

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

September 16, 2009

President Lemere called the regular meeting of the Board of Directors of Carpinteria Valley Water District to order at 4:04 p.m. Wednesday, September 16, 2009, and led the Board and others present in the Pledge of Allegiance.

Directors Present: Lemere, Lieberknecht, Van Wingerden, , Roberts

Directors Absent: Drain

Others Present: Charles Hamilton

Norma Rosales

Brian King

Alex Keuper

Kathy Stone

Mark Manion (arrived 4:45 pm)

MINUTES

Following discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the minutes of the August 26, 2009 Board meeting. The motion carried by a 4-0 vote.

MONTHLY BILLS

Business Manager Norma Rosales presented the monthly bills for the period of August 19, 2008 through September 8, 2009. Following discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the monthly bills as presented. The motion carried by a 4-0 vote.

PUBLIC FORUM

No one from the public addressed the Board.

OLD BUSINESS

**INITIAL
STUDY/NEGATIVE
DECLARATION FOR
DETERMINATION
AND DISPOSTION OF
STATE WATER
PROJECT
ALLOTMENT
SURPLUS**

General Manager Hamilton distributed copies of the Notice of Intent to Adopt a Negative Declaration relative to the Determination and Disposition of State Water Project Allotment Surplus (project). In response to questions by President Lemere about references to no known buyer, Mr. Hamilton noted that CEQA documents can not be speculative. Counsel Stone added that the scope of a prospective development is unknown. The proposed Board action for the proposed project, "Determination and Disposition of State Water Project Allotment Surplus," is focused only on the District's action and not related to some other potential project should a transfer of any State Water Project Allotment occur. Director Van Wingerden asked about the potential sale of water to an entity outside of the County of Santa Barbara. Counsel Stone responded that an amendment to the Negative Declaration might be necessary in such a case, and Mr. Hamilton noted that a sale outside of the County also triggers a first right of refusal among members of the Central Coast Water Authority. He further reported that the Notice of Intent as distributed would be published in the September 17, 2009 edition of the Coastal View News and that an abbreviated version would be

published in the Santa Barbara News Press, also on September 17, 2009. Counsel Stone commented that public comments that reach the District after the close of the public comment period on October 7 should be considered by the Board, as they would be considered in a court of law, but that no additional responses from the Board would be necessary. Tentative Board action to adopt the Negative Declaration is scheduled for October 21, 2009.

**PROPOSED COMB
BOND ISSUE AND
COST SHARING**

Mr. Hamilton reported briefly on the action taken by Montecito Water District on September 15, 2009 to participate in the funding of the COMB CIP projects identified in the \$16 million COMB bond issue, but using their own funds instead of participating in the proposed COMB bond issue. The Board discussed their expectations for the upcoming joint CVWD/COMB meeting on September 21, 2009 at the District. They concurred about the need for some new proposal from COMB in answer to the District's non-Project water cost sharing proposal, or a good explanation as to why the District's cost sharing proposal is unfair.

**RANCHO MONTE
ALEGRE
(WHITAKER
CONTRACT)
PROJECT STATUS**

Mr. Hamilton reported on an upcoming meeting with RMA owner Tad Buchanan to prepare a work plan to prepare the Whitaker contract job site for the rainy season. Counsel Stone then advised the Board in response to their request about the terms of the contract relative to termination by the District. She noted that the governing MOU between the District and RMA is written in such a way that RMA has sole discretion as to the timing of the construction of its water and related facilities. Mr. Hamilton also noted that staff as directed by the Board has taken steps to ensure that the District retains adequate funds to offset potential expenses in the event of a possible bankruptcy or decision by RMA to no longer continue to fund the project. Director Robert requested and was given a copy of the governing MOU between the District and RMA.

**DESIGNATION OF
REGULAR BOARD
MEETING DAYS**

Following a brief discussion, Director Roberts moved and Director Lieberknecht seconded the motion to designate 1301 Santa Ynez Avenue, Carpinteria, 4:00 pm, each first, third and fourth Wednesday, and 5775 Carpinteria Avenue, Carpinteria, 5:30 pm, each second Wednesday, as the location, time and day of regular Board meetings of the Board of Directors. The motion carried by 4-0 vote.

NEW BUSINESS

**RATES AND BUDGET
COMMITTEE
MEETING HELD ON
SEPTEMBER 16, 2009**

Mr. Hamilton reported that the items of the Rate and Budget Committee meeting held at noon on September 26, 2009 appear as items on this Board meeting agenda for consideration.

**AWARD OF
CONTRACT FOR
DESIGN SERVICES
FOR PORTION OF
EL CARRO WELL
REPLACEMENT AND
PIPELINES PROJECT**

Associate Engineer Brian King presented a revised memo prepared by District Engineer Bob McDonald recommending the award of contract design services for the Central Zone Main Project (part of the El Carro Well Replacement and Pipelines Project) to Flowers & Associates for a not to exceed amount of \$82,400, with a 10% contingency of \$7,600, totaling \$90,000. In response to a question from Counsel Mark Manion, Mr. Hamilton responded that this project would constitute a major improvement

to the District's distribution system even if the El Carro Well Project were to be reconsidered or not go forward as planned. Following discussion Director Roberts moved and Director Van Wingerden seconded the motion to award the contract as presented. The motion carried by a 4- 0 vote.

