

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
CARPINTERIA VALLEY WATER DISTRICT**

July 22, 2009

President Lemere called the regular meeting of the Board of Directors of Carpinteria Valley Water District to order at 4:02 p.m. Wednesday, July 22, 2009.

Directors Present: Lemere, Lieberknecht, Van Wingerden, Drain

Directors Absent: Roberts

Others Present: Charles Hamilton

Rob McDonald

Omar Castro

Alex Keuper

MINUTES

Following discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the minutes of the July 1, 2009 Board meeting. The motion carried by a 4-0 vote.

Following discussion, Director Lieberknecht moved and Director Van Wingerden seconded the motion to approve the minutes of the July 6, 2009 Board meeting. The motion carried by a 4-0 vote.

MONTHLY BILLS

General Manger Hamilton reported that monthly bills would be presented at the August 5, 2009 Board meeting.

PUBLIC FORUM

No one from the public addressed the Board.

OLD BUSINESS

**CLOSED SESSION:
CONFERENCE WITH
REAL PROPERTY
NEGOTIATOR**

At 4:05 p.m. President Lemere convened the Board in Closed Session per Government Code Section 54956.8:

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Property: El Carro Park Parcel "2" of Parcel map 25,135; APN 004-005-004

District Negotiator: General Manager Charles Hamilton

Negotiating Parties: Carpinteria Valley Water District and City of Carpinteria

Under Negotiation: El Carro Well Ground Lease price and terms of payment

At 4:17 p.m. President Lemere reconvened the Board in Open Session and then reported that direction had been given to District negotiator Charles Hamilton.

**DISTRICT RULE NO.
17 AND SEPARATE
METER
REQUIREMENTS**

Following acknowledgement by General Manager Hamilton of the contributions of both District counsel Mark Manion and Director Drain in providing a solution to the problematic application of District Rule No. 17 to properties such as "granny flats and pool "cabanas" without kitchens, and discussion, Director Drain moved and Director Lieberknecht seconded the motion to approve the proposed revisions to Rule No. 17 and the companion Appendix E. The motion carried by a 4-0 vote.

NEW BUSINESS

**KENNEDY/JENKS
ENVIRONMENTAL
CONSULTING
SERVICES
CONTRACT
MODIFICATION NO.1**

Following a brief introduction by General Manager Hamilton about the need for the Kennedy/Jenks consulting services for CEQA document preparation and processing for the sale of surplus State Water, Director Van Wingerden moved and Director Drain seconded the motion to approve Contract Modification No. 1 with Kennedy Jenks as proposed resulting in a not to exceed budget total of \$18,570. The motion carried by 4 – 0 vote.

**FORM 470
OFFICEHOLDER
STATEMENT**

Mr. Hamilton collected Director Form 470 Officeholder and Candidate Campaign Statements from Directors. No action was taken.

**RATE AND BUDGET
COMMITTEE
MEETING**

Mr. Hamilton reported that the Rate & Budget Committee (Drain and Roberts) met on July 16, 2009 and discussed several items as set forth in the Board agenda.

**PROPOSED
CHANGES IN
DISTRICT RULE NO.
5 - PRESENTATION
AND PAYMENT OF
BILLS**

Following a brief summary by Administrative Analyst Dr. Alex Keuper of proposed changes in Rule No. 5 pertaining to the presentation and payment of bills Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the proposed changes in Rule No. 5. The motion carried by a 4-0 vote.

**PROPOSED
CHANGES IN
DISTRICT RULE NO.
37 - PRIVACY OF
UTILITY ACCOUNT
INFORMATION**

Following a brief summary by Dr. Alex Keuper of the proposed changes in Rule No. 37 pertaining to privacy of utility account information, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the proposed changes in Rule No. 37. The motion carried by a 4-0 vote.

**PUBLIC
INFORMATION Q
AND A FOR WEBSITE**

Dr. Keuper distributed draft Questions and Answers pertaining to District Finances and Operations to be posted on the website when final. President Lemere directed that all Directors also receive copies by e-mail and provide comments back to the General Manager in due time.

**METER READING
COSTS AND OPTIONS**

General Manager Hamilton reported Director Drain's recommendation as a member of the Rate & Budget Committee that the District consider using a private contractor to read meters and thereby enable District utility workers to do more routine system maintenance and repair. President Lemere welcomed Director Morgan of Montecito Water District, who was in attendance, and asked him for his opinion about the meter reading service provided by a contractor for Montecito. Following discussion, President Lemere directed Mr. Hamilton to prepare a proposal for contract meter reading for consideration at an upcoming Board meeting.

