

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

**May 17, 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 May 17, 2006.

Directors Present: Lemere, Roberts, Van Wingerden, Drain, Lieberknecht

Directors Absent: None

Others Present: Charles Hamilton  
Bob McDonald  
Suzie Lara  
Chip Wullbrandt  
Alex Keuper  
Katherine Stone  
Mark Lloyd  
Tad Buchanan  
Dick Poedtke  
Kate Rees  
Kathleen Wigle

**MINUTES**

Following discussion, Director Van Wingerden moved and Director Roberts seconded the motion to approve the minutes of the regular Board meeting held on April 26, 2006 with one addition. The motion carried by a 4-0 vote. Director Drain was not present.

**DIRECTOR DRAIN  
ARRIVED**

Director Drain arrived at 4:05 p.m.

**PUBLIC FORUM**

Dick Poedtke asked if this were the time to ask questions related to proposed water rates and the Tank Project Addendum #2. President Lemere responded that the proposed water rates were to be discussed later on the agenda and that the Tank EIR Addendum #2 had been continued to May 24, 2006.

**OLD BUSINESS**

There was no Old business.

**NEW BUSINESS**

**PRESENTATION BY  
KATE REES ON THE  
FINAL 2006/2007  
CCRB/ID#1 BUDGET**

Following a presentation by Kate Rees, General Manger of the Cachuma Conservation Release Board and discussion, Director Lieberknecht moved and Director Van Wingerden seconded the motion to ratify the Final 2006-2007 Cachuma Conservation Release Board, Santa Ynez River Water Conservation District and Improvement District No. 1 2006/2007 Budget. The motion carried by a 5-0 vote.

**PUBLIC HEARING-  
PROPOSED  
DISTRICT 2006/2007**

President Lemere opened the public hearing on the District's proposed FY 2007 Budget and Water Rates and Charges. General Manager Hamilton noted that the Budget as presented was only slightly changed from what was

**BUDGET AND  
WATER RATES AND  
CHARGES**

previously presented to the Board, and that the main focus of today's public hearing was on the proposed Water Rates and Charges, Administrative Analyst Dr. Alex Keuper then presented a PowerPoint slide presentation about the proposed District 2006-2007 Budget and Water Rates and Charges.

Dick Poedtke asked questions about the way in which some charges increased and others decreased and whether there might be a better way to minimize the impacts on customers using small amounts of water.

Mr. Hamilton responded that one of the main reasons for the way the rate impacts differed was related to the reduction in the State Water Project Charge as result of the Option Agreement to sell State water to Plains Exploration and Production Co. He noted that State Water fixed cost charges are apportioned to customers as a source of supply cost and therefore tied to the size of customer meters. Customers with large meters, for example, have the capacity to take more water on demand from the system and pay proportionally more. Their SWP rate reductions are therefore proportionally greater than those customers with smaller meters who typically use less water.

Dr. Keuper also noted that the District's Capital Improvement Program (CIP) charges are increasing this year, and they are applied equally to all customers as a fixed amount. Therefore, even though the increase is the same for every customer, those customers with smaller meters and little water usage realize a greater percentage impact on a monthly bill from the CIP increase than customers with large meters and high water usage.

Mr. Hamilton noted that water rate increases would be effective July 1, 2006 and first reflected in customer bills received in August for water and service received in July.

**LETTER FROM  
ROBERT J. REGIS  
DATED MAY 1, 2006**

Mr. Hamilton noted the inclusion in the Board packet of Dr. Keuper's memo addressing a changed rate structure proposal set forth in a letter from Bob Regis dated May 1, 2006. Following discussion President Lemere directed Mr. Hamilton to use the staff memo as a basis to respond by letter to Mr. Regis' letter.

**AWARD OF  
CONTRACT TO  
LOWEST BIDDER  
FOR THE BICYCLE  
PATH PAVING OF  
HEADQUARTERS  
WELL LATERAL  
PROJECT**

Following a presentation by District Engineer Bob Mc Donald and discussion, Director Lieberknecht moved and Director Van Wingerden seconded the motion to approve the Managers recommendation to award contract to the lowest qualified bidder, Challenge Construction, for the bicycle path paving associated with the Headquarters Well Lateral Project for not to exceed amount of \$20,000. Mr. Hamilton noted that the paving is as scheduled to be completed before Memorial Day weekend. The motion carried by a 5-0 vote.

**RESOLUTION NO. 832  
APPROVING  
AGREEMENT FOR  
TRANSFER OF TITLE**

Following discussion, Director Drain moved and Director Roberts seconded the motion to approve Resolution No. 832 approving an Agreement with the United States Department of Interior Bureau of Reclamation for the Transfer of Title of a Federally Owned Distribution System as Part of the Cachuma

**OF FEDERALLY OWNED DISTRIBUTION SYTSEM**

Project.

Roll call on Resolution No. 832 resulted as follows:

Ayes: Drain, Roberts, Lieberknecht, Van Wingerden, Lemere

Nayes: None

Absent: None

Abstain: None

The motion carried unanimously.

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

President Lemere convened the Board in Closed Session at 4:55 p.m. pursuant to Government Code Section 54956.9 (b) Conference with legal Counsel - Anticipated Litigation. President Lemere reconvened the Board in open session at 5:12 p.m. and reported that no action was taken.

**DISTRICT STORAGE TANK PRESENTATION REGARDING DRAINAGE**

District Engineer Bob McDonald presented a brief PowerPoint slide presentation about the drainage issue associated with the District's Storage Tank Project. He presented information about the proposed construction of a facility on Rancho Monte Alegre paid for by the Ranch to divert a large portion of drainage flow into Santa Monica Creek Flood Control Channel which would otherwise drain into the detention basin facility constructed by the District and eventually to properties below the Ranch. Following discussion, no action was taken.

**PRESENTATION BY MARK LLOYD REPRESENTING RMA VI REGARDING IMPROVEMENTS BY RMA**

Mark Lloyd presented for informational purposes an overview of current and proposed Rancho Monte Alegre improvements and land development. Following discussion and questions, no action was taken.

**GENERAL MANAGERS REPORT**

**GENERAL**

**LETTER FROM FIRE CHIEF TOM MARTINEZ**

Mr. Hamilton noted that the very thoughtful thank you letter from Fire Chief Martinez was included in the Board packet.

**STANDARD & POORS RATING, REVENUE CERTIFICATES OF PARTICIPATION SERIES 2006A**

Mr. Hamilton reported that the District had received an underlying "A" rating for its Series 2006A Revenue Certificates of Participation, the same rating given in 2000.

**ETHICS TRAINING FOR STAFF**

Mr. Hamilton noted that District Engineer McDonald and Operations Maintenance Manager Castro would also be receiving ethics training, in addition to Business Manager Rosales, Administrative Assistant Lara and

himself who have received it. Director Van Wingerden is the one remaining Director to yet receive the required training.

**“TAP VS. BOTTLE’  
AND “THE WATER IS  
FINE” BY TRACI  
HUKILL, MONTEREY  
COUNTY WEEKLY,  
MAY 4-10, 2006**

Mr. Hamilton reported that he was informed about the lengthy article in the Board packet from the Monterey County Weekly comparing tap water and bottled water by President Lemere as he attended the ACWA Conference in Monterey.

**LOS ANGELES  
TIMES ARTICLE,  
“EDISON RECEIVES  
OK TO BOOST  
RATES 8%”**

Mr. Hamilton noted that not only does the news from the L.A Times article about an 8% Edison rate hike indicate the higher trend for rate increases this year, but it also means that District energy costs will go up significantly.

**CAPITAL  
IMPROVEMENT  
PROGRAM**

**STORAGE TANK-  
STATUS REPORT**

Mr. Hamilton distributed a recent picture of the Storage Tank construction site. President Lemere then directed Mr. Hamilton to look into getting a recent picture and story published in the Coastal View.

**CARPINTERIA  
RESERVOIR**

Mr. Hamilton had nothing new to report on this item.

**ORTEGA  
RESERVOIR-  
REPORT OF JOINT  
MWD/CVWD  
ORTEGA  
RESERVOIR  
COMMITTEE  
MEETING HELD  
MAY 2, 2006**

Mr. Hamilton reported that it was decided by the Joint MWD/CVWD Committee to send out postcards notifying customers of both Districts of the possible need for extra water conservation measures if the Ortega Reservoir is not back in service by the time summer demands for water begin to increase.

**HEADQUARTERS  
WELL AND  
FILTRATION PLANT**

Mr. Hamilton had nothing new to report on this item.

**DIRECTORS  
REPORTS**

**CACHUMA  
CONSERVATION  
RELEASE BOARD/  
CACHUMA  
OPERATION AND  
MAINTENANCE  
BOARD**

Director Lieberknecht gave an oral report on the Cachuma Conservation Release Board and Cachuma Operation and Maintenance Board meetings held on April 27, 2006.

**CENTRAL COAST  
WATER AUTHORITY**

President Lemere gave an oral report on the Central Coast Water Authority Board Meeting held on May 8 - 12, 2006.

**JOINT POWERS  
INSURANCE  
AUTHORITY/  
CALIFORNIA  
ASSOCIATION OF  
WATER AGENCIES  
SPRING  
CONFERENCES, MAY  
8 - 12, 2006**

President Lemere gave an oral report on the Joint Powers Insurance Authority/ California Association of Water Agencies Spring Conference meetings held on May 8 - 12, 2006. He commented on several presentations and also noted that he is particularly impressed with the "California' Water" Pubic Television Series by Huell Howser, who addressed the conference. The television program series is sponsored by ACWA members.

**NEXT MEETING**

The next scheduled Board meeting will be a Regular meeting held on May 24, 2006, at 4:00 p.m. in the Board meeting room at 1301 Santa Ynez Avenue.

**ADJOURNMENT**

President Lemere declared the meeting adjourned at 6:15 p.m.

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Charles B. Hamilton, General Manager/Secretary