

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

August 26, 2013

A. CALL TO ORDER

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 26th day of August 2013 at 1042 Monte Cristo Lane, Montecito, California, at 1:15 p.m.

ATTENDANCE

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

Absent: Director Deirdre M. Cannata

Also Present: Diane M. Gabriel, General Manager, and Toni M. McDonald, District Administrator

B. APPROVAL OF MINUTES OF THE LAST MEETING

The minutes from the prior Board meeting were included in the agenda packet for Board review. On MOTION by Director Owens and second by Director Kern, the minutes of August 12, 2013 were approved as corrected.

C. APPROVAL OF PAYROLL AND PAYABLES

On MOTION by Director Kerns and second by Director Kern, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES from August 12, 2013 through August 26, 2013 as follows:

Accounts Payable Expenses	\$64,049.52
Payroll and Related Expenses	62,838.90
Total Expenses	<u>\$ 126,888.42</u>

4. PUBLIC COMMENT

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

5. OLD BUSINESS

No old business.

6. NEW BUSINESS (A – D)

A. TREATMENT PLANT BELT PRESS – DIGESTED SLUDGE PUMP – PURCHASE ORDER AUTHORIZATION – CORTECH ENGINEERING

At its April 29, 2013 meeting the Board authorized a purchase order to Siemens Water Technologies Corporation to refurbish the 1999 Belt Filter Press (COP Project #17). The belt press refurbishment is scheduled to begin in early September. After finishing the refurbishment, Operations staff will replace the existing 1999 digested sludge pump, which feeds sludge to the belt press for dewatering. The replacement pump (a Seepex progressive cavity pump) is only available through a local distributor, Cortech Engineering. Cortech has given the District a reasonable and justified quote of \$12,000 plus tax to supply the pump.

After discussion, on MOTION by Director Kern and second by Director Owens to authorize the General Manager to issue a purchase order for the Digested Sludge Pump to Cortech Engineering in the amount of \$12,000 plus tax, the MOTION passed unanimously.

ACTION: General Manager

B. SEWER MAIN REHABILITATION – INSITUFORM TECHNOLOGIES INC. NOTICE OF COMPLETION

On May 14, 2012 the District awarded the 2012 Sewer Rehabilitation Project to Insituform Technologies, Inc. The \$563,519.50 contract was to rehabilitate (slip-line) approximately 3.44 miles of sewer mains in various locations. At the same time the Board authorized the General Manager to issue contract change orders, as necessary, in an amount not to exceed \$68,000.

The District has performed a final “walk through” and inspection of all the locations and the videos of the interior of the relined pipe have been reviewed. A July 29th final project meeting was held with Insituform representatives and it was agreed that the project was ready for acceptance by the District.

Three Contract Change Orders were issued for primarily the addition of .24 miles of lining and a District credit for non-compliant work. These change orders totaled \$8,781.85, bringing the final contract cost to \$572,301.35 and within the authorized amount.

After discussion, on MOTION by Director Kerns and second by Director Kern to accept the work as performed by Insituform Technologies, Inc. for the final contract price of \$572,301.35 and to direct staff to issue a Notice of Completion for the project, the MOTION passed unanimously.

ACTION: Staff

C. 1514 EAST MOUNTAIN DRIVE SEWER MAIN EXTENSION – REIMBURSEMENT AGREEMENT – MR. IVAN FECAN

At its October 29, 2012 meeting the Board gave conceptual approval to a reimbursement agreement with Mr. Ivan Fecan, owner of 1514 East Mountain Drive. Mr. Fecan funded the construction of 670 feet of eight inch sewer main to service his property in accordance with the executed “Dedication Agreement.”

After discussion, on MOTION by Director Kern and second by Director Owens to approve the execution of a reimbursement agreement with Mr. Fecan, the MOTION passed unanimously.

ACTION: Staff

D. SCHEDULING OF ADMINISTRATION AND OPERATIONS COMMITTEE MEETING

The Board directed the Administration and Operations Committee to meet on Tuesday, August 27, 2013 at 10 a.m. with District intern John Bridgeman to discuss his drafts of the District’s Fats, Oil, and Grease (FOG) program and informative advertisement about the proper disposal of unused medications.

E. SCHEDULING OF FINANCE COMMITTEE MEETING

The Board directed the Finance Committee to meet with Santa Barbara County Investment Pool representatives on August 29, 2013 at 10 a.m..

F. QUARTERLY INVESTMENT POLICY STATEMENT – JUNE 30, 2013

The Board was informed that the District must make quarterly statements certifying that: (1) the investments made on behalf of the District by LAIF and the Santa Barbara County Treasurer’s office complied with District Investment Policy; (2) a complete and timely record of all investment transactions is maintained in the District office from reports supplied by LAIF and the Santa Barbara County Treasurer; and (3) the District is able to meet its pool’s expenditure requirements for the next six months.

After Treasurer Kern certified that the three statements were correct, the Quarterly Certification Statement was signed immediately following the meeting.

G. INFORMATIONAL ITEMS

President Ishkanian reported on the board meeting of the Santa Barbara Chapter of CSDA. She spoke about California proposed legislation SB594 and asked the Board to review and consider a sample letter response about SB594.

President Ishkanian and Director Owens reported on the August CASA conference in San Diego. Director Owens was impressed with the knowledge of his fellow directors and District staff’s commitment to using leading edge technology. President Ishkanian spoke of the level of expertise

provided at the conference and the importance of incremental investment in plant infrastructure because of rapid technological advances.

General Manager Gabriel reported that the next CASA conference will be in January 2014 in the Palm Springs area. President Ishkanian talked about the value of directors' attendance.

H. AGREEMENTS SIGNED

Residential Sewer Service Agreements for New Auxiliary Structures

741 San Ysidro Road – New detached Rec-Room

245 Oak Road – New pool cabana (signed prior to meeting)

645 San Ysidro Road – New pool cabana (signed prior to meeting)

1045 Cold Springs Road – New pool cabana/outdoor dining room (signed prior to meeting)

7. OPERATIONS AND MAINTENANCE

Directors reviewed the Operations and Maintenance information included in the agenda packet.

8. ITEMS FOR THE NEXT AGENDA

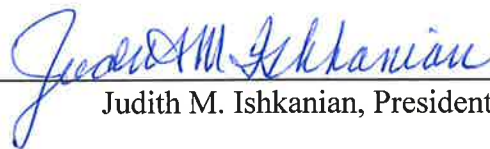
The Board will discuss a letter response to SB 594;

Administration and Operations Committee will report on meeting of August 27, 2013; and

Finance Committee will report on meeting of August 29, 2013.

9. ADJOURNMENT

There being no other business, on MOTION to adjourn by Director Kern and second by Director Owens, the MOTION carried and the meeting adjourned at 2:30 p.m.

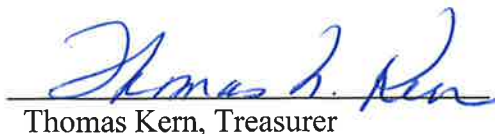


Judith M. Ishkanian, President



Jeff Kern, Vice President

[Absent]
Deirdre M. Cannata, Secretary



Thomas Kern, Treasurer



Warner B. Owens, Director