

**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 6, 2010**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

Directors Present: Michael Damron– President
Lin Graf – 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 – **Absent**

Public Present: Giti K. White

President Damron called the meeting to order and asked Director Moorhouse to lead the Board, staff and public in the Pledge of Allegiance.

President noted for the record that Director Treloar and the District's Legal Counsel were absent from the meeting.

Board Approval of Agenda - President Damron asked if there were any modifications and/or changes to the agenda. Hearing none, President Damron said the Agenda was approved as submitted.

Board Approval of Minutes of the Meeting of May 18, 2010 – Director Moorhouse made a motion that the Minutes of the May 18, 2010 Board Meeting be approved as submitted; Director Graf seconded the motion. Directors Horwitz and Graf abstained from voting, since they was absent from the meeting. The motion was approved, with the two abstention votes counting as part of the majority vote.

Board Approval of Minutes of the Special Board Meeting of May 25, 2010 – Director Moorhouse made a motion that the Minutes of the May 25, 2010 Special Board Meeting be approved as submitted; Director Graf seconded the motion. Directors Horwitz

and Graf abstained from voting, since they was absent from the meeting. The motion was approved, with the two abstention votes counting as part of the majority vote.

Public Forum – none

General Manager's Status Report – General Manager reported on the following: General Manager and Director Moorhouse attended the June 28th meeting of the Santa Barbara Special Districts' Association in Buellton. The meeting was well attended. John McInnes, the new General Manager of the Goleta Water District, gave an overview presentation of his agency; **SAMA Meeting Report** – Last month's meeting was at the Goleta West Sanitary District. In addition to the normal roundtable discussion, there was a presentation given by Carter Ohlman, PhD., a UCSB researcher and oceanographer. Dr. Ohlman has been working on a fate and transport study for the Montecito Sanitary District's ocean outfall that is a grant funded project, sponsored by Heal the Ocean. The study is complete, but it is not scheduled to be published at this time; **Easement Identification Project** – Staff is working on a project with John Hebda, a title research consultant, to identify the District's recorded easements. The completed project will be in a format that can be easily transferred into the District's GIS system where staff can click on a parcel and be able to pull up the easement document; **Sphere of Influence Review/Update** – General Manager said he met with Bob Braitman on June 30th to discuss the District's Sphere of Influence. The statutes require review every five years. General Manager said he sent a letter to Mr. Braitman restating the general desire to modify the boundary to reflect a likely future service boundary. General Manager said as it sits our sphere is coterminous with the District's boundary, and the sphere is supposed to be the boundary of a district's ultimate system. General Manager said when he met with Mr. Braitman they had different opinions as to what the District's Sphere of Boundary actually was. Mr. Braitman agreed to have the County Surveyor prepare a map that would delineate clearly the District's boundary and the Sphere of Influence; **Septic to Sewer Project Status Update** – General Manager said he made a presentation to the Rincon Point Property Owners Association on Saturday, July 3rd and gave them an update on the project. There were a number of questions. General Manager said a revised encroachment permit application package was submitted to Caltrans, representing an appeal of their decision to deny our original permit request. General Manager said staff had been trying to schedule a follow-up meeting with Caltrans, but that had not happened yet. The design team finalized a package to send out to Sandyland and Sand Point property owners that would include the easement deed that would need to be signed and recorded to grant the District the right to construct the facilities on their property, to access and to maintain them. It also included a user agreement that spells out the responsibilities they have and the District has in the construction phase and going forward, the electrical requirements and additional summary information for the homeowners. Staff has had several meetings with Santa Barbara County officials, the County Planning Department and Salud Carbajal to get our land use permit application deemed complete. General Manager said it had since been deemed complete and is scheduled to go before the Planning Commission on August 4th. Cultural resource concerns have been addressed that the Planning Department had, through an Extended Phase 1 field investigation. A design review workshop was held for the Sandyland Cove and Sand Point Road projects. The plans are essentially ready to bid. A geoprobe investigation was conducted within the Rincon Point community. Two inch cores of the subsurface profile were taken to look at the geomorphology to see where the cultural resources were intact. The goal was to bring the proposal for the Phase 3 Investigation at Rincon Point down to something manageable. A new proposal is forthcoming that reflects the preliminary study findings. The design team is continuing to consider alternate locations for the Rincon Point central pump

