

**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 19, 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

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

Legal Counsel
Present: Anthony Trembley

Public Present: Marla Daily, Kirk Connally

President Damron called the meeting to order and led 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. Director Treloar suggested moving Item No. 2 under General Reports up on the Agenda to be heard prior to Item No. 1. President Damron agreed with the modification and the Agenda was approved as modified.

Board Approval of Minutes of the Meeting of September 21, 2010 – Director Treloar made a motion that the Minutes of the September 21, 2010 Board meeting be approved as submitted; Director Horwitz seconded the motion, and the motion was approved by a 5-0 vote.

Public Forum – None.

Reimbursement Request for Overpayment of Sewer Service Charges

4892 Dorrance Way (APN 009-440-007) – General Manager said this was item on the agenda at the request of Ms. Marla Daily and Kirk Connally, property owners at 4892 Dorrance Way in Carpinteria. General Manager said the District had been communicating with Ms. Daily about overpayment of sewer service charges. General Manager said between

the period of 2001 and 2008 Ms. Daily maintained that the District charged her for two units, when in fact there was only one unit on her property that was available for occupancy. General Manager said the District did not dispute this fact. General Manager said in 2002 the District became aware of a proposed development on the parcel by Ms. Daily and Mr. Connally who were intending to build a second unit. At that time the District commented on a permit application through the City of Carpinteria in 2003 that a Development Impact Fee (DIF) was not required, acknowledging that previously there were two units on the property. In 2007, a Sewer Construction Permit was issued to Ms. Daily, and the sewer improvements were constructed and inspected at that time. General Manager said in 2008 the project was granted occupancy by the City, and the District signed off on the occupancy permit. General Manager said there was a period of time between 2003 and 2008 when the District became aware there was only one unit on the property. General Manager said he did not know the circumstances because it predated his time as General Manager, but the District may have presumed at the time that the second unit would be constructed in short order and therefore it made sense to continue to bill for two units. General Manager said it took a five-year period of time to complete the work. Going back further, District records show a demolition permit was issued in 1996 that the District signed off on for the City of Carpinteria.

General Manager said Ms. Daily had sent an email to the General Manager and the Board bringing this overpayment to the District's attention and spelling out the charges that were overpaid between June, 2001 and July, 2008. General Manager said the charges were reviewed by staff and the totals were accurate. General Manager said in talking with Ms. Daily he reviewed the circumstances with the feeling that there was some responsibility on the property owner's part to review their bills and call the District when there are some concerns or questions. General Manager said he thought a reasonable offer would be reimbursement of two years of sewer service charges at the current rate. General Manager said he explained that beyond that she would need to petition the Board to consider a reimbursement of the entire amount that was overpaid.

General Manager said District Counsel had reviewed his staff report and brought to his attention Government Code, Section 53082 (e) that established a statute of limitations for claims made for sewer service charges that were charged and collected when no service was provided. General Manager said after 1992, the statute of limitations was 180 days from the date of payment, and therefore, the claim was untimely and could be rejected on the basis of this Government Code. General Manager said the Board had discretion as to how to respond to this request from a customer. General Manager said the line item on the County property tax bill did not allow space to spell out individual assessments, but perhaps a newsletter article explaining the SSC line item on the annual property tax bill, providing customers with direction on how to understand the charges levied, could be addressed in the future.

President Damron asked if any of the Board Members would like to make a comment. Director Treloar said he was confused by the two addresses, Dorrance Way and Elm Avenue. Director Treloar asked if this was one parcel.

Ms. Daily said she'd like to thank the Board for hearing their unique situation. Ms. Daily said the General Manager had adequately described what had happened in the past. Ms. Daily said there were two addresses on a corner lot, but only one APN.

President Damron asked Ms. Daily to state her name for the record. Ms. Daily said her name was Marla Daily and her husband was Kirk Connally, the property owners at the subject property. Ms. Daily said there were two houses, and this issue stemmed from a phone call recently to the Carpinteria Sanitary District. Ms. Daily said they had just received their property tax bill and when she saw the line with the charge for \$1,025 she decided to call and ask someone about it. She said she was informed that each house in Carpinteria paid \$512 per sewer connection. She said she went back and looked at all of the property tax bills she had received since they had purchased the property and determined she had

been charged for two hookups when in fact there was only one house until 2008. Ms. Daily said she looked into the matter further and found there had been a house on the property that was demolished in 1986. Ms. Daily said the bill had been correct since 2008. Ms. Daily said she was asking for a refund for those years in which they owned the property and paid for two hookups when there was only one.

