

MINUTES
SPECIAL MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

March 15, 2010

BOARD MEMBERS PRESENT:

John S. Carter, Steven T. Majoewsky, Jerry D. Smith,
John R. Fox

BOARD MEMBERS ABSENT:

George W. Emerson

STAFF MEMBERS PRESENT:

Kamil Azoury, General Manager, Jeff Salt, Operations
Manager, Kathy Johnson, Office Manager, Teresa
Kistner, IWC Officer, Richard Battles, Legal Counsel
from Howell Moore & Gough LLP

OTHERS PRESENT:

Bert Bertrando of Goleta Water District, Larry Meyer of
Goleta West Sanitary District, Neal Rasmussen of Neal
Feay Co.

CALL TO ORDER:

President Carter called the meeting to order at 6:40 p.m.

APPROVAL OF MINUTES:

Director Majoewsky made a motion, seconded by
Director Fox to approve the minutes of the Special Board
meeting of 03/01/10.

(10/03/759)

AYES: Carter, Majoewsky, Smith, Fox
NOES: None
ABSENT: Emerson

Director Fox made a motion, seconded by Director
Smith to approve the minutes of the Special Board
meeting of 03/02/10 as corrected

(10/03/760)

AYES: Carter, Majoewsky, Smith, Fox
NOES: None
ABSENT: Emerson

POSTING OF AGENDA:

The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District 24 hours in advance of the meeting.

PUBLIC COMMENTS:

None

BUSINESS:

1. **HEARING TO CONSIDER APPEAL OF NEAL FEAY COMPANY REGARDING IMPOSITION OF ADMINISTRATIVE CIVIL PENALTY**

Mr. Azoury advised the Board that Mr. Neal Rasmussen of Neal Feay Company was appealing the \$5,000 civil penalty imposed upon him for permit violations that were discovered during an inspection of the company premises located at 133 S. Patera in Goleta. Mr. Azoury advised the Board of the details of the violations and presented photographs of the Neal Feay facilities. The District's Industrial Waste Control Officer Teresa Kistner presented to the Board details of her inspection and answered questions from the Board. Mr. Rasmussen advised the Board that the \$5,000 penalty was substantial for a violation that was not a severe danger to the environment or personnel. He advised the Board that Neal Feay Company has been in Goleta since 1958 and that the previous Goleta Sanitary District testing was not as severe as it currently is. Ms. Kistner advised Mr. Rasmussen that regulations are more restrictive than in the years to which Mr. Rasmussen is referring. He said that the oversight was not deliberate and that the penalty was too severe for what was an employee's mistake. Mr. Rasmussen said that he would like to work with the District to make this a learning experience for him and his employees. Director Smith advised the Board that he thought the penalty was a preventative one considering the potential damage to the District's system. Director Fox thought there should be a compromise since the violation was not intentional. He advised the Board that previous infractions should not have been considered in the appeal brought before the Board and that perhaps the fine should be \$1 and made a matter of record. Director Majoewsky advised the Board that it is the District's duty to maintain the system and that the fine is controlled by statute. After further discussion Director Majoewsky made a motion, seconded by Director Smith that the District has followed due process and the Board should uphold staff's determination and fine.

(10/03/761)

AYES: Carter, Majoewsky, Smith

NOES: Fox

ABSENT: Emerson

2. **CONSIDERATION AND APPROVAL OF SEWER SERVICE AGREEMENT WITH COUNTY OF SANTA BARBARA FOR COUNTY EMERGENCY OPERATIONS CENTER**

Mr. Azoury advised the Board that the County of Santa Barbara's Emergency Operations Center (EOC) has not been annexed to the District yet. He further explained that the

County has insufficient capacity rights to permit the wastewater from the Center to be treated under the current agreement with the District. Mr. Azoury advised the Board that the County needs to get the EOC built. He advised the Board that District's counsel has prepared a new Sewer Service Agreement for this application. He further advised the Board that the District has received a deposit from the County but the funds are insufficient to cover legal fees related to preparation of the revised agreement. The District will request the County to increase the deposit for this application. After further discussion Director Majoewsky made a motion, seconded by Director Smith to approve the sewer service agreement with Santa Barbara County as prepared by District counsel, with the contingency that District staff not deliver the agreement until the County pays for all fees associated with preparation of the agreement.

