

**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 17, 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 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. Hearing none, President Damron said the Agenda was approved as submitted.

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

Public Forum – Joe Power from Rincon Consultants was in attendance to talk about an item on the agenda.

General Manager's Status Report – General Manager reported on the following:
Private SSO – IHOP Restaurant – Staff responded to an incident at Casitas Plaza Shopping Center on November 6th. Staff received a call from one of the District's Board members that there was an overflow occurring at that location. There was a sewer lateral plug up at the IHOP Restaurant that caused a spill into the parking lot. District staff responded right away and got in touch with the restaurant manager. IHOP had already engaged a plumbing contractor that removed the blockage and the spill was no longer occurring, but there was a significant amount of standing wastewater in the parking lot. It was not a health threat, but

it was a nuisance condition. Our staff did some preliminary clean up and directed the property owner to follow up with remedial cleanup efforts. The Environmental Health Department was notified, along with the property manager. The District's Engineering Technician conducted follow up actions on November 9th and recommended some structural repairs to prevent future overflows. Director Treloar said he wasn't the Board member that reported this incident, but he happened to be in the area and went over to see what was happening. Director Treloar said he was very impressed with the professionalism of District staff. Director Horwitz said she wanted to go on record to say she was also very impressed with District staff and the way they handled the situation; **APCD Inspection – Odor Complaint** – Santa Barbara County APCD staff met with District staff and inspected the treatment plant regarding an odor complaint received from a member of the public on November 6th. No abnormal odors or operational problems were noticed during the inspection. That day, the winds were blowing ENE and were likely to have blown a mild background odor towards the complex directly west of the plant. The inspector did not smell any nuisance odor, so no follow up is anticipated; **Lift Station No. 2 Wetwell Cleaning** – Staff is working this week cleaning the wetwell at Lift Station No. 2. Activities will be conducted in the afternoon to coincide with minimum day schedule at Aliso Elementary School to minimize nuisance impacts to residents and students. The cleaning activities should be concluded on Wednesday; **Water Bond Passage** – A memorandum from Mike Dillon of CASA was attached to the Staff Report regarding the State Legislature's passage of the Delta/Water Infrastructure Package on November 4th. General Manager said it represents a series of bills approved in the Senate, and the bond portion would have to go to the voters. General Manager said one of the bond measures that might be of interest to the District is a billion dollars that was positioned for water recycling projects. General Manager said staff would keep an eye on that as an opportunity; **Operations Update** – The treatment plant is running fine with no problems to report. The collections system is running great. The Vac-Con was sent to MME Equipment in Anaheim last Friday for replacement of the auxiliary diesel engine to comply with CARB requirements. General Manager said it was on the District's CIP list for FY 2009/10 to meet requirements of the State. General Manager said the Vac-Con should be back this week and in the meantime Montecito Sanitary District was on call to support the District in an emergency. Work was completed on the entry to the wastewater treatment facility by Cushman Contracting Corporation. Mark Bennett attended the Automation Fair at the Anaheim Convention Center on November 12th and 13th. General Manager said this was a big national convention that crossed all kinds of industrial boundaries and it was good for Mark to attend since the District was looking at replacing our SCADA system, the system that controls our WWTP and remote lift stations. General Manager said the District's SCADA system dates back to 1995. Staff is completing restoration and interior painting at Lift Station No. 1. Similar improvements at Lift Station No. 2 will start later this week.

Resolution No. R-227 – Certification of Final Mitigated Negative Declaration – Bluffs Sewer Relocation Project – General Manager passed around a revised Resolution No. R-227 reflecting some minor changes to some code section references and CEQA guidelines that came from counsel after the agenda was sent out. General Manager said Joe Power, a principal at Rincon Consultants that helped the District through the CEQA process for the Bluffs Sewer Relocation Project, was in attendance. General Manager said the Final Initial Study and Mitigated Negative Declaration document was sent out to each Board member, and Resolution No. R-227 was intended to adopt that document and approve the project for implementation. General Manager said this project involved construction of approximately 6,000 linear feet of new gravity sewer in Carpinteria Avenue, primarily to replace the Bluff sewer that is located on the face of the Bluffs. General Manager said it also included some

