

**MINUTES OF THE
SEWER SERVICE CHARGES COLLECTED BY MEANS OF THE COUNTY TAX ROLL
PUBLIC HEARING
and
REGULAR MEETING
of the
BOARD OF DIRECTORS
for the
MONTECITO SANITARY DISTRICT**

August 8, 2011

1. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 8th day of August 2011 at 1042 Monte Cristo Lane, Montecito, California, at 1:15 p.m.

ATTENDANCE

Present: Directors Charles C. Arnold, Deirdre M. Cannata, Judith M. Ishkanian, Jeff Kerns, Edward P. McAniff

Absent: None

Also Present: Diane Gabriel, General Manager; Debbie Hughey, Office Manager

2. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes from the prior Board meeting were included in the agenda packets for Board review. Upon MOTION by Director Cannata, and seconded by Director McAniff, the minutes of June 27, 2011 were approved as submitted.

3. APPROVAL OF PAYROLL AND PAYABLES

Upon MOTION by Director Arnold, and seconded by Director Ishkanian, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES for the District through August 8, 2011 as follows:

Fiscal Year 2010-11	
Accounts Payable (6/30/11)	\$7,693.30
Accounts Payable (7/8/11)	\$22,422.06
Accounts Payable (7/20/11)	\$1,941.09
Accounts Payable (7/27/11)	\$722.94

PAYROLL & PAYABLES (continued)

Fiscal Year 2011-12	
Accounts Payable (7/11/11)	\$18,789.46
Accounts Payable (7/21/11)	\$39,293.26
Accounts Payable (7/28/11)	\$7,075.08
Accounts Payable (8/8/11)	\$39,593.19
Payroll (6/30/11)	\$35,508.01
Payroll Related	\$29,063.04
Payroll (7/14/11)	\$34,488.99
Payroll Related	\$10,920.26
Payroll (7/28/11)	\$34,530.04
Payroll Related	\$30,694.91
TOTAL	<u>\$312,735.63</u>

4. PUBLIC COMMENT

No member of the public was present to address the Board on non-agenda items.

5. OLD BUSINESS

A. No Old Business

6. NEW BUSINESS

SEWER SERVICE CHARGE HEARING

President Kerns announced that this was the time and place for the hearing as to whether or not the District's sewer service charges for the fiscal year 2011-12 should be placed on the County Tax Roll for collection, as established by Ordinance 6, dated July 2, 1970.

President Kerns stated that the service charge report (listed by APN) was available for inspection by anyone wishing to know what the District's service charge will be for their property.

President Kerns noted that a letter was sent to the property owners who connected to the District's sewer system in the past year providing them with information regarding the District's method of collecting annual sewer service charges and advising them of the Public hearing.

Secretary McAniff verified with staff that the required proof of Publications for the Notice of Hearing (published in the Santa Barbara News Press July 17 and 24) had been received; that the Affidavit of Mailing of the Notices of the Hearing to new customers was ready for signing; and that the Statement of the Secretary certifying that the service charge report was in order was also ready to be signed. Staff confirmed that all pertinent documents were ready and available for signatures.

President Kerns noted that there were no members of the public present to address the Board.

President Kerns asked the Office Manager if there had been any written or oral objections or protests by the owners of a majority of the separate parcels of property as described in the report. Ms. Hughey stated there had been no inquiries or protests, written or oral, received by the District regarding the Service Charge Hearing as of August 8, 2011.

President Kerns called for the adoption of Resolution No. 2011-868 which would order the filing with the County Auditor the Report of Sewer Service Charges for Fiscal Year 2011-12 to be placed on and Collected by Means of the County Tax Roll. A MOTION was made by Director Arnold and seconded by Director Ishkanian. The MOTION passed with the following roll call vote:

AYES: Arnold, Cannata, Ishkanian, Kerns, McAniff
NAYS: None
ABSENT: None
ACTION: Board and Staff

President Kerns closed the service charge hearing and returned to open session for the regular meeting of the Board.

ACTION: Staff

B. OFFICEHOLDER AND CANDIDATE CAMPAIGN STATEMENT - SHORT FORM 470

As officeholders, each Director must file a Campaign Statement annually for the current calendar year by August 1st with the County Elections Office. Government Code 84200 of the Political Reform Act of 1974 requires disclosure of contributions received and expenditures made by any officeholder or candidate for public office if **all** of the following statements are true:

- The officeholder normally receives \$200 or more per month in salary;
- The officeholder does not anticipate receiving and/or spending \$1,000 or more for political purposes in the calendar year (exceeding the \$1,000 limit triggers other requirements);

- The officeholder does not have a controlled committee as defined by the FPPC (having such a committee triggers other requirements).

Blank copies of Form 470 were mailed or hand delivered to each Board member on July 12th. Staff reported that an original completed form for each member of the Board has been mailed to the County Elections Office and copies will be maintained for the District's files.

