



Montecito Sanitary District

1042 Monte Cristo Lane *A Public Service Agency*
Santa Barbara, CA 93108

Phone: (805) 969-4200
www.montsan.org

BOARD PACKET

For the Regular Board Meeting of

Thursday, May 27, 2021

- 1. Agenda www.montsan.org/.../Agenda+2021-05-27.pdf
- 2. Minutes of the Regular Meeting of the Board on May 13, 20212
- 3. Payables for dates May 1, 2021 through May 21, 20216
- 4. EXHIBIT A – Staff Report: CalTrans Highway 101 HOV Project.....11
- 5. EXHIBIT B – Staff Report: Lilac and Oak Grove Sewer Main Extension13
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- 8. EXHIBIT E – Finance Committee Agenda of May 4, 2021.....18



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MINUTES

For the Regular Meeting of the Board on:

May 13, 2021

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 1:30 pm on Thursday, May 13, 2021 using Zoom teleconferencing in accordance with the State Executive Order No. N-29-20 issued on March 17, 2020.

ATTENDANCE

Board Members Present:

President Dorinne Lee Johnson, Vice President Woody Barrett, Director Gary Fuller, Secretary Dana Newquist

Board Members Absent: Treasurer Don Eversoll

Also Present and Participating:

Tony Wong, P.E. Kimley-Horn, MSD Interim General Manager
Carrie Poytress, MSD Engineering Manager
Elizabeth (Betsy) A. Byrne, MSD District Administrator
Ricardo Larroude, MSD Collections & Maintenance Supervisor
Mark Manion, Price Postel & Parma
Jeff Kerns
Ken, Montecito Resident
Bob Hazard, Montecito Resident
Alison Thompson
Local Resident

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

ON MOTION by Director Newquist, Second by Director Fuller, the Board voted to approve the minutes from Board Meetings held on April 8th, April 20th, and April 27th, 2021.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

4. APPROVAL OF PAYABLES

The Finance Committee met in advance of the regular board meeting and reviewed payables.

ON MOTION by Director Newquist, Second by Director Barrett, the board voted to approve the payables list for expenses incurred by the District between April 1, 2021 and April 30, 2021.

| | |
|------------------------------|-------------------|
| Accounts Payable Expenses | 239,225.24 |
| Capital Improvement Projects | 167,427.42 |
| Payroll and Related Expenses | 151,200.45 |
| Total Expenses | 557,853.11 |

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

5. OLD BUSINESS

A. RECYCLED WATER PRELIMINARY DESIGN REPORT AND 30% DESIGN

ON MOTION by Director Barrett, Second by Director Newquist, the Board voted to reject all responses to the Request for Proposal (RFP) for Recycled Water Preliminary Design Report And 30% Design.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

6. NEW BUSINESS

A. ORDINANCE NO. 18 – REPEALING ORDINANCE 16 UPCCAA

ON MOTION by Director Newquist, Second by Director Barrett, the Board voted to adopt Ordinance No. 18 Repealing Ordinance No. 16 and electing to withdraw from the Uniform Public Construction Cost Accounting Act.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

B. ORGANIZATIONAL DECISIONS (AGENDA ITEM C)

ON MOTION by Director Newquist, Second by Director Fuller, the Board voted to amend the start time of the Regular meetings of the Board from 1:30 pm to 2:00 pm and add a second regular meeting on the fourth Thursday of each month.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

C. HOT SPRINGS ROAD COUNTY PROJECT

ON MOTION by Director Newquist, Second by Director Fuller, the Board voted to award a contract to Tierra Contracting for the manhole adjustments required by the County on Hot Springs Road.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

D. LATERAL REBATE PROGRAM POLICY

No Action. District General Counsel Mark Manion stated that his advice remains as issued in 2005 memo, which illustrates the potential violation of Government Code Section 1090 if a Director were to participate in any contract made by the Board in their official capacity. Counsel advised that if a Director wished to ignore his 2005 advice, such Director should request an opinion of the FPPC (California Fair Political Practices Commission).

7. COMMITTEE REPORTS

The Board heard reports of the following Committee Meetings:

- i) **Joint Strategic Planning Committee (with Montecito Water District)**, Directors Barrett and Johnson, from its April 15th meeting.
- ii) **Finance Committee** Meeting of May 4th, Directors Eversoll and Barrett.
 - 1. O&M Budget vs Actual Expenditures
 - 2. CIP Status Report
 - 3. Quarterly Investment Activity
 - 4. Quarterly Investment Certification

ON MOTION by Director Barrett, Second by Director Newquist, the Board voted to accept quarterly financial statements as presented for the period ending March 31, 2021.

