

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

**January 20, 2010**

President Lemere called the regular meeting of the Board of Directors of Carpinteria Valley Water District to order in the District Board Room at 4:00 p.m. Wednesday, January 20, 2010, and led the Board and others present in the Pledge of Allegiance.

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

Directors Absent: None

Others Present: Charles Hamilton

Rob McDonald

Omar Castro

Alex Keuper

Doug Brown

John Britton

Tracy Solomon

Angel Pacheco

**MINUTES**

Following discussion, Director Van Wingerden moved and Director Drain seconded the motion to approve the minutes of the January 13, 2010 Board meeting. The motion carried by a 5-0 vote.

**MONTHLY BILLS**

Business Manager Norma Rosales presented the monthly bills for the period of December 8, 2009 through January 12, 2010. Following discussion, Director Van Wingerden moved and Director Drain seconded the motion to approve the monthly bills as presented. The motion carried by a 5-0 vote.

**PUBLIC FORUM**

No one from the public addressed the Board.

**FY 2008/2009  
AUDITED  
FINANCIAL  
STATEMENTS**

Following a brief introduction by President Lemere, John Britton of Bartlett Pringle & Wolf, LLP presented an overview of the District's audited financial statements for the period ending June 30, 2009. He also summarized two related letters, including the management letter, dated January 4, 2009. Business Manager Rosales and General Manager Hamilton also addressed the content of the accompanying management letter. Following Board review and discussion, Director Lieberknecht moved and Director Van Wingerden seconded the motion to accept and place on file the FY 2008/2009 Audited Financial Statements and related documents as presented. The motion carried unanimously by a 5-0 vote.

**SRF LOAN AND COP  
REFINANCING  
OPTION**

General Manager Hamilton referred to the addition to the Board packet including both a staff memo with a recommendation and two scenarios for consideration for the restructuring of District long term debt in order to achieve debt smoothing for the next 8–12 years. He recommended scenario 2 which would reduce the District's projected debt collection requirements for the next several years by as much as \$750,000 in some years. This would be accomplished by the scheduling of additional debt during the period of 2023

- 2036 with a total principal and interest amounting to about \$20.7 million above the current projected overall District debt schedule. Doug Brown of Stradling Yocca Carlson and Rauth also responded to questions from Directors. He noted that the substantial difference between the first scenario and the second scenario is a result of deferred payment of interest until 2022. Following discussion Director Roberts moved and Director Drain seconded the motion to authorize the General Manager to take the necessary steps involving Stradling Yocca Carlson and Rauth and Citi to prepare the documents necessary for the District to proceed with Scenario 2 of the Debt Restructuring Options prepared by Citi. The motion carried by a 4 – 1 vote with Director Van Wingerden voting no.

**RESOLUTION  
NUMBER 897  
APPROVING THE  
ISSUANCE OF  
REVENUE BONDS BY  
THE CACHUMA  
OPERATION AND  
MAINTENANCE  
BOARD AND  
AUTHORIZING  
CERTAIN OTHER  
DOCUMENTS**

Following discussion, Director Drain moved and Director Lieberknecht seconded the motion to adopt Resolution Number 897 Approving the Issuance of Revenue Bonds by the Cachuma Operation and Maintenance Board and Authorizing Certain other Documents.

Roll call on Resolution No. 897 resulted in adoption as follows:

Ayes: Roberts, Van Wingerden, Lieberknecht, Lemere, Drain  
Nays: None  
Absent: None

**DIRECTORS  
REPORTS**

**CENTRAL COAST  
WATER AUTHORITY**

Director Lemere presented an oral report about the Central Coast Water Authority Board meeting held on January 14, 2010.

**CACHUMA  
CONSERVATION  
RELEASE BOARD  
AND CACHUMA  
OPERATION AND  
MAINTENANCE  
BOARD MEETINGS**

Director Lieberknecht presented oral reports about the Cachuma Conservation Release Board meeting held on December 11, 2009 and the Cachuma Operation and Maintenance Board meetings held on December 11, 2009 and December 21, 2009.

**CALIFORNIA  
EMERGENCY  
MANAGEMENT  
AGENCY “CRISIS  
COMMUNICATIONS  
WORKSHOP”**

Directors Drain and Roberts provided oral reports about the California Emergency Management Agency “Crisis Communications Workshop” they attended on January 14, 2010.

**CAPITAL COST  
RECOVERY FEE  
METHODOLOGY  
CHANGES**

Administrative Analyst Dr. Alex Keuper presented an overview of possible changes in the methodology used to determine Capital Cost Recovery Fees, reviewed by the Rate & Budget Committee on January 13, 2010. No action was taken.

**2010 BOARD  
OFFICER AND  
COMMITTEE  
ASSIGNMENTS**

President Lemere noted the current schedule of Board Committee assignments in the Board packet and requested that any Director with a request for a change make their wishes known at this time. No changes were proposed.

**GENERAL MANAGER  
REPORTS**

**GENERAL**

There were no General reports presented by the General Manager.

**FINANCIAL**

**MONTHLY  
STATEMENTS AND  
QUARTERLY  
DIRECTOR  
REIMBURSEMENT  
REPORT**

Business Manager Rosales presented the District's Monthly Statements for the month of December 2009 for Board review and discussion, as well as the Quarterly Director Reimbursement Report. No action was taken.

**ENGINEERING**

District Engineer McDonald presented the Engineering report for the month of January 2010 for Board review and comment.

**OPERATIONS -  
PROJECT AND  
LATERAL 30 VALVE  
PROJECT REPORT**

Operations & Maintenance Manager Omar Castro presented the O&M report for the month of January 2010, as well as a status report about the Lateral 30 Valve Project. Following discussion no action was taken.

**WATER SUPPLY**

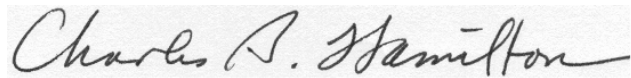
Administrative Analyst Dr. Alex Keuper presented the Water Supply Report for the month of December 2009.

**NEXT MEETING**

The next scheduled Board meeting will be a regular Board meeting held on February 10, 2010, at 5:30 p.m. at Carpinteria City Hall in the Council Chambers, 5775 Carpinteria Avenue.

**ADJOURNMENT**

President Lemere declared the meeting adjourned at 6:20 p.m.



Charles B. Hamilton, General Manager/Secretary