District would not be responsible for the construction, the District would, therefore, not be responsible for implementation of these mitigation measures.

This item was brought back to the Board for discussion. Director Horwitz said it was refreshing to see homeowners working together. Director Horwitz made a motion that the Board adopt Resolution No. R-208; Director Moorhouse seconded the motion, and the motion was approved by the following 3-0 roll call vote: Director Horwitz voted aye, Director Moorhouse voted aye, and Director Damron voted aye. Directors Treloar and Graf were absent.

Resolution No. R-209 – Adopting an Addendum to the Final Environmental Impact Report and Final Supplemental Environmental Impact Report for the South Coast Beach Communities Septic to Sewer Project and Modifying the Padaro Lane Component of the Project – General Manager said elimination of Padaro Lane, Zone “D”, from the assessment district had been approved earlier by Board adoption of Resolution No. R-208. General Manager said Resolution No. R-209 said elimination of Zone “D” from the assessment district and removal of the Padaro Lane sewer improvements from the District's planned construction effort represent changes to the approved project. General Manager said to maintain strict compliance with California Environmental Quality Act (CEQA) requirements, the District had prepared an Addendum to the FEIR and FSEIR that addressed the anticipated environmental impacts associated with the project design modifications and that Addendum was included as part of the staff report for the Board's review. General Manager said no new significant impacts were expected and substantial reductions to previously identified impacts were likely to result from deleting these two project elements. General Manager said no new mitigation measures were necessary, and mitigation measures that pertained entirely to the Padaro Lane construction activities would no longer be required. General Manager said Resolution No. R-209 was prepared by District Counsel for the purpose of receiving public testimony, if any, prior to Board consideration of adoption. General Manager said Resolution No. R-209 also makes the appropriate changes to the project approval and findings originally adopted in Resolution No. R-188, which pertained to approval of the Padaro Lane component of the Project. General Manager said it was staff's recommendation that the Board adopt Resolution R-209.

Legal Counsel said some of the speakers on the prior item did not appear to make any sense. The EIR dealt with all the areas affected by the project including Padaro Lane. That was the appropriate method for an EIR to be prepared, and Legal Counsel said he noticed that many of those in attendance tonight who objected to that did not challenge that EIR. They did not file any lawsuit relative to that EIR. There was a prior comment on the last item that I did not understand. The Speaker said eliminating mitigation of impacts to the environment may have a negative impact to the environment, but the comment presumes that the District undertakes the project in this area. In fact this area is being excised from the EIR, pursuant to the addendum. So why would you need mitigation measures when the District is not undertaking the project? It just does not make sense as an argument. What occurs under the law is what's indicated in Mr. Murray's staff report. There are no new significant impacts expected. There is substantial reduction to previously identified impacts that will likely result from deleting these two project elements. Legal Counsel said no new mitigating measures are necessary and those pertaining entirely to Padaro Lane construction will no longer be required. In fact the addendum specifically discusses that concept and

specifically on page 3, the basis for the addendum, none of the grounds in Section 21166 of the Public Resources Code requiring either a supplemental or subsequent EIR are present. This is simply a matter where an addendum is appropriate.

General Manager said as a reminder to the Board on page 3 the very last sentence says, "No recirculation is required pursuant to Section 15088.5." General Manager said with that said it was staff's recommendation that the Board approve Resolution No. 209.

President Pro-Tem said he had some public speakers on this item and called on Giti White. Ms. White's comments included: Padaro Lane is building the project that is privately funded, and as Ms. Horwitz said, CSD anticipates it will be deeded back to the District. The EIR and SEIR report and addendums dealt with a host of significant impacts that don't only deal with construction, but with ongoing operation and maintenance of the project. Ms. White said she did not think this addendum gives the information that you need to understand how significant environmental impacts can occur from private construction, this new ownership and transfer scenario and from your operation and maintenance without the mitigation reporting plan that was designed in the clean water funded EIR when the District told people they were going to protect the environment. The purpose of CEQA is to avoid and minimize impacts to the environment. Ms. White said you are anticipating owning and overseeing this infrastructure, and you're just avoiding the minimizing of environmental impacts through this maneuver. Ms. White said she did not think the Board had the information you need to understand the environmental effects of doing so, and you need more than three pages to fully understand the consequences of this sort of shift in order to allow you to take ownership of this infrastructure, allow you to maintain it and escape the mitigation that you have already outlined in the annual review.