AYES: Directors Barrett, Fuller, Newquist and Johnson
NAYS: None
ABSTAIN: None
ABSENT: Director Eversoll

8. DISTRICT OPERATIONS AND MAINTENANCE

A. INFORMATION ITEMS

Interim General Manager Tony Wong P.E., provided informational, nonactionable, updates regarding matters before the District.

B. AGREEMENTS TO BE SIGNED

Board President Johnson will arrange a time to meet at the District to sign the following Homeowner agreements on behalf of the District:

- i) 2810 Sycamore Canyon Road, Sewer Service Agreement for detached exercise room
- ii) 790 Rockbridge Road, Pump Variance Agreement and Sewer Service Agreement for Pool Cabana
- iii) 321 Hot Springs Road, License Agreement for easement encroachments
- iv) 1970 East Valley Road, Sewer Service Agreement for Pool Cabana
- v) 685 Stonehouse Lane, Sewer Service Agreement for Guesthouse.

9. CLOSED SESSION

The Board of Directors conducted a closed session related to Labor Negotiations for the recruitment of a General Manager. No Reportable Action as a result of closed session.

10. ITEMS FOR THE NEXT AGENDA

The next regular meeting of the Board will be on May 27, 2021 at 2:00 pm and the Agenda shall include the topic(s) of:

- The Highway 101 Sewer Main Relocation Project
- Lilac & Oak Grove Sewer Main Extension Project
- An Ordinance regarding sewer main extension costs on County Tax Roll
- Committee Report of A&O Committee meeting of April 22, 2021
- Committee Report of Finance Committee meeting of May 4, 2021
- The ability of the Permanent General Manager to promote and increase staff salaries.
- Staff was directed to schedule a meeting of the Personnel Committee after May 27

11. ADJOURNMENT

The meeting adjourned at 4:08 pm ON MOTION by Director Newquist, second by Director Barrett.

Dorinne Lee Johnson, President

Ellwood T. Barrett II, Vice President

Dana Newquist, Secretary

Donald M. Eversoll, Treasurer

Gary Fuller, Director



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BOARD LIST OF PAYABLES

| <u>CHECK DATE</u> | <u>SUMMARY & TYPE</u> | <u>BATCH TOTAL</u> |
|-------------------|------------------------------|-----------------------------|
| 05/07/2021 | ACCOUNTS PAYABLE | 95,780.92 |
| 05/21/2021 | ACCOUNTS PAYABLE | 58,821.25 |
| | Subtotal | 154,602.17 |
| 05/07/2021 | CAPITAL IMPROVEMENT PROJECTS | 20,754.45 |
| 05/21/2021 | CAPITAL IMPROVEMENT PROJECTS | 168,127.25 |
| | Subtotal | 188,881.70 |
| 05/06/2021 | PAYROLL | 78,485.60 |
| 05/20/2021 | PAYROLL | 72,830.14 |
| | Subtotal | 151,315.74 |
| | TOTAL | <u>\$ 494,799.61</u> |

Approved for Payment:

Date: May 27, 2021

Amount: \$ 494,799.61

_____, General Manager

_____, Treasurer

_____, Director

Check History Report
Sorted By Check Number
Activity From: 5/7/2021 to 5/7/2021
MONTECITO SANITARY DISTRICT (MSD)

