

AGENDA
**FOR THE REGULAR MEETING OF THE
CARPINTERIA SANITARY DISTRICT GOVERNING BOARD
TO BE HELD November 7, 2023**

The regular meeting of the Governing Board will be held commencing at 5:30 p.m. The location of the meeting is at 5300 Sixth Street, Carpinteria, CA.

The public is encouraged to participate in one of the following ways:

1. Submitting a Written Comment. If you wish to submit a written comment, please email your comment to the Board Clerk at kimg@carpsan.com by **3:00 P.M. on the day of the meeting**. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations.
2. Attend the in-person meeting at the Carpinteria Sanitary District Board room.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. BOARD APPROVAL OF AGENDA AS [SUBMITTED] [MODIFIED]
Board President asks the Board, public, staff, and legal counsel if there are any additions and/or modifications to the Agenda.

IV. APPROVAL OF MINUTES AS [SUBMITTED] [MODIFIED]
October 3, 2023

V. PUBLIC FORUM
The public may address the Governing Board on items of interest to the public which are not already on this evening's agenda and are within the subject matter jurisdiction of the Board. The time allotted for this discussion shall be pursuant to Board Bylaws.

VI. MATTERS BEFORE THE BOARD

A. GENERAL REPORTS:

1. Annual Comprehensive Financial Report and Audited Financial Statements - Fiscal Year 2022/2023 (Pages 1-2)

Description: The Board to receive a report from its independent financial auditor and the District Administrator and consider approval of the Annual Comprehensive Financial Report (ACFR) and audited financial statements for FY 2022/2023.

Staff Recommendation: Staff recommends that the Board approve the Annual Comprehensive Financial Report (ACFR) for FY 2022/2023, authorize the District Administrator to distribute copies to interested parties and file the State Controller's Report with the State of California.

2. General Manager's Status Report

(Page 3)

Description: General Manager to review his written report regarding the following issues:

- Lift Station No. 2 Rehabilitation Project Update
- Lower Lateral Rehabilitation Project Update
- WateReuse California Annual Conference
- Accounting System Software Transition
- Operations Update

3. Emergency Outfall Repair and Maintenance Termination of Emergency Action

(Pages 4 - 14)

Description: The Board to review and terminate the emergency action related to the District's Emergency Outfall Repair and Maintenance Project in accordance with Public Contract Code Section 22050 (c)(3).

Staff Recommendation: Staff recommends that the Board terminate the emergency action.

4. Task Order No. 2023-001 – MKN Associates As-Needed Engineering Services Belt Filter Press Engineering Design Services

(Pages 15 - 22)

Description: The Board to review and consider authorizing the General Manager to approve Task Order No. 2023-001 pursuant to the existing as-needed engineering services agreement with MKN Associates.

Staff Recommendation: Staff recommends that the Board authorize the General Manager to approve Task Order No. 2023-001 in the amount of \$132,097 as presented.

5. Treatment Plant Operator Grade 3 and 4 Salary Modifications Approval of Modified Salary Matrix for FY 2023/24

(Pages 23 - 25)

Description: The Board to review and consider approving a modified salary matrix for FY 2023/24 that reflect increased salary schedule for Treatment Plant Operator Grade 3 and 4 positions.

Staff Recommendation: Staff recommends that the Board approve attached modified salary matrix for FY 2023/24.

6. Carpinteria Advanced Purification Project (CAPP) Draft Joint Exercise of Powers Agreement and Lease Agreement

(Pages 26 - 48)

Description: The Board to review and provide input on a draft version of a Joint Exercise of Powers Agreement between the District and Carpinteria Valley Water District and an associated lease agreement.

Staff Recommendation: Staff recommends that the Board provide input on a draft version of a Joint Exercise of Powers Agreement and an associated lease agreement as presented.

7. Carpinteria Advanced Purification Project (CAPP) Update

(Page 49)

Description: The Board will receive an update status report on the Carpinteria Advanced Purification Project being pursued in conjunction with the Carpinteria Valley Water District. Information on current activities and future tasks or milestones will be presented.

Staff Recommendation: None. Information only.

VII. BOARD ITEMS

D. COMMITTEE REPORTS

Description: Verbal reports by the committee chairperson(s) of the following committees:

- Standing Finance Committee
- Standing Personnel Committee
- Standing Public Relations Committee
- Standing Utilities Committee
- Standing Recycled Water Committee
- Ad-Hoc Summerland Sanitary Coordination Committee

E. GENERAL ITEMS

1. SBCSDA (Santa Barbara – California Special Districts Association) Report
2. Board Member Vacation Dates
3. Future Agenda Items

VIII. ADJOURNMENT

FURTHER INFORMATION AVAILABLE

A staff report providing more detailed information is available for most agenda items and may be reviewed in the District office during regular hours (Monday - Friday from 8:00 a.m. to 12:00 p.m. and/or 1:00 p.m. to 5:00 p.m.). Copies of individual reports may be requested at this office. Call (805) 684-7214 extension 110 for more information.

In compliance with the Ralph M. Brown Act and the Americans with Disabilities Act, if you need a disability-related modification, accommodation, or other special assistance to participate in this meeting, please contact the District's Board Secretary at (805) 684-7214, extension 111, at least 48 hours prior to the start of the meeting.

Next Ordinance Available.....#20
Next Resolution Available.....R-368
Posting Date.....11/3/23

**MINUTES OF THE REGULAR MEETING OF THE
CARPINTERIA SANITARY DISTRICT GOVERNING BOARD
October 3, 2023**

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 **October 3, 2023**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

The agenda notice for this meeting, including instructions for the public to provide comments, 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.

I. CALL TO ORDER

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

Directors Present: Mike Modugno – President
 Michael Damron – President Pro-Tem
 Gerald Velasco - Secretary
 Debbie Murphy – Secretary Pro-Tem
 Lin Graf - Treasurer

Staff Present: Craig Murray – General Manager
 Kim Garcia – District Administrator

Legal Counsel
Present: Karl Berger – Burke, Williams & Sorenson (by Zoom video-conference)

Public Present: None.

II. PLEDGE OF ALLEGIANCE

President Modugno led the Pledge of Allegiance.

III. 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.

IV. BOARD APPROVAL OF MINUTES OF THE MEETING OF September 5, 2023 and September 8, 2023

Director Murphy made a motion, seconded by Director Graf that the Board approve the minutes of the September 5, 2023 Regular Board and the September 8, 2023 Special Board meeting as presented. The motion carried by the following vote:

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

V. PUBLIC FORUM

None.

VI. MATTERS BEFORE THE BOARD

A. GENERAL REPORTS:

1. General Manager's Status Report

General Manager reviewed his written report regarding the following items:

- Quarterly Incident Report
- Recruiting Update
- Santa Barbara LAFCO Policy Review on Agricultural Parcels
- Lift Station No. 2 Rehabilitation Project Update
- Lower Lateral Rehabilitation Project Update
- CASA Strategic Planning Session
- September SAMA Meeting
- WateReuse California Central Coast Chapter Meeting
- Operations Update

2. Continuation of Emergency Action

General Manager reviewed his staff report related to the emergency condition related to the damaged ocean outfall pipeline. An emergency permit was obtained and notifications were sent to required agencies and to the public via social media. The marine contractor mobilized on October 2nd and is making necessary evaluations and repairs.

Staff continue to participate with a team from FEMA and CalOES to ensure disaster assistance grant funding for the emergency work.

Director Damron made a motion, seconded by Director Velasco that the Board continue the emergency action as prescribed in Resolution No. R-367. The motion carried by the following vote:

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

3. Carpinteria Advanced Purification Project

General Manager provided an update related to the Carpinteria Advanced Purification Project.

No Board action was taken on this item.

VII. BOARD ITEMS

A. COMMITTEE REPORTS

Standing Finance Committee

Director Graf reported on the meeting held September 18, 2023.

Standing Personnel Committee

Director Velasco reported on the meeting held October 3, 2023.

Standing Public Relations Committee

None.

Standing Utilities Committee

None.

Standing Recycled Water Committee

None.

Summerland Sanitary Coordination Ad-Hoc 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

Mike Modugno
President

Michael Damron
President Pro-Tem

Gerald Velasco
Secretary

Debbie Murphy
Secretary Pro-Tem

Lin Graf
Treasurer



Carpinteria Sanitary District

Board of Directors Meeting

STAFF REPORT

TO: Board of Directors

FROM: Kim Garcia, District Administrator

SUBJECT: **Annual Comprehensive Financial Report and Audited Financial Statements
Fiscal Year 2022/2023**

DATE: November 7, 2023

REQUESTED ACTION: Board adoption of the Carpinteria Sanitary District's Annual Comprehensive Financial Report for the 2022/2023 Fiscal Year.

BACKGROUND: An independent audit of the Carpinteria Sanitary District for Fiscal Year 2022/2023 was performed by Fechter & Company, Certified Public Accountants (Fechter). This is the second year that Fechter has performed the independent audit.

The District and Fechter combined efforts to produce an audit report referred to as an Annual Comprehensive Financial Report, according to the Government Finance Officers' Association (GFOA) guidelines. The District has prepared its Audited Financial Statements in this format since 2010.

The Annual Comprehensive Financial Report contains all of the elements of Annual Audit Reports, and is augmented with additional information on the District's financial health, historical data and other regional information that support the independent audit. An electronic copy of the ACFR for FY 2022/2023 has been provided to each Board member and a hard copy is available at the District office for the public to review. The Annual Comprehensive Financial Report follows a defined format, the basis for which is outlined below.

The Management Discussion and Analysis (MD&A) remains a fundamental component of the Annual Comprehensive Financial Report and it presents expanded information on District operations and performance during the year. The Statistical Section of the Annual Comprehensive Financial Report contains a series of tables and charts prepared by District staff which provide supplemental information and historical data that together give the public a clearer picture of our financial standing.

Also included with the Annual Comprehensive Financial Report are the auditor's letter to the Board of Directors, a Report on Internal Control Over Financial Reporting and Compliance, and supplemental reports prepared by the District Administrator which include:

- Tabular summary of the financial statements
- Capital Improvement Program status report
- Detail of monthly revenue and expenses
- Summary of property tax revenue
- Investment report per Government Code 53600

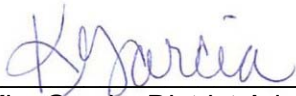
Our auditor, Scott German, from Fechter and the District Administrator will be available at the Board meeting to answer any questions that Board members or the public may have regarding the Annual Comprehensive Financial Report.

RECOMMENDATION: Staff recommends that the Board adopt the Annual Comprehensive Financial Report for FY 2022/2023, authorize the District Administrator to distribute copies to interested parties and file the State Controller's Report with the State of California.

SUGGESTED MOTION: I move that the Board adopt the Annual Comprehensive Financial Report for the years ended June 30, 2023 and June 30, 2022, and that the District Administrator be authorized to distribute the necessary reports and file the State Controller's Report with the State of California.

M_____ S_____

Ayes:_____ Nays:_____ Abstentions:_____

Prepared By: _____
Kim Garcia, District Administrator

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Carpinteria Sanitary District

Board of Directors Meeting
General Manager's Status Report

TO: Board of Directors

FROM: Craig Murray, P.E. – General Manager

SUBJECT: General Manager's Status Report

DATE: November 7, 2023

Lift Station No. 2 Rehabilitation Project Update. Sancon successfully completed the structural rehabilitation and epoxy lining of the wetwell. Air piping and the bubble forming plate were installed within the coated wetwell. We are still awaiting the large bubble mixer control panel from Pulsed Hydraulics. District staff repainted the floor and installed the Kaeser screw compressor. We expect to complete this project by the end of the year.

Lower Lateral Rehabilitation Project Update. National Plant Services has completed all but three laterals on this project. The three remaining are in 12-inch diameter main sewers and the contractor is locating required equipment for the larger host pipe. One change order was issued to complete emergency restoration of an orangeburg lateral serving Reyes Market.

WateReuse California Annual Conference. I will provide an oral report on the WateReuse California Conference held in Indian Wells from November 5th through 7th.

Accounting System Software Transition. The Caselle team is on target to complete the transition process by the end of the year and to go live with the new platform in the first week of January. Kim Garcia has been managing the process on our end and she will travel to Utah during the last week of November for a comprehensive training program.

Operations Update

System operations updates are as follows:

- The treatment plant is operating in full compliance with our NPDES permit. Effluent quality has been consistently high.
- The ELAP accreditation inspection report was received and Jacob is working to address the identified items requiring corrective action. Annual fees for ELAP certification will increase in March 2024.
- The collection system is operating well with no reported mainline problems or SSO events.
- Responsibility for lift station inspection and response is transitioning back to the Collection System department. Collections staff have been training with Operations staff and have essentially taken over these tasks on a routine basis.
- The new grit pumps, which have been on order since 2022, have reportedly shipped and will be installed upon receipt.
- Operations staff met with APG Nueros, the manufacturer of our high speed turbo blowers, to review potential software and programming updates that could achieve performance enhancements and energy savings.