work to replace the inverted siphon that crossed under Carpinteria Creek at Carpinteria Avenue, and abandonment of the existing sewer. General Manager said the District contracted Rincon Consultants to prepare an Initial Study and Mitigated Negative Declaration for the project in accordance with the California Environmental Quality Act (CEQA). The Draft IS/MND was completed in May 2009 and circulated. There was a comment period, as required by state law. A Notice of Intent to Adopt a Mitigated Negative Declaration was filed with the Santa Barbara County Clerk and published in the local newspaper. The District received written comments on the Draft IS/MND from three agencies. Comments came from the City of Carpinteria, the California Department of Fish and Game, and the State Water Resources Control Board. Rincon Consultants and District staff worked to prepare responses to the comments and incorporated these into the Final IS/MND document. To address policy consistency concerns raised by the City of Carpinteria, the District engaged Rincon to conduct a formal wetland delineation for a disturbed wetland near the intersection of Bailard Avenue and Carpinteria Avenue. That delineation is included in the final document.

General Manager said Resolution No. R-227, if approved, authorized the following basic actions:

1. Adopts the Final Initial Study and Mitigated Negative Declaration
2. Adopts a Mitigation Monitoring and Reporting Program for the Project
3. Approves Project Findings
4. Approves the Project and Finds it to be Consistent with the City General Plan
5. Identifies the Location of the Project Record as the District Administration Office

General Manager introduced Joe Power from Rincon Consultants. Mr. Power said the Negative Declaration was a document that concluded that the project did not have any significant effects on the environment that could not be mitigated. Mr. Power said standard mitigated measures had been identified for three issues: aesthetics, biological resources and cultural resources. Mr. Power said Rincon Consultants did not find any unusual problems of concern. Mr. Power said one issue with the City of Carpinteria concerned a policy within their Coastal Plan that required a 100-foot setback for any structure from a wetland. Mr. Power said the original alignment was approximately 90 feet from the wetland. Mr. Power said ultimately, after a lot of conversation between the District, the City of Carpinteria and the Coastal Commission, it was determined that the District would relocate the pipeline slightly to stay outside the 100-foot buffer area. Mr. Power said the next step in the process, assuming that the Board adopted the Negative Declaration and approved the project, a Notice of Determination would be filed with the County Clerk to start a 30-day period to challenge the accuracy of the document.

General Manager said staff was already working on the permitting process with the City of Carpinteria. General Manager said the District would need a Coastal Development Permit and a Conditional Use Permit. General Manager said staff made some comments in response to the Fish and Game comment on the document. General Manager said our project was designed to avoid impacts on any Fish and Game jurisdictional wetlands. General Manager said they were hoping to bid this project in a timely manner to take advantage of a favorable construction environment at this time.

General Manager said it was staff's recommendation that the Board adopt the revised Resolution No. 227 that was distributed to the Board at the Board meeting and available for the public.

Discussion was held regarding the definition of wetlands and the requirement that structures be located 100 feet from a wetland.

Director Treloar asked why a lot of time was spent on the possibility of a frac out. Mr. Power said Rincon's biologist felt that this was the one thing that could happen, even though it was very unlikely. General Manager talked about the Level III Project, the fiber optic

conduit that went in along the railroad corridor from San Luis Obispo to Los Angeles. General Manager said when they were doing the installation up near the Gaviota coast with directional drilling, they had some frac outs that were a result of geologic conditions and operation errors. The drilling fluid entered creeks and became an issue for the County and Department of Fish and Game. General Manager said regulators and planners continue to have a heightened sensitivity to directional drilling. General Manager said when a directional drilling contractor is engaged, the norm would be to have a frac out contingency plan.

