

**MINUTES OF THE REGULAR MEETING
of the
BOARD OF DIRECTORS
of the
MONTECITO SANITARY DISTRICT**

May 08, 2017

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT convened a regular meeting at 1:15 p.m. on May 8th at 1042 Monte Cristo Lane, Montecito, California.

ATTENDANCE

Present: Directors Thomas Kern, Jeff Kerns, Judith M. Ishkanian, Warner B. Owens, and Bob Williams

Also Present: Diane M. Gabriel, MSD General Manager/District Engineer
Toni M. McDonald, MSD District Administrator
Carrie Poytress, MSD Engineering Manager
Alex Alonzo, MSD Operations Manager
Donna Senaur, Resident/Montecito Planning Commission
Sophie Calvin, Resident/North Sierra Vista

2. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes of April 10, 2017 were included in the agenda packet.

Director Kerns noticed his name was misspelled in item 6C.

On MOTION by Director Kern and second by Director Kerns, the Board approved unanimously without abstention the minutes of April 10, 2017 amended with the correction as noted above.

3. APPROVAL OF PAYROLL AND PAYABLES

On MOTION by Director Owens and second by Director Ishkanian, the Board approved unanimously without abstention the following expenses from April 10, 2017 through May 8, 2017:

Accounts Payable Expenses	\$ 97,474.55
Capital Improvement Projects	28,515.68
Payroll Expenses	<u>166,299.91</u>
 Total Expenses	 \$ 292,290.14

4. **PUBLIC COMMENT**

Montecito resident Donna Senaur spoke regarding the proposed roundabout on Channel Drive/Cabrillo Boulevard.

5. **OLD BUSINESS**

A. **MONTECITO WATER REUSE**

General Manager Gabriel reported on the Montecito Water District (MWD) Operations and Administrative Committee (Committee) meeting that was held in the morning of May 8th. The Committee expressed interest in studying the feasibility of recycled water. The Committee also reported it is considering using wastewater from Montecito and Summerland Sanitary Districts, sending this wastewater to the Carpinteria Sanitary District for further treatment, and then pumping it up to Toro Canyon to be injected into the ground. The Committee stated that by 2025 MWD may want to procure 700 acre feet of recycled water from the Montecito Sanitary District.

ACTION: None

B. **2017 SEWER REFUNDING REVENUE BONDS**

District Administrator McDonald reported on the 2017 Sewer Refunding Bonds. On May 3rd, all monies were secured in escrow at Bank of New York Mellon for the refunding of the 2007 Certificates of Participation (COPs). The new bonds will be issued July 1, 2017, and will mature in 2030. The District contributed \$1,121,861.96 in unrestricted cash to buy down the existing debt, along with the final payment reserve amount of \$957,824.04, for a total contribution of \$2,079,686.00.

ACTION: None

6. **NEW BUSINESS**

A. **SIERRA VISTA MAINLINE EXTENSION - CONSIDERATION OF AWARD OF CONTRACT – TIERRA CONTRACTING**

General Manager Gabriel reminded the Board that at its meeting on November 14, 2016, the Board authorized staff to advertise the sewer main extension project for bids. The project includes the construction of 585 feet of eight inch diameter PVC sewer main to serve four parcels – 300 and 330 North Sierra Vista, and two parcels at 100 South Sierra Vista. On February 28, 2017 the following bids were received:

Tierra Contracting	\$208,940
Lash Construction	285,505
Granite Construction	335,173
Blois Construction	407,460

As of May 1st two of the three property owners have confirmed in writing their interest in having the District proceed with the construction on the sewer main extension and their willingness to participate financially. The agreement they have signed obligates each of them to pay the

District one fourth of the total cost of the project within thirty days of receiving a notice of completion.

Sophie Calvin, a property owner at 300 Sierra Vista, is interested in connecting and spoke regarding her experience with septic systems issues.

General Manager Gabriel noted the construction would be funded from the Capital Improvement Fund, and the District would be reimbursed half of the cost upon completion from the two property owners interested in connecting. The remaining two properties will be given the opportunity to participate in the project. If they elect not to participate upon completion of the sewer extension, payment of the prorated share, plus interest, will be required to be paid prior to the property connecting to the District sewer.

Given the nature of the soils in the Sierra Vista area and the septic system issues that are occurring, and the interest of two of the four properties, staff recommended that the Board vote to award the contract to Tierra Contracting.

After discussion, on MOTION by Director Owens and second by Director Ishkanian, the Board approved unanimously to award the contract to Tierra Contracting in the amount of \$208,940 and to authorize \$20,000 in construction change order funds.

ACTION: Staff

B. DISSOLVED AIR FLOATATION THICKENER (DAFT) – AUTHORIZATION TO ADVERTERTISE FOR BIDS

General Manager Gabriel reported the District's FY2016-17 Capital Improvement Budget includes \$800,000 for the purchase and installation of a new DAFT for the wastewater treatment process. Phoenix Civil Engineering has prepared bid documents for the manufacturing and delivery of the DAFT to meet the needs of the District.

After discussion, on MOTION by Director Kerns and second by Director Owens, the Board approved unanimously to authorize advertising for bids for this project.

ACTION: Staff

C. AERATION BASIN AIR HEADER INSTALLATION – AUTHORIZATION OF PURCHASE ORDER – CUSHMAN CONTRACTING

General Manager Gabriel reported that at its meeting on November 14, 2016 the Board authorized the issuance of a purchase order in an amount not to exceed \$300,000 to WSG Solutions for parts needed for the rehabilitation of the Aeration Basin Air Headers. The existing air headers (piping transporting air) were part of the original construction of the wastewater treatment plant. This steel piping has reached the end of its useful life and is scheduled for replacement.

Ms. Gabriel reported WSG Solutions has informed the District that shipment of the piping, parts and materials will be on May 15th. As discussed with the Administration and Operations Committee at its meeting on April 4th and presented to the Board in the A&O Report at the April

Director Ishkanian then reported the Committee had discussed and approved the addition of a part-time, temporary Operator in Training (OIT) to work weekends. Staff has recommended the addition of this position as necessary for safety and workflow for weekend shifts that are currently staffed with only one operator.

General Manager Gabriel reported that Chad Steinlicht, Operator III, has resigned his position with the District. Operations Manager Alonzo reported this is an opportunity for the District to bring in a less experienced operator to be mentored and trained by the existing treatment staff.

ACTION: Staff and Finance Committee

K. INFORMATION ITEMS

The Board reviewed a “thank you” letter to the District from Charlene Nagel, President of the Montecito Association.

Director Ishkanian reported the incumbent director for Seat C of the CSDA Board will be running again for that seat. No directors suggested alternative nominations for this position.

Director Ishkanian also reported there will be no SBCCSDA dinner meeting in May.

L. AGREEMENTS SIGNED

1819 East Valley Road; Garage with Workshop

1755 Fernald Point Lane; Termination of Agreement for Auxiliary Structure not constructed

1755 Fernald Point Lane; Potting Shed and Pool Cabana

7. OPERATIONS AND MAINTENANCE

The Board reviewed the information in the agenda packet.

8. ITEMS FOR THE NEXT AGENDA


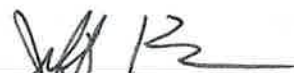
The next meeting will be June 12, 2017.

9. ADJOURNMENT

There being no other business, on MOTION to adjourn by Director Owens and second by Director Ishkanian, the MOTION passed unanimously without abstention and the meeting adjourned at 3:15 p.m.



Bob Williams, President


Judith Ishkanian, Vice President
Warner B. Owens, Secretary
Thomas N. Kern, Treasurer
Jeff Kerns, Director