Jaleh White talked about the Board having an independent outlook and telling Mr. Murray and counsel what the Board wants. Ms. White said she had observed it to be the other way around and she had big problems with that. Ms. White said the Board needed to look at the history with that getting the Board into "many hot waters". Ms. White said a question she had is that the minority of people in Padaro Lane who don't want to be assessed are let out, and asked if that were true. She asked if that was the case can the majority of people from any community do the same. Ms. White said it had to be fair.

Doug White said a project such as this that's split between counties, between communities, is a bad idea. Mr. White said it was hard to have meaningful discussions because of the buck passing going on. Mr. White said the fact is it's a bad idea.

President Pro-Tem Damron said that was all the speakers on this item and brought it back to the Board for discussion. Director Damron asked General Manager to clarify comparing the situation at Padaro Lane with the situation at Rincon Point as far as being able for some people to not participate.

General Manager said there was certainly a distinction in the magnitude of the projects. General Manager said Padaro Lane was straight forward with improvements only in the paved right of way. It is a concrete project. The property owners have agreed to fund all the improvements. General Manager said in the other communities it was not quite so simple. At Rincon Point, there's a sewer pipeline that runs in US 101. There's a gravity line in Carpinteria Avenue. There's a pump station adjacent to Rincon Creek. There are private and publicly-owned grinder pumps and low-pressure sewerage structure. If a group of individuals came to us and said we want to do this whole thing as a private undertaking, I think we could as a Board step back and ask if this is feasible. General Manager said in reality, it was not. General Manager said those communities that remain in the assessment district, such as Rincon Point, are a different magnitude. General Manager said the District had to charge the assessment to every parcel that would benefit from those improvements, and the reason we don't have to do that for Padaro Lane now is that they've been removed

from the assessment district. General Manager said when the assessment district is approved and the liens are assessed, every parcel will be assessed.

President Pro-Tem Damron brought this item back to the Board for discussion. Director Moorhouse said he thought this project was a good project and he didn't know how to respond when someone from the public comments they know what's going on in his head. Director Moorhouse said he came to Board meetings with an open mind, and did not just sit and listen to what staff says and always do what they say.

Director Horwitz said the Board hired our staff and trust our staff. Director Horwitz said the Board is given guidance from the District's Legal Counsel, and she believed he knew the proceedings and how we should conduct them. Director Horwitz said with that she would like to make a motion that the Board adopt Resolution No. R-209; Director Moorhouse seconded the motion, and the motion was approved by the following 3-0 roll call vote: Director Horwitz voted aye, Director Moorhouse voted aye, and Director Damron voted aye.

Sodium Hypochlorite Supply: JCI Jones Chemicals, Inc., Cash Contract No. 352 –

General Manager said staff solicited bids for a two-year supply of sodium hypochlorite and sodium bisulfite, taken as a competitive joint bidding process with the Goleta Sanitary District and the City of Carpinteria Parks and Recreation Department. General Manager said the lowest responsive and responsible bid for bulk sodium hypochlorite was submitted by JCI. General Manager said the District had previously contracted with JCI, most recently a two-year contract that ended June 30, 2006. General Manager said staff believes JCI has the resources and capacity to fulfill the terms of this two-year agreement and recommends Board approval of Cash Contract No. 352 between the District and JCI Jones Chemicals, Inc. for the two-year supply of bulk sodium hypochlorite at the unit price of \$0.78 per gallon delivered, including all applicable sales tax and mill charges.

Director Horwitz made a motion that the Board approve Cash Contract No. 352 between the District and JCI Jones Chemicals, Inc., for the two-year supply of bulk sodium hypochlorite at the unit price stated therein; Director Moorhouse seconded the motion, and the motion was approved by a 3-0 vote.

Sodium Bisulfite Supply: Basic Chemical Solutions, L.L.C. – Cash Contract No.