| Check Number | Check Date | Check Name | Check Amount | Check Description |
|--------------|------------|-------------------------------------|--------------|--|
| 026523 | 5/7/2021 | AT&T MOBILITY | 23.24 | Wireless Data Port-April |
| 026524 | 5/7/2021 | AUTOZONE, INC | 23.90 | Parts for Chevy Colorado, Unit #9 |
| 026525 | 5/7/2021 | BIG GREEN CLEANING COMPANY | 1,784.00 | Janitorial Services-May |
| 026526 | 5/7/2021 | BOYD & ASSOCIATES | 125.00 | Service Call for Alarm System |
| 026527 | 5/7/2021 | BUTTERFLY LANE CONDOMINIUM HOA | 10,350.00 | Deposit Refund for 85, 87 & 89 Butterfly Lane |
| 026528 | 5/7/2021 | ELIZABETH BYRNE | 490.00 | Reimbursement for Training Charged to Credit Card |
| 026529 | 5/7/2021 | CANON FINANCIAL SERVICES INC | 272.61 | Canon Copier Lease Payment-May |
| 026530 | 5/7/2021 | CED ROYAL INDUSTRIAL SOLUTIONS | 139.05 | RAS Relays for Operations |
| 026531 | 5/7/2021 | COMPUVISION COMMUNICATIONS | 841.50 | BitDefender Annual Antivirus Renewal |
| 026532 | 5/7/2021 | CROMER MATERIAL HANDLING | 725.36 | Forklift Lease Payment-April |
| 026533 | 5/7/2021 | CALIFORNIA WATER ENVIRONMENT | 586.00 | Staff Certification/Membership Renewals |
| 026534 | 5/7/2021 | D & H WATER SYSTEMS | 1,258.38 | Spare Parts for Analyzers |
| 026535 | 5/7/2021 | DOCU PRODUCTS | 62.33 | Copier Maintenance Agreement-May |
| 026536 | 5/7/2021 | ENVIRONMENTAL EXPRESS, INC | 956.35 | Lab Testing Supplies |
| 026537 | 5/7/2021 | FERGUSON WATERWORKS #1083 | 1,100.62 | Couplings for Lift Station 4 |
| 026538 | 5/7/2021 | FILIPPIN ENGINEERING | 147.00 | 525 Hot Springs Road Sewer Main Relocation Inspection |
| 026539 | 5/7/2021 | FISHER SCIENTIFIC | 1,814.07 | Laboratory Oven |
| 026540 | 5/7/2021 | FRONTIER | 302.87 | Phone Services for Operations Alarms, Fax, Gate-May |
| 026541 | 5/7/2021 | GRAINGER | 1,024.71 | Fire Extinguisher, Spare Sample Pump, Radio Microphone |
| 026542 | 5/7/2021 | HACH COMPANY | 366.81 | Analyzer Chemicals |
| 026543 | 5/7/2021 | MARICEL HINES | 2,000.00 | Lateral Replacement Rebate - 89 Butterfly Lane |
| 026544 | 5/7/2021 | JOY EQUIPMENT PROTECTION, INC | 585.12 | 3 new Extinguishers and Fire Extinguisher Servicing |
| 026545 | 5/7/2021 | KAMAN INDUSTRIAL TECHNOLOGIES | 1,575.18 | UF/RO Bag Filter Pump, Spare Sample Pump |
| 026546 | 5/7/2021 | KIMLEY-HORN AND ASSOCIATES, INC | 28,485.44 | Interim GM Consulting Services-April |
| 026547 | 5/7/2021 | MARBORG INDUSTRIES | 2,580.08 | Restroom Trailer Lease Payment-April |
| 026548 | 5/7/2021 | MCCORMIX CORP | 724.88 | Vehicle Fuel 04/15-04/30/21 |
| 026549 | 5/7/2021 | MCMaster-CARR SUPPLY COMPANY | 406.84 | Full Face Respirators |
| 026550 | 5/7/2021 | MARY M. MOONEY | 2,000.00 | Lateral Replacement Rebate - 85 Butterfly Lane |
| 026551 | 5/7/2021 | OILFIELD ENVIRONMENTAL & COMPLIANCE | 1,440.00 | Outside Lab Analysis for UF/RO 04/22 & 04/29 |
| 026552 | 5/7/2021 | PAYCHEX OF NEW YORK, LLC | 279.55 | Payroll Services - April |
| 026553 | 5/7/2021 | PERRY FORD | 143.09 | Repair Parts for Ford F350, Unit #7 |
| 026554 | 5/7/2021 | PLUMBERS DEPOT, INC | 1,638.54 | CCTV Transporter Repair |
| 026555 | 5/7/2021 | PURETEC INDUSTRIAL WATER | 53.44 | Water Softener Sodium Tank Exchange |
| 026556 | 5/7/2021 | RINGCENTRAL, INC. | 533.68 | Office Phones-April |
| 026557 | 5/7/2021 | SAFEGUARD BUSINESS SYSTEMS | 59.67 | Deposit Books |
| 026558 | 5/7/2021 | SAFETY-KLEEN SYSTEMS, INC | 217.55 | Hazardous Materials Disposal |
| 026559 | 5/7/2021 | SANTA BARBARA LOCKSMITHS, INC | 10.60 | Copy of District keys |
| 026560 | 5/7/2021 | SOUTHERN CALIFORNIA EDISON CO | 12,668.52 | Electric Service-April |
| 026561 | 5/7/2021 | JEFFREY SCHNEIDER | 2,300.00 | Deposit Refund-808 San Ysidro Lane |
| 026562 | 5/7/2021 | SIEMENS INDUSTRY, INC | 1,123.39 | Level Transducer for Lift Station 4 |
| 026563 | 5/7/2021 | STREAMLINE | 310.00 | Website Hosting-April |
| 026564 | 5/7/2021 | TAFT ELECTRIC COMPANY | 2,742.00 | Electrical Fire Repair Work, On-Call Electrical for Lift Station |
| 026565 | 5/7/2021 | T-MOBILE | 20.00 | Wireless Port for UF/RO-April |
| 026566 | 5/7/2021 | TOTAL COMPENSATION SYSTEMS | 1,350.00 | GASB Full Valuation |
| 026567 | 5/7/2021 | UNION BANK | 499.72 | Annual Zoom Fees, Operator Training |
| 026568 | 5/7/2021 | UNION BANK | 1,563.43 | Operator Training, Microsoft Teams, Retirement Luncheon |
| 026569 | 5/7/2021 | UNIVAR SOLUTIONS | 7,288.48 | Plant Chemicals |
| 026570 | 5/7/2021 | UNDERGROUND SERVICE ALERT | 184.71 | 74 Dig Alert Tickets, State Regulatory Fee-April |
| 026571 | 5/7/2021 | USA BLUE BOOK | 603.21 | Distribution Pump for UF/RO |

