

**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 **July 2, 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
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: None

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

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 June 4, 2013 and June 18, 2013 – One correction was noted to the minutes of June 18, 2013. Doug Harris was not present nor was there any public present. Director Modugno made a motion that the Minutes of the June 4, 2013 Regular Board be approved as submitted and the Minutes of the June 18, 2013 meeting be approved as modified; Director Graf seconded the motion, and the motion was approved by a 5-0 vote.

Public Forum – None.

CLOSED SESSION – 5:36 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 — ANTICIPATED LITIGATION: Significant exposure to 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.

CONFERENCE WITH LABOR NEGOTIATORS: Per Government Code Section 54957.6. Agency designated representatives: Anthony Trembley, District Legal Counsel. Unrepresented employee: General Manager.

RECONVENE OPEN SESSION – 5:42 p.m. President Moorhouse reconvened the open session and stated that there was no action taken on the closed session items. Legal Counsel noted for the record that General Manager was excused from the room during the final closed session item, Conference with Labor Negotiators.

General Manager’s Status Report – General Manager reported on the following:
Rincon Point Septic to Sewer Project Update – General Manager said mandatory pre-bid conferences were held on July 19th for the offsite improvements and on July 20th for the onsite septic to sewer project. Addendum No.1 was issued for the onsite improvements which extended the bid date to Thursday, July 11, 2013. Bids were opened today for the offsite improvement project and were favorable. The apparent low bidder was Tierra Contracting with a bid of \$1,459,771. Penfield and Smith will prepare a bid tabulation spreadsheet. **Sandyland Cove and Sand Point Road Septic to Sewer Project Closeout** – General Manager said final project accounting for the Sandyland Cove and Sand Point Road Septic to Sewer Projects was completed. Approximately \$120K was allocated to each project and distributed to the property owners. The owners who paid cash received a check and those owners who utilized the bond financing will have a lower annual assessment. Copies of the letters sent to each homeowner were attached. **West Padaro Main Sewer Extension Project**– General Manager said the Draft Mitigated Negative Declaration / Initial Study was noticed and distributed for public review and comment, a 30-day review period is required. A hearing to consider certification of a Final MND by the Board is tentatively scheduled for August 6th. **SBSDA Monthly Meeting Report** – General Manager said he attended the SBSDA Monthly meeting on June 26, 2013. A presentation was given by George Emerson, the group’s legislative chair, on Senate Constitutional Amendment 3 (Leno) which would shift the full cost burden for compliance with the Brown Act and the California Public Records Act to local government. A copy of the CSDA position letter was attached. **Phone System Replacement Project Update** – General Manager said the District’s new phone system was installed and programmed successfully. We are still working with the vendor to address a few concerns. **Operations Update** – General Manager said the treatment plant is operating well and in full compliance with our NPDES discharge permit. The collections system is operating well. No SSOs or other significant problems have occurred since the last Board meeting. Staff responded to several power outages to reset alarms and equipment. Scrubber media was ordered and will be installed by operations staff the week of July 1st. Hamid completed a day of Microsoft technical training on SEQL Server in Bakersfield. Lance gave a

deposition on June 27th in response to a subpoena related to litigation involving a contractor and a material supplier on the District's manhole rehabilitation project which was completed in June 2010.

Cash Contract No. 413 – Terrain Consulting - Public Outreach Support Services –

General Manager said District staff and the Board Public Relations Committee have been working on development of a strategic plan to improve the District's public outreach efforts. A Public Relations Committee meeting was held with District staff, committee members and principals from Terrain Consulting, a local public affairs firm, about the District's outreach needs.

General Manager said based on positive dialogue and Terrain's experience assisting other local government agencies, District staff solicited a proposal from Terrain for the preparation and ongoing support of a comprehensive public outreach plan.

General Manager said attached for review was Cash Contract No. 413, between the District and Terrain, which included their proposal. Services under this contract include ongoing public outreach consulting, design/production of a newsletter and creation of a new District website. It is proposed that this agreement with Terrain cover only the first year of support where effort is expected to be greater than subsequent years. The contract is based on time and materials with a not to exceed contract amount of \$35,000.

General Manager said that it was staff's recommendation that the Board approve Cash Contract No. 413 between the District and Terrain Consulting, for public outreach services on a time and materials basis with a not to exceed contract amount of \$35,000.

Director Graf said that the PR Committee supported this approach.

Director Damron made a motion that the Board approve Cash Contract No. 413 with Terrain Consulting, for public outreach services on a time and materials basis with a not to exceed contract amount of \$35,000; Director Modugno seconded the motion. Legal Counsel noted a numbering error in the presented contract that should be corrected prior to execution. The motion was approved by a 5-0 vote.

Combination Sewer Cleaning Machine Purchase – General Manager said the District's existing Vac-Con combination sewer cleaning machine has been in service since 1996. It is the most important piece of emergency response equipment and from a maintenance standpoint. Scheduled replacement in fiscal year 2013/14 has been part of District long range capital planning for many years.