Carpinteria Sanitary District

Board of Directors Meeting

STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: **Emergency Outfall Repair and Maintenance
Termination of Emergency Action**

DATE: November 7, 2023

REQUESTED ACTION: That the Board terminate the emergency action related to the District's Emergency Outfall Repair and Maintenance Project in accordance with Public Contract Code Section 22050 (c)(3).

BACKGROUND: At a Regular Meeting of the Board of Directors held on September 8, 2023, the Board passed Resolution No. R-367 which determined the existence of an emergency condition pursuant to Public Contract Code sections 20806 and 1102. The District determined it was critical to pursue emergency repair and maintenance work to address sediment deposition affecting multiple diffusers on its ocean outfall and significant accumulation of sediment inside the outfall pipe.

The District contracted with Global Diving and Salvage to complete the emergency repairs. Parts and supplies required for the work were procured, including new HDPE pipe and fittings to extend and replace diffuser riser. The contractor removed sediment as necessary to install the new diffusers and concurrently removed sand that had completely filled the pipe interior beyond the eighth diffuser. The work was successfully completed and the contractor demobilized on October 13, 2023. A copy of Global's final repair report is attached for reference.


Section 22050(c)(3) of the Public Contract Code requires that "the Board terminate the emergency action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts." Based on the required measures to complete the repair work, it is appropriate for the Board to take this action at this time.

RECOMMENDATION: Staff recommends that the Board terminate the emergency action.

SUGGESTED MOTION: I move that the Board terminate the emergency action related to the District's Emergency Outfall Repair and Maintenance in accordance with Public Contract Code Section 22050 (c)(3).

M_____ S_____

Ayes:_____ Nays:_____ Abstentions:_____

Prepared By: 
Craig Murray, P.E. - General Manager

Attachments: Public Contract Code Section 22050

PUBLIC CONTRACT CODE SECTION 22050

22050. (a) (1) In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.

(2) Before a governing body takes any action pursuant to paragraph (1), it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

(b) (1) The governing body, by a four-fifths vote, may delegate, by resolution or ordinance, to the appropriate county administrative officer, city manager, chief engineer, or other nonelected agency officer, the authority to order any action pursuant to paragraph (1) of subdivision (a).

(2) If the public agency has no county administrative officer, city manager, chief engineer, or other nonelected agency officer, the governing body, by a four-fifths vote, may delegate to an elected officer the authority to order any action specified in paragraph (1) of subdivision (a).

(3) If a person with authority delegated pursuant to paragraph (1) or (2) orders any action specified in paragraph (1) of subdivision (a), that person shall report to the governing body, at its next meeting required pursuant to this section, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.

(c) (1) If the governing body orders any action specified in subdivision (a), the governing body shall review the emergency action at its next regularly scheduled meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action. If the governing body meets weekly, it may review the emergency action in accordance with this paragraph every 14 days.

(2) If a person with authority delegated pursuant to subdivision (b) orders any action specified in paragraph (1) of subdivision (a), the governing body shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless a person with authority delegated pursuant to subdivision (b) has terminated that action prior to the governing body reviewing the emergency action and making a determination pursuant to this subdivision. If the governing body meets weekly, it may, after the initial review, review the emergency action in accordance with this paragraph every 14 days.

(3) When the governing body reviews the emergency action pursuant to paragraph (1) or (2), it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

(d) As used in this section, "public agency" has the same meaning as defined in Section 22002.

(e) A three-member governing body may take actions pursuant to subdivision (a), (b), or (c) by a two-thirds vote.

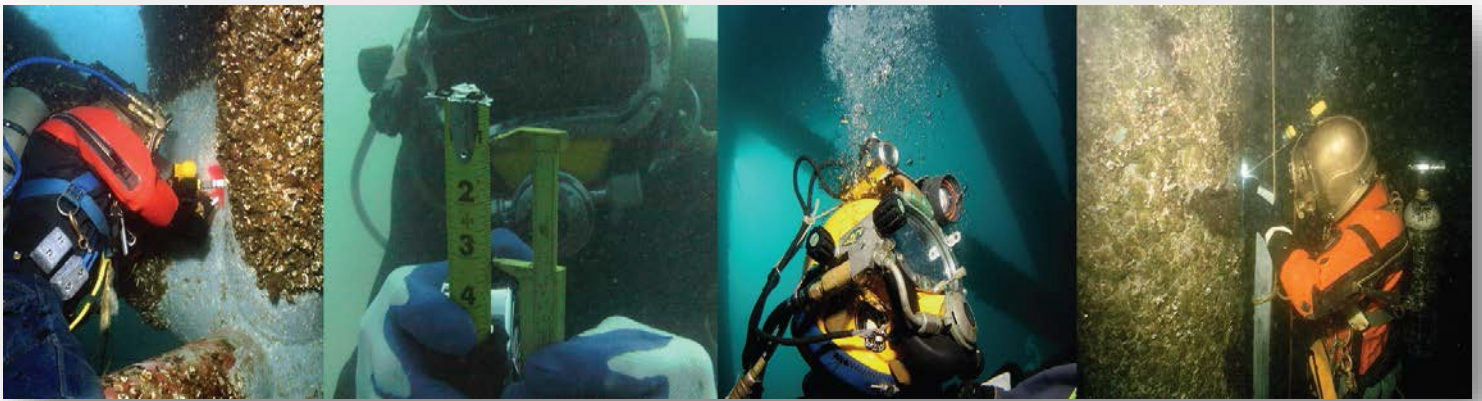
(f) This section applies only to emergency action taken pursuant to Sections 20133, 20134, 20168, 20193, 20205.1, 20213, 20223, 20233, 20253, 20273, 20283, 20293, 20303, 20313, 20331, 20567, 20586, 20604, 20635, 20645, 20685, 20736, 20751.1, 20806, 20812, 20914, 20918, 20926, 20931, 20941, 20961, 20991, 21020.2, 21024, 21031, 21043, 21061, 21072, 21081, 21091, 21101, 21111, 21121, 21131, 21141, 21151, 21161, 21171, 21181, 21191, 21196, 21203, 21212, 21221, 21231, 21241, 21251, 21261, 21271, 21290, 21311, 21321, 21331, 21341, 21351, 21361, 21371, 21381, 21391, 21401, 21411, 21421, 21431, 21441, 21451, 21461, 21472, 21482, 21491, 21501, 21511, 21521, 21531, 21541, 21552, 21567, 21572, 21581, 21591, 21601, 21618, 21624, 21631, 21641, and 22035.



GLOBAL
a **MER** company

Carpinteria Outfall Repairs Final Inspection/As Built Report

October 2-13, 2023



Prepared for:
Carpinteria Sanitary District



Submitted By:

Global Diving and Salvage, Inc.
2743 Signal Parkway,
Signal Hill, CA
90755

Bay Area Office • 1080 Nimitz Ave, Suite 440 • Vallejo, CA 94592 • www.gdiving.com • 707.561.6810 Office • 707.561.6811 Fax

Introduction

On Friday October 13, 2023, Global Diving & Salvage completed a project to restore the marine outfall diffuser section of the Carpinteria Sanitation outfall to full operational capacity. During an inspection conducted by Salty Dog Dive Service in 2023, a number of broken diffuser assemblies were found and many existing diffusers that were impacted by the recent storms were not able to discharge effluent. Almost all diffusers were found to be damaged and buried below sand line. This repair work is being performed almost three years after previous more substantial repairs were made by Global Diving and Salvage in 2020. Before 2020, the bottom topography historically was at an elevation that exposed the entire pipeline. This changed during previous weather events in 2020 and more recent winter weather events in 2023, resulting in several feet of sand and rock deposits over the diffuser section. The inside of the outfall was found by GDS to be mostly or completely filled with bottom material during repair work. Because of the angle of the diffuser assemblies on the outfall, accurate measurements of the levels inside the pipe were hard to obtain.

The outfall repair goals were to;

- Expose the diffuser section by side casting bottom material covering the pipeline
- Remove all diffuser risers and reinstall with longer fused HDPE riser sections with new flanges and hardware.
- Remove all sediment inside the pipeline.
- Document the current state of the outfall and all repairs

The stainless steel diffuser saddles that were previously installed were left in place. The pipe was cleared internally of material without removing the stainless saddles which would have allowed more access to the inside of the pipe had they been removed. During the work in 2020, the PVC riser assemblies were glued together. This time the new longer riser assemblies were fused together using an HDPE fusing machine. All *Tideflex* check valves that were recovered were then reinstalled. Not all damaged *Tideflex* valves were recovered after the recent storms; for this reason, there are two riser assemblies that only have plywood blind covers bolted onto the top flanges. See notes in the table below.

The project duration was 10 days, working 10 hour shifts Monday through Friday.

Work Summary

New Diffuser Assembly Installation

On October 2, 2023, the dive crew mobilized dive support equipment and equipment to fuse and assemble new HDPE pipe sections, onto the *Danny C*, a work vessel home ported in Santa Barbara. The second half of the shift was spent at the outfall location establishing a semi-permanent two-point stern anchor bridle system. The USCG was notified prior to the start of offshore work, and a local *Notice to Mariners* advising vessel traffic of the project (and presence of lighted marker buoys around the outfall location) was broadcast through appropriate channels.

Starting at the inshore diffuser, the planned work procedure was successfully followed to the end of the diffuser section. Divers would excavate the pipe over a minimum distance of three diffuser ports while recovering to the surface any pieces of broken diffusers. The interior of the pipe was cleaned using a combination of a 6" suction eductor and a high volume jet nozzle inserted through the open ports. The material inside the pipe extracted to the extent possible with the eductor. Since material remained between the diffuser ports beyond the reach of the stiff eductor hose, the jet nozzle was inserted into the pipe at an adjacent inshore diffuser, directing any remaining material toward the eductor offshore running in tandem with the jet.

This proved to be a very effective method, resulting in most internal, compacted material (and, rocks, and gravel) removed throughout the entire diffuser section.

Finally, new fused HDPE risers were installed to the saddle flanges, and completed with the *Tideflex* check valves.

The following tables detail the estimated pre-excavated natural bottom elevation and the height of the PVC riser at each location, as well as the state of each diffuser when found on the initial inspection. It is expected that sand backfill will rapidly take place and result in a desirable check valve elevation above sand line, however the bottom topography is not a static condition in this location, and riser profiles may need to be adjusted at some point.

Location	Existing Cover over Top of Pipe	New Riser Length	Notes
1 South	1 ft.	1 ft.	New 12" riser, new gasket, new hardware
2 North	1.5 ft.	1.5 ft.	New 18" riser, new gasket, new hardware
3 South	1.5 ft.	1.5 ft.	New 18" riser, new gasket, new hardware
4 North	2 ft.	2 ft.	New 24" riser, new gasket, new hardware
5 South	2 ft.	2.3 ft.	New 28" riser, new gasket, new hardware
6 North	2 ft.	2.3 ft.	New 28" riser, new gasket, new hardware, new PVC elbow and new Tide flex valve
7 South	3 ft.	3.3 ft.	New 40" riser, new gasket, new hardware, new PVC elbow and new Tide flex valve
8 North	3 ft.	3.3 ft.	New 40" riser, new gasket, new hardware, SS elbow and new Tide flex valve
9 South	3 ft.	3.3 ft.	New 40" riser, new gasket, new hardware
10 North	2.4 ft.	3 ft.	New 36" riser, new gasket, new hardware, this riser assembly has no Tide flex valve, a wooden blind flange is in its place
11 South	3 ft.	3.3 ft.	New 40" riser, new gasket, new hardware, this riser assembly has no Tide flex valve, a wooden blind flange is in its place
12 North	3 ft.	3.3 ft.	New 36" riser, new gasket, new hardware
13 South	2 ft.	3.3 ft.	New 40" riser, new gasket, new hardware
14 North	3 ft.	3.3 ft.	New 40" riser, new gasket, new hardware
15 South	2 ft.	3.3 ft.	New 40" riser, new gasket, new hardware
16 North	2 ft.	3.3 ft.	New 40" riser, new gasket, new hardware
End Cap	3 ft.	None	Tideflex valve reinstalled

Location	Condition before work began	Disposition	Notes
1 South	Broken	no parts found	
2 North	Broken	no parts found	
3 South	Broken	no parts found	
4 North	Broken	no parts found	
5 South	Broken	no parts found	
6 North	Broken	no parts found	Used a PVC 90 degree elbow and a new <i>Tideflex</i> valve
7 South	Broken	no parts found	Used a PVC 90 degree elbow and a new <i>Tideflex</i> valve
8 North	Broken	no parts found	Used SS 90 degree elbow and new <i>Tideflex</i> valve
9 South	Intact		
10 North	Broken	no parts found	No <i>Tideflex</i> valve, a wooden blind flange is installed
11 South	Broken	no parts found	No <i>Tideflex</i> valve, a wooden blind flange is installed
12 North	Intact		
13 South	Intact		
14 North	Intact		
15 South	Intact		
16 North	Intact		
End Cap	Intact		

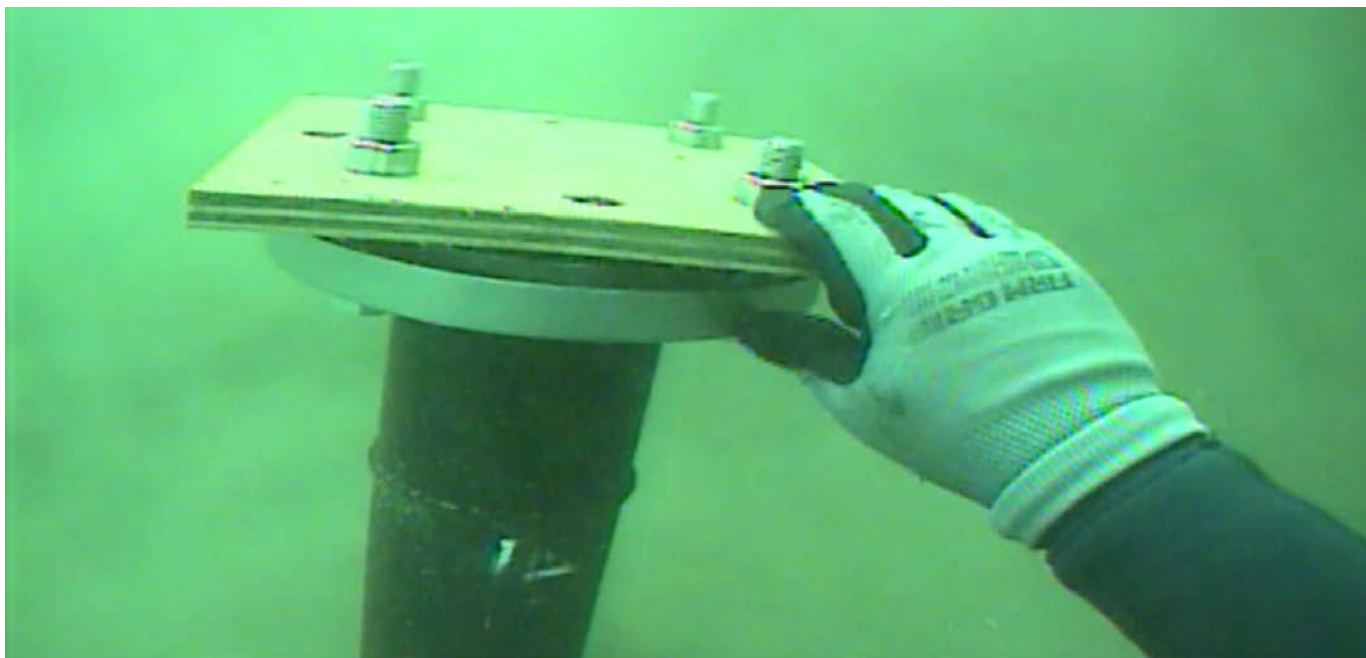
Project Photos



Divers hand on end cap with tide flex removed and educator inserted



Jet nozzle inserted into diffuser twelve



Wooden blind flange installed on diffuser eleven



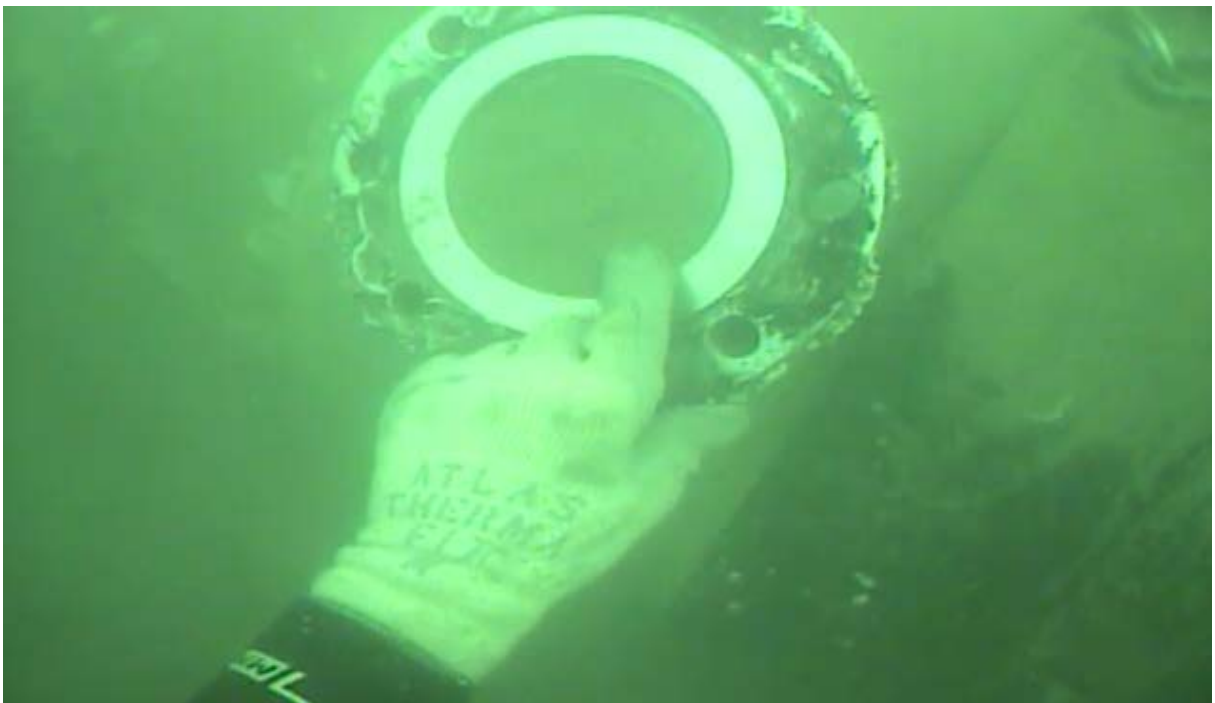
Divers hand next to Tideflex valve showing the new orientation to help prevent ocean energy to surface area



End cap showing air flowing from 1" hole



End cap with tide flex valve removed



Divers hand on diffuser 16 fully impacted with sand

Diffuser Section End Cap

The end cap/*Tideflex assembly* was buried under three to four feet of sand and rock. After fully exposing the end cap the Tide flex valve was removed and the 6" educator was inserted into the pipe as far as possible and then the jet nozzle was inserted through diffuser twelve inshore . The interior of the pipe was fully impacted with sand from diffuser twelve all the way to the end cap. This section of pipe was cleaned as completely as time allowed for. The end cap valve was reinstalled. At the 1:00 and 9:00 positions on the pipe, the divers located two 1" diameter drilled holes in the end cap that. Two 1" diameter expandable plugs were installed and then splash zoned over.

The end of outfall coordinates taken with the Danny C's electronics were;

N34* 23-350*

119* 31-382

DDD,MM,mmm

Respectfully,



Jim Greene

Operations Manager

Attachments:

Inspection Video in Digital format



Carpinteria Sanitary District

Board of Directors Meeting

STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

**SUBJECT: Task Order No. 2023-001 – MKN Associates As-Needed Engineering Services
Belt Filter Press Engineering Design Services**

DATE: November 7, 2023

REQUESTED ACTION: That the Board authorize the General Manager to approve Task Order No. 2023-001 pursuant to the existing as-needed engineering services agreement with MKN Associates.

FUNDING SOURCE: CIP Project No. P-220 & P-221

BACKGROUND: On September 5, 2023 the Board of Directors ratified an agreement with MKN Associates (MKN) for the provision of as-needed engineering design and related services. This agreement set up a Task Order based system for engaging MKN on individual projects or for specific support needs. Proposed task orders that exceed \$15,000 in value are presented to the Board for approval prior to issuance by the General Manager.

Task Order No. 2023-001 is proposed for engineering design services associated with replacement of the District's existing belt filter press. The scope of MKN's services is outlined in their October 6, 2023 letter proposal which is attached to the task order. MKN will evaluate alternative dewatering equipment, perform preliminary and final design, and prepare detailed contract documents for public bidding. Necessary improvements to existing solids handling/conveyance systems will be included in the design. Additionally, a preliminary evaluation of solids thickening options will be part of the work.

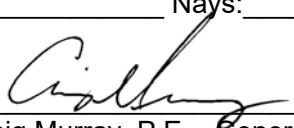
A total budget of \$132,097 is proposed for Task Order 2023-001. The work would be performed on a time and materials basis in close coordination with District staff. A copy of Task Order No. 2023-001 is attached herewith for consideration.

RECOMMENDATION: Staff recommends that the Board authorize the General Manager to approve Task Order No. 2023-001 in the amount of \$132,097, pursuant to the as-needed engineering services agreement with MKN Associates.

SUGGESTED MOTION: I move that the Board authorize the General Manager to approve Task Order No. 2023-001 pursuant to as-needed engineering services agreement with MKN as presented.

M _____ S _____

Ayes: _____ Nays: _____ Abstentions: _____

Prepared By: 
Craig Murray, P.E. - General Manager

Attachments: Task Order No. 2023-001

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CARPINTERIA SANITARY DISTRICT

TASK ORDER NO. 2023-001

Contract Date: September 5, 2023
General Services Agreement

DATE: November 7, 2023

TO: Michael Nunley, P.E.
MKN Associates

FROM: Craig Murray, P.E. – General Manager

In accordance with Paragraph 2, Scope of Services of the Agreement for Professional Consulting Services, between the Carpinteria Sanitary District and

MKN ASSOCIATES

covering the period of September 5, 2023 through September 5, 2026, unless otherwise terminated, the undersigned agree that the supplies/services affected by this Task Order Letter are modified as follows:

Task Order Description

The scope of work under this task order is as follows:

Provide engineering and design services as necessary to replace the existing belt filter press per MKN letter proposal dated October 6, 2023 attached hereto as Exhibit A. The work includes preliminary and final design of the belt press and associated conveyance improvements, as well as a preliminary evaluation of solids thickening options in the aerated sludge holding tanks.

Task Cost and Payment

Payment shall be made on a time and materials reimbursement basis pursuant to the original Agreement. The maximum amount payable by the District for services under this Task Order is **\$132,097**, unless modified in writing by the District General Manager.

Performance Period

The Contractor will complete the performance in this Task Order by *June 20, 2023*. This Task Order is executed pursuant to Paragraph 2 of the original Contract. The parties agree that all work shall be performed according to the standards and terms set forth in the original Agreement. In the event of any conflict or inconsistency between this amendment and the original Agreement, the original Agreement shall govern.

This Task Order is effective as of *November 7, 2023*. In no event shall it be deemed valid until it shall have been approved by the District General Manager.

CARPINTERIA SANITARY DISTRICT:

MKN ASSOCIATES:

Craig Murray, P.E. – General Manager

Michael Nunley, P.E.

October 6, 2023

Craig Murray, PE
General Manager
Carpinteria Sanitary District
(Submitted Electronically)

RE: Proposal for Carpinteria Sanitary District- Belt Press Replacement Project

Dear Craig,

MKN & Associates, Inc., (MKN) is pleased to submit this proposal for the Belt Press Replacement Project (Project) at the Carpinteria Sanitary District (District) Wastewater Treatment Plant.

Project Background

MKN understands that the belt press at the District's Wastewater Treatment Plant (WWTP) is nearing the end of its useful life and will require replacement soon. The Project objective is to replace the existing belt press equipment with a new, efficient, and modern belt press system which will be integrated with the District's SCADA system. The goals for the new system are to improve the efficiency and effectiveness of sludge processing, resulting in better operational performance, higher efficiency of dewatering, and reduced maintenance requirements.

Scope of Work

Task Group 100 – Project Management, Meetings and QA/QC

Task 101 – Project Management and QA/QC

Overall project management, which includes supervision of in-house staff, planning and monitoring of contract budget and schedule, and coordination with the District and MKN's project team will be conducted by MKN's Project Manager.

