

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

October 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, October 21, 2009, 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
Norma Rosales
Terry Schwartz
Todd Amspoker
Kathy Stone
Kate Rees
Doug Brown
Lauren Hanson
Bill Ferguson

MINUTES

Following discussion, Director Van Wingerden moved and Director Roberts seconded the motion to approve the minutes of the October 14, 2009 Board meeting with corrections. The motion carried by a 5-0 vote.

MONTHLY BILLS

Business Manager Norma Rosales presented the monthly bills for the period of September 9, 2009 through October 13, 2009. Following discussion, Director Van Wingerden moved and Director Roberts 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.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

**REPORT OF ORTEGA
RESERVOIR
COMMITTEE HELD
ON OCTOBER 19,
2009**

General Manager Hamilton reported that the Ortega Committee meeting on October 19, 2009 was a closed session meeting, and that discussion about this meeting must also be held in closed session.

**CLOSED SESSION
PURSUANT TO
GOVERNMENT
CODE SECTION
54956.9 (a) – ORTEGA**

President Lemere began the Closed Session at 4:10 pm. At 4:35 p.m. Mr. Lemere reconvened the Board in open session and reported that direction was given to District Counsel Terry Schwartz of Price Postel and Parma. Mr. Schwartz then left the Board meeting.

RESERVOIR

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – EI CARRO WELL EASEMENT

Director Roberts left the meeting at 4:35 pm due to a potential conflict of interest on this El Carro Well easement agenda item. President Lemere then convened the Board in closed session at 4:36 p.m. Mr. Lemere reconvened the Board in open session at 4:55 p.m. Director Roberts returned to the Board meeting room. Mr. Lemere then announced that by a 4-0-1 vote (Roberts abstaining) he was selected to be an additional District negotiator, and further that Counsel Todd Amspoker was given direction by the Board. Mr. Amspoker then left the Board meeting.

COUNSEL KATHY STONE ARRIVED

Conflicts Counsel Kathy Stone arrived at approximately 4:55 p.m.

STATUS OF CAPITAL COST RECOVERY FEES

Mr. Hamilton referenced the Capital Cost Recovery Fee memo in the Board packet with the suggestion that the Capital Cost Recovery Fee structure be considered for possible adjustments pending staff review and analysis. Mr. Lemere directed the Rate & Budget Committee to consider the matter and return to the Board with a recommendation as needed.

CUSTOMER REQUEST FOR CREDIT ON HIGH BILL DUE TO AN UNFORSEEN AND UNSEEN LEAK

Following a brief discussion Director Drain moved and Director Van Wingerden seconded the motion to apply a credit of \$216 to customer account # 10-1014101 in keeping with Board policy and District Rule # 15 (d). The motion carried unanimously by 5-0 vote.

RESOLUTION NUMBER 886 AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT PARTICIPATION AGREEMENT WITH THE CACHUMA OPERATION AND MAINTENANCE BOARD AND AUTHORIZING CERTAIN OTHER ACTIONS

General Manager Hamilton presented a summary of six options relative to participation in the proposed COMB bond issue for the proposed COMB Capital Improvement Program. They included variations of bond funding and new cost sharing measures as well as self funding (pay as you go) utilizing reserves and new cost sharing measures. A sixth option, recently developed with the assistance of the COMB bond Financial Advisor David Brodsky, and recommended by Mr. Hamilton, included both bond and self funding, whereby the so-called second barrel project in Goleta would be funded by bonds, and the remaining COMB CIP projects would be self funded with the use of District reserves. Following a lengthy discussion, and dissent expressed by Directors Van Wingerden, Roberts and Drain about the District adding to its long term debt with any amount of bond funding, President Lemere tabled the matter for further consideration at a special Board meeting to be held on Friday, October 23, at 4 pm in the Board room at the District.

RESOLUTION NUMBER 890 AUTHORIZING EXECUTION AND DELIVERY OF A CONTRIBUTION AGREEMENT WITH THE CACHUMA

No discussion was held or action taken on this agenda item.

**OPERATION AND
MAINTENANCE
BOARD AND
AUTHORIZING
CERTAIN OTHER
ACTIONS**

**PROPOSED
MONTECITO WATER
DISTRICT-
LAMBERT ROAD
REORGANIZATION**

Mr. Hamilton reported briefly that he understood that Montecito Water District was progressing with its proposal to the District for the Lambert Road Reorganization with terms that would not burden the District with any costs related to the 1920's pipeline in Lambert Road, slated for replacement by Montecito Water District. No action was taken.

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

Mr. Hamilton reported that the comment period for the District's Initial Study/Negative Declaration for the Determination and Disposition of State Water Project Allotment Surplus had ended. He noted that two comment letters had been received, one from the County of Santa Barbara, and one from the Environmental Defense Center. He reported that staff and legal counsel are working on letter responses for subsequent presentation to the Board well in advance of possible adoption of the IS/ND. Director Lieberknecht requested copies of the EDC and County letters in advance and Mr. Hamilton responded that he would distribute them at Friday's Special Board meeting. No action was taken.

**GENERAL MANAGER
REPORTS**

GENERAL

**GENERAL
HOUSEKEEPING -
DISTRICT OFFICES
AND BOARD ROOM**

Mr. Hamilton asked Administrative Analyst Dr. Alex Keuper to distribute a list of various housekeeping items ranging from building and grounds improvements and upkeep to office appearance. He noted that in response to earlier comments by President Lemere, several ideas were being considered to accomplish the lengthy list of tasks. No action was taken.

**SANTA BARBARA
WATER
COMMISSION
MEETING**

Mr. Hamilton reported that he attended the Santa Barbara Water Commission meeting on October 12, 2009. He commented that the City is preparing to spend as much as \$300,000 in a cooperative venture with United States Geological Service (USGS) on ground water modeling, and has identified groundwater as its least expensive source of water supply.

FINANCIAL

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

**OPERATIONS AND
MAINTENANCE
MONTHLY REPORT**

Operations & Maintenance Manager Omar Castro presented the O&M report for the month of September 2009 for review and comment by the Board.

ENGINEERING

PROJECT STATUS

District Engineer Bob McDonald presented the Engineering report for the

month of September 2009 for Board review and comment.

**ANNUAL LAND USE
REPORT**

Mr. McDonald presented a PowerPoint overview of the findings of the recently completed land use study and analysis for the previous two calendar years through 2008. No action was taken.

WATER SUPPLY

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

DIRECTOR REPORTS


There were no Director Reports.

NEXT MEETING

The next scheduled Board meeting will be a special Board meeting held on October 23, 2009, at 4:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 6:35 p.m.



Charles B. Hamilton, General Manager/Secretary