President Damron said he would start out by saying that even though it appeared that the District had the ability to enforce the Government Code section that says the statute of limitations was 180 days, in his opinion the customer had been reasonable through the process, and he felt like her request was reasonable. President Damron said it was the District's mistake and the General Manager had done his job in reviewing, making an offer, then having the property owner make an appeal to the Board. President Damron said he would be voting in favor of the amount overpaid of \$3,317.83.

Director Graf asked when there was new construction or any activity was it up to the District or the City of Carpinteria to make a determination and bill accordingly. General Manager said it was a combination. General Manager said in this case a permit was issued to have a new connection and a new lateral constructed. General Manager said generally, the District begins collecting sewer service fees at the time the permit is issued. General Manager said there was latitude, and sometimes fees are not collected until occupancy. General Manager said he felt staff, in the seven years he has been with the District, had a good handle on the process. General Manager said he could not say what happened back in 1986 or 2003.

Director Horwitz said she believed the Board needed to be accountable for misinformation in prior files and that Government needs to be accountable for something that was truly a mistake. Director Horwitz said she would like to make a motion that the Board returns the requested amount of \$3317.83; Director Graf seconded the motion.

Legal Counsel suggested the following amended motion: Given the facts of this specific case and without any admission of liability by the District or use as precedent, the Boards refunds the amount of \$3,317.83 to Marla Daily and Kirk Connally for the time period 2001-2008, contingent upon Ms. Daily and Mr. Connally executing a settlement and release agreement in favor of the District and satisfactory in form to District Legal Counsel.

Director Horwitz amended her motion to reflect the motion as stated by Legal Counsel; Director Graf seconded the amended motion, and the motion was approved by a 5-0 vote.

General Manager's Status Report – General Manager reported on the following: **Dahlia Court Annexation** – LAFCO unanimously approved the Dahlia Court Annexation to the District at their regular meeting on October 14, 2010, allowing for a 33-unit multifamily development project as proposed by People's Self Help Housing Corporation; **SAMA Meeting Report** – The October meeting was held at the Santa Maria WWTP. There was a presentation by Chris Rose, an Engineer from the Regional Water Quality Control Board in San Luis Obispo who talked about the Total Maximum Daily Load (TMDL) processes underway in the region. The Santa Maria river watershed is the focus of this regulatory effort at the moment. A bacteria TMDL process for the South Coast beaches that was initiated last year has been tabled due to funding and staff limitations; **Staff Achievements** – The General Manager and Board Members congratulated Judy Kirkman, the District's Office Manager, for recently completing a Professional Certificate Program in Human Resources Management through UCSB Extension; **NPDES Permit Renewal Status** – The District's NPDES Permit was set to expire on October 21, 2010, but has been administratively extended by the RWQCB due to delays in processing a new permit. Staff submitted the District's renewal application in April, 2010. We received a preliminary copy of a new draft permit on October 13, 2010. A public review and comment period on the draft permit will begin shortly. The Final NPDES Permit is not expected to be adopted until the February 2011 meeting of the RWQCB; **Collection**

System Night Work – Collection staff began some evening work on Sunday, October 17th hydrocleaning and CCTV inspection of sewer pipelines in the downtown area. The evening work will continue for two weeks from 10:00 p.m. to 6:30 a.m. to avoid daytime traffic and high flow periods; **Santa Barbara County Grand Jury Request** – The Santa Barbara County Grand Jury sent the District a survey requesting detailed compensation information for elected and appointed District officials. A copy of the letter from the Grand Jury requesting the information was included in the Staff Report. District staff completed the survey and returned the data requested in electronic form; **Bluffs Sewer Relocation Project Status** – The design team and District staff are working to acquire utility easements from property owners on the bluffs, east of Viola Fields. A bid package will be ready for Board consideration in the coming weeks; **City Council Meeting Public Comment on District Responsiveness** – There was a comment from a citizen in the community back in September regarding an odor adjacent to the manholes on the Bluffs reserve. During the course of some comments at the Carpinteria City Council Meeting, there was some indication by the citizen that the District was not responsive and was ignoring these odor complaints. General Manager said he and Fire Chief Mingee attended the Carpinteria City Council meeting on September 27th to let the council and community know we are here and take our responsibilities very seriously, and that we have and will respond to odor complaints; Director Moorhouse asked if the District had been receiving complaints. General Manager said the complaint mentioned dated back to 2008. Director Moorhouse mentioned the Board in the past had received a summary sheet of complaints received from citizens in the community. Director Moorhouse said he would like to begin receiving a summary to know who had concerns. General Manager said he tried to include this type of information in his General Managers report each Board Meeting. After Board discussion, the Board asked to be updated quarterly with an incident or public complaint summary sheet; **Operations Update** – The Treatment Plant is operating fine. Some new variable frequency drives were installed at Lift Station No. 1. The controller at Lift Station No. 5 was replaced under warranty by Siemens and was back in service. Rehabilitation and painting of Lift Station No. 2 has been completed. A structural engineer from Carollo Engineers, assisted by staff, inspected the two digester structures by utilizing the CCTV camera system suspended on ropes to complete the interior inspections, eliminating the need for confined space entry. The collection system is operating well with no problems to report. Staff responded to an odor complaint from a resident on Calle Arena. Staff has responded in the past to concerns about interior odors (sewer gas) inside his home, but has not been able to identify problems in the main, lateral or house plumbing that could contribute to the perceived problem. President Damron said he heard staff did an excellent job in customer service. Director Treloar asked if the controller at Lift Station No. 5 that was replaced under warranty was just that particular unit or something that might come up in the future. General Manager said he thought it was this particular unit, but staff was waiting for a full analysis from the manufacturer. General Manager said when the central controller had a problem, the redundant controller worked perfectly with no problems.

Low Pressure Sewer System Mandatory Connection Discussion- General Manager said this was an item requested by the Board for discussion and related to whether or not property owners within the assessment district within the boundaries of the Septic to Sewer Project for Rincon, Sandyland and Sand Point Road could opt out of physically connecting to the sewer if they choose. General Manager said the property owners within these communities had already been assessed, and the assessments ranged from \$35,490 to \$88,229. The assessments include work on the private property, installation of the grinder pump, abandonment of the septic tank, installation of the force main and site restoration. General Manager said to undertake these improvements, the individual property owners

must grant the District a permanent utility on that private property and enter into a Low Pressure Sewer User Agreement that outlined certain responsibilities for both the District and the property owner.

General Manager said it had come to the District's attention that one or more property owners within the project area that have paid, or will be paying over the next 30 years, may not be interested in connecting to the public sewer, despite the fact that they have already been assessed the full cost of connection. General Manager said at the staff level, in outreach materials, meetings with homeowner associations and prior discussions with the Board, the message has been that the homeowner has paid for these improvements and if the homeowner wants to opt out and not provide an easement to their property, the District would not take legal action to condemn their property or otherwise force the homeowner to connect. General Manager said the District had been very consistent with the message that if the property owner chooses not to participate in the project during construction, the cost of connection would be borne by the property owner for a future connection. General Manager said this was a policy matter. The District has an ordinance that gives the District the legal authority to require buildings within 300 feet of a public sewer to connect to the sanitary sewer system.

General Manager said the District had provided information to the public and to a Rincon homeowners' representative who developed a Rincon Point Sewer Project website. General Manager said the information on the website outlined the District's approach. One of the questions is "Do I have the option to not hookup to the sewer?" Another question is "What are the possible consequences of not hooking up to the sewer?" General Manager said this one is saying that the District is not going to be the regulatory agency forcing a sewer connection, but there were other agencies that may require them to connect down the road.

President Damron said the District could spend a lot of money making property owners connect, but they have already paid, and they will have to pay again if they choose to connect in the future.

