

**MINUTES OF THE REGULAR MEETING OF THE
CARPINTERIA SANITARY DISTRICT GOVERNING BOARD
December 15, 2020**

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, 2020**, at 5:30 p.m. at its District administrative office located at 1110 Eugenia Place, Carpinteria, California.

In accordance with the provisions of the Governor's Executive Order Nos. N-29-20 and N-33-20 and orders from the Santa Barbara County Health Officer, Board members participated in the meeting remotely using an electronic online meeting platform (Zoom). The agenda notice for this meeting, including instructions for the public to provide comments and/or participate in the electronic 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. District staff were present at the District administrative office for this meeting, in the event public members wished to participate or provide comments in person.

I. CALL TO ORDER

President Damron called the meeting to order at 5:30 p.m. and noted that all Directors were present via ZOOM at tonight's meeting.

Directors Present: Michael Damron – President (by Zoom video-conference)
Debbie Murphy – President Pro-Tem (by Zoom video conference)
Gerald Velasco – Treasurer (by Zoom video-conference)
Lin Graf – Secretary (by Zoom video-conference)
Mike Modugno – Secretary Pro-Tem (by Zoom video-conference)

Staff Present: Craig Murray – General Manager (by Zoom video-conference)
Kim Garcia – Board Clerk (by Zoom video-conference)

Legal Counsel Present: Tony Trembley – Law Office of Anthony H. Trembley (by Zoom video-conference)

Public Present: Anna Sarabian – Fieldman, Rolapp (by Zoom video-conference)
Rick Brandis – Brandis Tallman (by Zoom video-conference)

II. PLEDGE OF ALLEGIANCE

President Damron led the Pledge of Allegiance.

III. BOARD APPROVAL OF AGENDA

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

IV. BOARD APPROVAL OF MINUTES OF THE MEETING OF December 1, 2020

Director Velasco made a motion, seconded by Director Graf that the Board approve the minutes of

the December 1, 2020 regular Board meetings as presented. The motion carried by the following roll call vote:

| | | |
|----------|---|--------------------------------|
| AYES: | 4 | Damron, Modugno, Graf, Velasco |
| NOES: | 0 | None |
| ABSENT: | 0 | None |
| ABSTAIN: | 1 | Murphy |

V. PUBLIC FORUM

None

VI. MATTERS BEFORE THE BOARD

A. GENERAL REPORTS:

1. Annual Board Reorganization

President Damron said this was the time the Board established officers, meeting place, meeting time and other housekeeping functions required annually by law. President Damron called for nominations for the positions of the Board.

After Board discussion, the following determinations were made:

BOARD AND COMMITTEE DETERMINATIONS:

Director Murphy as President.

Director Graf as President Pro-Tem.

Director Modugno as Secretary.

Director Damron as Secretary Pro-Tem.

Director Velasco as Treasurer.

The gavel was passed to President Murphy, who presided over the remainder of the meeting.

Finance Committee: **Chair** - Director Velasco; **Member** – Director Graf

Personnel Committee: **Chair** - Director Murphy; **Member** – Director Damron

Public Relations Committee: **Chair** - Director Modugno; **Member** – Director Murphy

Local Utilities Committee: **Member** - Director Graf; **Member** – Director Modugno

Coastal Districts Financing Authority: **Member** - Director Damron; **Member** – Director Murphy

The Ad-Hoc Facilities Planning Committee was determined to have served its purpose now that the building was in the construction phase and the ad hoc committee was eliminated.

Director Damron made a motion, seconded by Director Graf that the Board approve the Board and Committee determinations. The motion carried by the following roll call vote:

| | | |
|-------|---|--|
| AYES: | 5 | Graf, Velasco, Murphy, Damron, Modugno |
| NOES: | 0 | None |

ABSENT: 0 None
ABSTAIN: 0 None

The Board discussed and affirmed/reaffirmed the following:

- The Law Office of Anthony H. Trembley as Legal Counsel
- Craig Murray, P.E. as General Manager
- The Board affirms 1110 Eugenia Place as the place of regular meetings of the Board. In response to the COVID-19 pandemic and pursuant to the provisions of the Governor's Executive Order Nos. N-29-20 and N-33-20 participation may be via video or teleconference.
- The first and third Tuesday of each month as the days of the regular meetings of the Board, unless the first and third Tuesday fell on a national holiday
- 5:30 p.m. as the time of the regular meetings of the Board
- Section 54956 and 54956.5 of the Government Code designated as the manner by which special and emergency meetings respectively would be called
- Compensation to Directors, as established by Board Resolution for attendance at regular, special, adjourned meetings of the Board of Directors, committee meetings, seminars, conferences and other meetings

