

**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 **December 15, 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 - **Absent**
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 the General Manager to lead the Board and staff in the Pledge of Allegiance.

President noted for the record that Director Horwitz was absent from the meeting.

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 correction on Page 4, second paragraph, last line, which read “Legal Counsel said Director Treloar was free to abstain from voting, but **a vote** in this case ...” The line should have said ...but **an abstention** in this case ... Director Treloar made a motion that the minutes of the November 17, 2009 Board Meeting be approved as corrected; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

Public Forum – None

Annual Board Reorganization – Director Treloar made a motion that the Board positions remain as follows: Director Damron, President; Director Graf, President Pro-Tem; Director Moorhouse, Secretary; Director Horwitz, Secretary Pro-Tem and Director Treloar, Treasurer. This motion was seconded by Director Graf and approved by a 4-0 vote.

President Damron said he'd like to hold off appointing the Board committees because Director Horwitz was absent. President Damron said if there were any changes to be made to the committees this item would be placed on a subsequent agenda.

The following housekeeping determinations were presented to the Board for approval:

- The Board reaffirmed Nordman, Cormany, Hair & Compton, LLP as Legal Counsel.
- The Board reaffirmed Craig Murray, P.E. as General Manager.
- The Board reaffirmed 5300 Sixth Street as the place of regular meetings of the Board.
- The Board reaffirmed the first and third Tuesday of each month as the days of the regular meetings of the Board, unless the first or third Tuesday falls on a national holiday.
- The Board reaffirmed 5:30 p.m. as the time of the regular meetings of the Board.
- The Board reaffirmed that Section 54956 and 54956.5 of the Government Code are designated as the manner by which special and emergency meetings respectively shall be called.
- The Board reaffirmed compensation to Directors as established by Board Resolution for attendance at regular, special or adjourned meetings of the Board of Directors, for committee meetings, seminars, conferences and other meetings as established by Board Resolution.

President Damron called for a motion. Director Moorhouse made a motion that the Board approve the organizational provisions as presented; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

General Manager's Status Report – General Manager reported on the following:
VRSD Biosolids Drying Facility Grand Opening – General Manager said he attended the Ventura Regional Sanitation District's grand opening ceremony on November 18th for the Biosolids Drying Facility and Fuel Cell Electrical Generation. There were a lot of dignitaries present from Ventura County. This may be an option for biosolids handling in the future;
Septic to Sewer Project Update – A meeting with CalTrans District 5 was held in San Luis Obispo to review encroachment permit application materials prior to submittal. This project is for the pipeline that the District would use to convey wastewater up to the District's existing facilities in the 101 corridor. General Manager said generally this type of project would not be popular with CalTrans, but this meeting proved to be positive with their chief permitting representative. General Manager said this local District 5 support was an important part of the permit approval process. General Manager said there were other options available that were not as desirable, and staff would push hard for the preferred line alternative. General Manager said the project design was moving towards completion, especially with the Sandyland Cove and Sand Point communities. Land use permit application packages have been prepared for Santa Barbara County and the City of Carpinteria. Archaeological field work is scheduled to commence on January 4th in the Rincon community. One property owner within the Rincon Point community elected to pay his assessment in full, and District staff coordinated the prepayment and bond call with NBS and BNY Mellon;
SAMA Meeting Report – The December SAMA meeting was held in Santa Ynez on December 8th. New officers for 2010 were elected. A variety of topics were discussed. General Manager said an ongoing study of the Montecito Sanitary District's ocean outfall was nearing completion and would be published. Chris Toth was introduced as the new Wastewater System Manager for the City of Santa Barbara;
Bluffs Sewer Relocation

Project – Coastal Development Permit – The City of Carpinteria circulated the District's Conditional Use Permit application that will go to the local agency review group this week. This group, made up of the water district, fire district and sanitary district, get together and review the merits and challenges of projects. The District is hoping to bid the project in early 2010; **Safety and Training Officer Recruitment** – Open recruitment for the Safety and Training Officer position closed on December 1st, and interviews have been scheduled with the top ranked candidates the first week of January; **Operations Update** - The Treatment Plant is running in full compliance with our permit. Everything is operating well in our Collection system. The Vac-Con auxiliary motor replacement was completed, and it's back in service. Staff completed preliminary work on the hydro-pneumatic tank, and the contractor has been out and started their portion of the work. Final steps and startup should take place in the next week. Lance Lawhon, Engineering Technician, has been doing some grease program inspections and working with some of the food service establishments to improve grease interceptor maintenance.