**UTILIZATION OF
DISTRICT VEHICLES
AND REPLACEMENT
OPTIONS**

Operations & Maintenance Manager Omar Castro presented a schedule of District vehicles showing two Chevy 3500 trucks to be replaced, as budgeted. He then recommended an alternative to reduce the budgeted cost by retiring the General Manager's 2001 Ford Taurus with 164,000 miles to become the office errand vehicle. The current office vehicle, a 1999 Ranger with 33,000 miles, would then be assigned to one of the utility workers, and eliminate the need for a second truck to be purchased. A new car for the General Manager is expected to cost less than a Ford Ranger. Director Van Wingerden asked if Mr. Castro had investigated the federal clunker trade-in

program and he indicated that he would look into it. Following discussion, he was authorized to proceed with the alternative involving replacement of Manager's vehicle in lieu of purchasing a second truck.

**STRATEGIC WATER
MANAGEMENT
COMMITTEE
MEETING**

Mr. Hamilton reported that the Strategic Water Management Committee (Lemere and Drain) met on July 13, 2009 and discussed two items as set forth in the Board agenda.

**MWD/CVWD
SERVICE AREA
REORGANIZATION**

Mr Lemere asked Mr. Morgan to join in the discussion about the proposed MWD/CVWD Service Area Reorganization, and was later joined by Montecito Water District General Manager Tom Mosby. Following Mr. Morgan's remarks and those of Mr. Mosby and others, and general discussion, a motion was made by Director Drain and seconded by Director Van Wingerden that Carpinteria Valley Water District proceed with Montecito Water District as the lead agency in taking the necessary steps to effectuate Reorganization as generally proposed. The motion carried by a 3-1 vote with Director Lieberknecht voting no. President Lemere directed that the General Manager contact the District's conflicts counsel Kathy Stone to represent the District in particular in the negotiation of any service agreement between the two agencies, and requested that Montecito Water District also utilize another attorney, other than the two Districts' shared general counsel of Price Postel and Parma, to preserve independence of counsel as the process goes forward.

**STATUS OF REVIEW
OF CACHUMA
WATER METERING
AND ACCOUNTING**

District Engineer Rob McDonald briefly summarized the status of the COMB meter reading problems and noted that procedural errors by COMB personnel in calculating recent readings on the boundary meter were recently determined. Resolution of this matter is now anticipated by the end of the year.

**GENERAL MANAGER
REPORTS**

FINANCIAL

**QUARTERLY
DIRECTOR
REIMBURSEMENT
REPORT**

Mr. Hamilton distributed the Quarterly Reimbursement Report for the period April through June, 2009. No action was taken.

**QUARTERLY
INVESTMENT
REPORT**

Mr. Hamilton distributed the District's Quarterly Investment Report from the California Local Agency Investment Fund for the period ending June 30, 2009. No action was taken.

**OPERATIONS AND
MAINTENANCE**

Mr. Castro distributed and presented the July 2009 Operations & Maintenance Report. He also distributed a thank you letter from a resident on Beach Club Road for the prompt emergency response by Sarah Strassburg-Salas on Sunday July 19, 2009.

ENGINEERING

Mr. McDonald distributed and presented the Engineering Project Status report for the month of July 2009. He also reported that he spent considerable time recently addressing a failed computer server. He was commended by Mr. Hamilton for his considerable assistance to the District in this unofficial

role as information technology specialist.

WATER SUPPLY

Dr. Alex Keuper presented the Water Supply Report for the month of June 2009 and noted that this year's sales in June of 383 AF were lower than the previous year by about 27 AF.

GENERAL

**CCWA OPERATING
COMMITTEE
MEETING**

Mr. Hamilton reported that he was re-elected Chair of the Central Coast Water Authority Operating committee. He reported that he made a brief presentation about the District' preparation of the CEQA documents necessary in anticipation of a sale of State Water.

**PERSONNEL
UPDATE**

Mr. Hamilton reported that a Personnel Committee meeting has been scheduled for August 3, 2009 at noon to consider current personnel matters.

DIRECTOR REPORTS

There were no Director Reports.

RECESS

President Lemere declared a brief recess at 5:50 p.m.

**COUNSEL DINKIN
ARRIVES**

Counsel Jeff Dinkin arrived at 6:06 p.m.

**CLOSED SESSION
PURSUANT TO
GOVERNMENT
CODE SECTION 54957
PUBLIC EMPLOYEE
PERFORMANCE
TITLE: GENERAL
MANAGER**

At 6:06 p.m. President Lemere convened the Board in Closed Session per Government Code Section 54957:

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: General Manager

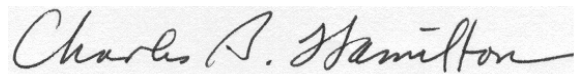
At 6:35 p.m. President Lemere reconvened the Board in Open Session and reported that direction had been given to District counsel Jeff Dinkin.

NEXT MEETING

The next scheduled Board meeting will be a regular Board meeting held on August 5, 2009, at 4:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 6:36 p.m.



Charles B. Hamilton, General Manager/Secretary