President Damron called for a motion. Legal Counsel said the suggested motion should be that the Board adopt Resolution No. R-227, Adopting a Mitigated Negative Declaration for the Bluffs Sewer Relocation Project, approving the project and related actions and directing staff to file a Notice of Determination in accordance with Section 15075 of the State CEQA guidelines. Director Moorhouse said he'd like to make the suggested motion; Director Graf seconded the motion, and the motion was approved by the following roll call vote: Director Horwitz voted aye, Director Graf voted aye, Director Moorhouse voted aye and President Damron voted aye. Director Treloar said he would like to abstain because he did not like some of the wording in the document. Legal Counsel said Director Treloar was free to abstain from voting, but an abstention in this case counted as an "aye" vote because it sided with the majority vote.

SWRCB Mandatory Minimum Penalty Invoice Payment Authorization - General Manager said this item was a request to augment the budget. General Manager said line items were not included in the budget process each year to account for anticipated violations or penalties. General Manager said the District has a zero violation goal each year, but going back to 2006 the District experienced an upset condition during a major overhaul of the primary clarifier. An unavoidable, unanticipated outcome was some excursions of the District's permit limitations for settleable solids. Staff filed a report with the RWQCB of the upset condition. Staff also notified the RWQCB prior to commencement of the construction project of planned improvements, but at the time staff did not anticipate any problems. Two years later, in July 2008, the District received an Acceptance of Conditional Resolution and Waiver of Right to Hearing if the District agreed to pay three mandatory minimum penalties of \$3,000 each. General Manager said the District accepted the waiver notice and received an invoice from the State Water Resources Control Board on November 2, 2009 demanding payment of the \$9,000 mandatory minimum penalty assessment. General Manager said staff was recommending that the Board approve payment of \$9,000 to the State Water Resources Control Board for assessed mandatory penalties.

Director Treloar made a motion that the Board approve payment of \$9,000 to the State Water Resource Control Board for assessed mandatory minimum penalties totaling \$9,000; Director Horwitz seconded the motion and the motion was approved by a 5-0 vote.

CLOSED SESSION: Legal Counsel announced that the Board would go into Closed Session at 6:07 p.m. regarding the following:

CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation; Initiation of Litigation Pursuant to Government Code 54956.9(c): One Case

RECONVENE OPEN SESSION: The Board reconvened at 6:11 p.m. and President Damron called on Legal Counsel to report. Legal Counsel said on a motion by Director Horwitz, seconded by Director Treloar, the Board of Directors approved, by a 5-0 vote, a settlement agreement with Doris P. McCloskey Trust concerning provision of sewer services to the Trust property. The agreement provides that the Trust will pay three (3) years of past sewer service charges, plus the 1981 connection fee to the District's system, and that

beginning with the 2009/2010 fiscal year the Trust would pay annual sewer service charges via the property tax roll collection process.

Finance Committee – Director Treloar said the Finance Committee met on Monday, November 16th and went over the monthly budget report, the quarterly investment report, a report from Santa Barbara County of the District’s loss of property tax for this year, and the GASB 45 Actuarial Study.

Personnel Committee – did not meet.

Public Relations Committee – did not meet.

AdHoc Committee – President Damron reported the AdHoc Committee met and would meet again before bringing a report to the Board with a recommendation.

Board General Items

CASA Legislative Committee Report – Director Moorhouse reported the committee had spent a lot of time this year dealing with Delta water issues, and this would be a topic the committee would continue to talk about. Director Moorhouse said he attended the CASA Board’s annual retreat on October 26-28, 2009, held in Pardee, California. Director Moorhouse said the Executive Board set some agenda items for CASA for the coming year. Director Moorhouse said he was able to attend the CSRMA Finance Committee via telephone on Friday, November 6th. Director Moorhouse said the committee went over the draft financial audit for FY 08/09 and reviewed the investment portfolio. Director Moorhouse said CASA’s midyear conference was scheduled for January 13 – 15, 2010. Director Moorhouse said the conference would conclude on Friday morning, instead of the usual Saturday morning. Director Moorhouse said there would be a joint Directors/Managers session with Gerard Miller, a speaker regarding public finance. Director Moorhouse said Mr. Miller recently wrote an article on CalPers. Director Moorhouse said the President of CalPers would also be a speaker, and there would be a panel discussion with both speakers. Director Moorhouse said it should be a great session.

Future Agenda Items

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:19 p.m.

Michael Damron
President

Pat Horwitz
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary