

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

May 16, 2007

President Lemere called the regular meeting of the Board of Directors of Carpinteria Valley Water District to order at 4:00 p.m. Wednesday May 16, 2007, and led the Board in the recital of the Pledge of Allegiance.

Directors Present: Lemere, Van Wingerden, Lieberknecht, Roberts, Drain
Directors Absent: None
Others Present: Norma Rosales
Suzie Lara
Bob McDonald
Chip Wullbrandt
Wayne Haefele
Bill Edge
Bob Kiyoi
Jim Salvito

MINUTES

Following discussion, Director Van Wingerden moved and Director Drain seconded the motion to approve the minutes of the regular Board meeting held on April 18, 2007. The motion carried by a 4-0 vote. Director Lieberknecht abstained.

PUBLIC FORUM

No one from the public addressed the Board.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

**STRATEGIC &
CAPITAL
FACILITIES PLAN
COMMITTEE
MEETING**

General Manager Hamilton briefly summarized the agenda items of the Strategic and Capital Facilities Plan Committee meeting held on April 30, 2007, attended by Directors Drain and Lemere.

**STORAGE TANK
PROJECT COSTS -
STATUS REPORT**

District Engineer Bob McDonald presented and explained a detailed summary of Storage Tank costs and answered questions from the Board.

**STORAGE TANK
PROJECT FUNDING -
STATUS REPORT**

Business Manager Norma Rosales presented an overview of project costs and available Certificate of Participation funding and interest earned. She reported that an arbitrage report was recently completed that indicates the availability of all interest funds earned on the COPs.

**UNION
ENGINEERING'S
ROCK CRUSHING
COST OF \$213,150,**

Following a presentation by Mr. McDonald, comments by Bill Edge of Union Engineering, and discussion, Director Drain moved and Director Roberts seconded the motion to approve Union Engineering's Alternative #1 Rock Crushing cost of \$213,150. The motion carried by a 5-0 vote.

**MNS ENGINEERS,
INC.
CONSTRUCTION
MANAGEMENT
SERVICES BUDGET**

Following a presentation by Mr. McDonald, comments by Jim Salvito of MNS Engineers, Inc., Mr. Hamilton, Mr. Wayne Haefele, MNS' on-site construction manager, and Bob Kiyoi, and discussion, Director Van Wingerden moved and Director Roberts seconded the motion to approve a construction management services budget amendment for MNS Engineering Inc. not to exceed \$241,032 of which \$156,000 will be reimbursed to the District by RMA, resulting in a net cost to the District of \$85,032. The motion carried by a 5-0 vote.

**SOUTHERN
CALIFORNIA
EDISON SERVICES
FOR AN ESTIMATED
AMOUNT OF 312,000**

Following a presentation by Mr. McDonald and discussion, Director Van Wingerden moved and Director Drain seconded the motion to authorize the General Manager to engage the services of California Edison for an estimated cost of \$312,000 of which \$156,000 will be reimbursed to the District by RMA, resulting in a net cost to the District of \$156,000.

**UNION
ENGINEERING
CHANGE ORDERS
TOTALING \$163,421**

Following a presentation by Mr. McDonald, comments by Bill Edge, and discussion, Director Roberts moved and Director Drain seconded the motion to approve change orders for Union Engineering totaling \$163,421, of which \$142,292 will be reimbursed to the District by RMA with a net cost to the District of \$21,129. The motion carried by a 5-0 vote.

**STORAGE TANK
DEDICATION**

Following discussion, President Lemere directed Mr. Hamilton to schedule a Rate & Budget committee meeting to prepare a budget and plan for Board consideration for a Storage Tank dedication event tentatively scheduled for September 26, 2007.

**CITY OF
GUADALUPE
INQUIRY ABOUT
STATE WATER
TRANSFER**

Following discussion, Director Roberts moved and Director Drain seconded the motion to authorize Mr. Hamilton to respond by letter to the City of Guadalupe's letter inquiring about necessary steps to formalize an agreement with the District, leading to the transfer of up to 500 AF of the District's State Water allocation to Guadalupe. The motion carried by a 4-1 vote with Director Lieberknecht voting no.

**LETTER RESPONSE
TO THE GRAND
JURY AUDIT AND
FINANCE
COMMITTEE
REPORT**

Following review and discussion of Mr. Hamilton's draft letter response to the Grand Jury Audit and Finance Committee report, entitled "Certificates of Participation in Public Finances – Is More Scrutiny Needed," Director Drain moved and Director Lieberknecht seconded the motion to authorize President Lemere to execute the letter for submittal to the Grand Jury. The motion carried unanimously.

**SERVICES OF
DATAPROSE FOR
INTERNET BILL
PAYMENT**

Following discussion, Director Van Wingerden moved and Director Roberts seconded the motion to authorize the Manager to engage the services of DataProse to establish and maintain a customer internet on-line bill payment capability for the District at a cost not to exceed \$5,000, and an on-going monthly maintenance cost of \$400.

**FY 08 RATE &
BUDGET PROCESS
AND SCHEDULE**

Mr. Hamilton reported briefly on the status and number of written protests delivered to the District, and preparations for the Public Hearing on May 23 at 7 pm. Plans have been made to recess the Public Hearing and move it to Carpinteria City Council Chamber in the event there is a large group of

people who wish to address the Board.

**DRAFT RESOLUTION
NUMBER 846 - RATES
AND CHARGES**

Mr. Hamilton distributed a draft of Resolution No. 846 for possible Board action on May 23, 2007.

**DRAFT RESOLUTION
NUMBER 847 –
CAPITAL COST
RECOVERY FEES**

Mr. Hamilton distributed a draft of Resolution No. 847 for possible Board action on June 20, 2007.

**HIGH SCHOOL
VIDEO CONTEST,
MAY 22, 2007**

President Lemere reported that he would attend the “Water Awareness” High School Video Contest awards ceremony on May 22, 2007 @ 6 pm in the Faulkner Gallery of Santa Barbara Library.

**DIRECTORS
REPORTS**

**CACHUMA
CONSERVATION
RELEASE BOARD
MEETING**

Director Van Wingerden gave an oral report about the April 23, 2007 Cachuma Conservation Release Board Meeting.

**CACHUMA
OPERATION AND
MAINTENANCE
BOARD MEETING**

Director Van Wingerden gave an oral report about the April 23, 2007 Cachuma Operations and Maintenance Board Meeting.

**CLOSED SESSION
PURSUANT TO
GOVERNMENT
CODE 54956.9 (a)**

President Lemere convened the Board in closed session at 6:03 pm pursuant to Government Code Section 54956.9 (a) Conference with Legal Counsel - Existing Litigation: Theodore Sampson v. Carpinteria Valley Water District: Case No. 1241788. President Lemere reconvened the Board in open session at 6:08 pm. No action was taken.

**CENTRAL COAST
WATER AUTHORITY
BOARD MEETING**

Director Lemere gave an oral report about the April 26, 2007 Central Coast Water Authority Board Meeting.

**ASSOCIATION OF
WATER AGENCIES /
JOINT POWERS
INSURANCE
AUTHORITY SPRING
CONFERENCE**

Directors Lemere and Lieberknecht gave oral reports of the ACWA/JPIA conferences held on May 7th- 11th, 2007.

NEXT MEETING

President Lemere announced that the next scheduled Board meeting will be a regular meeting held on May 23, 2007, at 4:00 p.m. and a Public Hearing at 7:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 6:24 p.m.

Charles B. Hamilton

Charles B. Hamilton, General Manager/Secretary