Bank B Total: 95,780.92

Report Total: 95,780.92

Check History Report
Sorted By Check Number
Activity From: 5/21/2021 to 5/21/2021
MONTECITO SANITARY DISTRICT (MSD)

Bank B OPERATING CASH (MBT)

| Check Number | Check Date | Name | Check Amount | Description |
|----------------------|-------------------|---|-------------------------|--|
| 026572 | 5/21/2021 | AT&T MOBILITY | 101.62 | Wireless Service for Lift Station 4, Standby Phone |
| 026573 | 5/21/2021 | ANDREW BROEREN (or) BRIGIT KLEIN | 4,300.00 | Deposit Refund, Lateral Rebate-1409 School House |
| 026575 | 5/21/2021 | MIRIAM IRETON | 2,000.00 | Lateral Replacement Rebate-1380 Virginia Road |
| 026576 | 5/21/2021 | CINTAS CORPORATION #684 | 1,016.34 | Uniform,Towels,Floor Mats-Cleaning/Rental-April |
| 026577 | 5/21/2021 | COMPUVISION COMMUNICATIONS | 3,363.75 | IT Services-April / Cloud Backup,NetAlert-June |
| 026578 | 5/21/2021 | CORT | 44.00 | Deed Report-April |
| 026579 | 5/21/2021 | COX BUSINESS | 160.39 | Internet Wireless Service-May |
| 026580 | 5/21/2021 | CROMER MATERIAL HANDLING | 725.36 | Forklift Lease Payment-May |
| 026581 | 5/21/2021 | CULLIGAN OF VENTURA COUNTY | 130.69 | Bottled Drinking Water/Dispenser Rental-April |
| 026582 | 5/21/2021 | ENGEL & GRAY, INC | 4,977.65 | Biosolids Hauling-April |
| 026583 | 5/21/2021 | FILIPPIN ENGINEERING | 4,299.75 | 525 Hot Springs Sewer Main Relocation Inspections |
| 026584 | 5/21/2021 | FISHER SCIENTIFIC | 599.75 | Lab Testing Supplies |
| 026585 | 5/21/2021 | FRONTIER | 266.91 | Phone Service for Lift Station's 1,2,4,5-May |
| 026586 | 5/21/2021 | GOVERNMENT FINANCE OFFICERS ASSOCIATION | 490.00 | Local Government Budgeting Training-Byrne |
| 026587 | 5/21/2021 | GRAINGER | 1,334.07 | Feed Pump for UF/RO, Plant Maintenance Materials |
| 026588 | 5/21/2021 | H2O INNOVATION USA | 781.09 | UF/RO Chemicals |
| 026589 | 5/21/2021 | IDEXX DISTRIBUTION, INC | 892.01 | Lab Testing Supplies |
| 026590 | 5/21/2021 | JMPE ELECTRICAL ENGINEERING | 12,800.00 | Electrical Design Professional Services |
| 026591 | 5/21/2021 | DAVID (or) JULIE LUMLEY | 2,000.00 | Lateral Replacement Rebate-1174 Glenview Road |
| 026592 | 5/21/2021 | MARBORG INDUSTRIES | 686.74 | Refuse Disposal/Recycling-April |
| 026593 | 5/21/2021 | MCCORMIX CORP | 896.25 | Vehicle Fuel 05/01-05/15/21 |
| 026595 | 5/21/2021 | MONTECITO WATER DISTRICT | 827.09 | Water Service-April |
| 026596 | 5/21/2021 | MONTECITO WATER DISTRICT | 496.41 | Vac-Con, Small Jetter Water Usage-March/April |
| 026597 | 5/21/2021 | OILFIELD ENVIRONMENTAL & COMPLIANCE | 902.00 | Outside Lab Analyses for UF/RO & Lab-May |
| 026598 | 5/21/2021 | PAUL ORFALEA | 4,300.00 | Deposit Refund, Lateral Rebate-644 Buena Vista Ave |
| 026599 | 5/21/2021 | PERRY FORD | 514.08 | Power Cable for Ford F350, Unit #7 |
| 026600 | 5/21/2021 | PLUMBERS DEPOT, INC | 149.20 | Sewer Nozzle Inserts |
| 026601 | 5/21/2021 | PURETEC INDUSTRIAL WATER | 253.73 | Water Softener Quarterly Tank Rental |
| 026602 | 5/21/2021 | SIEMENS INDUSTRY, INC | 1,113.06 | Spare Transducer for Lift Stations |
| 026603 | 5/21/2021 | SOCAL GAS | 305.78 | Gas Service-April |
| 026604 | 5/21/2021 | PETER (or) SUSAN TORTORICI | 2,000.00 | Lateral Replacement Rebate-2158 Birnam Wood |
| 026605 | 5/21/2021 | UNIVAR SOLUTIONS | 5,824.78 | Plant Chemicals |
| 026606 | 5/21/2021 | WALPOLE & COMPANY | 268.75 | Accounting Consulting Services-April |
| Bank B Total: | | | <u>58,821.25</u> | |
| Report Total: | | | <u><u>58,821.25</u></u> | |

