

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

**July 26, 2010**

**1. CALL TO ORDER**

The Governing Board of the MONTECITO SANITARY DISTRICT met in regular session on the 26<sup>th</sup> day of July 2010 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

**Absent** Edward P. McAniff

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

**Item A:** Scott LaPointe, Peter Lapidus Construction Inc.

**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 Arnold, and seconded by Director Kerns, the minutes of July 12, 2010 were approved as submitted.

**3. APPROVAL OF PAYROLL AND PAYABLES**

Upon MOTION by Director Cannata, and seconded by Director Kerns, the Board approved the PAYROLL AND ACCOUNTS PAYABLE EXPENSES for the District through July 26, 2010 as follows:

Accounts Payable (7/23/10)	\$ 18,341.98
Accounts Payable 7/26/10)	\$ 12,191.07
Payroll (7/15/10)	\$ 35,517.94
Payroll Related (6/17/10)	\$ <u>13,030.73</u>

TOTAL

\$79,081.72

**4. PUBLIC FORUM**

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. LABORATORY PROJECT BUILDING SITE EXCAVATION AND ROUGH GRADING –  
AWARD OF CONTRACT**

Manager Gabriel reported that at their meeting on June 28, 2010, the Board authorized staff to advertise the excavation and rough grading for bids. The project was advertised in the Santa Barbara News-Press on July 3<sup>rd</sup> and bids were opened on July 15<sup>th</sup>. Three bids were received as follows:

Peter Lapidus Construction	\$25,000
Lash Construction	\$33,094
McClellan's Equipment	\$68,785

The apparent low bidder Peter Lapidus Construction Inc. (Lapidus Construction), did not fully complete the "Proposed Equipment and Materials Manufacturers" list that is required to be filled out by the contractor and submitted with their bid. Lapidus Construction omitted the manufacturer and supplier information (Page 10 – Proposed Equipment and Material Manufacturers). Manager Gabriel pointed out that the Lash bid was filled out completely and there were no omissions or errors in Lash's bid to the District nor were there errors with McClellan's Equipment bid.

Manager Gabriel passed out to the Board copies of letters received from both Lash Construction (July 19, 2010) and Lapidus Construction (dated July 21, 2010) regarding the award of contract on this project. The letter from Lash Construction pointed out that the apparent low bidder did not complete all the pages of the bid as instructed. The letter from Lapidus Construction was an official protest to the acceptance of Lash Construction as the lowest bidder.

Manager Gabriel stated that the claims in the Lapidus Construction (letter dated July 21, 2010) that the company was being discriminated against were unfounded.

Acting as a representative of Peter Lapidus construction, Mr. Scott LaPointe, attended the meeting and was welcomed by President Ishkanian and was provided time to comment as he desired.

The Board discussed that the District has been strict with this requirement in the past and although it is within the District's authority to waive minor bid irregularities, they will continue to remain strict with their bid requirements so as not to set a precedent that contractors may expect waivers on future bids to the District. The Board stated that it is not discrimination if the bid is not completely and properly filled out.

After further discussion, a MOTION was made by Director Arnold, and seconded by Director Cannata, that the Board find the bid from Peter Lapidus Construction "non-responsive" and that the Board award the contract for the site excavation and rough grading to Lash Construction in the amount of \$33,094. An additional MOTION was made by Director Kerns, and seconded by Director Arnold that the General Manager be authorized to issue contract change orders, if necessary, in the amount not to exceed \$10,000. The MOTIONS passed unanimously.

ACTION: General Manager

**B. INJURY AND ILLNESS PREVENTION PROGRAM (IIPP) APPROVAL –  
PRESENTATION BY SAFETY SPECIALIST**

Manager Gabriel introduced Jan Deering, the District's joint Safety Specialist. Ms. Deering updated the District's IIPP making it ready for re-approval by the Board. Manager Gabriel pointed out that in accordance with Title 8 of the California Code of Regulations, the District is required to have a written Injury and Illness Prevention Program (IIPP). President Ishkanian welcomed Ms. Deering to the District and stated they appreciated her coming to the meeting to update them on the District's IIPP. The Board is aware how necessary it is to keep up with OSHA laws and they are glad that the District has a safety specialist to keep the District compliant.

Ms. Deering passed out a packet containing the Injury and Illness prevention program. She pointed out that the IIPP identifies that safety in the workplace is every employee's responsibility and she also informed the Board that they have overall responsibility for the IIPP and District OSH activities. In order to accomplish their responsibilities the Board must commit to providing the necessary resources; provide direction for the IIPP program and other OSH programs; and hold the District General Manager accountable for effective prescribed OSH procedures.

After discussion, a MOTION was made by Director Kerns, and seconded by Director Arnold, that the IIPP be re-approved as submitted and to have all staff trained on the IIPP. The MOTION passed unanimously.

ACTION: Safety Specialist

**C. ACWA HEALTH BENEFITS AUTHORITY RATIFICATION OF BYLAWS AND JPA AGREEMENT**

Manager Gabriel informed the Board that ACWA has requested that the District ratify the Bylaws and JPA Agreement by preparing and passing a Resolution to that effect.

After reviewing the documents sent by ACWA and the proposed Resolution prepared by staff, a MOTION was made by Director Cannata, and seconded by Director Arnold, that the Board adopt Resolution No. 2010-859 for Ratification of the ACWA Health Benefits authority Bylaws and JPA Agreement. The MOTION passed by the following roll-call vote:

AYES:	Arnold, Cannata, Ishkanian, Kerns
NAYS:	None
ABSENT:	McAniff
ABSTAIN:	None
ACTION:	Board Officers, Manager Gabriel, and Staff

**D. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) – PROPOSED 2010 BYLAWS AMENDMENTS**

The District received a letter from CSDA (dated June 9, 2010) requesting review of the proposed 2010 CSDA Bylaws. A copy of the letter and proposed Bylaws were reviewed by the Board. As stated in their letter, the main reason for the proposed change to the Bylaws is to redefine CSDA voting members and non-voting associate members. The results of the Bylaws ballot will be announced on their website and if approved, take effect on August 1, 2010.

The Board considered whether the proposed Bylaws amendments should be adopted. The Board President or General Manager is required to sign the ballot.

After discussion, a MOTION was made by Director Arnold, and seconded by Director Cannata, that the Bylaws amendments should be accepted and that the ballot will be signed and mailed to CSDA. The MOTION passed unanimously.

ACTION: Staff

**E. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) – 2011 CSDA COMMITTEE AND VOLUNTEER PARTICIPATION**

Manager Gabriel reported that a letter was sent to all CSDA members from Mark Bryant, CSDA President, requesting volunteers to participate on one or more committees.

After discussing their level of participation, the Board decided that given the request for volunteers is at the State level, they will not be volunteering at this time but will make an attempt to frequently attend the local meetings.

**F. QUARTERLY INVESTMENT POLICY STATEMENT – JUNE 30, 2010**

The District is required to make quarterly statements certifying that:

1. The investments made on behalf of the District by LAIF and the Santa Barbara County Treasurer's office were made in accordance with the District's current 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's office, and
3. The Montecito Sanitary District is able to meet its pool's expenditure requirements for the next six months.

A MOTION was made by Director Kerns, and seconded by Director Cannata, that the above statements were correct and that the quarterly statement be signed by Secretary Arnold in Treasurer McAniff's absence. The MOTION passed unanimously.

**G. INFORMATIONAL ITEMS**

None

**H. AGREEMENT(S) SIGNED BY BOARD OFFICERS**

No agreements

**7. OPERATIONS AND MAINTENANCE**

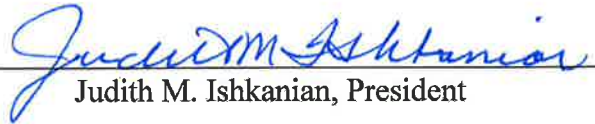
The Board reviewed the Operations and Maintenance information included in their agenda packets.

8. ITEMS FOR THE NEXT AGENDA

None

9. ADJOURNMENT

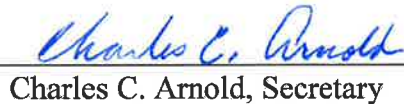
There being no further business to come before the Board, it was MOVED by Director Arnold, and seconded by Director Kerns, that the meeting be adjourned. The MOTION carried, and the meeting adjourned at 2:51 pm.

  
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Judith M. Ishkanian, President

  
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Jeff Kerns, Vice-President

A B S E N T

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Edward P. McAniff, Treasurer

  
\_\_\_\_\_  
Charles C. Arnold, Secretary

  
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Deirdre M. Cannata, Director