GASB 45 Actuarial Valuation Study - General Manager said this item had been Board-approved during the budget process, and was being presented to the Board tonight as an informational item. General Manager said in May of 2006 the Board approved a limited retirement health benefit for retirees of the District linked to Cal-COBRA. Employees are eligible only if they are eligible for Cal-COBRA, typically eighteen months to five years. It is limited in duration and capped at a maximum of \$500 per month. General Manager said currently there were no District retirees receiving this benefit.

General Manager said the Government Accounting Standards Board Statement 45 (GASB 45) established requirements for governmental entities to evaluate their long-term liability for post retirement benefits and to identify a method to pay for those liabilities. The District falls into a Phase 3 implementation category, which requires preparation of an actuarial study in the fiscal year following December 15, 2008. The District's financial auditor advised the District to comply and do the actuarial study. District staff investigated various options on how to accomplish this study. General Manager said a consultant, Total Compensation Systems, Inc. (TCS) of Agoura Hills would be engaged to perform the analysis, and a copy of the proposal submitted by TCS was attached to the Staff Report. General Manager said the work would be completed in the first quarter of 2010, and a final report would be presented to the Board.

Director Treloar asked if the study would need to be updated every three years. General Manager verified that it would need to be updated every three years.

SCADA System Software Upgrade Project - General Manager said the SCADA System Software Upgrade Project was a Board-approved Capital Improvement Project in the current fiscal year. General Manager said it was a project to update and change out the software application and the program the District used to monitor the wastewater treatment plant, document data trends and issue alarms for equipment failures. General Manager said the existing SCADA system had been in place since the plant upgrade in the mid-nineties, and now staff was running into conflicts with hardware. General Manager said the current system was dated, and it was time to move forward.

General Manager said the Board approved the project with a \$60,000 budget in this budget year. Over the past six months staff had worked diligently planning this upgrade and refining the project scope and approach. Mark Bennett attended the automation fair in Anaheim, and staff has been working closely with our SCADA engineer, all of which helped to refine the scope of work and revise the project budget to \$80,000.

General Manager said the District would be moving to a new software package, the industry standard application that would run on a robust server platform. General Manager

said the most significant project cost would be in the programming of the software. General Manager said a proposal from AIA Automations was attached to the Staff Report that detailed the tasks required to complete the upgrade.

General Manager said a great deal of effort had been expended to ensure that this project approach was the best technical solution for the District and that it would meet the needs of the agency for many years. General Manager said there were excess funds in the restricted CIP fund to cover the additional project costs and no general fund transfer would be required. General Manager said it was staff's recommendation that the Board approve a budget amendment for the SCADA System Software Upgrade Project to a total of \$80,000.

Director Treloar said his concern was that this was a one-third increase from what was budgeted for this project. General Manager said it was a matter of getting budget estimates for the hardware and extrapolating an amount to integrate the software. General Manager said some hardware was included that was not anticipated originally, and the cost to do the programming was understated. General Manager said a lot of time had been spent working with Mark Bennett, Operations Manager and AIA Automation, and the cost breakdown included in the Staff Report for the project was firm.

Director Treloar asked if the Microsoft Server standard 2003 was the latest edition, or would that need to be updated as soon as installation began. General Manager said it had to do with the SCADA platform, and something that staff had been working with AIA Automation, and it had been determined the Microsoft Server 2008 version would be the server operating system option.