CIP Check History Report
Sorted By Check Number
Activity From: 5/7/2021 to 5/7/2021
MONTECITO SANITARY DISTRICT (MSD)

| Check Number | Check Date | Name | Check Amount | Description |
|----------------------|------------|-----------------------|-------------------------|---|
| 001283 | 5/7/2021 | FILIPPIN ENGINEERING | 20,106.45 | CIP 9-Inspection Services for Riven Rock/Romero Canyon |
| 001284 | 5/7/2021 | TAFT ELECTRIC COMPANY | 648.00 | CIP 10-Install Wiring for UF/RO Bag Filter Motor, Float Level |
| Bank G Total: | | | <u>20,754.45</u> | |
| Report Total: | | | <u><u>20,754.45</u></u> | |

CIP Check History Report
Sorted By Check Number
Activity From: 5/21/2021 to 5/21/2021
MONTECITO SANITARY DISTRICT (MSD)

| Bank | | | Check | Description |
|----------------------|-------------------|----------------------------------|--------------------------|---|
| Check Number | Check Date | Name | Amount | |
| 001285 | 5/21/2021 | FILIPPIN ENGINEERING | 4,255.65 | CIP No. 9-Riven Rock Sewer Main Ext. Inspections |
| 001286 | 5/21/2021 | STANTEC CONSULTING SERVICES INC. | 6,998.00 | CIP No. 9-Property Surveying for Ashley Road Lift Station |
| 001287 | 5/21/2021 | TIERRA CONTRACTING INC | 156,873.60 | CIP No. 9-Romero Canyon Sewer Main Ext. Construction |
| Bank G Total: | | | <u>168,127.25</u> | |
| Report Total: | | | <u><u>168,127.25</u></u> | |



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MONTECITO SANITARY DISTRICT STAFF REPORT- ITEM 6A

Date: May 27, 2021

TO: Board of Directors

FROM: Tony Wong, Interim General Manager

PREPARED BY: Carrie Poytress, Engineering Manager

SUBJECT: Caltrans Highway 101 HOV Project

SUMMARY: The Caltrans Highway 101 HOV Project proposed bridge footings at Oak Creek will interfere with the existing MSD 12" VCP gravity sewer main and two 6" cast iron pipe force mains that cross Highway 101. Caltrans requires that the MSD pipelines be relocated prior to starting their work.

Recommendation – THEREFORE, STAFF RECOMMENDS THAT

1. The Board of Directors approve a contract for engineering design services to Flowers & Associates.

Fiscal Impact – Design Services for \$177,806; construction costs will be estimated as part of the design project.

Public Notice – No notice required for this design phase.

Previous Related Action – Under direction of the Interim General Manager, District staff issued a request for proposal (RFP) for the sewer main crossing relocation on March 12, 2021. Staff received three proposals on April 2, 2021. On April 8, 2021 the Board authorized staff to negotiate a contract with the most qualified firm for engineering design services.

| Consultant | Interim GM Ranking |
|----------------------|--------------------|
| Flowers & Associates | 1 |
| Stantec Consulting | 2 |
| MNS Engineers | 3 |

Goals and Objectives – To meet the Caltrans requirement to relocate the existing sewer main to not interfere with the proposed Oak Creek Bridge.

Environmental Determination – Categorically exempt by CEQA.

Analysis – Justifications: On April 23, 2021 the District received a relocation claim letter from the Caltrans utility coordinator. The existing 12” VCP sewer main from N. Jameson crosses Highway 101 to Posilipo Lane and connects to the Posilipo Lift Station. The 12” VCP gravity sewer main is the only pipe that collects sewage from the eastern portion of the District. This existing sewer main is in conflict with the Caltrans Highway HOV proposed bridge footings at Oak Creek and Caltrans is requiring the District to relocate the sewer main at MSD’s expense. In addition, the two existing 6” cast iron pipe force mains from the Posilipo Lift Station are also in conflict with the proposed bridge, but these force mains can be demolished at any time as they are currently redundant. Furthermore, the District is looking to reduce the sewage flow to the Posilipo Lift Station that is adjacent to the Union Pacific Railroad tracks. The Posilipo Lift Station wet well lacks detention time especially during wet weather flows. The Posilipo lift station pump flow varies between 412 gpm with one pump running and 926 gpm with two pumps running during wet weather events. The District proposes to bring some of the sewage flow to the Miramar Lift Station instead of the Posilipo Lift Station. The Miramar Lift Station pump flow can vary from 190 gpm to 590 gpm with one pump running and 1,100 gpm with two pumps running. The Miramar lift station was experiencing odors since the flow from the hotel was so low. MSD Collections crew adjusted the speed of the Miramar pumps down to 200 gpm to accommodate the low flows but these pumps are not running efficiently at low capacity. Rerouting approximately 80% of the flow from the Posilipo Lift Station to the Miramar Lift Station would provide higher detention times at the Posilipo Lift Station in an emergency. The properties south of Highway 101 would continue to be served by the Posilipo Lift Station and the pumping levels would be adjusted due to the lower flow. The District completed flow monitoring in January and February 2021. The final flow analysis will be completed by the consultant using the flow monitoring data and the meter data from the lift stations.

OTHER DEPARTMENTS INVOLVED: Collections

ATTACHMENTS: None.



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MONTECITO SANITARY DISTRICT STAFF REPORT- ITEM 6B

Date: May 27, 2021

TO: Board of Directors

FROM: Tony Wong, Interim General Manager

PREPARED BY: Carrie Poytress, Engineering Manager

SUBJECT: Lilac and Oak Grove Sewer Main Extension Project

SUMMARY: The project includes 3,822 linear feet of 8-inch diameter PVC sewer main to serve 22 properties along Lilac Drive, Oak Grove Drive, and East Valley Road.

Recommendation – STAFF RECOMMENDS THAT

1. The Board of Directors conditionally award the bid to the second (2nd) lowest bidder subject to sending a letter to the property owners with the project agreement for approval and acceptance using the 2nd lowest bidder because the lowest bidder requested relief from their bid.

