

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

January 11, 2006

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 11, 2006.

Directors Present: Lemere, Roberts, Van Wingerden, Lieberknecht, Drain
Directors Absent: none
Others Present: Charles Hamilton
Bob McDonald
Norma Rosales
Chip Wullbrandt
Bill O'Brien
Bob Jordan
Katherine Stone
Roger Myers
Tom Wright
Shawn Kowalewski

MINUTES

Following discussion, Director Van Wingerden moved and Director Drain seconded the motion to approve the minutes of the regular Board meeting held on November 16, 2005. The motion carried unanimously.

Following discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the minutes of December 14, 2005 as amended to correct a misspelling. The motion carried by a 4 – 0 vote. Director Roberts abstained.

PUBLIC FORUM

No one from the public addressed the Board.

OLD BUSINESS

**CONSIDER REPORT
AND FINDINGS
PREPARED BY
KENNEDY/JENKS
CONSULTANTS:
“EVALUATION OF
LONG-TERM
DROUGHT WATER
SUPPLY OPTIONS”**

Following an introduction by General Manager Hamilton about the work and focus of the effort leading up to the report by Kennedy/Jenks, including the District's Water Supply and Demand Analysis attached as an appendix in the report, Bill O'Brien of Kennedy/Jenks presented a PowerPoint presentation with highlights and findings of the report entitled "Evaluation of Long-Term Drought Water Supply Options." A key finding addressed in the report was the reliability of State Water in a long-term drought anticipated to be only 4% of allocation compared to what was understood might be 50% in 1991. Various options were identified and discussed to address the projected water supply shortfall in a worst case scenario that includes major long term droughts affecting the Santa Ynez River water supply and the northern California State Water Supply at the same time. President Lemere requested that Mr. O'Brien return for further discussion of the matter at the next Board meeting.

**STATUS OF
NEGOTIATIONS
WITH PLAINS
EXPLORATION &
PRODUCTION (PXP)
FOR OPTION TO
PURCHASE 400 ACRE
FEET OF THE
DISTRICT'S STATE
WATER PROJECT
ALLOCATION**

Mr. Hamilton reported that agreement has been reached on the major terms in the proposed sale of State Water to PXP, in particular the annual payment of \$750/AF for the option, to be first paid upon execution of the option/purchase agreement between the District and PXP. He distributed copies of an agenda prepared for a meeting held earlier in the day of the two parties including attorneys representing PXP, namely Peter Candy of Hollister and Brace, and the District, namely Chip Wullbrandt of Price Postel and Parma. The Central Coast Water Authority was represented by Ray Stokes and Steve Amerikaner of Hatch & Parent. Mr. Hamilton noted that a first draft of the agreement is scheduled for review by the parties on January 25, 2006. During discussion on the subject Mr Bob Jordan inquired about the consideration of back loading of the option price term as it grew in value. This was originally proposed by PXP but not favored by the District which countered with an even 50-50 split of option costs each year.

**GENERAL
MANAGER'S STATUS
REPORT ABOUT
DRAINAGE AND
SOIL EROSION
PROBLEMS
ASSOCIATED WITH
STORAGE TANK
PROJECT**

Mr. Hamilton presented a brief PowerPoint slide presentation showing pictures of the area of the District Storage Tank Project taken on December 30 and December 31. He briefly summarized the emergency steps and activities on December 31, 2005 and January 1 and 2, 2006 to address a threat to downstream property owners. Tom Wright and Shawn Kowalewski of MNS Engineers also addressed the Board and answered questions. In response to President Lemere's concern about additional silt loading and flooding on Highway 192 (Foothill Road), Mr. Wright commented that the goal is to prevent any additional silt loading or flooding on Foothill Road attributed to the Tank Project. Mr. Hamilton noted that this matter remained a top priority and that additional measures were underway to improve upon the measures taken before the New Year's weekend to address soil and drainage problems associated with the Tank Project and well as RMA VI activities. No action was taken.

NEW BUSINESS

**UNITED STATES
ENVIRONMENTAL
PROTECTION
AGENCY (EPA)
STAGE 2
DISINFECTION
BYPRODUCTS (DBP)
RULES OF
DECEMBER 15, 2005.**

Mr. Hamilton referred to the information contained in the Board packet about the December 15, 2005 promulgation of the Stage 2 Disinfection Byproducts (DBP) Rule by the United States Environmental Protection Agency. Following discussion, no action was taken.

**PUBLIC
NOTIFICATION OF
DISTRICT FAILURE
TO MEET EPA'S
STAGE 1
DISINFECTION
BYPRODUCT (DBP)
RULE FOR
TRICHALOMETHANES**

Mr. Hamilton distributed copies of a letter dated January 10, 2006 from the Department of Health Services notifying the District of a federal DBP Rule violation. Attached to the letter were tables showing District water quality sampling results. District Engineer Bob McDonald discussed a major factor contributing to the failure to meet the standard having to do with greater use of Cachuma spill water and less use of better quality groundwater in the first quarter of 2005. It is also apparent that the covering of the Carpinteria Reservoir likely assisted the District in complying with the DBP rule for Haloacetic acids. Mr. Hamilton commented that other factors come into play

having to do with retention time in the distribution system. He commented that the District needs to develop a program of monitoring and ensuring the flow of water to avoid stagnation and additional build up of DBPs in the distribution system. Following discussion Mr. Hamilton noted that he would distribute a draft of the public notification letter at the January 25, 2005 Board meeting. The letter must be distributed to all residents of the District within 30 days of January 10, 2006.

NEXT MEETING

The next scheduled Board meeting will be a Regular meeting held on January 18, 2006, at 4:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 5:54p.m.

Charles B. Hamilton, General Manager/Secretary