station. Talks are ongoing with the County of Santa Barbara to discuss a site that is within the Rincon Beach Park owned by the County of Santa Barbara. The District's bond administrator for Assessment District 2007-1 is continuing with coordination from District staff; **Operations Update** – The treatment plant is running fine with no problems to report from a compliance perspective. There was a problem that appears to be from an electrical overload condition in the area where there's a blower and chemical feed system. There were no violations that resulted from the overload, but a situation was identified where a circuit was overloaded. Staff is working with assistance from a local electrical engineer to consult on appropriate remedial actions and upgrades. A pinhole developed in the aeration piping going into the aerobic digester. General Manager said due to the location of the corrosion related failure, repairs were difficult and an outside contractor would be hired to perform the repairs due to the associated confined space entry requirements. The collection system is operating well with no overflows to report during the period. Several lateral replacement and repair projects were completed around the end of the fiscal year. More will be scheduled during the first half of this fiscal year.

Resolution No. R-228

Initiating Proceedings for the Dahlia Court Annexation to CSD – General Manager said this was an annexation proposal for a multi-family residential development adjacent to the Dahlia Court apartment complex. The project proponent is People's Self Help Housing Corporation. General Manager said there were two parcels where the owners were proposing to construct 33 affordable apartment units and a community center. The connection to the existing public sewer would be comprised of new private sewer mains, sewer service laterals, sanitary sewer manholes and property line clean-outs. General Manager said the project was about in the middle of the District, but not in the District's Sphere of Influence. General Manager said the application would go to LAFCO to amend the District's boundary and Sphere of Influence to include the two parcels.

General Manager said Resolution No. R-228 was a Board request to LAFCO to consider an annexation to our District. General Manager said the District's Engineering Technician, Lance Lawhon, had been working on this project over the last couple of years with the applicant. General Manager said it was staff's recommendation that the Board approve Resolution No. R-228 requesting that Santa Barbara LAFCO approve the Dahlia Court Annexation to the Carpinteria Sanitary District.

Director Horwitz made a motion that the Board approve Resolution No. R-228 requesting that Santa Barbara LAFCO approve the Dahlia Court Annexation to the Carpinteria Sanitary District; Director Graf seconded the motion, and the motion was approved by the following 4-0 roll call vote: Director Horwitz voted aye, Director Graf voted aye, Director Moorhouse voted aye, and President Damron voted aye.

Resolution No. R-232

Approval of Second Addendum to the Final Environmental Impact Report and Final Supplemental Environmental Impact Report for the South Coast Beach Communities Septic to Sewer Project – General Manager said the District is in the initial stages of acquiring land-use permits from the County of Ventura, the City of Carpinteria, and the County of Santa Barbara. General Manager said the District's planner and design team from Penfield & Smith suggested that as the District moves into that process staff would need to consider addressing some recent changes in State law regarding greenhouse gas and global climate change impacts. General Manager said that in August 2007, Senate Bill (SB) 97 passed that would ultimately require planning documents (EIRs) to address global change impacts and greenhouse gas emissions from projects. Effective March 18, 2010 this requirement to analyze these guidelines became effective.

To ensure that permitting agencies in Santa Barbara and Ventura County can make necessary findings related to CEQA compliance, Rincon Consultants was hired by the District to prepare an Addendum. General Manager said the Addendum was attached to the Staff Report for the Board to review. General Manager said on the last page of the Addendum it talked about the effects on the climate of the District's project. General Manager said it did not suggest there were any significant impacts, and because there were no significant changes this issue could be addressed through an addendum. It did not require a supplemental EIR. General Manager said State law did not require circulation or public review of the Addendum, but it was recommended that the Board formally adopt the Addendum at a regular Board meeting and receive public testimony prior to considering adoption. General Manager said Resolution No. R-232 was prepared by District staff, with input from District Counsel, for this purpose. General Manager said a Notice of Determination would be filed with the State Office of Planning and Research to confirm and document preparation of the Addendum. General Manager said it was staff's recommendation that the Board adopt Resolution No. R-232.

President Damron called on Giti White, a member of the public who submitted a speaker's slip to address this item. Ms. White talked about the environmental review process being very long and problematic. Ms. White said the Board had already approved multiple addendums to the EIR, and asked if there would be further addendums to the EIR to disclose and analyze further changes to the pump stations. Ms. White said she would urge the Board not to adopt this resolution until potential air quality impacts are analyzed in the South Coast Beach Communities Sewer Project associated with the operation of multiple diesel generators required to operate the 72 private homes and the large pump station in the event of a power outage.