MKN will provide senior technical review and implement our quality assurance and quality control (QA/QC) measures throughout the project.

Task 102 – Meetings

MKN has included the following meetings as part of this scope of services:

- **Project Kickoff Meeting** – In-person meeting to review the project scope, schedule and budget. Additionally, this meeting will include a site visit, where MKN staff will take pictures and perform field measurements of pertinent facility dimensions to compare against record drawings and other available information.
- **Progress Review Meetings (2)** – Progress reviews by video conference.

Deliverables: Meeting Agenda and Minutes (2 meetings)

Task 103 – Data Request and Review

MKN will prepare and submit a data request for information desired from the District prior to the Kickoff Meeting. At a minimum, the requested information will include:

- Record Drawings from the belt press and piping requiring modification for the project.
- Operating records for the dewatering facilities over the past three years, including sludge pumping records, percent solids, weight of solids processed, and influent/effluent total suspended solids (TSS) and biological oxygen demand (BOD) loads.

Deliverables: Data Request

Task Group 200 – Design Development Phase

Task 201 – Preliminary Design Memorandum and Conceptual Plans

MKN will prepare a Preliminary Design Memorandum (PDM) which will provide an assessment of the existing belt press, design criteria, and will review belt press and sludge thickening design alternatives. First, MKN will prepare an alternatives analysis which will review up to three (3) belt filter press manufacturers and evaluate them based on footprint, cost, and operational considerations. MKN will provide a recommendation based on this evaluation. MKN will then meet with the District to discuss the findings.

MKN will also evaluate existing sludge piping and electrical for upsizing the sludge feed pump and replacing the transfer pump in the gallery.

Approaches to improve solids concentration in digesters, including thickening of the entire stream or a percentage of biosolids, will also be explored. These will include rotary drum thickening and possibly one other technology. Options will be discussed during the same Progress Meeting as the belt filter press review.

Following this discussion MKN will prepare the PDM which will include design criteria; findings of the alternatives analysis; conceptual plans; list of anticipated technical specifications; and an engineer's cost opinion for the construction of the recommended belt press replacement. Plans will be prepared in AutoCAD. The following design components are anticipated to be included in the PDM deliverable:

- Draft and Final Preliminary Design Memorandum, including cost opinion and list of technical specifications
- Conceptual plans including the following:
 - Cover sheet, legends, notes
 - Schematic demolition plans
 - Schematic civil/site improvement layouts
 - Process & instrumentation diagram
 - Electrical single-line diagram

Deliverables:

- Alternatives Analysis (electronic Adobe .PDF files)
- Draft PDM and Conceptual Plans (electronic Adobe .PDF files, 11" x 17")

- Final PDM and Conceptual Plans

Task 202 - Draft Plans, Specifications List, and Cost Estimate

It is assumed construction documents will only be prepared for the belt press and appurtenances. Design of sludge thickening improvements would require a contract amendment or additional authorization. MKN will prepare draft construction plans; technical specifications; and an engineer's cost opinion for the construction of the belt press. Technical specifications will be developed in CSI format and plans will be prepared in AutoCAD.

Deliverables:

- Draft Plans (electronic Adobe .PDF files, 24" x 36") – 6 sheets assumed
- Draft Technical Specifications (electronic Adobe .PDF files)
- Engineer's opinion of probable construction cost

Task 203 - Final Plans, Specifications, and Cost Estimate

MKN will incorporate draft review comments from the District and prepare 100% construction plans; specifications components including bid proposal items and quantities, explanation of bid items, and technical specifications; and an engineer's cost opinion for the construction of the belt press. The District will assemble the bid specifications by incorporating the bid proposal items and quantities, explanation of bid items, and technical specifications into the District's standard front-end bidding documents.

Deliverables

- 100% stamped and signed plans (electronic Adobe .PDF files, 24" x 36")
- 100% technical specifications (electronic Adobe .PDF files)
- Engineer's opinion of probable construction cost
- Bid Schedule and Specification Section 012000 Measurement and Payment

Task Group 300 – Bid Phase Support

Task 301 – Bid Phase Support Services

The District will advertise the plans and bid specifications. MKN will attend a pre-bid meeting and provide the District written responses to bidder questions through the bid period. MKN will prepare and provide conformed plans and specifications incorporating any changes resulting from the bid period.

Deliverables

- Addendum, RFI responses, and clarifications as needed (one Addendum and two RFI's assumed)
- Conformed plans (electronic Adobe .PDF files, 24 x 36)
- Conformed specifications (electronic Adobe .PDF files)

Schedule

The anticipated schedule for the project is included in **Table A**.

Table A. Anticipated Project Schedule	
Deliverable	Timeline
Alternatives Evaluation	6 weeks from Notice to Proceed
Draft PDM & Conceptual Plans	4 weeks from receiving comments on Alt Eval
Draft PS&E	12 weeks from receiving comments on the Draft PDM
Final PS&E	3 weeks from receiving comments on the Draft PS&E
Bid Phase Services	4 weeks

Fee Estimate

MKN proposes to complete this work on a time and materials basis with a budget not to exceed the value provided in the MKN fee estimate (**Exhibit A**) and based on the rate schedule (**Exhibit B**).

We would like to express our thanks to the District for the opportunity to continue work on these important projects. Should you have any questions or wish to discuss any of the information presented herein, please do not hesitate to contact me at your convenience. My phone number is (805) 947-4971 and email is bbugielski@mknassociates.us.

Sincerely,



Becca Bugielski, PE
Senior Engineer



Michael Nunley, PE
Principal

Attachments:

- Fee Estimate
- Fee Schedule

Carpinteria Sanitary District
Belt Press Replacement Project



	Project Director	Senior Project Manager	Assistant Engineer II	Senior Designer	Administrative Assistant	Total Hours (MKN)	Labor (MKN)	ODCs (MKN)	Electrical/ I& (MSO)	Structural (SSG)	Non-Labor Costs	Total Fee
Hourly Rates	297	254	178	179	110							
Task Group 100 - Project Management, Meetings, and QA/QC												
Task 101 - Project Management and QC	12	6	4			22	\$5,800	\$ -	\$ -	\$ -	\$0	\$ 5,800
Task 102 - Meetings	2	4	4			10	\$2,322	\$ -	\$ -	\$ -	\$0	\$ 2,322
Task 103 - Data Request and Review		2	4			6	\$1,220	\$ 400	\$ -	\$ -	\$400	\$ 1,620
Subtotal	14	12	12	0	0	38	\$ 9,342	\$ 400	\$ -	\$ -	\$ 400	\$ 9,742
Task Group 200 - Design Development Phase												
Task 201 - Preliminary Design Memorandum and Conceptual Plans						0	\$0	\$ -	\$ -	\$ -	\$0	\$ -
Alternatives Analysis	16	8	24	8		56	\$12,488	\$ -	\$ -	\$ -	\$0	\$ 12,488
Sludge Pumping Evaluation	4	4	8			16	\$3,628	\$ -	\$ -	\$ -	\$0	\$ 3,628
Draft Preliminary Design Memorandum	16	16	4	4		40	\$10,244	\$ -	\$ 2,068	\$ 880	\$2,948	\$ 13,192
Final Preliminary Design Memorandum	4	4	4	4		16	\$3,632	\$ -	\$ -	\$ -	\$0	\$ 3,632
Draft Conceptual Plans	2	4	32	32		70	\$13,034	\$ -	\$ -	\$ -	\$0	\$ 13,034
Final Conceptual Plans	1	4	4	4		13	\$2,741	\$ -	\$ -	\$ -	\$0	\$ 2,741
Task 202 - Draft Plans, Specifications, and Cost Estimate												\$ -
Plans (6 sheets)	4	20	36	36		96	\$19,120	\$ -	\$ 6,930	\$ 2,200	\$9,130	\$ 28,250
Specifications	4	12	16		16	48	\$8,844	\$ -	\$ 8,030	\$ -	\$8,030	\$ 16,874
Cost Estimate	2	4	12			18	\$3,746	\$ -	\$ -	\$ -	\$0	\$ 3,746
Task 203 - Final Plans, Specifications and Cost Estimate												\$ -
Plans (6 sheets)	4	8	8	8		28	\$6,076	\$ -	\$ 946	\$ 660	\$1,606	\$ 7,682
Specifications	4	8	8			20	\$4,644	\$ -	\$ 946	\$ -	\$946	\$ 5,590
Cost Estimate	2	4	4			10	\$2,322	\$ -	\$ -	\$ -	\$0	\$ 2,322
Subtotal	63	96	160	96	16	431	\$ 90,519	\$ -	\$ 18,920	\$ 3,740	\$ 22,660	\$ 109,551
Task Group 300 - Bid Phase Support												
Task 301 - Bid Phase Support Services						0	\$0	\$ -	\$ -	\$ -	\$0	\$ -
Attend Pre-Bid Meeting	2	4	6			12	\$2,678	\$ 400	\$ 440	\$ 440	\$1,280	\$ 3,958
Addendum (1)	1	2	4	4		11	\$2,233	\$ -	\$ -	\$ -	\$0	\$ 2,233
RFIs (2)	1	2	4	4		11	\$2,233	\$ -	\$ -	\$ -	\$0	\$ 2,233
Conformed Plans		4	4	4		12	\$2,444	\$ -	\$ -	\$ -	\$0	\$ 2,444
Conformed Specifications		2	4	4		10	\$1,936	\$ -	\$ -	\$ -	\$0	\$ 1,936
Subtotal	4	14	22	16	0	56	\$ 11,524	\$ 400	\$ 440	\$ 440	\$ 1,280	\$ 12,804
TOTAL BUDGET	81	122	194	112	16	525	\$111,385	\$ 800	\$ 19,360	\$ 4,180	\$ 24,340	\$ 132,097



FEE SCHEDULE

CATEGORY	POSITION	HOURLY RATE
Communications and Administrative	Administrative Assistant	\$110
	Strategic Communications Coordinator	\$120
	Strategic Communications Specialist	\$160
Designers and Technicians	CAD Technician I	\$145
	CAD Design Technician II	\$165
	Senior Designer	\$179
Planning	GIS Specialist	\$175
	Planner I	\$191
	Planner II	\$217
	Senior Planner	\$234
Engineers	Engineering Technician	\$119
	Assistant Engineer I	\$159
	Assistant Engineer II	\$178
	Project Engineer I	\$193
	Project Engineer II	\$208
	Senior Engineer I	\$227
	Senior Engineer II	\$239
	Senior Engineer III	\$254
	Principal Engineer	\$276
Project Management	Project Manager	\$244
	Senior Project Manager	\$254
	Project Director	\$297
	Senior Project Director	\$315
Construction Management Services	Scheduler	\$170
	Construction Inspector	\$190
	Assistant Resident Engineer	\$190
	Resident Engineer	\$202
	Construction Manager	\$220
	Principal Construction Manager	\$259

The foregoing Billing Rate Schedule is effective through June 30, 2024 and will be adjusted each year after at a rate of 2 to 5%.

DIRECT PROJECT EXPENSES

Outside Reproduction	Cost + 10%
Subcontracted or Subconsultant Services	Cost + 10%
Travel & Subsistence (other than mileage)	Cost
Auto Mileage	Current IRS Rate



Carpinteria Sanitary District

Board of Directors Meeting

STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: **Treatment Plant Operator Grade 3 and 4 Salary Modification
Approval of Modified Salary Matrix for FY 2023/24**

DATE: November 7, 2023

REQUESTED ACTION: That the Board approve a modified Salary Matrix for FY 2023/24 that reflects increased salary schedule for Treatment Plant Operator Grade 3 and 4 positions.

BACKGROUND: The District has been attempting to recruit a certified wastewater operator at the Grade 2 or higher level since April 2022. In recent years, recruiting and retention have challenged the entire wastewater industry, particularly in areas with elevated housing costs. We have carefully evaluated our lack of success in hiring certificated staff and believe offering a competitive salary is the single most important factor in recruiting in this sector. As previously reported, as the CAPP project is implemented it will be even more important to be able to hire qualified and certified operations staff.

Based on review of current salary information for other wastewater agencies in southern Santa Barbara County, it is proposed that the Grade 3 and Grade 4 Operator salary schedules be modified as follows:

CURRENT SALARY MATRIX

Positions	A	B	C	D	E
Operator 3	\$7,070	\$7,424	\$7,795	\$8,185	\$8,594
Operator 4	\$7,601	\$7,981	\$8,380	\$8,799	\$9,239

PROPOSED SALARY MATRIX

Positions	A	B	C	D	E
Operator 3	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
Operator 4	\$8,050	\$8,453	\$8,875	\$9,319	\$9,785

The District currently has two Grade 3 operators who would benefit from the salary schedule adjustment. Obviously, this adjustment will have associated benefits in the area of retention, but should also incentivize junior staff to pursue advanced certification and promotional opportunities in the near term.