Director Treloar asked if any personnel time would be saved. General Manager said the District was moving to a platform that would allow staff to do more in terms of remote operations. Staff could log in from a laptop computer and turn off a pump, and the District's remote access capabilities would be expanded. General Manager said fundamentally the District was replacing a system that had reached its potential.

President Damron called for a motion. Director Treloar made a motion that the Board approve a budget amendment for the SCADA System Software Upgrade Project to a total of \$80,000; Director Graf seconded the motion, and the motion was approved by a 4-0 vote.

Cash Contract No. 370 – AIA Automation – General Manager said this was the cash contract to engage AIA Automation to do all the development, engineering and accomplish what was in the proposal from AIA that was presented in the prior item on the Agenda. General Manager said AIA Automation had been working with the District over ten years and has first-hand knowledge of all the telemetry and instrumentation General Manager said competitive bidding for this work was impractical and incongruous, and a negotiated procurement approach was proposed pursuant to Section 302 of the District's Resolution No. R-91. General Manager said it was staff's recommendation that the Board approve Cash Contract No. 370 between the District and AIA Automation for the SCADA System Software Upgrade Project.

Director Moorhouse made a motion that the Board approve Cash Contract No. 370 between the District and AIA Automation for the SCADA System Software Upgrade Project.

Legal Counsel asked if the \$52,990 amount was a lump sum amount. General Manager said it was. Legal Counsel asked if Cash Contract No. 370, page 3, first line, could be amended to say **a lump sum** amount not to exceed...General Manager said the contract would be amended per Legal Counsel's advice.

Legal Counsel suggested Director Moorhouse's motion be amended to: *I move that the Board: a) based on staff's report finds that obtaining competitive bids would be impractical and incongruous; and b) approve Cash Contract No. 370 between the District and AIA Automation for the SCADA System Software Upgrade Project.*

Director Moorhouse said so moved and modified; Director Graf seconded the modified motion.

Director Treloar asked how long it would take AIA Automation to install the system and get it in operation. General Manager said it should be completed in the next two to three months.

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

2010 CASA Mid-Year Conference – President Damron said this item was on the Agenda for the Board’s information and to see if any Board Member might be interested in attending. Director Moorhouse said he would be attending and speaking. President Damron said he would also be attending the conference.

Finance Committee – did not meet.

Personnel Committee – did not meet. General Manager said he would like to schedule a Personnel Committee and would contact President Damron and Director Graf to check their calendars.

Public Relations Committee – did not meet.

AdHoc COLA Committee – President Damron reported the AdHoc COLA Committee met and a draft policy was included in the Board packet. President Damron asked Director Graf to give a brief report from committee meetings. Director Graf said the committee met twice and looked back to see if there were historical documentation or written procedures for determining a cost of living adjustment (COLA). There was no documentation, so the committee decided to take what the District had been practicing and formalize it as a policy. Director Graf said the draft Policy and Procedure for Annual Employee Cost of Living Adjustment (COLA) included in the Agenda packet was for the Board to review. Director Graf said it would come back to the Board as an Agenda item for the Board to adopt.

President Damron said one of the main ideas discussed in the committee meetings was the purpose of the salary schedule and the COLA and that the adjustments made on an annual basis kept the District’s salary schedule competitive with surrounding agencies. President Damron said the COLA adjustments were a tool to accomplish that goal that would keep our qualified staff here working for the District.

President Damron said the AdHoc COLA would probably meet one more time, and then bring the policy back as a formal agenda item for adoption.

Board General Items

CASA Legislative Committee Report – Director Moorhouse said the CASA Mid-Year Conference would be held on January 13-15, 2010 in Palm Desert, and he would report to the Board after the conference.

Future Agenda Items - None were identified.

Adjournment. There being no further items to discuss, President Damron adjourned the meeting at 6:10 p.m.

Michael Damron
President

Pat Horwitz - **Absent**
Secretary Pro-Tem

Lin Graf
President Pro-Tem

Doug Treloar
Treasurer

Jeff Moorhouse
Secretary