

**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 **September 1, 2009**, 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

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

Legal Counsel
Present: Anthony Trembley

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

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

Approval of Minutes of the Meeting of August 4, 2009- Director Treloar made a motion that the minutes of the August 4, 2009 meeting be approved as submitted; Director Damron seconded the motion, and the motion was approved by a 3-0 vote. Directors Horwitz and Graf abstained, due to being absent from the meeting.

Public Forum - None

General Manager's Status Report – General Manager reported on the following:
CASA Annual Conference Report – General Manager said Director Moorhouse and he attended the 2009 CASA Annual Conference in San Diego on August 12-15, 2009 in San Diego. General Manager said he attended the CSRMA Workshop on Wednesday. The general sessions focused on fiscal and state issues and how the property tax shift would affect local governments. Several bills are moving forward that could impact the District. General Manager said Director Moorhouse would talk about some of those in his Legislative Report later in the meeting. A representative from the State Legislative Analyst's Office made a presentation regarding their position that enterprise special districts, such as water and wastewater agencies, should not receive property tax revenue. In the CSRMA Board meeting

on Friday morning, dividend distributions were approved. Director Moorhouse was recognized for his service on two CASA committees during the past year and was unanimously voted to a Director position on the 2009/2010 CASA Executive Board. General Manager congratulated Director Moorhouse; **Manhole Rehabilitation Project Update** – This project is underway. The contractor, Socal Pacific Construction, mobilized following a pre-construction meeting held on August 24th. Manholes are being prepped and rehabilitated in advance of the polyurethane coating application. The special inspector from Ventura Regional Sanitation District is working closely with the District's Engineer Technician, Lance Lawhon, to ensure that work conforms to project specifications. The contractor said they'd like to apply a different product than what was originally planned called SprayRoq. SprayRoq is a polyurethane coating with structural properties that meets projects specifications. It would be used in a portion of the 99 manholes being renewed. It is a more expensive product, but will be at no additional cost to the District; **Septic to Sewer Project Update** – The preliminary tasks in the final design phase are underway. There was a slight delay in the delivery of the topographic map for Rincon, which we have since received, and the designers are moving forward. The geotechnical investigation commenced, and an archaeologist and a Native American were engaged to monitor drilling activities in certain locations, specifically in the Rincon area. The District is moving forward with formal encroachment permit requests for the permanent pipe placement. Caltrans denied the District's request to bore into the Highway 101 right of way, but the District will continue to negotiate to secure that easement for the permanent pipe. Penfield and Smith prepared Requests for Proposals (RFPs) for design and construction period biological and archaeological monitoring. The District will engage firms for these purposes directly that will come back to the Board for consideration of approval. Outreach efforts to property owners and the public have been ramped up. A press release was sent out to local print media that was picked up by the *Coastal View* and the *Daily Sound* letting people know the funding is in place and we're moving forward. Some modifications are underway to amend the District's website regarding the project; **Bluffs Sewer Relocation Project Update** – Entitlement and right-of-way acquisition for the pipeline in the areas near Bailard Avenue and Carpinteria Avenue are proceeding smoothly. The Caltrans encroachment permit is scheduled to go to Sacramento for final consideration, and we have negotiated an easement agreement with the City of Carpinteria. The consultant is working on efforts to engage the commercial building property owners. There are some obstacles to the permitting process that we are working on with the City. Staff and the CEQA consultant met with a biologist from the Coastal Commission on a buffer issue related to an identified wetland adjacent to Carpinteria Avenue. General Manager reported the project was moving forward; **Collection System Condition Assessment Program** – Staff is fully underway with a hydrocleaning and CCTV inspection project that will continue through 2010. A copy of a weekly update report tracking the progress of the project was attached to the Staff Report for the Board's information; **Board Meeting Schedule** – General Manager reported he would be in San Francisco at the quarterly Liability Program Committee meeting for CSRMA on September 15th and the regular Board meeting scheduled for that night may be rescheduled to a later date; **Operations Update** – The Treatment Plant is operating in full compliance with our NPDES permit. The Collection System is operating fine with no overflows to report. Our in-house Plant Water System Efficiency Project should be completed in the next week or so, and capital equipment purchases that were authorized in the 09/10 budget have been initiated or completed.

Director Treloar asked how long and where the contractor would be working on the Manhole Rehabilitation Project. General Manager said there were manholes spread throughout the District that would be rehabilitated, and the contractor has an atlas sheet to

move from one locale to the next. General Manager said the contractor may do six to eight manholes in one day, and on average may be at a manhole setup for an hour or two.