At this time, no other changes to the approved salary matrix are proposed. For the current fiscal year, the cost impact for overall wages would be approximately \$7,300 with associated increases in certain benefits.

RECOMMENDATION: Staff recommends that the Board approve the attached modified salary matrix for FY 2023/24.

SUGGESTED MOTION: I move that the Board approve the modified salary matrix for FY 2023/24 as proposed.

M _____ S _____

Ayes: _____ Nays: _____ Abstentions: _____

Prepared By:  _____
Craig Murray, P.E. - General Manager

Attachments: Modified FY 2023/24 Salary Matrix

Carpinteria Sanitary District

Salary Matrix - Monthly

Fiscal Year 2023/24 - Update 11/07/23

Positions		A	B	C	D	E
General Manager						\$20,550
District Administrator		\$11,260	\$11,823	\$12,415	\$13,035	\$13,687
Administrative Assistant		\$6,236	\$6,548	\$6,875	\$7,219	\$7,580
Engineering Technician		\$6,927	\$7,273	\$7,637	\$8,019	\$8,420
Operations Manager	1	\$13,060	\$13,713	\$14,399	\$15,119	\$15,875
Treatment Supervisor	1	\$9,068	\$9,522	\$9,998	\$10,498	\$11,023
Operator in Training	1	\$5,155	\$5,413	\$5,684	\$5,968	\$6,266
Operator 1	1	\$5,824	\$6,115	\$6,421	\$6,742	\$7,079
Operator 2	1	\$6,376	\$6,695	\$7,030	\$7,381	\$7,751
Operator 3	1	\$7,500	\$7,875	\$8,269	\$8,682	\$9,116
Operator 4	1	\$8,050	\$8,453	\$8,875	\$9,319	\$9,785
Lab Supervisor	1	\$8,855	\$9,298	\$9,763	\$10,251	\$10,764
Collection System Supervisor	1	\$9,817	\$10,308	\$10,824	\$11,365	\$11,933
Collection System Lead Operator	1	\$7,281	\$7,645	\$8,028	\$8,429	\$8,850
Collection System Operator 1	1	\$5,296	\$5,560	\$5,838	\$6,130	\$6,437
Collection System Operator 2	1	\$6,079	\$6,383	\$6,702	\$7,038	\$7,389
Collection System Operator 3	1	\$6,534	\$6,861	\$7,204	\$7,564	\$7,943
Collection System Operator 4	1	\$7,024	\$7,376	\$7,744	\$8,132	\$8,538
Maintenance Technician	1	\$4,093	\$4,297	\$4,512	\$4,738	\$4,974

The above matrix includes a 7.5% annual escalation factor (Los Angeles) starting 7/1/23

1) CalPERS uniform allowance for Classic members. Not to exceed \$416 annually.



Carpinteria Sanitary District

Board of Directors Meeting

STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: **Carpinteria Advanced Purification Project (CAPP)**
Draft Joint Exercise of Powers Agreement and Lease Agreement

DATE: November 7, 2023

REQUESTED ACTION: That the Board review and provide input on a draft versions of a Joint Exercise of Powers Agreement between the District and Carpinteria Valley Water District and an associated lease agreement.

BACKGROUND: District staff and legal counsel have been working in collaboration with Carpinteria Valley Water District (CVWD) staff and their legal counsel, together with the CAPP project management team, to draft a Joint Exercise of Powers Agreement (JEPA). The JEPA will be the primary agreement for implementation, management and ongoing operation of CAPP, with emphasis on the advanced water purification facility (AWPF) that will constructed at the District's treatment plant site and operated by District staff. A separate Lease Agreement has been drafted that would provide the property entitlement for the AWPF facilities that will be owned by CVWD to exist on District owned property.

We do not expect the JEPA or the Lease Agreement to come before the board for final approval until early 2024. However, for the purpose of finalized the State Revolving Fund loan agreement for the project, it is necessary to provide the SWRCB with a copy of the JEPA and Lease Agreement in essentially their final form. A separate Operations Agreement is currently being developed that will also be considered for approval concurrent with the final JEPA and Lease Agreement.


Staff and legal counsel will present the JEPA and the Lease Agreement at the meeting and highlight the elements of each. There are a number of policy level topics that will be reviewed and a handful of items where direction from the Board will be sought. Copies of the draft documents are attached for reference.

RECOMMENDATION: Review and provide input on a draft versions of a Joint Exercise of Powers Agreement between the District and Carpinteria Valley Water District and an associated lease agreement.

SUGGESTED MOTION: None

M_____ S_____

Ayes:_____ Nays:_____ Abstentions:_____

Prepared By: 
Craig Murray, P.E. - General Manager

Attachments: DRAFT Joint Exercise of Powers Agreement and DRAFT Lease Agreement

CARPINTERIA ADVANCED PURIFICATION PROJECT
JOINT EXERCISE OF POWERS AGREEMENT

THIS JOINT EXERCISE OF POWERS AGREEMENT (the “Agreement”) is made and entered into by and between Carpinteria Valley Water District (“CVWD”), a California county water district organized pursuant to Division 12 of the Water Code, and the Carpinteria Sanitary District (“CSD”), a California special district organized under the Sanitary District Act of 1923. CVWD and CSD may be referred to individually as a “Party” or collectively as the “Parties.” The Parties agree as follows:

ARTICLE 1: SCOPE, NATURE AND PURPOSE

1.1. The purpose of this Agreement is to authorize the Parties, pursuant to that authority in the Joint Exercise of Powers Act (Government Code sections 6500 through 6599.3) to jointly exercise their powers to plan, finance, acquire, construct, maintain and operate facilities for collection, transportation, treatment, reclamation, recycling, reuse, and disposal of sanitary sewage and similar wastewaters and to produce recycled or advanced purified water for beneficial use.

1.2. Each Party to this Agreement is a public agency authorized and empowered to contract for the joint exercise of powers under the Act.

1.3. The Parties now desire, by this Agreement, to collectively harness their joint powers to allow for the construction, operation, and administration of a reclamation facility for the purpose of treating wastewater and producing recycled or advanced purified water, and for related purposes.

ARTICLE 2: GENERAL PROVISIONS

2.1. Definitions. Unless the contrary is stated or clearly appears from the context, the following definitions govern the construction of the words and phrases used in this Agreement. Undefined words and phrases have the same meaning as set forth in the Act:

2.1.1 Act means the Joint Exercise of Powers Act (Government Code sections 6500 through 6599.3) governing the joint exercise of powers common to public agencies.

2.1.2 Agreement means this Joint Exercise of Powers Agreement.

2.1.3 CEQA refers to the California Environmental Quality Act (Public Resources Code § 21000, et seq.) and the regulations promulgated to implement it (14 Cal. Code of Regs. § 15000, et seq.).

2.1.4 Chief Plant Operator means the individual who is chiefly responsible for overseeing the day-to-day operation of the AWPf.

2.1.5 Effective Date means the date this Agreement was executed. Should there be differing dates of execution, Effective Date means the latest in time date of execution.

2.1.6 Fiscal Year means the period commencing on July 1 of each year and ending on and including June 30 of the following calendar year.

2.1.7 NEPA refers to the National Environmental Policy Act (42 U.S.C. Section 4321, et seq.) and the regulations promulgated to implement it (40 CFR Part 1500, et seq.).

2.1.8 Product Water means Title 22 water produced by the Project that meets all state and federal requirements for groundwater augmentation and any supplemental water quality requirements agreed to by the Parties as necessary and appropriate for delivery to CVWD customers.

2.1.9 Product Water Delivery Point means the point at which Product Water crosses the legal boundary line from the Property into the adjoining real property parcel.

2.1.10 Project means any devices, equipment, plants and systems used in the conveyance, storage, treatment, recycling, reclamation, and advanced purification of wastewater, including all advanced water purification facilities, conveyance facilities, well facilities, utility installations, and related appurtenances, extensions, improvements, remodeling, additions and alterations thereof, and any works that will be an integral part of the treatment process or used for ultimate disposal of waste streams generated by the Advanced Water Purification Facility. The Project is comprised of the following primary components:

- a. Advanced Water Purification Facility, or “AWPF,” which includes those facilities required to treat recycled water to meet standards for indirect potable reuse via groundwater replenishment by subsurface injection; facilities that provide full advanced treatment and treatment waste streams; the building that houses the AWPF; the Product Water Pump Station; and all associated AWPF and Product Water Conveyance System piping on the Property. This term does not include those facilities that are identified as Wastewater Treatment Plant or Collection System.
- b. Product Water Conveyance System which is the conveyance system used to transport Product Water from the Product Water Pump Station to the injection wells. A portion of the Product Water Conveyance System is on the Property and included in the definition of AWPF.
- c. Product Water Pump Station which refers to those facilities, including clear wells, pumps, pipes, control systems, electrical equipment, valves, and appurtenances, necessary to discharge purified water into the Product Water Conveyance System. The Product Water Pump Station is on the Property and included in the definition of AWPF.

2.1.11 Collection System, which refers to the intercepting sewers, and wastewater collection and conveyance systems owned and operated by CSD for the purpose of collecting and delivering wastewater to the AWPF and associated pumping stations and other equipment and their appurtenances, extensions, improvements, remodeling, additions and alterations thereof.

2.1.12 Wastewater Treatment Plant means new or existing primary treatment, biological secondary treatment, disinfection, effluent discharge, and solids handling facilities.

2.1.13 Property means the real property owned by CSD and located at 5351 6th Street, Carpinteria.

2.1.14 Source Water means the wastewater received and processed and owned by CSD before Project treatment.

2.1.15 Title 22 means Title 22, Division 4 of the California Code of Regulations, as may be amended from time to time.

ARTICLE 3: THE PROJECT

3.1 Beneficiaries. The Project will be constructed by CVWD and operated for the benefit of CVWD customers. The Project may have secondary benefits for CSD and groundwater sustainability.

3.2 Project Ownership; Right of Inspection.

3.2.1 CVWD owns the Project, including the Advanced Water Purification Facility and Product Water Conveyance System, and all Product Water beginning at the Product Water Delivery Point. CVWD may inspect the AWPf upon notice to the CSD General Manager.

3.2.2 CSD owns the Collection System, Property, and Wastewater Treatment Plant and is responsible for providing any Source Water for use in and treatment by the AWPf at no cost to CVWD. CSD employees will operate the AWPf in accordance with this Agreement.

3.3 Agreement Administration. Except as otherwise provided in this Agreement, the General Manager for each Party will represent their respective agency on all matters relating to the administration of this Agreement.

3.4 Environmental Documentation. During the environmental review and permitting process, the Parties will work together to ensure compliance under CEQA and NEPA, if applicable, and further agree to provide timely notice, review, response and comment, as necessary.

3.5 Project Development. CVWD will serve as the Lead Agency and CSD will be designated a Responsible/Cooperating Agency for CEQA (and NEPA, if applicable) review of Project development, design and construction, and operations. CVWD is responsible for and must finance the costs of addressing any CEQA and NEPA protests and appeals.

3.6 National Pollution Discharge Elimination System (NPDES) Permitting. With the exception of technical studies or non-routine analysis needed to obtain approvals (e.g., where a third-party consultant or outside service provider must be retained), CSD will fund and secure any necessary changes in its NPDES permit to accommodate discharge of Advanced Water Purification Facility waste streams, including reverse osmosis concentrate discharged to receiving waters under the jurisdiction of federal and state agencies. CVWD will only pay for any extraordinary costs associated such permit applications and approvals that are exclusively associated with the Project.

3.7 Waste Discharge Requirements and Water Recycling Requirements (WDR/WRR) Permitting. CVWD will obtain and fund all efforts required to obtain the WDR/WRR permit for the Project facilities except for development and implementation of an enhanced source control program by CSD. CSD is an interested agency for purposes of comment and review on WDR/WRR permitting activities.

3.8 Project Costs. Except as otherwise provided, CVWD is solely responsible for the cost of funding the design, construction, operation, repair and maintenance of the Project. CSD is only liable for the cost of any repair or maintenance resulting from CSD's sole gross negligence or intentional misconduct.

3.9 Project Design and Construction. CVWD will execute all final design and construction contracts with CSD as an intended third-party beneficiary. The Parties will collaborate on the design development process. Subject to this Agreement, however, CVWD will have final authority on the overall design and construction of the Project.