President Damron asked if there were any further comments from the Board. Director Horwitz said everything had been addressed. Director Horwitz made a motion that the Board adopt Resolution No. R-232 as written; Director Graf seconded the motion, and the motion was approved by the following 4-0 roll call vote: Director Horwitz voted aye, Director Graf voted aye, Director Moorhouse voted aye, and President Damron voted aye.

Resolution No. R-233

Sewer Service Charges on Assessor Rolls - Hearing – General Manager said Resolution No. R-233 was the same form of action taken each year to file the sewer service charges on the tax roll. General Manager said this was for Santa Barbara County only, but next year Ventura County would be included. General Manager said the Notice of Hearing published in the *Coastal View* was attached to the Staff Report. A procedure text was also attached for the Board to conduct the hearing. General Manager said most of the new connections on the New Connections in FY 2009/2010 attached were in the Mission Terrace residential development.

President Damron read the *Procedure Text for Placing Sewer Charges on the Assessor Rolls Public Hearing* and asked General Manager to call the roll. The following Directors were present: Horwitz, Graf, Damron, Moorhouse. Director Treloar was noted as being absent. There were no members of the public present to make any objections or protests, so President Damron declared the hearing closed and called for a motion. Director Horwitz made a motion that the Board adopt Resolution No. R-233, ordering the filing with the County Auditor a report of sewer service charges for FY 2010/2011 to be placed on and collected by the County Assessor's Rolls; Director Graf seconded the motion. President Damron asked General Manager for a roll call on the adoption of Resolution No. R-233. Director Horwitz, Director Graf, President Damron and Director Moorhouse voted aye; Director Treloar was absent. General Manager said the Resolution passed with the required 4/5's affirmative vote.

Resolution No. R-234

Setting Appropriations Limit for FY 2010/11 – Hamid Hosseini, Finance Director, said this was the process the District goes through each year setting the appropriations limit for the following fiscal year. Government Code Section 7902 establishes the procedure for calculating the appropriations limit each fiscal year. Mr. Hosseini said the District's appropriations limit for FY 2010/11 was \$2,925,525, and the amount of property tax revenue projected for this period was \$456,000, which was well within the established limit. Staff's recommendation was that the Board adopt Resolution No. R-234 setting the appropriation limit for FY 2010/2011.

Director Horwitz made a motion that the Board adopt Resolution No. R-234 as presented; Director Graf seconded the motion, and the motion was approved by the following 4-0 roll call vote: Director Horwitz voted aye, Director Graf voted aye, President Damron voted aye, and Director Moorhouse voted aye.

Resolution No. R-235

Adoption of the FY 2010/11 Annual Budget – General Manager said Resolution R-235 was being submitted to the Board for review and adoption of the FY 2010/11 Budget. General Manager said he would like to commend the Finance Director and staff for their work in putting the budget together and working hard to keep costs under control.

General Manager said attached to the resolution was a "Budget Snapshot" that provided an overall summary of the anticipated revenues, operating expenses and capital improvement projects. General Manager reported the interest revenue was down, and the good news was the District's sewer service revenue was holding up. General Manager said some of the changes reflected in the expenses this fiscal year show the Safety Officer position fully funded. There was a zero cost of living increase to employees' salaries this year, but the addition of the Safety Officer caused the Wages and Benefits line to increase. General Manager said some projects had been undertaken in recent years to reduce utility costs.

General Manager said he would spend more time later on the agenda talking about the District's Capital Improvement Program, but the projects proposed this fiscal year were: **Plum Street Sewer Replacement Project** – replace and upsize a pipeline behind the Pear/Plum Street in an existing easement; **Rotary Screw Press Dewatering Unit** – An in-house design project going out to bid for the equipment, and a contractor will be used for limited assistance in installation; **Vehicle Replacement; Lateral Camera Replacement; Network Server Replacement.**

General Manager said the budget had been developed with input and recommendations from the Finance Committee.

Finance Director, Hamid Hosseini, said the bottom line was that the District would meet bond covenant requirements in the coming year. General Manager said when you look at the Pro-Forma Statement, line 28 was the debt service ratio with a proposed 1.26 ratio for FY 2010/2011. General Manager said in actuality we end up a lot higher than that ratio because in many accounts we under spend what is budgeted.

General Manager said it was staff's recommendation that the Board adopt the Fiscal Year 2010/2011 Budget through adoption of Resolution No. R-235.

