

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

March 29, 2006

Vice President Van Wingerden called the regular meeting of the Board of Directors of Carpinteria Valley Water District at Carpinteria City Hall to order at 7:05 p.m. Wednesday March 29, 2006, and led the Board in the recital of the Pledge of Allegiance.

Directors Present: Van Wingerden Lieberknecht, Roberts, Drain

Directors Absent: Lemere

Others Present: Charles Hamilton
Bob McDonald
Norma Rosales
Suzie Lara
Chip Wullbrandt
Omar Castro

MINUTES

Following discussion, Director Lieberknecht moved and Director Roberts seconded the motion to approve the minutes of the regular Board meeting held on March 22, 2006 as corrected for minor typographical errors. The motion carried by a 4-0 vote.

MONTHLY BILLS

Following discussion, Director Lieberknecht moved and Director Drain seconded the motion to approve the monthly bills for period of February 23, 2006 through March 22, 2006. The motion carried a 4-0 vote

PUBLIC FORUM

Speakers addressing the public during the Public Forum included Dick Poedtke regarding the District's accountability and governing code, and Bob Regis regarding his recommendation for a different water rate structure.

OLD BUSINESS

**RECOMMENDATION
RE: REPAVING OF
BICYLCE PATH –
HEADQUARTERS
WELL LATERAL**

General Manager Hamilton reported that staff was not ready to recommend any action relative to the re-paving of the Bicycle Path along Santa Monica Creek, as part of the District's Headquarters Well lateral project. There was no further discussion and no action was taken.

NEW BUSINESS

**RESOLUTION
NUMBER 827
ADOPTING THE
INITIAL STUDY /
NEGATIVE
DECLARATION FOR
OPTION
AGREEMENT FOR**

Mr. Hamilton presented an overview of the process and schedule for the Board to consider action on a proposed Option Agreement for the sale of State Water Project Allotment, and the need for this first step relative the California Environmental Quality Act. Following discussion, Director Roberts moved and Director Drain seconded the motion to approve Resolution Number 827 Adopting a Negative Declaration for the Approval of an Option Agreement for Sale of State Water Project Allotment. The motion carried a 3-1 vote. Director Lieberknecht voted no.

**SALE OF STATE
WATER PROJECT
ALLOTMENT**

**PRELIMINARY
FISCAL YEAR
2006/2007 BUDGET
AND
RECOMMENDATION
OF RATE & BUDGET
COMMITTEE**

Mr. Hamilton noted that the purpose of this agenda item evening was to obtain comments from members of the public and staff with regard to the basic elements of a preliminary draft Budget for FY 06-07. He requested that Board provide direction from this meeting for staff to proceed with the preparation of a proposed Budget for further consideration before final approval scheduled on May 24, 2006. Staff presenters included Business Manager Norma Rosales, District Engineer Bob McDonald, Operations & Maintenance Manager Omar Castro and Mr. Hamilton.

**COMMENTS,
QUESTIONS AND
ANSWERS BY THE
BOARD OF
DIRECTORS,
MEMBERS OF THE
PUBLIC, AND STAFF**

Speakers from the public with comments and/or questions included Dick Poedtke, John Schmidhauser, Kathleen Wigle, Roxanne Lapidus, Dave Moore, Penny Bloodheart and Peggy Hearst. Following discussion, Mr Hamilton summarized general Board direction to staff and the Rate & Budget Committee in preparation of the Proposed Budget as follows: 1) to seek a way to reduce Operating Expense by the possible capitalization of the District's 20% share of the City of Santa Barbara Cater Treatment Plant pilot study expense, possibly funding it through capital cost recovery fees; 2) to re-finance the District's Series 2000 Certificates participation (COPs) and obtain \$1 -2 million in new revenue for a Well Rehabilitation Fund, and 3) to use proceeds from a possible Option Purchase Sale of State Water to reduce the State Water Project component of the customer's monthly service charge.

RECESS

Vice President Van Wingerden declared a brief recess at 8:40 pm

**CLOSED SESSION
PUSUANT TO
GOVERNEMENT
CODE SECTION
54956.9 (b)**

Vice President Van Wingerden convened the Board in Closed Session at 8:50 p.m. pursuant to Government Code Section 54956.9 (b) potential threatened litigation: Ted Sampson Jr. v Carpinteria Valley Water District: WCAB Case# SBA83409, SBA84247. Mrs. Van Wingerden reconvened the Board in open session at 8:55 pm. No action was taken.

NEXT MEETING

Vice President Van Wingerden announced that the next scheduled Board meeting will be a regular meeting held on April 19, 2006, at 7:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue, and not at Carpinteria City Hall as stated on the agenda.

ADJOURNMENT

Vice President Van Wingerden declared the meeting adjourned at 8:56p.m.

Charles B. Hamilton, General Manager/Secretary