3.9.1. CVWD understands its use of the Property for the Project, including layout and operational activities, must accommodate CSD's Property rights and operational needs. CVWD must ensure the Project will be designed to minimize impacts to continued operation of the Wastewater Treatment Plant and other CSD facilities. In addition, CSD must provide final approval, which will not be unreasonably withheld, for any modification of the Property and its Wastewater Treatment Plant and Collection System.

3.10 Change Orders. The Parties understand the Project is unique in timing, cost and approach. Accordingly, either Party through its General Manager may request change orders to the design or construction of the Project with respect to:

3.10.1. Party-caused delays including delays caused by contractors or consultants acting upon a Party's behalf.

3.10.2. Increase in material costs; change in design necessary for implementation of the Project including any increase in labor costs resulting from design changes in the Project as work progresses.

3.10.3. Change in law; and

3.10.4. Force Majeure Events or other events beyond the reasonable control of the Parties including private or public projects affecting a critical path as determined from the most recent critical path schedule.

3.10.5. The Joint Management Committee (defined in Section 5.3) must approve any such requests in good faith and resolve such requests in a reasonably timely manner.

3.11 CSD Funding. CSD may advance costs for the Project which must be reimbursed to CSD by CVWD. The method, timing, and reimbursement of any payments must be approved by the CSD Board of Directors. Such approval may be reflected in an Operating Plan as contemplated by this Agreement. All such payments will constitute a debt owed by CVWD to CSD and must be repaid by CVWD with interest at the interest rate in the Local Agency Investment Fund (“LAIF”). Failure to reimburse CSD may subject the Agreement to termination; CSD may, alternatively, suspend operating the AWPf upon 10 days’ notice until being fully reimbursed.

3.12 Ownership. CSD owns and will continue to own all Source Water, any discharge or bypass water, and all byproduct waste streams produced by the AWPf that meet the restrictions on CSD’s NPDES permit for ocean discharge, and covenants to comply with all applicable concentration limitations and requirements. CVWD will take delivery and ownership of all Product Water at the time it reaches the Product Water Delivery Point.

3.13 Waste Stream Disposal. CVWD is responsible for disposing of all waste streams produced by the AWPf that do not meet the restrictions placed on CSD’s NPDES permit for ocean discharge when Source Water meets CSD’s NPDES permit for ocean discharge. CSD will work with CVWD to enable discharge under the NPDES permit.

3.14 Disposal and Discharge of Non-Product Water. CSD is solely responsible for disposing of all treated water that does not meet the requirements to be considered Product Water. CVWD will reimburse CSD for costs, if any, of disposal and discharge that may occur resulting from CVWD’s sole gross negligence or intentional misconduct in violation of federal and state laws governing wastewater or AWPf waste stream discharge.

3.15 Source Water Quality. CSD will in good faith endeavor to ensure that all Source Water for subsequent treatment by the Advanced Water Purification Facility meets permit requirements. Any ongoing acute or chronic issues impacting the quality of the Source Water may be resolved by the Operating Committee or Joint Management Committee, respectively.

3.16 Chief Plant Operator; Project Designee; Use of CSD Employees.

3.16.1. The Operating Agreement will address hiring and supervision of the Chief Plant Operator.

3.16.2. CSD employees, personnel, contractors and consultants including, without limitation, the Chief Plant Operator (“CSD Personnel”) will operate the Collection System, Wastewater Treatment Facility, and Advanced Water Purification Facility.

3.16.3. CVWD will designate a CVWD employee who is primarily responsible for coordinating with the Chief Plant Operator (the “CVWD Project Designee”). The CVWD Project Designee is intended to liaise with the Chief Plant Operator regarding operational matters.

3.17 Data Sharing. CSD will collect and share with CVWD data concerning the amount and quality of water treated by the Advanced Water Purification Facility along with AWPf operational information in a manner sufficient to allow CVWD to meet WDR/WRR permit requirements and coordinate operation of its injection wells. Data sharing requirements and integrated control systems may be further refined in Operating Memoranda.

3.18 Future Regulatory Impacts. The Parties understand each of their agencies as well as the Project operate in a highly regulated environment, and that future regulation may impact the Project and its operations. Consequently, the Parties agree to work collaboratively to meet future regulatory requirements imposed on the use or treatment of Source Water, operation of the AWPf, and disposal of AWPf waste streams. Notwithstanding, CSD is responsible for funding and complying with any future regulations concerning discharge that would otherwise be imposed in absence of the Project.

ARTICLE 4: FINANCING; USE OF THE PROPERTY

4.1 Loan Conditions. CVWD will obtain financing through the Clean Water State Revolving Fund (the “SRF Loan”), with an expected SRF Loan term of 30 years after CVWD files the construction Notice of Completion for the AWPf with the Santa Barbara County Clerk (the “Notice of Completion Date”). The Parties understand the SRF Loan is conditioned upon CVWD’s continued and unimpeded right to use the Property for the life of the Project, which the Parties estimate to be a minimum of 30 years after the Notice of Completion Date. CSD agrees, during the Term of this Agreement, to take reasonable actions to preserve CVWD’s continued right to use the Property.

4.2 Lease Agreement. CSD and CVWD will execute a separate instrument governing the Parties’ rights and obligations to use the Property for the lifetime of the Project. The Parties intend that such instrument will ensure the unimpeded use of the Property by CVWD for the duration of the Term. The fee for using the Property to benefit the Project will be nominal to the extent permitted by applicable law.

ARTICLE 5: GOVERNANCE

5.1 Operations Committee. The Parties will appoint an Operations Committee or “OC” comprised of the General Manager of each Party and the Chief Plant Operator and the CVWD Project Designee. The Operations Committee will oversee and provide guidance concerning the operations and maintenance of the Project.

5.2 Meetings. The Operations Committee may meet as often as desirable by the Parties, but not less than a quarterly basis.

5.3 Joint Management Committee. A joint committee comprised of three members of the governing body of CVWD and two members of the governing body of CSD will be established to review and direct policy and high-level management decisions concerning and affecting the Project, including any future amendment of this Agreement and the roles and responsibilities of the Parties hereto (the “Joint Management Committee”). The Joint Management Committee will review and recommend the Project’s annual operating budget, engage in capital planning and

budgeting, and make decisions related to Project operations, among other things. The Joint Management Committee's role will be advisory to staff and the governing bodies of the Parties.

5.4 Meetings. During the pendency of the Project, the Joint Management Committee will meet once monthly. The meetings of the Joint Management Committee must comply with the requirements of the Ralph M. Brown Act (Government Code sections 54950, et seq.). After a notice of completion for the Project is recorded, the Joint Management Committee may meet as desirable but not less than once a quarter.

5.5 Finances. The OC will prepare an annual budget for the operation and maintenance of the Project that is reviewed by the Joint Management Committee. The Joint Management Committee will recommend an annual budget to the Board of Directors for each Party. All recommended annual budgets must be approved by the Board of Directors for each Party. If the annual budget is not approved by both Board of Directors, the most recently approved annual budget will continue to apply until a new annual budget is in place. The annual budget may be adjusted during the fiscal year following the same approval process as the original annual budget.

5.6 Policy. The Joint Management Committee may suggest amendments to this Agreement to the Board of Directors for each Party.

5.7 Appeals. The Joint Management Committee may hear appeals of disputes in accordance with this Agreement.

ARTICLE 6: COOPERATION; OPERATIONS AGREEMENT AND OPERATING MEMORANDA

6.1 Operations Agreement; Purpose. The Operations Agreement is attached to this Agreement and incorporated by this reference. The Operations Agreement is intended to identify: an AWPf operations staffing plan including hire dates, employee qualifications, and employee compensation; CSD Project cost tracking and reimbursement methodologies; use of pre-RO treated water; and other operational matters.

6.2 Execution and Amendment of Operations Agreement. The Operations Agreement must be ratified by the Parties' governing bodies. It may be amended by the Operating Committee or Joint Management Committee in accordance with this Article. The governing bodies of each Party will ratify any Operations Agreement amendments within 90 calendar days after approval by the Joint Management Committee. Failure to ratify such an amendment within 90 days renders it void.

6.3 Operating Memoranda; Purpose. The Parties acknowledge that the provisions of the Agreement require a close degree of cooperation and that new information and future events may demonstrate that changes are appropriate with respect to the rights and obligations of the Parties under this Agreement. The Parties desire, therefore, to retain a certain degree of flexibility with respect to the performance details for those items covered in general terms under this Agreement. If, from time to time, the Parties find that refinements or adjustments are desirable, such refinements or adjustments will be accomplished through operating memoranda or implementation agreements (the "Operating Memoranda(um)") approved by the Parties which, after execution, will

be attached to this Agreement as addenda and become a part hereof. No substantive changes to this Agreement may be accomplished via an Operating Memorandum.

6.4 Execution and Amendment of Operating Memoranda. The OC may determine that an Operating Memorandum, as defined in this Agreement, is desirable to assist in governing this Agreement and the Project. Operating Memoranda may be executed on behalf of the Parties by their respective General Managers. Notwithstanding, approval of any Operating Memorandum may be deferred to the Joint Management Committee or the governing bodies of each Party upon the request of any Party's General Manager. The Operating Memoranda may be amended after collaboration and recommendation of the Operating Committee or the Joint Management Committee and executed on behalf of the Parties by their respective General Managers. The Parties may only amend an Operating Memorandum in the same manner as the original.

6.5 Cooperation Regarding Grant Funding. The Parties further resolve to work collaboratively to maximize grant opportunities for the Project, and to response to associated requests for information in a timely manner.

ARTICLE 7: SALE OF THE PROPERTY DURING TERM

7.1 Transfer. CSD agrees that it will not voluntarily sell, exchange, assign, or otherwise transfer ("Transfer"), or attempt to Transfer, title to the Property to any third party during the initial 30-year Term after the Notice of Construction Date.

7.2 Purchase Option. Thereafter, if CSD desires to Transfer the Property, it will (1) first offer CVWD the ability to purchase the Property at fair market value to be determined by an independent third-party consultant qualified in the wastewater or water industry; and (2) any eventual Transfer to a third-party must be made contingent upon the continuation of CVWD's contractual rights to use the Property through the Term of this Agreement.

7.2.1 CSD must give CVWD timely notice of its intent to Transfer the Property not less than 12 months before the end of any Term subsequent to the initial Term.

7.2.2 CVWD may have up to six months after a fair market value is determined to purchase of the Property, and CSD may only Transfer the Property to a third party after expiration of the six-month period or receipt of CVWD's written notice that it does not intend to purchase the Property. Upon CVWD's expression of intent to purchase the Property, CVWD must purchase the property within twelve months.

7.3 Survival. This Agreement survives any sale of the Property to a third-party during the Term. CVWD constitutes an intended third-party beneficiary to any agreement between CSD and a third party for the sale of the Property.

ARTICLE 8: INSURANCE

8.1 Each Party understands and acknowledges that the other is a public entity and is a member of an insurance pool, pursuant to a joint powers agreement, and the limits of liability under the agreement is set forth in the respective memoranda of coverage for each Party. Each Party agrees to accept the other's status as satisfactory compliance with their respective insurance requirements. In the event either Party decides to change its insurance status, it agrees to provide the other Party with 30 days' advance written notice of the effective date of this change in status. Thereafter, that Party agrees to provide the other with appropriate evidence of insurance coverage(s).

8.2 The Parties agree that it may be necessary to secure property damage coverage for the AWPf that is independent from that currently held by the Parties. The Joint Management Committee may make such recommendation to the respective Board of Directors for each Party. CVWD is responsible for acquiring and paying for any such insurance.

ARTICLE 9: AMENDMENT

9.1 This Agreement may be amended at any time by the written consent of the governing body of each Party hereto. Bases for amendment include, without limitation, changes related to the design, construction, operation, and funding of the Project.

ARTICLE 10: TERMINATION

10.1 Term and Termination. The Parties acknowledge the terms of the SRF Loan require this Agreement to be effective for at least 30 consecutive years, the anticipated life of the Project. This Agreement becomes effective as of the Effective Date and continue in full force and effect for a minimum term ("Term") of 30 years after the Notice of Completion Date, and, unless terminated, will automatically renew for successive five-year periods on the anniversary of the Notice of Completion Date. Except for non-payment of invoices, this Agreement may only be terminated if written notice of termination is provided not less than one year before the end of any Term. A 90-day notice of default for failure to pay invoices may be provided by a Party. If, following such 90-day notice, the invoice remains unpaid, this Agreement will automatically terminate except upon mutual written agreement ratified by the Board of Directors of both parties. Upon termination, this Agreement will continue to exist for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to conclude the Project.

Notwithstanding the foregoing, a Party may pay an invoice under protest, and thereafter engage in the dispute resolution process set forth in this Agreement.