Or

2. Reject all bids and direct staff to review the contract documents for improvements and re-advertise for bids.

Fiscal Impact –

| Ranking | Contractor | Bid Amount |
|---------|---------------------|----------------|
| 1 | Cedro Construction* | \$1,682,361.48 |
| 2 | Tierra Contracting | \$1,989,320.00 |
| 3 | Lash Construction | \$2,832,625.00 |

| Project Costs | Amount |
|---|-----------------------|
| Design Survey | \$13,817.25 |
| Construction Inspection | \$60,000.00 |
| County Cape Seal Requirement | \$70,000.00 |
| Construction Change Order Allowance | \$190,000.00 |
| Construction Costs using Tierra Contracting | \$1,989,320.00 |
| Total Project Costs | \$2,323,137.25 |
| Cost per Property (22 properties) | \$105,597.15 |

Previous Related Action – On February 11, 2021 the Board directed staff to advertise for bids. On March 4, 2021 staff submitted the project to Caltrans for review to start the Caltrans Encroachment Permit process. Staff advertised the project on March 23, 2021 and March 28, 2021. On April 13, 2021 staff received bids from Cedro Construction, Tierra Contracting, and Lash Construction and Cedro Construction was the lowest bidder.

Public Notice – As part of the sewer main extension project, letters will be sent to the property owners served by the project with the total project costs asking for the owners to sign either the Agreement or Deferral form. The number of Agreements received determines how much the District will be reimbursed once the construction is completed.

Goals and Objectives – To serve properties currently utilizing septic systems.

Environmental Determination – Categorically exempt by CEQA.

Analysis – Justifications: *On April 20, 2021, staff received a letter from Cedro Construction requesting relief from the bid based upon a material mistake pursuant to criteria set forth in Public Contract Code 5103. If the Board wants to move forward with the project, staff recommends awarding the contract to the 2nd lowest bidder, Tierra Contracting.

The proportionate share of the project costs per property is much higher than any other sewer main extension project the District has constructed. This is due to the rocky nature of the area and the few properties that this length of pipe can serve due to the large property sizes. There are very few construction companies that typically bid our sewer main extension projects. The Caltrans and County of Santa Barbara requirements cannot be revised or adjusted further. The County has already granted this project an exemption from their grind and repave requirement and in lieu of such requirements, the District will pay into a County fund to construct a lower cost cape seal. Staff does not think that re-bidding the project will garner lower bids. In fact, staff predicts that if this project is re-bid that the bids will result in higher costs than before. Note that in July 2021 the prevailing wage rates will increase, which means labor costs will increase.

OTHER DEPARTMENTS INVOLVED: Collections

ATTACHMENTS: April 19, 2021 Letter from Cedro Construction

CEDRO CONSTRUCTION, INC.

April 19, 2021

To: Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108

Re: LILAC DRIVE AND OAK GROVE DRIVE SEWER MAIN EXTENTION PROJECT.

REQUEST FOR RELIEF FROM BID BASED UPON MISTAKE (PUBLIC Contract Code §5103)

Dear: Miss. Poytress

Please consider this letter to serve as Cedro Construction, Inc.'s formal request to be relieved from its bid submitted to the Montecito Sanitary District on April 13, 2021. This request is being made pursuant to Public Contract Code §5101, et seq. and specifically pursuant to the criteria set forth in Public Contract Code §5103.

The circumstances of the mistake are as follows: The bid documents call for approximate 3,822 lineal Feet of pipe to be installed which required excavation, preparation of grade, Installing of the pipe, placing of sand backfill, and paving. Cedro's President and chief estimator, Andy Cedro, made a clerical/typographical error and mistakenly did not enter the cost of paving subcontractor. This resulted in Cedro's bid being approximately \$120,000.00 less than it was intended and, therefore, made the bid materially different than Cedro intended.

The mistake was made in filling out the bid form and was not due to an error in judgment or in carelessness inspecting the site of work or in reading the plans or specifications. The mistake was discovered after Cedro crosschecked its bid package with its bid estimate spreadsheet.

Cedro's total bid as submitted was \$ 1,682,361.48. Thus a mistake of approximately \$ 120,000.00 is significant and makes Cedro's bid substantially different than it was intended to be.

If you have any questions or require additional information, feel free to contact Michael Verner at 805-525-0599.

Sincerely,

Micheal Verner



120 E. Santa Maria Street • Santa Paula, CA • 93060

PHONE: (805) 525-0599 • FAX: (805) 525-0509



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
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MONTECITO SANITARY DISTRICT STAFF REPORT- ITEM 6C

Date: May 27, 2021

TO: Board of Directors

FROM: Tony Wong, Interim General Manager

PREPARED BY: Carrie Poytress, Engineering Manager

SUBJECT: Proposed Ordinance 19

SUMMARY: For District Counsel to draft a new Ordinance for property owners to elect to have connection fees, inspection fees, and proportionate share of sewer main extension costs collected on the County tax roll over a period up to 30 years.