Pump Stations No. 1 and No. 2 Pump Replacement Project Acceptance and Approval of Notice of Completion – General Manager said he was pleased to report the Pump Stations No. 1 and No. 2 Pump Replacement Project was completed and went smoothly. Cushman Contracting Corporation did a great job for the District. The pumps are in and the pumping capacity has increased at both locations. Our inhouse inspector verified that the work was done in accordance with the contract documents. The pump station combined contract budget was \$180,000. A change order was approved at the staff level for \$2,160.80, revising the contract amount to \$182,160.80. The District received all the required project submittals. The project is complete and General Manager said it was staff's recommendation that the Board accept the improvements and authorize the General Manager to execute and record the Notice of Completion. After the 35-day waiting period, retention will be released to the Contractor and bonds will be exonerated.

Director Treloar made a motion that the Board accept the Pump Stations No. 1 and 2 Pump Replacement Project, authorize filing and recordation of a Notice of Completion, and approve release of retention and applicable bonds in accordance with the contract; Director Graf seconded the motion, and the motion was approved by a 5-0 vote.

2010 CSDA Committee Participation - General Manager said this was an informational item for the Board that the District received from CSDA representing an opportunity to volunteer or express interest in committee participation at the State level on CSDA. President Damron asked if any of the Board Members were interested. Director Moorhouse said he thought CASA was more specific to issues related to the District. Director Moorhouse said a lot of issues that come up through CSDA are concurrent with CASA issues and they tend to have the same view. Director Moorhouse said he kept in tune with issues through George Emerson of CSDA, who is on the CSDA Legislative Committee. President Damron said the deadline was October 9th, in case anyone would like to participate.

Special District and Local Government Institute Finance Seminar – General Manager said this was placed on the Agenda because one Board Member expressed an interest in attending. Director Treloar said he was interested in attending.

Director Horwitz made a motion that the Board authorize Director Treloar's attendance at the Special District and Local Government Institute Finance Seminar in San Diego on October 22-23, 2009; Director Graf seconded the motion, and the motion was approved by a 5-0 vote.

Finance Committee – did not meet.

Personnel Committee – did not meet.

Public Relations Committee – did not meet.

Board General Items

CASA Legislative Committee Report – Director Moorhouse said he attended several meetings during the CASA Conference that dealt with the State Legislative Committee. Director Moorhouse talked about the following issues:

Delta Water Discharge - There are some special committees that are being organized to look at this issue, which some contend these committees could impact the entire state. Director Moorhouse said it was very contentious at this point with the CASA agencies, and a special CASA committee will convene to look at this issue.

SB802 - SB802 is the five percent versus ten percent retention bill that has gone through and ready for the Governor's signature. Director Moorhouse said CASA was trying to get it amended to say they were okay with the 5% retention as long as there's a sunset on it. Director Moorhouse said the District, as a small agency, has not had issues. Director Moorhouse said he talked with the General Manager and was told our District recently did a contract where we went down to five percent retention. General Manager said the Public Contract Code allows that and gives direction to reduce the amount. General Manager said SB802 was for contracts over \$2M.

Private Lateral Issue - The private lateral issue got significant review by CASA. A special committee convened and one of the most thorough reports that came out of it proposed legislation regarding private laterals and inspection programs. In the end the recommendation was to leave it up to local municipalities.

Recycled Water Issue - Director Moorhouse said the theme was 50% by 2030 and legislation to try to collect fees from agencies to implement this program. CASA is working with the different legislators as these proposals come out to try to do it based on sound science. Director Moorhouse said being an ocean discharger the District would need to start thinking about how to recapture the discharge. Director Moorhouse said being a part of a multiservice agreement area, the District is not allowed to recapture water and send it somewhere to sell because of the Carpinteria Water District. Director Moorhouse said there would be a lot of discussion about this going forward, along with the pharmaceuticals in the system and water.

Director Moorhouse said the Washington conference was coming up in March and it would be good for someone to represent the District because there were things coming up, such as the Clean Water Act that would have a direct impact on the District because we discharge to the ocean.

Director Moorhouse reported that Kamil Azoury, General Manager of the Goleta Sanitary District, nominated him to sit on the CASA Executive Board, and he was elected.

Director Moorhouse said he was also on the Director's Committee of the State Legislature Committee, and during the CASA Conference a speaker named Doug Robinson spoke on the topic *Boom or Bust* related to what is going on with the economy and tied it into what's going on with PERS and the expected rates of return with PERS going forward through the year 2018. Director Moorhouse said based on the economy and based on rates of return the District could have anywhere from an annualized negative 3% rate of return to a positive 9%, and that would affect the District's contribution levels.

Future Agenda Items

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:09 p.m.

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary