

**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 **November 3, 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 - **Absent**
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 Treloar to lead the Board and staff in the Pledge of Allegiance.

President Damron noted for the record that Director Moorhouse was absent for the meeting.

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 October 6, 2009- Director Graf made a motion that the minutes of the October 6, 2009 meeting be approved as submitted; Director Treloar seconded the motion, and the motion was approved by a 3-0 vote. Director Horwitz abstained since she was absent from the October 6, 2009 Board meeting.

Public Forum - None

General Manager's Status Report – General Manager reported on the following:
Private SSO – Pueblo Del Estero Apartments – A call was received from the Sheriff's Department on October 6th reporting a sewer overflow occurring on Via Real. District staff responded and determined that the spill was coming from a privately owned manhole that serves the Pueblo Del Estero apartment complex. The General WDRs that the District is subject to require the District to mitigate a spill of this type when it's threatening public health or the environment. General Manager said this was a significant sewer overflow, so

District staff responded with the Vac-con and cleared the blockage and cleaned up the sewage on the ground. Direction was given to the Property Manager from staff on how to proceed in a non-emergency follow-up mode to clean up the spill. This private sewer overflow was reported to the SSO online reporting system of the State Water Resources Control Board. General Manager said when such reports are published online it is difficult to differentiate between a public and private spill. General Manager said because there was public risk the incident was reported to the Environmental Health Department and the online SWRCB system. General Manager said District staff worked overtime, and a cost-recovery invoice was submitted to the property owner to recover District costs for assisting with the private sewer overflow; **SAMA Meeting Report** – The October SAMA meeting was held at the City of Santa Maria. General Manager said a tour of their \$20M plant upgrade nearing completion was provided. Solar Power Partners, a company that implements solar power generation projects at public facilities gave a presentation. General Manager said the way this type of project works is they build, own and maintain the solar power generation infrastructure facilities, and the public agency agrees to buy back power over a twenty year period at a fixed rate. General Manager said it was an interesting project and something staff would keep looking into to see if it might become feasible for the District in the future; **Caltrans US101 Widening Design Review** – District staff met with Caltrans District 5 design staff working on the highway widening project for US 101. In Carpinteria they are talking about the widening of the two highway bridges and the freeway. General Manager said it would impact District sewer infrastructure based on their current design. Some manholes would need to be relocated and some line segments may need to be relocated or adjusted. General Manager said it was a good meeting, and he was glad they were talking to District staff in the design phase. The District will be evaluating potential realignment of a pipeline crossing of Carpinteria Creek, the one on the bike path north of US 101. This line is on the District's Capital Improvement Project list this year for rehabilitation. General Manager said Caltrans' design of the alignment of Via Real, extending from Bailard to Casitas Pass, may allow the District to move that line into a roadway and attach to a bridge in a location that was much more accessible. The CIP project for this year is being put on hold to see how this Caltrans project develops. Director Treloar asked if Caltrans gave a timeline of when their project might be constructed. General Manager said they were looking at around the year 2012; **Safety and Training Officer Recruitment** – The District is commencing a recruitment effort for the Safety and Training Officer position. This is the position that serves the four agency cooperative to provide support for OSHA compliance and general occupational safety matters; **WWTP Entry Modifications** – A construction contract was issued to a local contractor to modify the entry to the treatment plant. General Manager said the District has had problems over the years with the way the entry was designed. In the past vehicles have bottomed out when passing through the gate, and most recently a small passenger vehicle bottomed out resulting in a damage claim. Staff decided to move forward with a project to avoid future problems; **South Coast Beach Communities Septic to Sewer Project Update** - General Manager said an update was included in the Staff Report outlining tasks that were completed or in progress. General Manager said the on-site design for Sandyland Cove and Sand Point Road was almost complete. Septic tanks have been located and grinder pump and line locations have been laid out. General Manager said the same efforts were underway in Rincon Point. Plans and specifications for Sandyland Cove and Sand Point Road are 95% complete. Last Friday there was a coordination meeting with staff from the County Planning and Development Department and representatives from the Environmental Health Department. The Environmental Health Department is the agency that issues permits for septic tank abandonment. General Manager said it was a good meeting. We have an archaeological preliminary investigation scheduled to commence at Rincon Point in November. The low pressure sewer system specifications and design report are complete and

being reviewed. General Manager said direct purchase of grinder pump units is still anticipated at all the communities. The third party system design review and development is underway. The vendor, Environment One, will do a design analysis using their models. Property tax bills went out from the County and a few calls were received by staff from property owners asking why the assessment was on their bill. General Manager said NBS, the third-party administrator hired by the District, had been helpful in providing payoff quotes to interested property owners. Director Treloar said he got a weekly newsletter from Special Districts and they talked about the federal red flag rules related to collection of fees. General Manager said when this subject was reviewed six months ago the District was not subject to the red flag rule requirements, but he would review this rule and get back to the Board. General Manager said Penfield & Smith was preparing the required documents for setting up the grant administration to get that process started; **Manhole Rehabilitation Project** – A few manholes are left to rehabilitate. The remaining manholes lie within the Caltrans right of way and an encroachment permit is pending to allow this work to proceed. Final inspection and coating adhesion testing will be conducted in the coming weeks; **Operations Update** – The treatment plant is operating fine. The collection system, other than the private sewer overflow, is operating great. There was some staff overtime related to sporadic power outages during the recent storm event and the recent high wind event. The District received \$1800 from Southern California Edison for a claim submitted following a power supply problem at Lift Station No. 5. There was a problem with their lines that created overtime for District staff. The City is doing a widening project on Bailard. Three of the District's manholes needed to be reconstructed in conjunction with this project. The work was done under the District's supervision by Tierra Contracting and at no cost to the District.

Audited Financial Statements for the 2009/2009 Fiscal Year – Hamid Hosseini, Finance Director said the firm of Teaman, Ramirez & Smith performed the audit for the District in June and August, 2009. Greg Fankhanel, head auditor from Teaman, Ramirez & Smith was introduced by Finance Director. Mr. Fankhanel said he'd like to express his appreciation to District staff for their help in getting through the process. Mr. Fankhanel said it went well and the audit report was issued. Mr. Fankhanel said an unqualified opinion was issued regarding the District's Financial Statements, which meant it was clean and no issues were found in the report. Mr. Fankhanel said the biggest change from the previous year was the reporting of the funds received from the assessment district. Mr. Fankhanel said these funds were restricted. One item not included in the written reports was a suggested update to the District's purchasing/procurement policy to clarify ambiguous language related to certain purchases. Mr. Fankhanel said he was there to answer any questions the Board might have regarding the Financial Statements.

Hamid Hosseini, Finance Director went over highlights from supplemental reports that included a summary of the financial statements, CIP report, detail of monthly revenue and expenses, property tax revenue, investment report and a Development Impact Fee report.

President Damron said he was always impressed with the good job our staff does with the District's finances. President Damron thanked Mr. Fankhanel for coming to the Board meeting.

General Manager said that it was staff's recommendation that the Board adopt the Audited Financial Statements for FY 2008/09, authorize the Finance Director to distribute copies to interested parties and file the State Controller's Report with the State of California.

Director Horwitz made a motion that the Board adopt the audited Financial Statements for the year ended June 30, 2009, and that the Finance Director be authorized to distribute the necessary reports and file the State Controller's Report with the State of California; Director Graf seconded the motion. Director Treloar said he wanted to make a

comment related to a finance seminar he just attended. Director Treloar said based on a lot of comments and questions that came up at the seminar, our District was in great shape, and he'd like to express his appreciation to Mr. Fankhanel for putting the report together.

President Damron called for vote, and the motion was approved by a 4-0 vote.

The Board thanked Mr. Fankhanel for attending the Board meeting.

FY 2009/2010 Budget Amendment – Odor Control Chemicals – General Manager said Account 5521-1 was the budget account for odor control chemicals, and in the District's current year budget \$15,000 was budgeted for odor scrubber media based on media testing and historical rates of consumption for the Unisorb media. General Manager said recent scrubber media sampling and analysis indicated that media in OCU-1 pass 2 was spent. Air Pollution Control District requires that the media be replaced once testing shows it to have lost its absorption capacity. General Manager said the cost for bulk replacement was approximately \$30,000, and it was staff's recommendation that the current year budget for Account 5521-1 be augmented by \$20,000 to a total of \$35,000 to cover unanticipated costs for scrubber media replacement.

Director Horwitz made a motion that the Board authorize an amendment to the FY 2009/10 budget for Account 5521-1 to a total of \$35,000 to cover unanticipated costs for scrubber media replacement. General Manager responded to questions from Director Treloar regarding configuration of odor scrubbers and particularly relative media volumes within each pass or compartment. The media now requiring replacement has been in service for approximately two years. Director Horwitz asked if the amended \$35,000 budget covered anticipated and unanticipated media replacement. General Manager confirmed that this procurement was simply earlier than anticipated and would offset expenses projected to be incurred early in the 2010/11 fiscal year.

President Damron called for a vote, and the motion was approved by a 4-0 vote.

Finance Committee – Director Treloar said the Finance Committee met on October 19th and went over the monthly budget, quarterly investment report, Directors' Conference and Training Budget Summary and the Audited Financial Statements.

Personnel Committee – did not meet.

Public Relations Committee – did not meet.

Adhoc Committee – President Damron appointed Director Graf to the Adhoc COLA Review Committee and asked staff to coordinate a day and time to meet.

Board General Items

Special District & Local Government Institute Finance Seminar Report – Director Treloar said he attended the Special District & Local Government Institute's Finance Seminar the end of October. Director Treloar said it was a very good seminar with 110 participants made up of 61% district staff, 37% board members, and 2% special interest participants. Director Treloar said based on questions and comments that came up during the seminar he was very pleased that our District seemed to be in good financial position and better run than a lot of the other districts. Director Treloar's report from the seminar included: use of public funds; two-year budget giving better insight into an agency's financial needs; future business trends; job costing – speaker Kamil Azoury from Goleta; rate increase process and timeliness – keeping the public involved; importance of customer service – anticipate the needs of the customer; and Capacity Fee vs. Development Impact Fee.

In response to Director Treloar's report, Legal Counsel indicated that the District's Development Impact Fee was the appropriate mechanism for new connections to the public sewer system here.

Future Agenda Items

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

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse - **Absent**
Secretary