Recommendation – STAFF RECOMMENDS THAT

1. The Board authorize the District Counsel to draft the Ordinance.

Or

2. To take other action as deemed appropriate or necessary.

Fiscal Impact – The fiscal impact is unknown at this time and will be based on the number of property owners that elect to participate in program and the proportionate cost per property of the sewer main extension project. Staff strongly believe that the Ordinance with the additional repayment options will allow more home owners to participate in the sewer main extension projects sooner than if they deferred the costs. The Ordinance will be a benefit to the District in recouping project costs gradually over a period of time.

Previous Related Action – In 2020 the Board directed staff to create a septic to sewer installment payment program.

Public Notice – Once the Ordinance is drafted and approved by the Board, staff will publish the Ordinance in the local newspaper as required by Health and Safety Code §6490.

Goals and Objectives – To help property owners distribute the costs over a period of time for connecting to a new sewer main extension in order to encourage and enable more properties to be able to afford to connect to a new sewer main after an extension project. This will aid the District in recouping the costs of constructing sewer main extensions by assisting property owners in being able to afford the costs.

Environmental Determination – Categorically exempt by CEQA.

Analysis – Justifications: The District currently has a program to allow property owners that are connecting to the sewer for the first time to pay their connection fees (currently \$8,400) over a 10-year period and collect such fees via the County property tax roll. The previous District Counsel had prepared agreements for a property owner to sign in order to participate in the program. Attached is the information on the existing program (EXHIBIT A). However, this existing program does not include payments of the proportionate share of the project construction costs of a sewer main extension.

Staff recommends to revise the program so that it includes the connection fees, inspection fees, and the share of project costs of the sewer main extension and extend the period to 10, 20, or 30-year equal annual installments with interest. An Ordinance would formalize the program and reduce the number of agreements a property owner has to sign. The MSD annual sewer service charges are already collected on the property tax roll.

Staff anticipate that this proposed Ordinance would help the property owners' ability to pay for and move forward with sewer main extension projects. The Lilac and Oak Grove sewer main extension project is the longest and most expensive extension project the District has proposed. If the Board awards the contract to Tierra Contracting as recommended by staff, this Ordinance would allow the property owners of Lilac and Oak Grove to pay the \$105,597.15 of the proportionate share of the construction costs over 30 years which would make the annual payments approximately \$3,519.91 plus interest. Staff anticipates that future sewer main extensions will also be more costly than past projects due to the nature of the areas that do not yet have sewer.

OTHER DEPARTMENTS INVOLVED: Accounting

ATTACHMENTS: Existing Septic to Sewer Installment Program



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AGENDA

For the Special Meeting of
the Finance Committee on:

Tuesday, May 4, 2021

The special meeting of the Finance Committee will begin at 2:00 p.m. on May 4, 2021.

Due to COVID-19 Pandemic, the meeting will be held via Zoom per the [Virtual Meeting Protocols](#).

The public may attend and comment by calling 1-669-900-6833 Meeting ID: **824 2676 8737**

Or by visiting: <https://us02web.zoom.us/j/82426768737>

1. **CALL TO ORDER/ROLL CALL**

2. **PUBLIC COMMENT**

Public comment is **limited to 3 minutes** and is at the discretion of the Committee Chair. For further instructions, see please see [Instructions for Public Comment](#) on the District's website.

3. **OLD BUSINESS**

A. **Bond Indenture Requirements for Funds Balance**

B. **CalPERS Assumed Rate of Return**

C. **Investing with LAIF**

D. **Cash Balances of Other Districts**

4. **NEW BUSINESS**

A. **Purchase Order Procedures**

B. **District Pay Rates and Raises Schedule**

C. **District Vacation and Sick Time Policy**

D. **MSD General Manager Salary, Benefit, and Pension**

E. **Retirement Salary Calculation and District Pension Liability Determination**

F. **Budgeting for Projects, Finance Committee and Presentation to the Board**

G. District Payables for the month of April 2021

H. Quarterly Financial Statements: Qtr End March 31, 2021

- i O&M Budget vs Actual Expenditures
- ii CIP Status Report
- iii Quarterly Investment Activity
- iv Quarterly Investment Certification

I. CIP Future Projects

J. Fiscal Year 2021-2022 Budgeting

5. ITEMS FOR THE NEXT AGENDA

6. ADJOURNMENT