

**MINUTES OF THE REGULAR MEETING OF THE
CARPINTERIA SANITARY DISTRICT GOVERNING BOARD
September 16, 2014**

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 **September 16, 2014**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California. The agenda notice for this meeting was posted in the front window of the administrative office of the Carpinteria Sanitary District and on the District's website at least 72 hours in advance of the meeting.

CALL TO ORDER

President Modugno called the meeting to order at 5:30 p.m. and noted for the record that Director Damron would be absent from tonight's meeting.

Directors Present: Mike Modugno – President
 Jeff Moorhouse – Treasurer
 Gerald Velasco – Secretary
 Lin Graf – Secretary Pro-Tem

Staff Present: Craig Murray – General Manager
 Mark Bennett – Operations Manager
 Kim Garcia – Board Clerk

Legal Counsel
Present: Anthony Trembley – Musick, Peeler & Garrett, LLP

Public Present: None.

PLEDGE OF ALLEGIANCE

President Modugno asked Director Velasco to lead those present in the Pledge of Allegiance.

BOARD APPROVAL OF AGENDA

President Modugno asked if there were any modifications and/or changes to the agenda. Hearing none, the agenda was approved as submitted.

I. BOARD APPROVAL OF MINUTES OF THE MEETING OF JULY 15, 2014

Director Graf made a motion, seconded by Director Moorhouse that the Board approve the Minutes of the August 12, 2014 Special Board meeting as submitted. The motion carried by the following vote:

AYES:	4	Velasco, Graf, Modugno, Moorhouse
NOES:	0	None
ABSENT:	1	Damron
ABSTAIN:	0	None

II. PUBLIC FORUM

None

III. MATTERS BEFORE THE BOARD

A. GENERAL REPORTS:

1. General Manager's Status Report

General Manager reviewed his written report regarding the following:

- ASHT Replacement Project Update
- Rincon Point Septic to Sewer Project Update
- SAMA Meeting Report
- September SBCSDA Meeting
- CASA Conference Report
- LAFCO Matters
- Operations Update

2. Treatment Plant Tour

At 5:43 staff and the Board walked over to the wastewater treatment facility located at 5351 Sixth Street for a site tour. The District's Operations Manager led the Board and staff on the tour.

President Modugno reconvened the meeting in the Board room at 6:07.

3. Heal the Ocean Indemnity Agreement Reimbursement – South Coast Beach Communities Septic to Sewer Conversion Project

General Manager reviewed his staff report related to the reimbursement agreement between the District and Heal the Ocean. A copy of the Agreement for Reimbursement of Defense Costs, Hold Harmless, and Indemnity and an account summary were attached for reference. If approved the District would reimbursement Heal the Ocean \$23,350.18 from the Assessment District 2007-1 funds.

Director Graf made a motion, seconded by Director Moorhouse that the Board authorize reimbursement of \$23,350.18 to Heal the Ocean pursuant to the Agreement for Reimbursement of Defense Costs, Hold Harmless, and Indemnity from the AD 2007-1 project funds. President Modugno added that he'd like a thank you letter from the Board to be included with the remittance. Directors Graf and Moorhouse accepted the amendment to the motion. The amended motion carried by the following vote:

AYES:	4	Velasco, Graf, Modugno, Moorhouse
NOES:	0	None
ABSENT:	1	Damron
ABSTAIN:	0	None

4. SEC Municipalities Continuing Disclosure Cooperation Initiative

General Manager said this item was on the agenda to provide the Board with information related to the District compliance with SEC MCDC Initiative. Attached to the staff report for review was a May 2014 memorandum from Jones Hall providing an in depth description of the MCDC Initiative and a letter from Stifel, dated August 29, 2014, outlining the District's compliance with the initiative.

IV. BOARD ITEMS

A. COMMITTEE REPORTS

Standing Finance Committee

Director Moorhouse said that the committee met on Monday, September 15th and discussed the monthly budget report, quarterly insurance report, the FY 2013/14 draft CAFR and the SEC item.

Standing Personnel Committee

None.

Standing Public Relations Committee

None.

Standing Utilities Committee

Director Moorhouse said that the committee met on August 28th at City Hall. The main topic of discussion was recycled water.

Ad-Hoc Facilities Planning Committee

None.

B. GENERAL ITEMS

CASA Legislative Committee Report

None.

LAFCO Report (Jeff Moorhouse)

None.

SBCSDA (Santa Barbara California Special Districts Association) Report

None.

CSRMA Report (Jeff Moorhouse)

None.

Board Member Vacation Dates

None.

Future Agenda Items

SDLF District of Transparency requirements

V. CLOSED SESSION

Legal counsel led the Board in to closed session at 6:30 on the following agendized items:

CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): one case. December 10, 2013 Notice of Violation from Central Coast Regional Water Quality Control Board

CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION: Pursuant to Government Code Section 54956.9(d)(1): Name of Case: The People of the State of California v. SCP Woodland, LLC, Carpinteria Sanitary District, et al. Santa Barbara Superior Court Case No. 1440021.

CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION: Pursuant to Government Code Section 54956.9(d)(1): Name of Case: The City of Santa Maria v State of California, Carpinteria Sanitary District, et al. Superior Court of California, Sacramento Case No. 34-2014-80001918.

VI. RECONVENE OPEN SESSION

A. CLOSED SESSION REPORT

President Modugno reconvened the open session at 7:40 p.m. and stated that there was no action taken on the first two agendized closed session items.

Legal Counsel reported that the Board voted 4-0 unanimously in favor of engaging Musick, Peeler and Garrett to serve as legal counsel of record for the third agendized item, The City of Santa Maria v State of California, Carpinteria Sanitary District, et. al.

VII. ADJOURNMENT

There being no further items to discuss, President Modugno adjourned the meeting at 7:41 p.m.

Mike Modugno
President

Michael Damron
President Pro-Tem

Gerald Velasco
Secretary

Lin Graf
Secretary Pro-Tem

Jeff Moorhouse
Treasurer