Director Damron made a motion, seconded by Director Graf that the Board approve and adopt the organizational provisions as presented in this staff report and orders the Secretary to file a Statement of Facts with the Secretary of State and the County Clerk Recorder's Office. The motion carried by the following roll call vote:

AYES: 5 Graf, Velasco, Murphy, Damron, Modugno
NOES: 0 None
ABSENT: 0 None
ABSTAIN: 0 None

2. Resolution No. R-342 Approving, Authorizing and Directing Execution of a Loan Agreement in Connection with Financing a New District Administration Office

General Manager reviewed his staff report related to Resolution No. R-342. If adopted, Resolution No. R-342 would approve a loan agreement with JPMorgan Chase Bank N.A. to fund the District's Administration Building Replacement Project and would authorize related actions necessary to complete the financing. After a complete solicitation was undertaken and proposals reviewed, the proposal from JPMorgan Chase for a 15-year term loan with a fixed rate of 1.77% and a 5-year call option represented the best overall value for the \$4M financing.

Ms. Anna Sarabian of Fieldmann, Rolapp and Associates, Inc. made a presentation with an overview of the solicitation process. Mr. Rick Brandis of Brandis Tallman was available for questions or concerns.

Director Damron made a motion, seconded by Director Velasco that the Board adopt Resolution No.R-342 approving the Loan Agreement with JPMorgan Chase Bank, N.A. as presented. The motion carried by the following roll call vote:

| | | |
|----------|---|--|
| AYES: | 5 | Murphy, Damron, Graf, Velasco, Modugno |
| NOES: | 0 | None |
| ABSENT: | 0 | None |
| ABSTAIN: | 0 | None |

3. Cash Contract No. 484 – Newton Construction & Management, Inc. - Administration Building Replacement Project

General Manager reviewed his staff report related to Cash Contract No. 484 with Newton Construction & Management, Inc. of San Luis Obispo, California, for the Administration Building Replacement Project. If approved, Cash Contract No. 484 would engage Newton with a contract amount of \$3,821,000. The contract performance period is 450 calendar days from the Notice to Proceed date.

Director Modugno noted his concerns over the financial aspect of the project, providing his opinion, and a spreadsheet depicting the magnitude of the proposed expenditure and alternatives. Director Damron offered comments in favor of the proposed action, indicating that the bid was lower than an independent cost estimate and interest rates were highly favorable.

President Murphy thanked Director Modugno for his efforts and commitment. General Manager also thanked Director Modugno for his guidance through planning and design efforts on this important project.

Director Velasco made a motion, seconded by Director Graf that the Board approve Cash Contract No. 484 between the District and Newton Construction & Management, Inc. for the Administration Building Replacement Project. The motion carried by the following roll call vote:

| | | |
|----------|---|-------------------------------|
| AYES: | 4 | Murphy, Damron, Graf, Velasco |
| NOES: | 1 | Modugno |
| ABSENT: | 0 | None |
| ABSTAIN: | 0 | None |

4. General Manager's Status Report

General Manager reviewed his written report regarding the following items:

- COVID-19 Pandemic Status Update
- SCAP Meeting Report
- Operations Update

5. 2021 CASA Winter Conference

This item was on the agenda to provide the Board with an update of important dates regarding the upcoming 2021 Virtual CASA Winter Conference.

No Board action was taken on this item.

6. Carpinteria Advanced Purification Project

General Manager reviewed his staff report related to the Carpinteria Advanced Purification Project.

No Board action was taken on this item.

VII. BOARD ITEMS

A. COMMITTEE REPORTS

Standing Finance Committee

None.

Standing Personnel Committee

None.

Standing Public Relations Committee

None.

Standing Utilities Committee

None.

B. GENERAL ITEMS

SBCSDA (Santa Barbara California Special Districts Association) Report

None.

CSRMA Report

None.

Board Member Vacation Dates

None.

Future Agenda Items

None.

VIII. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Per Government Code Section 54957. Title: General Manager.

Legal Counsel led the Board into the above referenced closed session item at 6:29 p.m.

IX. RECONVENE OPEN SESSION

A. CLOSED SESSION REPORT

President Murphy reconvened the open session at 6:35 p.m. and said that there was no action to report on the closed session item.

X. ADJOURNMENT

There being no further items to discuss, President Murphy adjourned the meeting at 6:36 p.m.

Debbie Murphy
President

Lin Graf
President Pro-Tem

Mike Modugno
Secretary

Michael Damron
Secretary Pro-Tem

Gerald Velasco
Treasurer