General Manager said District staff completed a comprehensive analysis of equipment available in the municipal market. Effort included on-site demonstrations, detailed inspections of machines and budget level price quotations from four different manufacturers. It was determined that Vactor offered the unit that most closely matched the District's operational needs and represented the greatest value overall.

General Manager said the District's purchasing policy, set forth in Resolution No. R-91, outlined applicable procurement options for equipment. Section 303 provides for the use of cooperative agreements, with Board approval. In this case, it is proposed that the District leverage its membership in the National Joint Powers Alliance to procure model year 2014 Vactor 2110 Plus.

General Manager said the National Joint Powers Alliance is a purchasing cooperative, with membership made up of government entities nationwide, that conduct competitive bidding for a variety of items used in the governments sector. The District proposed to participate in this contract for the procurement of the Vactor from Haaker Equipment Company of La Verne, California.

General Manager said attached to the staff report is a detailed price quotation and a standard equipment list from Haaker for the Vactor 2110 Plus. The total cost, including sales tax, is \$363,202.92 which is well within the authorized CIP budget for the current fiscal year.

Director Graf made a motion that the Board authorize procurement of a 2014 Vactor Model 2110 Plus combination sewer cleaning machine from Haaker Equipment Company through the NJPA cooperative purchase contract; Director Damron seconded the motion and the motion was approved by a 5-0 vote.

AR Claim – Carpinteria Valley Water District – General Manager said the District engaged a contractor for the 2007 Phase 1 Collection System Rehabilitation Project who damaged a 2-inch water line owned by the Carpinteria Valley Water District. Repairs to the damaged waterline were made by a Carpinteria Valley Water District contractor on September 5, 2007. District staff was not made aware of the damage or the repair until sometime in late 2008 long after the District’s contractor had been released from its contract and had its bonds exonerated. District staff responded to the request for payment by asking for additional information related to the incident. The water district did not respond.

General Manager said in 2009 the District received another request for payment via email. District staff again made a request for additional supporting documentation, but did not get a response and did not pay the claim.

General Manager said on June 5, 2013, the District received a demand letter from Carpinteria Valley Water District for payment of their outstanding account receivable item in the amount of \$2,689.83. A copy of the letter was attached.

General Manager said prior to receiving the demand letter he had a conversation with Carpinteria Valley Water District’s General Manager. Carpinteria Valley Water District’s General Manager indicated his inability to waive or write off this claim at the staff level.

President Moorhouse said he would like staff to obtain more information from Carpinteria Valley Water District regarding the incident prior to payment and why there had been such a delay in the original request.

After discussion there was Board consensus to direct District staff to draft a letter to Carpinteria Valley Water District stating that prior to payment, further details regarding the incident and additional claim support was required.

CSDA 2013 Board Election – President Moorhouse asked the Board if there were any recommendations to fill the open seat on the CSDA Board of Directors. District Clerk noted there was only one candidate, Kathleen Tieg, for the open seat.

After Board discussion, Director Damron made a motion that the Board vote for Kathleen Tieg to serve a three-year term on the CSDA’s Board of Directors; Director Graf seconded the motion, and the motion was approved by a 5-0 vote.

2013 CASA Annual Conference – President Moorhouse said this item was on the agenda as an informational item for any Board member who might want to attend the 2013 CASA Annual Conference to be held in San Diego on August 21-24, 2013. President Moorhouse said he would be attending. Director Modugno said he was interested in attending the conference. President Moorhouse suggested that any Board member who was interested to contact the Office Manager/Board Clerk.

Employment Contract – General Manager – President Moorhouse said that the Board has had an opportunity to review the amended contract.

Director Graf made a motion that the Board approve the revised and amended employment agreement dated, July 2, 2013, between the Carpinteria Sanitary District and Craig Murray, Director Damron seconded the motion, and the motion was approved by the following 5-0 roll call vote: Director Graf voted aye, Director Modugno voted aye, President Moorhouse voted aye, Director Damron voted aye and Director Velasco voted aye.

Finance Committee – Did not meet.

Personnel Committee – Did not meet.

Public Relations Committee – Did not meet.

CASA Legislative Committee Report – None.

LAFCO Report – President Moorhouse reported that Paul Hood is the new executive officer, effective July 1, 2013, for the Santa Barbara County LAFCO.

SBCSDA Report – None.

CSRMA Report – None.

Board Member Vacation Dates – None.

Future Agenda Items – None.

Adjournment There being no further items to discuss, President Moorhouse adjourned the meeting at 6:27 p.m.

Jeff Moorhouse
President

Lin Graf
Secretary

Mike Modugno
President Pro-Tem

Gerald Velasco
Secretary Pro-Tem

Michael Damron
Treasurer