Director Moorhouse said he noticed there was an increase in Directors' Conferences and Trainings. Director Moorhouse said he wanted to make it clear, in regards to his recent election to LAFCO, any expense pertaining to LAFCO was paid by LAFCO.

Director Horwitz made a motion that the Board adopt Resolution No. R-235, adopting the Fiscal Year 2010/11 Budget as submitted with expenditures totaling \$7,171,500; Director Graf seconded the motion. Director Moorhouse asked if Directors Horwitz and Treloar, as Board-appointed Finance Committee members had seen and reviewed the budget

before tonight's meeting. Director Horwitz said Director Treloar was not at the last meeting, but he had reviewed the preliminary budget and there had been few changes. Director Horwitz added that it was nice to look at the budget and see the decrease in utilities and things that had reflected the capital improvement projects.

President Damron called for a vote, and Resolution No. R-235 was adopted by the following 4-0 roll call vote: Director Horwitz voted aye, Director Graf voted aye, Director Moorhouse voted aye, and President Damron voted aye.

Cash Contract No. 373 – Dudek

Extended Phase 1 Archaeological Investigation

Sandyland Cove/Sand Point Road – General Manager said this was a cash contract to allow Dudek to provide archaeological consulting services for the South Coast Septic to Sewer Project in the Sandyland Cove and Sand Point Road communities. General Manager said as he mentioned earlier the District is moving forward with the permitting process. Based on input from the County of Santa Barbara, as part of the land use permitting process, the pre-construction investigation approach was requested prior to issuance of a Coastal Development Permit. District staff and the project team met with County officials and the County Archaeologist to discuss an appropriate investigation strategy. General Manager said Cash Contract No. 373 between the District and Dudek was for consulting services and conducting a field investigation utilizing geoprobe excavations and one shovel test pit. General Manager said the work would be primarily within the Sandyland Cove community. General Manager said what Dudek was proposing included eight geoprobe excavations, one shovel test pit and associated field and laboratory analysis. General Manager said a geomorphologist and a Native American observer would be on hand to examine the excavations. General Manager said they were not expecting to find anything significant, but it was a necessary step. The District's engineering consultant, Penfield & Smith, helped in preparing the proposal. General Manager said it was staff's recommendation that the Board approve Cash Contract No. 373 between the District and Dudek for archaeological consulting services.

Director Graf made a motion that the Board approve Cash Contract No. 373 between the District and Dudek for archaeological consulting services related to geoprobe excavations in the Sandyland Cove and Sand Point Road communities for the Septic to Sewer Project; Director Damron seconded the motion, and the motion was approved by a 4-0 vote.

Manhole Rehabilitation Project Acceptance and Approval of Notice of Completion

General Manager said this was the action to accept the public works project related to Cash Contract No. 362 with SoCal Pacific Construction that was Board approved in August 2009. General Manager said as of June 18, 2010 the project was deemed complete, and all the punch-list items had been addressed. General Manager said District staff and its technical consultant verified that the work was performed in accordance with the project specifications. General Manager said staff re-spark tested the coating and any pinholes identified were repaired. General Manager said all project submittals had been reviewed, and there was a five-year warranty with the work. Inspections have been programmed down the road to identify any future problems. General Manager said staff was recommending that the Board accept the improvements and authorize the General Manager to execute and record the Notice of Completion. General Manager said after a 35-day waiting period, retention costs would be released to the Contractor and bonds would be exonerated when appropriate.

Director Graf made a motion that the Board accept the Manhole Rehabilitation Project, authorize filing and recordation of a Notice of Completion, and approve release of retention and applicable bonds in accordance with the contract; Director Moorhouse seconded the motion, and the motion was approved by a 4-0 vote.