ARTICLE 11: SPECIAL PROVISIONS

11.1 Release and Indemnity. The Parties to this Agreement release each other and agree to hold each other harmless, as well as their governing boards, officers, agents, administrators and employees, for any loss or liability arising from their respective activities pursuant to this Agreement. Except as otherwise provided herein, each Party agrees to indemnify, defend and hold harmless the other Parties, governing boards, officers, agents, administrators and employees from any and all demands, claims, or liabilities of any nature, including death or injury to any person, property damage or any other loss caused by or arising out of that Party's performance or failure to perform the obligations assumed under this Agreement.

11.2 Survival. This Article 11 survives termination of this Agreement.

11.3 Dispute Resolution. If a dispute should arise, the General Manager or other executive-level manager for each Party will meet or teleconference to resolve the dispute within 25 calendar days of written notification of the dispute. Before such meeting or teleconference, the Party bringing the dispute will draft and submit to the other Party(ies) a written description, including any factual support, of the disputed matter. After receiving this written description, the other Party(ies) will provide a written response to such written description within a reasonable period of time, not to exceed 15 calendar days after receipt of the written description.

11.3.1 If no resolution of the dispute occurs at the meeting or teleconference and the dispute remains unresolved after 40 calendar days of written description of the dispute, the dispute will be elevated to the Joint Management Committee. The Parties' previously prepared written descriptions and responses must be submitted to the Joint Management Committee for its consideration, and a meeting of the Joint Management Committee must be duly noticed for no more than 70 calendar days after the initial written description of the dispute.

11.3.2 If no resolution of the dispute occurs at the meeting of the Joint Management Committee, the dispute will be elevated to a Joint meeting of the Board of Directors for each Party. The Parties' previously prepared written descriptions and responses must be submitted to the Board of Directors for each Party for its consideration, and Joint meeting of the Board of Directors for each Party must be duly noticed for no more than 60 calendar days after the initial written description of the dispute. If no resolution of the dispute occurs at the meeting of the Board of Directors for each Party and the dispute remains unresolved after 60 calendar days from receipt of the initial written description of the dispute, the Parties agree to submit the dispute to non-binding mediation by a mediator to be mutually selected by the disputing Parties. The costs of mediation will be shared equally by all Parties subject to the dispute. Any statute of limitations will be tolled from the time the matter is submitted to mediation until the mediation process has concluded.

11.3.3 In the event the dispute is not resolved by mediation, the dispute may be resolved by binding arbitration. The Parties must submit such dispute for binding arbitration in Santa Barbara County, California, before an arbitrator selected from Judicate West (or if it no longer exists, from the American Arbitration Association (AAA), or if that no longer exists, from JAMS, or if that no longer exists, from a similar arbitration organization.) Arbitration will be conducted in accordance with Judicate West's, or other chosen arbitration organizations, then current rules related to commercial arbitration. Judicate West's Commercial Arbitration Rules can be found at: <https://www.judicatewest.com/Services/DisplayPDF/127>.

11.3.4 The Parties have all rights to depositions and discovery as provided under the rules of the selected arbitration organization. The arbitrator must apply California law to the proceeding. The arbitrator has the power to grant all legal and equitable remedies including provisional remedies and award compensatory damages provided by law, but the arbitrator may not order relief in excess of what a court could order. The arbitrator must prepare and provide the parties with a written award including factual findings and the legal reasoning upon which the award is based. Any court having jurisdiction may enter judgment on the award rendered by the arbitrator or correct or vacate such award as provided by applicable law.

11.3.5 Notwithstanding the foregoing, nothing set forth in this Section requires mediation before commencing an action in equity seeking injunctive relief. All applicable statutes of limitation are tolled while the mediation procedures specified herein are pending, and the Parties agree to take all action, including the execution of stipulations or tolling agreements, necessary to effectuate the intent of this provision.

11.3.6 Nothing in this Section prohibits one or both Parties from seeking a special joint meeting of their governing boards to seek resolution of a dispute. A request for such meeting must be made upon 10-day written notice by one Party to the other or, if jointly requested, by mutual scheduling.

11.4 Force Majeure. Except as otherwise provided, the Parties are not liable for delays or failures in performance of their obligations under this Agreement that arise out of or result from causes beyond its or their control including, without limitation, the occurrence or threat of the following: an act of public enemy; an act of civil or military authorities; a fire, flood, earthquake or other disaster, natural or otherwise; an explosion; a declared or undeclared war or act of terrorism; an epidemic or pandemic; a national or state emergency; a strike or a lockout, other than strikes or lockouts of the Parties' employees; a riot or civil unrest; a freight embargo; delays of common carriers; acts or orders of governmental authorities, except for acts or orders of the Parties; impact of governmental statutes, regulations, permits or orders imposed or issued after the Effective Date; unavailability of required third-party labor or materials; inability to acquire or retain qualified employees to operate the Project; inability to obtain funding due to a financial crisis; a regulatory agency's failure to issue a required permit or other approval despite submittal of a complete application; litigation involving either the Property or the Project not initiated by the Parties; and any other events or circumstances not within the reasonable control of the affected Party whether similar or dissimilar to any of the foregoing ("Force Majeure Event(s)"). A Force Majeure Event is considered to have ended when the Parties can reasonably and safely resume their respective obligations and efforts under this Agreement.

11.5 Choice of Law. This Agreement must in all respects be interpreted, enforced and governed by and under the laws of the State of California. The Parties agree that the venue of any action, proceeding or counterclaim is the County of Santa Barbara.

11.6 Notice. Notices required or permitted by this Agreement are sufficiently given if made in writing and delivered personally or by registered or certified mail, postage prepaid, to the Parties as follows:

CVWD:
Carpinteria Valley Water District
1301 Santa Ynez Ave.
Carpinteria, CA 93013
Attn: General Manager

CSD:
Carpinteria Sanitary District
5300 6th Street

Carpinteria, CA 93013
Attn: General Manager

11.7 Headings. The article and section headings in this Agreement are for reference only and do not define or interpret any provision hereof.

11.8 Severability. If any provisions of this Agreement are invalid or unenforceable, the remainder of this Agreement is not affected thereby, and each provision of this Agreement is valid and enforced to the full extent permitted by law, provided the material provisions of this Agreement can be determined and effectuated.

11.9 Counterparts. This Agreement may be executed in identical counterparts, each of which must be an original, but all of which taken together constitutes one and the same Agreement.

11.10 Cooperative Drafting. This Agreement was drafted through a cooperative effort of CSD and CVWD, each of which have had an opportunity to have the Agreement reviewed and revised by legal counsel. No one Party will be considered the drafter of this Agreement, and no presumption or rule that an ambiguity will be constructed against the drafting Party may apply to the interpretation and enforcement of this Agreement.

11.11 Entire Agreement. Except as otherwise provided in this Agreement, this Agreement constitutes the full and complete Agreement of the Parties.

11.12 Separating Writings, Exhibits, Appendices. The following constitute a part of this Agreement and are incorporated into this Agreement by reference:

- a. Lease Agreement.
- b. Operations Agreement.

11.13 Waiver. No waiver of any breach, any failure of a condition, or any right or remedy under this Agreement (1) is effective unless it is in writing and signed by the Party making the waiver; (2) may be deemed to be a waiver of, or consent, to any other breach, failure of a condition, or right or remedy; or (3) is deemed to constitute a continuing waiver unless the writing expressly so states.

11.14 No Third-Party Rights. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under, or by reason of, this Agreement on any person other than the Parties and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligations or liability of any third person to any Party, nor shall any provision give any third person any right of subrogation or action over or against any Party.

11.15 Authorization. The legislative bodies of the Parties have each authorized execution of this Agreement, as evidenced by the signatures below.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by authorized officials thereof on the dates indicated below.

CARPINTERIA VALLEY WATER DISTRICT

APPROVED AND ACCEPTED BY THE BOARD OF DIRECTORS:

By: _____
CASE VAN WINGERDEN
PRESIDENT, BOARD OF DIRECTORS

DATE: _____

ATTEST:

BOB MCDONALD, BOARD SECRETARY

DATE: _____

APPROVED AS TO FORM:

By: _____
CARI ANN POTTS, GENERAL COUNSEL

DATE: _____

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

CARPINTERIA SANITARY DISTRICT

APPROVED AND ACCEPTED BY THE BOARD OF DIRECTORS:

By: _____
MIKE MODUGNO
PRESIDENT, BOARD OF DIRECTORS

DATE: _____

ATTEST:

KIM GARCIA, BOARD CLERK

DATE: _____

APPROVED AS TO FORM:

By: _____
KARL H. BERGER, GENERAL COUNSEL

DATE: _____

**LEASE AGREEMENT BETWEEN THE
CARPINTERIA SANITARY DISTRICT AND
THE CARPINTERIA VALLEY WATER DISTRICT**

THIS LEASE is made and executed this ____ day of _____, 2023, (the “Effective Date”) between the Carpinteria Sanitary District (“CSD”), a California special district organized under the Sanitary District Act of 1923, and the Carpinteria Valley Water District (“CVWD”), a California county water district organized pursuant to Division 12 of the Water Code. In this Lease, CSD and CVWD are sometimes individually referred to as a “Party” and collectively as the “Parties.” The Parties agree as follows:

1. **LEASE; DESCRIPTION OF PROPERTY.** CSD leases to CVWD to use, on the terms and conditions of this Lease, portions of real property graphically identified in attached Exhibit “A” (“Property”), which is incorporated by reference, which represents the footprint of the Advanced Water Purification Facility (the “AWPF”). This Lease is exempt from the provisions of the California Subdivision Map Act pursuant to Government Code section 66412.1(b).

2. **SUBJECT OF LEASE.** This Lease is entered into pursuant to that certain Carpinteria Advanced Purification Project Joint Exercise of Powers Agreement **executed on xxxx** (the “JEPA”). Unless otherwise defined herein all capitalized terms have the meanings ascribed to them in the JEPA. **IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS AND CONDITIONS OF THIS LEASE AND THE TERMS AND CONDITIONS OF THE JEPA, THE JEPA CONTROLS.**

3. **JEPA.** The JEPA provides for the ground lease of the Property to CVWD and the development and construction thereon of the AWPF pursuant to the terms of the JEPA.

4. **DEVELOPMENT OF THE PROJECT.** CVWD must construct the AWPF on the Property in accordance with the terms and conditions of the JEPA.

5. **USE OF THE PROPERTY.**

A. Use of the Property. CVWD may use the Property and the AWPF only for the uses expressly permitted by the JEPA.

B. Only Lawful Uses Permitted. CVWD may not use the Property or the AWPF for any purpose that is in violation of any applicable law. Additionally, CVWD may not maintain or commit any nuisance on the Property or the AWPF, or any part thereof.

6. **LEASE TERM.** CVWD leases the Property from CSD and CSD leases the Property to CVWD for a term commencing on the Effective Date and ending upon the termination of the JEPA or under one of the permitted methods of termination in this Lease. This Lease will automatically renew upon every renewal of the JEPA, as governed by the JEPA.

7. **RENT/CONSIDERATION.** The Parties acknowledge and agree that the Property is being leased to CVWD pursuant to the terms of the JEPA to enable CVWD to perform its obligations under the JEPA; consequently, no rent is payable by CVWD to CSD hereunder.

8. **UTILITIES AND TAXES.** The Parties agree that the payment for utilities is governed by the terms of the JEPA.

9. **LIENS; STOP PAYMENT NOTICES.** Except as expressly provided in writing by CSD, CVWD agrees to keep the Property free and clear of any mechanics', materialmen's and/or other liens and stop notices (individually, a "Lien" and collectively, "Liens") for or arising out of or in connection with work, labor, services, or materials supplied or claimed to have been supplied to CVWD in connection with CVWD's construction, operation and maintenance of the AWPf, and CVWD agrees to defend, indemnify, and hold CSD and its respective officers, officials, employees, agents, and representatives, harmless against such Liens. If any such Lien is at any time filed against the Property, CVWD must, within 30 days after notice to CVWD of the filing thereof, cause the same to be discharged by payment or bonding. Before commencement of construction of the AWPf on the Property, or any repair or alteration thereto or replacement of any portion thereof, CVWD must give CSD not less than 30 days advance notice in writing of intention to begin said activity in order that non-responsibility notices may be posted.

10. **MAINTENANCE AND REPAIR; CAPITAL REPLACEMENTS; DAMAGE.** Maintenance and repair of, and capital replacements, including damage and destruction to, the AWPf is governed by the terms of the JEPA. CVWD is only responsible for maintenance and repair of, and damage and destruction to, portions of the Property other than the AWPf resulting from CVWD's gross negligence or intentional misconduct.

11. **ENVIRONMENTAL MATTERS.** The allocation of responsibility for hazardous materials with respect to the Property and AWPf is governed by the terms of the JEPA.

12. **ASSIGNMENT, SUBLEASE OR OTHER TRANSFER.** CVWD may not assign, encumber or otherwise transfer this Lease or any right therein, sublet the Property, or sell or encumber the AWPf, without prior written approval of CSD in its sole and absolute discretion. In the event such approval is granted, the subletting, encumbrance or assignment is not effective unless and until the assignor/transferor and assignee/transferee have signed an assignment and assumption agreement in a form and substance acceptable to CSD. Any purported assignment or subletting or sale without the prior written consent of CSD is absolutely null and void and confers no rights whatsoever upon any purported assignee, transferee or sub-lessee.

13. **SIGNAGE.** In accordance with CVWD's Construction Installment Sales Agreement with the California State Water Resources Control Board, CVWD is permitted to place one sign at least four feet tall by eight feet wide for the duration of the construction of the AWPf in a prominent place near the Property. The Parties understand that signage must comply with the requirements set forth in Construction Installment Sales Agreement, which is a separate instrument from this Lease but is publicly available. The Parties will work cooperatively to determine a signage location that is mutually acceptable.

14. **INDEMNITY.** CVWD's indemnification and defense obligations are set forth in the JEPA and are incorporated by this reference.

15. **INSURANCE.** The Parties' insurance obligations concerning liability and the AWPf are governed in the JEPA. Coverage for the Property is provided by CSD.

16. **COMPLIANCE WITH LAW.** Compliance with laws is addressed in the JEPA.

17. **ENTRY AND INSPECTION.** CSD may enter the Property at any time for any purpose but CSD's inspection of the AWPf is governed by the JEPA. Aside from the foregoing, CVWD has a right to quiet possession of the Property.

18. **ENTRY BY PUBLIC OFFICIALS.** In accordance with the State Water Resources Control Board Construction Installment Sales Agreement, CSD will allow CVWD to permit authorized representatives from the State Water Board, the Governor of California, authorized representatives from the United States Environmental Protection Agency, authorized representatives from the Office of Inspector General, any member of Congress, or any delegee of the foregoing, to access and inspect the Property, including the AWPf, at all reasonable times during the Term of this Lease.

19. **EVENTS OF DEFAULT.** A Party is in default of its obligations under this Lease if that Party defaults on its obligations under the JEPA.

20. **REMEDIES.** In the event of a default by CVWD, CSD may, at its option, take any or all of the following actions:

A. Correct or cause to be corrected said default and charge the costs thereof to CVWD, which CVWD must pay within 90 days after written demand;

B. Terminate this Lease in accordance with the Termination procedures provided in Section 10.1 of the JEPA.

21. **EARLY TERMINATION; REIMBURSEMENT.** If CSD terminates this Lease without cause, then CSD agrees to reimburse CVWD as follows, which constitutes CVWD's sole remedy:

A. If Lease termination occurs less than five years after the date CVWD files the construction Notice of Completion for the AWPf with the Santa Barbara County Clerk (the "Notice of Completion Date"), CVWD is entitled to recover the greater of: the appraised value of the AWPf or 160 percent of the total cost of construction of the Project;

B. If Lease termination occurs at least five years but less than 10 years after the Notice of Completion Date, CVWD is entitled to recover the greater of: the appraised value of the AWPf or 145 percent of the total cost of construction of the Project;

C. If Lease termination occurs at least 10 years but less than 15 years after the Notice of Completion Date, CVWD is entitled to recover the greater of: the appraised value of the AWPf or 130 percent of the total cost of construction of the Project;

D. If Lease termination occurs at least 15 years but less than 20 years after the Notice of Completion Date, CVWD is entitled to recover the greater of: the appraised value of the AWPf or 115 percent of the total cost of construction of the Project;

E. If Lease termination occurs at least 20 years but less than 25 years after the Notice of Completion Date, CVWD is entitled to recover the greater of: the appraised value of the AWPf or 100 percent of the total cost of construction of the Project; and

F. If Lease termination occurs at least 25 years but less than 30 years after the Notice of Completion Date, CVWD is entitled to recover the greater of: the appraised value of the AWPf or 85 percent of the total cost of construction of the Project;

G. If Lease termination occurs 30 years or more after the Notice of Completion Date, CVWD is entitled to recover the greater of the appraised value of the AWPf, unless amended.

As used in this Lease, the phrase “cost of construction” refers to the total cost to construct the Project (as defined in the JEPA) under CVWD’s multiple public contracts, including but not limited to all payments made to contractors and subcontractors thereunder, and all materials and equipment used and acquired to construct and operate the Project. Appraised values under this Section will be based on appraisals of the value of the AWPf as of the date of termination.

22. DISPUTE RESOLUTION. The Parties incorporate by reference the JEPA’s Dispute Resolution procedures.

23. RIGHT OF THE PARTIES IN THE EVENT OF TERMINATION OF LEASE. Upon termination of this Lease, CSD may re-enter and repossess the Property and the AWPf and CVWD must surrender and deliver the Property to CSD within six months of such termination in good order, condition and repair, except for reasonable wear and tear. During this six-month period, CVWD may relocate as many portable portions of the AWPf as possible. Termination of this Lease does not relieve or release CVWD from any obligation incurred pursuant to this Lease before the date of such termination.

24. RIGHTS AND REMEDIES ARE CUMULATIVE. These remedies are not exclusive and shall be cumulative to all other rights and remedies possessed by CSD. The exercise by CSD of one or more such rights or remedies does not preclude the exercise by

it, at the same or different times, of any other rights or remedies for the same default or any other default by CVWD.

25. MISCELLANEOUS.

A. Governing Law. This Lease is governed by the laws of the State of California.

B. Legal Actions. In addition to any other rights or remedies, either Party may institute legal action to cure, correct or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Lease. Such legal actions must be instituted in the Superior Court of Santa Barbara County, State of California, in any other appropriate court in that County, or in the Federal District Court in the District of California in which the Property is located.

C. Acceptance of Service of Process. If any legal action is commenced by one Party against the other, service of process on a Party must be made by personal service upon the Party's General Manager, or in such other manner as may be provided by law.

26. POSSESSORY INTEREST TAXES. CVWD is informed by CSD pursuant to Revenue & Taxation Code § 107.6 that its property interest in the land may be subject to property taxation if created and that a lessee may be subject to the payment of property taxes levied on its interest. CVWD may not deduct such amount from payments to CSD. The Parties understand and agree that the Parties are each public agencies, neither of which should be subject to payment of possessory interest taxes. In the event possessory interest taxes are levied on CVWD's interest in the Property, the Parties will cooperatively resolve or terminate any such levy.

27. NOTICES. All notices must be given as provided in the JEPA.

28. TIME IS OF THE ESSENCE. Time is of the essence in the performance of the terms and conditions of this Lease.

29. WAIVERS AND AMENDMENTS. All waivers and amendments of the provisions of this Lease must be in writing and signed by the appropriate authorities of CSD or CVWD. The waiver by CSD of any breach of any term, covenant, or condition herein contained may not be deemed to be a waiver of such term, covenant or condition, or any subsequent breach of the same or any other term, covenant or condition herein contained. Failure on the part of CSD to require or exact full and complete compliance with any of the covenants or conditions of this Lease may not be construed as in any manner changing the terms hereof and does not prevent CSD from enforcing any provision hereof.

30. ENTIRE AGREEMENT. Except as otherwise provided as to the JEPA, this Lease sets forth the entire understanding of the Parties with respect to CVWD's ground lease of the Property.

31. **BINDING EFFECT.** This Lease is binding upon and (subject to restrictions on assignment and subletting) inures to the benefit of the parties hereto and their successors and assigns.

32. **ESTOPPEL CERTIFICATES.** Each of the Parties may at any time and from time to time upon not less than 30 days' prior notice by the other, execute, acknowledge and deliver to such other Party a statement in writing certifying that this Lease is unmodified and is in full force and effect (or if there shall have been modifications that this Lease is in full force and effect as modified and stating the modifications), and stating whether or not to the best knowledge of the signer of such certificate such other Party is in default in performing or observing any provision of this Lease, and, if in default, specifying each such default of which the signer may have knowledge, and such other matters as such other Party may reasonably request, it being intended that any such statement delivered by CVWD may be relied upon by CSD or any successor in interest to CSD or any prospective mortgagee or encumbrancer, and it being further intended that any such statement delivered by CSD may be relied upon by any prospective assignee of CVWD's interest in this Lease. Reliance on any such certificate may not extend to any default as to which the signer of the certificate has no actual knowledge.

33. **MEMORANDUM OF LEASE.** Upon the execution of this Lease, CVWD will execute, acknowledge, and record a memorandum of this Lease in the form of Exhibit "B" and deliver it to CSD.

34. **CONDITION OF PROPERTY UPON TERMINATION.** Within six months of termination of this Lease for any reason, and except as provided for Transfer of the Property under the JEPA, CVWD will vacate the Property and deliver it to CSD in good order and condition, damage by the elements, earthquake, and ordinary wear and tear excepted.

35. **LEASE BY CSD.** Should CSD lease any part of the Property to any transferee other than CVWD, then such transfer is under and subject to this Lease and all of CVWD's rights hereunder.

36. **RELOCATION BENEFITS.** CVWD acknowledges that it was informed that CSD is a public entity and that the Property was previously acquired by CSD for a public purpose. CVWD further acknowledges that any rights acquired under this Lease arose after the date of acquisition of the Property and that said rights are subject to termination when the Property is needed by CSD. CVWD acknowledges that at the time of any termination of this Lease, CVWD will not be a "displaced person" entitled to any of the relocation assistance or benefits offered to displaced persons under State or Federal law.

37. **FORCE MAJEURE.** Should performance of this Lease be prevented due to fire, flood, explosion, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' control for a consecutive 12-month period, either Party may terminate this Lease.

38. **WAIVER OF BREACH.** Any express or implied waiver of a breach of any term of this Lease will not constitute a waiver of any further breach of the same or other term of this Lease.

39. **CONSTRUCTION.** The language of each part of this Lease will be construed simply and according to its fair meaning, and this Lease will never be construed either for or against either Party.

40. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Lease and to engage in the actions described herein. This Lease may be modified by written amendment signed by duly authorized representatives of both Parties. The Parties' General Managers, or their designees, may execute any such amendment if authorized by their respective Boards of Directors.

41. **COUNTERPARTS.** This Lease may be executed in any number or counterparts, each of which will be an original, but all of which together will constitute one instrument executed on the same date.

IN WITNESS WHEREOF the Parties have executed this contract the day and year first hereinabove written.

CARPINTERIA SANITARY DISTRICT

ATTEST:

APPROVED AS TO FORM:

CARPINTERIA VALLEY WATER DISTRICT

ATTEST:

APPROVED AS TO FORM:



Carpinteria Sanitary District

Board of Directors Meeting

STAFF REPORT

TO: Board of Directors

FROM: Craig Murray, P.E. - General Manager

SUBJECT: Carpinteria Advanced Purification Project (CAPP) Update

DATE: November 7, 2023

REQUESTED ACTION: None. Information Only.

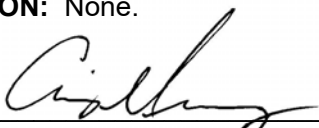
BACKGROUND: Progress continues to be made on development of an indirect potable reuse (IPR) recycled water project in conjunction with the Carpinteria Valley Water District (CVWD). A brief summary of activities underway is provided below.

Design Activities. Carollo and Woodard Curran are proceeding with the final design effort for the AWPf and the injection wells. The pipeline final design will proceed once utility potholing is complete. The UF pilot facility operation is ongoing and District operations staff are performing daily inspection and maintenance. A bench scale reverse osmosis treatment system was delivered to the site and Carollo staff did the startup on this equipment. District staff will run the system in batch mode over the next several months and collect a comprehensive suite of samples for analysis. We are fine tuning some of the traffic patterns and have suggested some minor site modifications to facilitate construction traffic and future semi-trailer access to the site.

Permitting and Entitlements. CVWD is continuing work to obtain necessary easements and encroachment permits for construction of the two injection wells. The District is attempting to coordinate a meeting with City and Coastal Commission staff to discuss AWPf siting and setback issues ahead of submitting a Coastal Development Permit application. The team has reviewed the draft NPDES and WDR/WRR permits for the Soquel Pure Water project, which will be considered by the Central Coast RWQCB in December. These permits are likely to be basis templates for CAPP permitting.

RECOMMENDATION: None. Information Only.

SUGGESTED MOTION: None.

Prepared by: 
Craig Murray, P.E. - General Manager