ACTION: None

C. SEWER REHABILITATION – REPIPE CALIFORNIA – NOTICE OF COMPLETION

Manager Gabriel informed the Board that on April 27, 2009 the District awarded the 2009 Sewer Rehabilitation Project to RePipe-California. The initial contract with RePipe was for \$578,875 to rehabilitate (slipline) approximately 4 miles of District sewer main in various locations throughout the District. At the time of the award of contract the Board voted to provide the General Manager with the authority to issue contract change orders, as necessary, in the amount not to exceed \$100,000. On September 28, 2009 the Board voted to approve an additional \$155,000 in change order funding and on June 14, 2010 they voted to approve an additional \$182,000. With the approved change order funding, the total funding authorized for the project was \$1,015,875. The additional authorization of funding was brought about because District crews had (through their CCTV'ing efforts) identified pipelines that were significantly compromised and in desperate need of rehabilitation. The rehabilitation of District mainlines was identified by the Board in 2007 as a "mission critical project" to be funded by the COP proceeds. There were sufficient funds available to cover the cost to complete all the necessary work. The total work authorized included the relining of 5.53 miles of pipeline. The final cost of all the work authorized came to a total of \$906,300.66, which was well within the amount authorized by the Board.

On July 26, 2011 a final "walk through" and inspection of all the locations was completed and District staff determined that the project is ready for acceptance by the District.

After discussion, a MOTION was made by Director Ishkanian, and seconded by Director Arnold that the Board accept the work as performed by Repipe for the final contract price of \$906,300.66 and that staff be directed to issue a Notice of Completion for the project. The MOTION passed unanimously.

ACTION: Staff

D. DISINFECTION ALTERNATIVE EVALUATION – PROFESSIONAL SERVICES CONTRACT – CAMP, DRESSER & MCKEE, INC.

At their meeting on June 13th the Board approved additional "mission critical" projects to be funded using the COP proceeds. One of the operational projects requiring outside professional expertise, analysis and design is the project that addresses the District's ability to adequately

treat and disinfect the wastewater flows during times of heavy rainfall. To begin the investigation into the alternatives available to the District, it is necessary to evaluate the disinfection options and determine which of them can maintain adequate disinfection (i.e., meet ocean discharge standards) during the high peak flows experienced during wet-weather events.

District staff has requested a proposal from Camp, Dresser and McKee, Inc (CDM) for professional engineering services to perform a Disinfection Alternatives Evaluation. A time and materials fee not to exceed \$38,080 has been negotiated for their services. The results of their evaluation will be presented to the Board before the end of the year.

After discussion, a MOTION was made by Director Arnold, and seconded by Director McAniff, that the Board authorize the execution of a professional services contract with Camp, Dresser and McKee in the not to exceed amount of \$38,080. Additionally, \$3,800 in extra services funding was approved as part of the contract. The extra services funding will only be used as deemed necessary by the General Manager for services currently not proposed, but that may become necessary as part of the study. The total funding authorized for this contract was \$41,880. The MOTION passed unanimously.

ACTION: General Manager

**E. NEW TESTING LABORATORY CONSTRUCTION MANAGEMENT AND INSPECTION
– MICHAEL VIETTONE CIVIL ENGINEER – EXTRA SERVICES**

At their meeting on October 25, 2010 the Board authorized the execution of a professional services contract with Michael Viettone Civil Engineer for construction management and inspection services during the construction of the new testing laboratory building. The original contract with Michael Viettone was for a time and materials not to exceed amount of \$32,000. There was no extra service funding approved as part of the original contract. The original contract was based on the assumption that the construction project would progress on schedule, meaning that the work would be completed within the specified contract completion time of 254 calendar days. A Notice to Proceed with the construction was issued to the District's contractor, SBS Corporation, on November 15, 2010. As of July 24, 2011, the contractor has worked 257 calendar days at the site but they have not yet completed the project. It is estimated that SBS will be completed with all contract work and punch list items by September 10, 2011. Revisions to the project requested by the District are the main reason for the additional construction time. Given that Mr. Viettone was required to be on site every day that the contractor was working, it is necessary for the District to amend his contract to include additional working days and funding to cover the extra service he is providing. In a letter to the District dated July 25, 2011, Mr. Viettone agreed to continue to provide construction management services, as described in his original proposal, on a time and materials basis in an amount estimated to be \$4,000 per month. It is estimated that the project may take up to two months longer than originally planned.

After discussion, a MOTION was made by Director Arnold, and seconded by Director McAniff, that the Board authorize the General Manager to prepare an amendment to the contract with Mr. Viettone for the extra services funding in the amount of \$8,000. The MOTION passed unanimously.

ACTION: General Manager

F. INFORMATIONAL ITEMS

1. Brochure regarding the 2011 CSDA Annual Conference, October 10-13, held in Monterey.
2. CSDA Magazine, May-June 2011
3. Employee retirement/new hires – Announced retirement of Mike Sullivan, Operator II and introduced Rico Larroude, Collection Lead and Preston Merlo, Operator-in-Training

G. AGREEMENT(S) TO BE SIGNED

No agreements to be signed

7. OPERATIONS AND MAINTENANCE

The Board reviewed the Operations and Maintenance information included in their agenda packets.

8. ITEMS FOR FUTURE AGENDAS




1. Director Ishkanian to contact Jeff Moorhouse regarding LAFCO Letter.
2. Report from Directors Cannata and Ishkanian who attended the CASA conference.
3. Report from Personnel Committee regarding draft response to Grand Jury request for response to their report “Local Government Post Employment Benefits in Santa Barbara County – Complicated and Costly.”

9. ADJOURNMENT

There being no further business to come before the Board, it was MOVED by Director Ishkanian, and seconded by Director Arnold, that the meeting be adjourned. The MOTION carried, and the meeting adjourned at 2:50 pm.



Jeff Kerns, President


Judith M. Ishkanian, Vice-President
Edward P. McNiff, Secretary
Charles C. Arnold, Treasurer
Deirdre M. Cannata, Director