(10/03/762)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

3. CONSIDERATION OF AWARD OF CONSTRUCTION MANAGEMENT CONTRACT TO DUDEK FOR THE GSD WASTEWATER TREATMENT PLANT UPGRADE PROJECT

Mr. Azoury advised the Board of the progress of the GSD Wastewater Treatment Plant Upgrade Project. He advised the Board that the Governing Board Engineering Committee has reviewed the construction management services proposals received from four engineering firms that were also interviewed by the Committee. He advised the Board that it was unanimous among the committee members and District staff that Dudek's approach was clear and competitive and that the proposed personnel were very talented and experienced in wastewater treatment plant construction, administration and inspection. Mr. Azoury advised the Board that the Engineering Committee recommends that the Board award the construction management services contract to Dudek. After further discussion Director Majoewsky made a motion, seconded by Director Smith to contract with Dudek for construction management services for the Wastewater Treatment Plant Upgrade Project for an amount not to exceed \$2,358,480 and that such services begin at the appropriate time when the design documents are completed.

(10/03/763)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

4. CONSIDERATION OF PUBLICATION OF PUBLIC NOTICE FOR ADJUSTMENTS TO DIRECTORS' COMPENSATION FOR FISCAL YEAR 2010-2011

Mr. Azoury gave a brief history of the District's policy as it pertains to adjustments to the Directors' compensation. He advised the Governing Board that in order to implement a

change in their compensation by July 1, 2010, the District needs to publish the notice of its intent to make the adjustments in compensation by the end of March 2010. Director Majoewsky and President Carter advised the Board that considering the current economic climate it would not be appropriate to increase the Directors' compensation. Director Smith advised the Board that the Directors were already adequately compensated. Director Fox expressed his disagreement with the rest of the Board members indicating that the Directors' compensation has not been adjusted for two years. After further discussion Director Smith made a motion, seconded by Director Majoewsky for Directors' compensation to remain the same for Fiscal Year 2010-2011 and that no public notice would be necessary.

(10/03/764)

AYES: Carter, Majoewsky, Smith

NOES: Fox

ABSENT: Emerson

5. CONSIDERATION OF LETTER FROM LAFCO DATED FEBRUARY 13, 2010 REGARDING SPHERE OF INFLUENCE UPDATE

Mr. Azoury advised the Board that it is required by law that LAFCO adopt a sphere of influence (SOI) every 5 years for every special district within its jurisdiction. He advised the Board that the District received a letter from LAFCO asking whether any changes should be made to its existing SOI. After further discussion the Board decided that changes to the SOI are not necessary at this time and advise LAFCO accordingly. As such, no action on this item was taken.

6. CONSIDERATION OF APPROVAL OF ATTENDANCE AT CALIFORNIA ASSOCIATION OF SANITATION AGENCIES (CASA) 2010 SPRING CONFERENCE

Mr. Azoury provided the Board with details of the CASA 2010 Spring Conference to be held in Newport Beach, CA on April 28-30, 2010. After further discussion Director Smith made a motion, seconded by Director Fox to approve attendance at the conference by all of the District's Board members and the General Manager.

(10/03/765)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

7. GENERAL MANAGER'S REPORT

Messrs. Azoury and Salt reviewed the General Manager's Report.

8. LEGAL COUNSEL'S REPORT

Mr. Battles advised the Board of the First District Court of Appeals ruling on an agreement for city services between the City of Richmond and a proposed tribal casino on lands

adjacent to the City. He advised the Board that after analysis of numerous factors surrounding the development, the Court's decided that the casino was not a project under CEQA.

9. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Majoewsky advised the Board of the Engineering Committee meeting he attended.

Director Fox commented on the CASA conference he attended in Washington DC in early March.

Director Smith advised the Board of the Finance Committee meeting he attended and that Requests for Proposals to provide auditing services to the District for Fiscal Year 2009-2010 were mailed out.

10. PRESIDENT'S REPORT

President Carter commented on the Engineering Committee meeting he attended.

11. CORRESPONDENCE

The Board reviewed correspondence to and from the District in the agenda and made a part hereof as Exhibit "A".

12. CLAIMS

Director Fox made a motion, seconded by Director Majoewsky to approve the claims as follows:

Plant Facilities Upgrade Fund #4670	3,420.18
Depreciation Replacement Reserve Fund #4655	88,701.73
Running Expense Fund #4640	229,376.75

(10/03/766)

AYES: Carter, Majoewsky, Smith, Fox

NOES: None

ABSENT: Emerson

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:23 p.m.

John S. Carter
Governing Board President

Kamil S. Azoury
Governing Board Secretary

Steven T. Majoewsky

George W. Emerson

Jerry D. Smith

John R. Fox