Director Moorhouse asked if property owners paid an assessment every year. General Manager said those that elected to be assessed would pay each year. Director Horwitz said given the fact that sometimes there are connections that the District does not know about, how would the connections be monitored in the future. General Manager said it was more difficult to connect to the low pressure system than to a gravity sewer. General Manager said they would have to have the pumps and pipes. Director Treloar asked the percentage of homeowners who did not want to connect. General Manager said he had heard of two, but easement packets have not been sent out to Rincon property owners, only to Sand Point and Sandyland. Until all the easement packets are sent out and returned the District will not have a true picture.

Director Moorhouse asked if the District had an inventory of parcels within the District that fell within the category of 300 feet of the boundary but chose not to connect. General Manager said it would be easy to prepare with the District's GIS mapping software. Director Moorhouse said the Board should look at the issue District-wide and not just the Rincon area.

Director Treloar said he thought the property owners who did not connect should be sent some type of letter from Legal Counsel telling them if they did not connect there might be consequences in the future.

Legal Counsel said at some point the property owners who had not connected may have a problem with the Ventura County Environmental Health or Santa Barbara County Environmental Health when they try to get a maintenance permit and would be told they could not get the permit until they were connected to the sewer.

General Manager said, as Director Treloar mentioned, the District would send a letter to the property owners that chose not to connect saying the District understood they were choosing not to connect and would spell out the repercussions in the letter.

Cash Contract No. 378 – Jason Karpf, Public Relations Consultant

Newsletter Development and Distribution/Public Outreach Services – General Manager said the Public Relations Committee had met and determined that the District should continue its public outreach efforts and improve communications with its customers through the development and distribution of a newsletter and other forms of public outreach. General Manager said the PR committee met with Mr. Karpf and determined it would be a good time to move in another direction with a local consultant. General Manager said Mr. Karpf had some good ideas with an initial newsletter that included development, printing and distribution. A Spanish version of the newsletter was included in the costs that would be posted on the District’s website. The proposal from Mr. Karpf also included a second newsletter that might be considered in the next fiscal year and other support services for outreach that included assisting with newspaper letters to the Editor or other media outlets. Included in the cash contract was some time for an hourly support rate. General Manager said it was staff’s recommendation that the Board approve and execute Cash Contract No. 378 with Jason Karpf, Public Relations Consultant, for public outreach services from October 19, 2010 through Jun3 30, 2011, with a not to exceed contract amount of \$10,000.

Director Graf said to give the Board a little background; there had been discussions at earlier PR Committee meetings regarding hiring a local consultant and looking at developing a less technical or a more “user friendly” type of newsletter, similar to the newsletter from Ojai Valley Sanitary District. General Manager said he approached the consultants that did the work for OVSD, a writer and design firm, and they both said they did not have the time to help us. General Manager said he thought Jason Karpf was very qualified, and the contract had been set up to do one newsletter.

Director Horwitz made a motion that the Board approve Cash Contract No. 378 with Jason Karpf, Public Relations Consultant, for public outreach services from October 19, 2010 through June 30, 2011, with a not to exceed contract amount of \$10,000; Director Graf seconded the amount, and the motion was approved by a 5-0 vote.

Finance Committee – Director Treloar reported the Finance Committee met twice and besides the normal monthly reports, a special meeting was held to review bids for doing a rate study. Five people solicited packages and the Finance Committee narrowed it down to two. Director Treloar said oral interviews were presented by the two finalists, and a recommendation would be made to the Board at the next meeting.

Personnel Committee – did not meet.

Public Relations Committee – Director Graf reported the PR Committee met as reported earlier and discussed the District’s public outreach services.

Board General Items

CASA and CSDA Legislative Committee Reports – Director Moorhouse passed out information to the Board regarding some bills waiting to be signed by the Governor and CASA’s position on the bills. Director Moorhouse said he would be in Pardee, California next week for the annual CASA Board Retreat, meeting with Mike Dillion, CASA’s lobbyist for State legislature.

LAFCO Report – Director Moorhouse reported LAFCO met and had approved the District’s Dahlia Court Annexation. Director Moorhouse said LAFCO was also dealing with the City of Goleta’s detachment from Goleta West. Director Moorhouse said he attended the Cal-LAFCO Conference a couple weeks ago and the Executive Officer from Santa Barbara LAFCO, Bob Braitman, was awarded the Distinguished Service Award.

Future Agenda Items

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:46 p.m.

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary