

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

January 21, 2009

President Lemere called the Regular meeting of the Board of Directors of Carpinteria Valley Water District to order at 4:00 p.m. Wednesday, January 21, 2009 and led the Board in the recital of the Pledge of Allegiance.

Directors Present: Lemere, Lieberknecht, Roberts, Van Wingerden
Directors Absent: Drain
Others Present: Charles Hamilton
Rob McDonald
Norma Rosales
Omar Castro
Alex Keuper

MINUTES

Following discussion, Director Van Wingerden moved and Director Roberts seconded the motion to approve the minutes of the January 14, 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 December 10, 2008 through January 13, 2009. Following discussion, Director Roberts moved and Director Van Wingerden 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.

**CLOSED SESSION:
CONFERENCE WITH
LEGAL COUNSEL-
EXISTING
LITIGATION**

At 4:05 pm President Lemere convened the Board in closed session per government code section 54956.9 (a): Case No, 1303752 of the Superior Court of California County of Santa Barbara - Anacapa Division.

At 4:33pm President Lemere reconvened the Board in open session. President Lemere reported that no action was taken during the closed session.

**KATE REES ARRIVES
AT 4:37 PM**

Kate Rees, General Manager of the Cachuma Operation and Maintenance Board, arrived at 4:37 pm.

NEW BUSINESS

**CCRB AND COMB
ESTIMATED
BUDGET
PROJECTIONS FY 09-
10 AND FY 10-11**

General Manager Hamilton referred to estimated budget projections of the Cachuma Conservation Release Board (CCRB) and the Cachuma Operation and Maintenance Board (COMB) in the packet dated January 13, 2009, and briefly summarized the impact to the District of the projected budget increases. Kate Rees then addressed the Board about new budget information with much lower projections that would soon be forthcoming. Following discussion and concerns expressed by Directors about the need for minimal if any CCRB and COMB budget increases, no action was taken.

JOINT PARTICIPATION AGREEMENT BY AND BETWEEN CARPINTERIA VALLEY WATER DISTRICT AND CACHUMA OPERATION AND MAINTENANCE BOARD

Referring to the draft Joint Participation Agreement by and between the Carpinteria Valley Water District and the Cachuma Operation and Maintenance Board, Mr. Hamilton noted that COMB representative Director Lieberknecht would soon be requested to act on a recommendation for bond funding for a proposed COMB Capital Improvement Program, and would need direction from this Board. He also noted the need to bring it before the public at the televised Board meeting on March 11, 2009 at City Hall. Ms Rees then addressed the Board and indicated that no firm schedule was yet in place. She also noted that she was considering the option of bank loan funding in conjunction with bond funding. No action was taken. Ms. Rees then left the meeting at about 5:07 p.m.

STATE WATER SALES DISCUSSIONS- STATUS

Mr. Hamilton briefly summarized the status of possible State Water Sales to UCSB (in conjunction with Goleta Water District) and Plains Exploration and Production company (PXP). He noted that there was no longer a strong likelihood that UCSB would continue to seek State Water from this District. He also reported that PXP would be making a decision on whether or not to opt out of the Option Agreement by March 15, 2009. This would result in the District having to adjust its water rates to make up for the current \$300,000/year option payment made by PXP to the District. Discussions are expected to take place with San Luis Obispo County about the possible use of District State Water as contracted for by PXP in San Luis Obispo County.

Director Roberts also reported briefly on a discussion he recently had with Mark Lloyd, representing a possible buyer of District State Water.

DIRECTOR ROBERTS LEAVES MEETING

Director Roberts left the meeting at 5:20 p.m.

APPLICATION OF DISTRICT RULE NO. 14 FOR UNUSUALLY HIGH BILL DUE TO AN UNFORSEEN WATER LOSS

Following a brief presentation by Business Manager Rosales and discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve a credit of \$218.30 to account # 09-092546-01. The motion carried by a 3 – 0 vote, with Directors Drain and Roberts absent.

RESOLUTION NUMBER 879 REQUIRED BY THE CENTRAL COAST WATER AUTHORITY

Mr. Hamilton distributed a draft of Resolution No. 879 Making the Commitments and Publishing the Report Required by the Central Coast Water Authority Resolutions 92-2 and 92-11. He reviewed the water supply and demand data with the Board as presented in the Resolution. It will be considered for adoption by the Board after a public hearing scheduled for February 25, 2009.

RESOLUTION NUMBER 881 DECLARING CERTAIN PROPERTY SURPLUS AND AUTHORIZING SALE BY SEALED BID

Following a brief introduction by Mr. Hamilton and discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve Resolution No 881 Declaring Certain Property Surplus and Authorizing Sale by Sealed Bid. Roll call on Resolution No. 881 resulted in approval as follows:

Ayes: Lieberknecht, Lemere, Van Wingerden
Nays: None

Absent: Drain, Roberts.

**WATER UTILITY
WORKER AND
ENGINEERING TECH
JOB DESCRIPTIONS**

Following a brief discussion, President Lemere directed that current copies of Water Utility Worker I and Engineering Field Tech positions be distributed to all Director mailboxes.

**GENERAL MANAGER
REPORTS**

**FINANCIAL-
MONTHLY
STATEMENTS**

Mrs. Rosales presented the monthly statements for the month of December 2008.

**OPERATIONS AND
MAINTANANCE**

O&M Manager Omar Castro presented the Operations & Maintenance report for the month of January 2009.

ENGINEERING

District Engineer Bob McDonald presented the Project status report for the month of January, 2009.

WATER SUPPLY

Administrative Analyst Alex Keuper presented the Water Supply report for the month of December, 2008.

GENERAL

**STANDARD &
POOR'S
UNDERLYING
RATING (SPUR)
"WATER AND
SEWER REVENUE
BONDS"**

Mr. Hamilton reported briefly on the recent change and improvement in underlying rating from "A" to "AA-" for the District's "Water & Sewer Revenue Bonds" prepared by Standard & Poor's.

**ACWA JOINT
POWERS
INSURANCE
AUTHORITY
AWARDS**

Mr. Hamilton reported that the District recently received President's Special Recognition Awards from the ACWA Joint Powers Insurance Authority for low ratios of paid claims to deposit premiums in the Property Program and the Workers Compensation Program.

DIRECTOR REPORTS

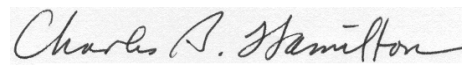
There were no Director reports.

NEXT MEETING

President Lemere announced that the next scheduled Board meeting will be a regular meeting held on January 28, 2009, at 4:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 5:57 p.m.



Charles B. Hamilton, General Manager/Secretary