Long Range Capital Improvement Program: 2007-2017 – General Manager said in 2007 the District developed an updated 10-year Long Range Capital Improvement Program that identified major capital upgrades and equipment procurement through the year 2017. General Manager said the program is brought back to Board each year to review and update as necessary. General Manager said it was a dynamic document, and a more complete review of the program was planned during the coming year to spend time going through this program to start a new ten-year cycle from 2011 – 2020. General Manager said time would be spent looking at facilities planning and long range at the bigger picture projects to tighten up some of the numbers and schedules. General Manager said for the purpose of this year he wanted to inform the Board of some additions and changes to this schedule. General Manager said the District's Capital Improvement Program (CIP) was moving along nicely. General Manager said a value was changed in Project 13, Vehicle Replacement Project. General Manager said a decision was made to replace a one-time truck with a utility bed and crane that would be used by staff to go out and service pump stations. General Manager said the number increased from \$35,000 to \$50,000. General Manager said Project 14 - Garage/Maintenance Building Extension was shifted out a couple of years. General Manager said the District's Collection System Rehabilitation Project – Phase 2/3, Phase 2 was pushed out a year to 2010/2012 in order to complete a Collection System evaluation project that is ongoing internally. General Manager said staff was about halfway finished in the cleaning and inspection of the District's system for input into the District's software package. The result would be a listing of projects for the rehabilitation effort in this fiscal year, and the work would follow the year after. A generator replacement project was moved out a year, and that had to do with some uncertainty with the State airborne restrictions. General Manager said the next project that changed on the list was an Influent Structure Screening Unit. General Manager said this was a bar screen and every piece of float that came through the plant went through this screen. General Manager said this project was pushed out to 2017, and staff would be trying some things operationally in the coming year to maybe eliminate that project. General Manager said the pumps were running so well now that this bar screen may be eliminated. General Manager said the Administration copier was scheduled to be replaced this fiscal year, and staff decided to keep it one more year. General Manager said the replacement was shifted out one year to 2011/2012, and since the decision was made to replace it, it had been breaking down more frequently. General Manager said our copier is of an age to start thinking about replacement, but at this time it had been moved out to 2011/12. General Manager said he talked about the Plum Street Sewer Replacement project with the first year, 2010/11 being the design phase and then construction the following year. General Manager said one of the new projects, the Rotary Screw Press Dewatering Unit, was new technology that was gaining a lot of favor in the industry. General Manager said he thought the project would pay back for itself in seven to eight years, and the equipment should last about thirty years. General Manager said a bid package would be sent out to procure this equipment from Germany, and it would fit in the space in the existing dewatering area.

General Manager said there were some projects from prior years he wanted to talk about. General Manager said the Bluffs Sewer Relocation project would occupy a lot of staff time this year. The District is waiting on CalTrans for the Carpinteria Creek Suspended Line Crossing Restoration Project to see how their project would turn out with the widening and extension of Via Real. The other projects on hold are Lift Station No. 2 Force Main Realignment and the Ocean Outfall Stabilization Project. General Manager said we do not anticipate moving forward with those two projects this fiscal year.

President Damron said this was one of the most important documents that showed what the District needed to be doing down the road. President Damron thanked General Manager for the information.

CSDA 2010 Board Election – President Damron asked Board Members for input. Director Moorhouse said John Fox was the local representative that had been involved in CSDA for a number of years, a former CSDA Board President, and he would be inclined to go with Mr. Fox. Director Moorhouse said he'd also like to point out that Kathy Tiegs was an interesting candidate. President Damron asked for other comments or suggestions. Director Moorhouse made a motion that the Board vote for John Fox to serve a three-year term on CSDA's Board of Directors; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

2010 Proposed CSDA Bylaws Amendments – Director Moorhouse said he had reviewed the amendments and there were not any significant changes. Director Moorhouse made a motion that the 2010 Proposed CSDA Bylaws be amended; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

2010 CASA Annual Conference – Director Moorhouse said he would be attending and be presenting.

Finance Committee – Director Horwitz reported the Finance Committee met. Director Horwitz said President Damron and she attended the meeting. Director Treloar was out of town. Director Horwitz said the committee went over the monthly budget and the proposed budget. Director Horwitz said the Finance Director, Hamid Hosseini, had gone to a workshop and reported to the committee regarding information he received on preliminary planning for sewer charges. Director Horwitz said the committee discussed looking into the District's sewer service charges and rates.

Personnel Committee – did not meet.

Public Relations Committee – did not meet.

Board General Items

CASA Legislative Committee Report – Director Moorhouse said according to the State Constitution, the State was supposed to annually pass the State Budget by June 15th, and pointed out to date a budget had not been passed. Director Moorhouse passed out a report from CASA with news on the status of Senate and Assembly Bills. Director Moorhouse pointed out in the report important information from CASA regarding their position on some of the important Assembly and Senate Bills contained within the report. Director Moorhouse said if any of the Board Members were interested he could email them with a link to a website where they could review the full bills.

Future Agenda Items

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:47 p.m.

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar - **Absent**
Treasurer

Jeff Moorhouse
Secretary