**PROPOSED
CONTRACT METER
READING AND FY 09-
10 BUDGET
ADJUSTMENT**

Mr. Hamilton presented a meter reading proposal submitted by Alexander's Inc. It would cost \$.95/meter per month, or about \$48,000/year for this service to be performed by Alexander's, enabling District utility workers to devote about one full week to needed valve maintenance and other system repairs. Business Manager Rosales noted that other costs associated with the District software of about \$2,000 would be necessary in the first year, with annual on-going maintenance costs of less than \$500/year thereafter. Following discussion Director Roberts moved and Director Van Wingerden seconded the motion to direct staff to prepare a contract for review by District counsel and staff and possible Board action on October 14, 2009.

**CUSTOMER
REQUEST FOR
CREDIT FOR MAJOR
LEAK**

Following discussion Director Roberts moved and Director Van Wingerden seconded the motion to approve a credit in the amount of \$302.40 to customer account No 14-146057-02 in accordance with Distirct Rule No. 15.d. pertaining to a major unforeseen leak and loss of water.

**CUSTOMER
REQUEST FOR
CREDIT FOR MAJOR
LEAK**

Following discussion Director Roberts moved and Director seconded the motion to approve a credit in the amount of \$226.20 to customer account No 18-180514-05 in accordance with Distirct Rule No. 15.d. pertaining to a major unforeseen leak and loss of water

**EL CARRO GROUND
LEASE WELL
STATUS**

Counsel Mark Manion distributed copies of the letter dated September 16, 2009 to the City of Carpinteria and attached the Water Well Site and Water Line easement appraisal prepared by Kioren Moss. No action was taken.

**STRATEGIC AND
CAPITAL
FACILITIES PLAN
COMMITTEE
MEETING**

Mr. Hamilton reported briefly that the Strategic and Capital Facilities Plan Committee consisting of Directors Lemere and Drain met on September 4, 2009, and among other items of business discussed the process and schedule for the eventual production of a new 2009 Strategic and Capital Facilities Plan. Administrative Analyst Dr. Alex Keuper is preparing the Plan with Board, Manager and staff input along the way.

**GENERAL MANAGER
REPORTS**

**MONTECITO WATER
DISTRICT -
LAMBERT ROAD
REORGANIZATION**

Mr. Hamilton reported that no further progress had occurred on the proposed Montecito Water District Lambert Road Reorganization (and annexation to Carpinteria Valley Water District.

**CCWA AD HOC
WATER TRANSFER
COMMITTEE
MEETING**

Mr. Hamilton reported that he and Board President Lemere as well as Counsel Kathy Stone participated in the Central Coast Water Authority Water Transfer committee meeting by conference call on September 8, 2009. He reported that he understood the discussion to conclude with the understanding that the Committee would continue to explore the idea of first right of refusal for CCWA member agencies in water transfers within the

County, but that should there be some recommended action that eventually is approved by the CCWA Board in this regard, it would not be retroactive to Carpinteria's Valley's current State Water sale process.

**SANTA BARBARA
WATER
COMMISSION
MEETING**

Mr. Hamilton reported that he attended the City of Santa Barbara Water Commission meeting held on September 14, 2009. He noted that significant attention was given by Commission members in the context of the Water Supply Planning Study underway to State of California modeling projections indicating a rise in sea level of up to 55 inches by 2100, and some impacts felt possibly as early as 2020 due to Pacific Ocean oscillation.

**GENERAL
MANAGER'S
VACATION AND
TEMPORARY
ASSIGNMENTS**

Mr. Hamilton reported that he would be on vacation from September 24 through October 9 and that in his absence Business Manager Norma Rosales would be Acting General Manager. He also distributed a list of various tasks and activities he oversees with assignments for staff managers Rosales, Castro and McDonald, who during his absence would take the lead as needed.

FINANCIAL

Business Manager Rosales presented the District's Monthly Statements for the month of August 2009 for Board review and discussion.

**OPERATIONS AND
MAINTENANCE
MONTHLY REPORT**

This report was deferred until the meeting of October 21, 2009.

ENGINEERING

This report was deferred until the meeting of October 21, 2009.

WATER SUPPLY

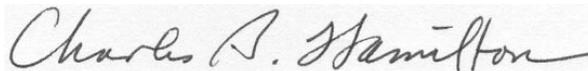
Dr. Alex Keuper presented the Water Supply Report for the month of August 2009.

NEXT MEETING

The next scheduled Board meeting will be a Special Joint CVWD/COMB Board meeting held on September 21, 2009, at 4:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 6:09 p.m.



Charles B. Hamilton, General Manager/Secretary