

**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 **October 16, 2012**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

Directors Present: Lin Graf – President
Jeff Moorhouse – President Pro-Tem - **absent**
Pat Horwitz – Treasurer
Mike Modugno – Secretary - **absent**
Michael Damron – 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: Max Damron

President Graf called the meeting to order and led the Board and staff in the Pledge of Allegiance.

President Graf said, for the record, Director Moorhouse and Director Modugno were absent from the meeting.

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

Board Approval of Minutes of the Meeting of September 18, 2012 – Director Damron made a motion that the Minutes of the September 18, 2012 Regular Board meeting be approved as submitted; Director Horwitz seconded the motion, and the motion was approved by a 2-0-1 vote, with Director Horwitz abstaining from voting.

Public Forum – None.

General Manager's Status Report – General Manager reported on the following:

Collections System Supervisor Recruitment – General Manager said the District hired Matt Oliver to fill the Collection System Supervisor position. Matt began work on October 1st and is busy getting up to speed on agency practices and procedures. He brings extensive experience in project management and public works construction, and is already proving to be a great addition to the team.

Disinfection System Malfunction – General Manager said on October 3rd the primary sodium hypochlorite feed pump failed resulting in a period of several hours without chemical disinfection. The District provided notification of the event to several agencies in accordance with our NPDES permit. No effluent limit violations occurred as a result. The existing chemical feed pumps have been incredibly reliable. As we move ahead with replacement of the entire chemical feed systems, we will look to engineer additional control measures.

Bar Screen Rehabilitation – General Manager said representatives from Parkson were on-site the week of October 8th to rebuild the climbing bar screen in the treatment facility headworks, with support from operations staff.

Plumbing Contractor Issues – General Manager said despite the District's recent public outreach via the Coastal View News, issues with unscrupulous plumbers continue. On October 4th the District responded to a USA callout for a sewer lateral replacement on Canalino Drive. The homeowner was preparing to have a plumber replace 25 feet of pipe within the public right of way at a cost of \$10,000. District staff restored full flow by removing minor roots from the lower lateral, which was otherwise in satisfactory condition based on our CCTV inspection. The homeowner was pleased.

Manhole Rehabilitation Warranty Repairs – General Manager said District staff continued to work with National Coatings through the week of October 8th to address defects identified during the warranty period. The work is essentially complete. The District provided records, related to this project, in response to a subpoena for a civil case that does not involve CSD.

Operations Update – General Manager said the WWTP is operating in full compliance with our NPDES permit. The new pumps for Lift Station No. 3 were delivered and District staff has been working to install new monitoring devices in the existing control panel. Paul Sweningson attended a three-day operations training seminar in San Diego to prepare for taking his Grade III Operator license examination. Paul took the Grade III exam on October 5th and is awaiting the results. Casey Balch attended a four-day training session in Oceanside geared toward preparation for his Grade II Operator license exam. Casey took the Grade II exam on Saturday, October 5th. Branson Taylor and John Bacchilega attended the Tri-State Seminar in Primm, Nevada the last week of September.

Amendment No. 1 to Cash Contract No. 395 – Carollo Engineers, Aerobic Digester Replacement Project Design – General Manager said on March 20, 2012 the District approved Cash Contract No. 395, engaging Carollo Engineers to provide preliminary and final design services for the District's aerobic digester replacement project. The agreement authorized a fee of \$347,203, based on a comprehensive scope of services developed in coordination with District staff.

General Manager said during the preliminary design phase, geotechnical investigation findings and related geotechnical engineering recommendations basically made construction of the digester structure in the desired location, east of the aeration basins, infeasible. The design team considered a number of alternate locations and tank configurations and ultimately the District Board selected the option to construct the new tanks in the general location of the existing digesters. The selected alternative will result in the best overall long term configuration for the treatment facility. However, additional work during the design phase will be required and associated costs will increase.

General Manager said Carollo has prepared a proposed scope of services for the additional design services required for the revised project. This proposal was included in the

packet for Board review. A total fee amendment of \$136,480 is proposed. If approved, the revised contract amount would be \$483,683.