353 – General Manager said sodium bisulfite is a chemical used to remove residual free chlorine from disinfected wastewater effluent prior to discharge to the Pacific Ocean. General Manager said the District current purchases bulk sodium bisulfite from BCS. General Manager said a competitive joint bidding process for a two-year supply of sodium bisulfite was undertaken with the Goleta Sanitary District and the City of Carpinteria parks and Recreation Department. General Manager said two bids were received and the lowest responsive and responsible bid was submitted by BCS. General manager said BCS had successfully complied with all of the provisions of the existing supply agreement and had been an exemplary vendor. General Manager said it was staff's recommendation that the Board approve Cash Contract No. 353 between the District and BCS, for the two-year supply of bulk sodium bisulfite at the unit price of \$0.9557 per gallon delivered, including all applicable sales tax and mil charges.

Director Horwitz made a motion that the Board approve Cash Contract No. 353 between the District and Basic Chemical Solutions, L.L.C., for the two-year supply of bulk sodium bisulfite at the unit price stated therein; Director Moorhouse seconded the motion, and the motion was approved by a 3-0 vote.

Amendment to Cash Contract No. 346 – Kennedy/Jenks Consultants –

General Manager said Kennedy/Jenks Consultants (K/J) had completed the final engineering design of the desired modifications to the District's Lift Station No. 4 pursuant to Cash Contract No.

346. General Manager said staff requested a proposal from K/J for engineering support services during the bid period for construction bids, and those services would include response to bidder questions, preparation of necessary addenda and review/evaluation of received bids. General Manager said services would be provided on a time and materials reimbursement basis and the District would only pay for time actually worked by K/J. General Manager said an amendment to the agreement with K/J is proposed to augment the contract price by \$9,126, and this was within the currently allocated budget for this project. General Manger said it was staff's recommendation that the Board approve an amendment to Cash Contract No. 346 with Kennedy/Jenks Consultants, increasing the contract price to \$79,021.

Director Moorhouse made a motion that the Board approve an amendment to Cash Contract No. 346 with Kennedy/Jenks Consultants, increasing the contract price to \$79,021; Director Horwitz seconded the motion, and the motion was approved by a 3-0 vote.

Employment Contract – General Manager – Director Horwitz made a motion that the Board approve the terms and conditions of an employment agreement between the District General Manager and the Carpinteria Sanitary District; Director Moorhouse seconded the agreement and the motion was approved by a 3-0 vote.

Board Committee Reports

Finance Committee – Director Horwitz reported the Finance Committee would be meeting next Monday.

Personnel Committee – Did not meet

Public Relations Committee – Director Moorhouse met jointly with the Summerland Sanitary District representatives and General Manager to talk about doing some news articles in the *Coastal View* which might pertain to both Districts, such as “No Drugs Down the Drain.” General Manger said he and one of the Summerland District's Board Members had met with Lea Boyd, editor of the *Coastal View*, and she was very receptive to their ideas.

Board General Items

1. CASA Legislative Committee report (Jeff Moorhouse) – Director Moorhouse said he had a CASA conference call scheduled for Friday.

CLOSED SESSION – Legal Counsel reported the Board would go into Closed Session at 6:50 p.m. regarding the following item:

CONFERENCE WITH LEGAL COUNSEL: Per Government Code Section 54956.9. Ventura County Superior Court Case No. 56-2008-0030216CU: Title: William Taylor, et. al. vs. Joseph E. Holland, Santa Barbara County Clerk, etc., et. al, Carpinteria Sanitary District.

Agency representative: District Legal Counsel

President Pro-Tem Damron reported the Board coming out of Closed Session and reconvening Regular Session at 7:41 p.m. and said that the Board authorized Nordman, Cormany, Hair & Compton, LLP to represent the District on the subject case.

Adjournment. There being no further items to discuss, President Pro Tem Damron adjourned the meeting at 7:42 p.m.

Lin Graf - **Absent**
President

Pat Horwitz
Secretary Pro-Tem

Michael Damron
President Pro-Tem

Doug Treloar - **Absent**
Treasurer

Jeff Moorhouse
Secretary