General Manager said a letter has been drafted for the Board to consider which would authorize the proposal, accept the fee amendment, extend the term of the contract from November 2012 to July 2013 and also states all other provisions of Cash Contract No. 395 will remain in full effect. A copy of the letter was passed out to each Board member.

General Manager said it was staff's recommendation that the Board approve Amendment No. 1 to Cash Contract No. 395 between the District and Carollo Engineers, increasing the authorized design fee by \$136,480 making the total \$483,683.

Director Damron made a motion to approve Amendment No. 1 to Cash Contract No. 395 between the Carpinteria Sanitary District and Carollo Engineers as presented. Director Horwitz seconded the motion and the motion was approved by a 3-0 vote.

2012 Wastewater Revenue Bonds – Coastal Districts Financing Authority Status Update – General Manager said the District is pursuing a municipal bond sale for the purpose of refinancing its outstanding 2003 Wastewater Revenue Bonds and obtaining approximately \$4M in new funding for the Aerobic Digester Replacement Project. A total bond issue of \$15.8 million is anticipated.

General Manager said the District Board, at its last regular meeting, adopted a resolution appointing the President and President Pro-Tem to the Board of the Coastal District Financing Authority, a joint powers authority formed in 1993 for the purpose of cooperatively issuing municipal bonds. On October 11th, the South Coast Water District considered a similar resolution which appointed one of their directors to the Board of the JPA and approved one of the District's appointments. An organizational meeting of the JPA Board is likely to be held the week of October 22nd or the following. A subsequent regular meeting of the JPA Board will be held via teleconference ideally on November 6th. A resolution authorizing the District's bond sale and approving associated documents is expected to be considered at this meeting.

General Manager said on October 11th, District staff and members of the finance team made a presentation to Standard & Poors Rating Services in San Francisco. A copy of the presentation was attached to the Board packet. General Manager said the District expects to receive the S&P rating near the end of October.

General Manager said members of the finance team have been working to develop the documents necessary for the bond transaction. The District anticipates the bond sale to be on November 15th with the transaction scheduled to close and funds distributed the week of December 2nd.

Agreement for Bond & Disclosure Counsel Services – Jones Hall; 2012 Wastewater Revenue Bonds – General Manager said the District retained Jones Hall both on the original 1993 issuance and the refinancing in 2003. The firm provided similar services on the successful refunding of the AD 2007-1 assessment bonds completed in September of this year.

General Manager said the agreement for legal services to retain Jones Hall for required bond and disclosure counsel services is attached to the Board packet for review and consideration. Jones Hall proposed a graduated percentage based fee for bond counsel and a fixed fee of \$30,000 for disclosure counsel services. Their legal fees are fully contingent on successful completion of the transaction and would be paid directly from the bond proceeds. This form of agreement has been reviewed by the District General Manager and District Counsel.

General Manager said it was staff's recommendation that the Board approve the Agreement for Legal Services between the Carpinteria Sanitary District and Jones Hall dated October 16, 2012.

Director Horwitz made a motion to approve the Agreement for Legal Services between the Carpinteria Sanitary District and Jones Hall dated October 16, 2012. Director Damron seconded the motion and the motion was approved by a 3-0 vote.

Paperless Board Agenda Process – General Manager said at the last regular Board meeting direction was given to staff to purchase one electronic reading device for the purpose of a trial implementation of a paperless Board agenda process. District staff purchased a WiFi capable, 16GB Apple iPad and has loaded an inexpensive document reader application. General Manager said tonight's meeting agenda and packet has been loaded onto the device for electronic review. The iPad was passed around to the Board members.

There was consensus of the Board to allow each Board member use the device for one meeting each, as a trial.

Finance Committee – Did not meet.

Personnel Committee – Did not meet.

Public Relations Committee – Did not meet.

CASA Legislative Committee Report – None.

LAFCO Report – None.

SBCSDA Report – None.

Board Member Vacation Dates – None.

Future Agenda Items – None.

Adjournment. There being no further items to discuss, President Graf adjourned the meeting at 6:08 p.m.

Lin Graf
President

Mike Modugno
Secretary

Jeff Moorhouse
President Pro-Tem

Michael Damron
Secretary Pro-Tem

Pat Horwitz
Treasurer