

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

May 23, 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 23, 2007.

Directors Present: Lemere, Roberts, Van Wingerden, Lieberknecht
Directors Absent: Drain
Others Present: Charles Hamilton
Bob McDonald
Omar Castro
Suzie Lara
Norma Rosales
Chip Wullbrandt

MINUTES

Following discussion, Director Roberts moved and Director Van Wingerden seconded the motion to approve the minutes of the regular Board meeting held on May 16, 2007. The motion carried by a 4 – 0 vote.

MONTHLY BILLS

Following discussion Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve the monthly bills for the period of April 19, 2007 through May 23, 2007. The motion carried by a 4 – 0 vote.

PUBLIC FORUM

No one from the public addressed the Board.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

**AUDIT AND STATE
CONTROLLERS
REPORT AND
PROGRAM SPECIFIC
AUDIT FOR YEAR
ENDING JUNE 30,
2007**

Following a brief introduction by General Manager Hamilton and comments by Danna McGrew, Partner with Bartlett Pringle & Wolf, Director Roberts moved and Director Lieberknecht seconded the motion to approve and authorize the engagement of Bartlett, Pringle & Wolf, LLP to perform the Audit and Preparation of State Controllers Report for the year ending June 30, 2007, for an approximate cost of \$22,000, and also the Program Specific Audit for the year ending June 30, 2007 for an approximate cost of \$5,000. The motion carried by a 4-0 vote.

**GENERAL
MANAGER'S
REPORTS**

**FINANCIAL-
MONTHLY
STATEMENTS**

Business Manager Rosales presented the Financial report for the month of April, 2007.

**OPERATIONS &
MAINTENANCE-
MONTHLY REPORT**

Operations and Maintenance Manager Castro presented the Operations and Maintenance report for the month of April, 2007.

WATER SUPPLY

District Engineer Mc Donald presented the Water Supply report for the month of April, 2007.

**PROJECT STATUS
REPORT**

Mr. Mc Donald presented the Project Status report for the month of May, 2007.

**INTEGRATED
REGIONAL WATER
MANAGEMENT
PLAN- PROJECT
SELECTION**

Mr. Hamilton and Mr. Mc Donald provided the Board with a status report about the inclusion of the Distirct CZ Main and Well Project in the final ranking of projects to be forwarded to the State with the Integrated Regional Water Management Plan, scheduled for approval on June 20, 2007.

**STORAGE TANK-
STATUS REPORT**

Mr. Hamilton had nothing new to report on the Storage Tank Project.

**ORTEGA
RESERVOIR –
STATUS REPEORT**

Mr. Hamilton had nothing new to report on the Ortega Reservoir Project.

**DIRECTORS
REPORTS**

**CACHUMA
CONSERVATION
RELEASE BOARD**

Director Lieberknecht gave an oral report about the May 21, 2007 Cachuma Conservation Release Board meeting.

**CACHUMA
OPERATION AND
MAINTENANCE
BOARD**

Director Lieberknecht gave an oral report about the May 21, 2007 Cachuma Operation and Maintenance Board meeting.

**RECESS AND
CONTINUATION OF
MEETING**

President Lemere declared a recess at 4:48 pm and announced that the Board meeting would be continued at 7:00 pm at the District in the Board meeting room for the Public Hearing on Proposed Rates and Charges for FY 2008.

**CONTINUATION OF
MEETING TO CITY
COUNCIL CHAMBER
AT CARPINTERIA
CITY HALL**

At 6:55 pm, President Lemere reconvened the Board meeting. He then announced and explained that due to the large number of people already in attendance wishing to address the Board and the 25 person capacity limitation of the Board meeting room, that for public health and safety reasons the meeting at the District would now be recessed and continued at 7:30 pm in the City Council Chamber of Carpinteria City Hall at 5775 Carpinteria Avenue.

**PUBLIC HEARING
ON PROPOSED
RATES AND
CHARGES FOR FY**

At 7:30 pm President Lemere reconvened the Board meeting in the City Council Chamber at Carpinteria City Hall and announced that this was the time and place forth Public Hearing as set forth in the March 29, 2007 public notice. He announced that the Public Hearing will determine whether or not

2008	the proposed increase in Rates and Charges for water service shall be adopted.
COMMENTS BY LEGAL COUNSEL	Counsel Wullbrandt of Price Postel and Parma stated that the purpose of the Public Hearing is to receive public comment and any formal protests to the proposed increases in Rates and Charges for water service. He noted that the Board will hear any and all objections to the proposed increases, whether written or oral. He noted that written protests must include the following: 1) the parcel number or street address where water service is delivered; 2) the original signature of the record property owner or District customer; 3) if signed by a District customer, the protest must include the District account number.
WATER RATE STRUCTURE ANALYSIS	General Manager Hamilton reported that the Water Rate Structure Analysis report, compiled by the District, supports the proposed Rates and Charges, and has been and is available for inspection. He noted that this report along with the District's annual Budget establishes the basis for the Rates and Charges increases.
PROPOSED FY 2008 BUDGET, WATER RATES AND CHARGES	Business Manager Norma Rosales presented a PowerPoint presentation about the proposed fiscal Year 2008 Budget, Water Rates and Charges.
AFFIDAVIT OF MAILING OF NOTICE OF HEARING	Mr. Hamilton confirmed that he had signed the Affidavit of Mailing of Notice of Hearing.
PUBLIC HEARING	President Lemere then opened the Public Hearing.
COMMENTS AND /OR PROTESTS	Members of the public who addressed the Board with comments and/or protests included the following: Rick Shade Anne Bardach-Lesser Charles Nix Al Silvera J. Froutera Dick Poedtke Bruce Taylor Al Weil Eric Fanthorpe Case Van Wingerden Tom Mayer Dave Moore Sandra Weil Scott Van Der Kar Ha Ngo Following discussion, President Lemere closed the Public Hearing.

**RESULTS OF
PROTEST**

President Lemere then requested that General Manager/Secretary Hamilton determine whether the protests received by the close of the Public Hearing constitute a majority of owners of parcels of property within the District. Mr. Hamilton reported that 586 written protests had been received out of a possible 6,062, and that for a majority protest to exist 3,032 protests were required and therefore a majority protest did not exist.

**RESOLUTION NO. 845
APPROVING THE
2007-2008 BUDGET**

Following discussion, including Director Roberts suggestions that further cuts should be considered relative to the expenditure for new billing and accounting software, the El Carro well replacement, and the funding of fish habitat projects as part of the District's cost sharing as member of the Cachuma Conservation Release Board, and comments from the public, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve Resolution No. 845 Approving the 2007 – 2008 Budget. The motion carried by 3-1 majority. Director Roberts voted no.

**RESOLUTION NO. 846
ADOPTING RATES
AND CHARGES FOR
WATER SERVICES
AND AMENDING
DISTRICT RULES
AND REGULATIONS
RELATING TO SUCH
RATES AND
CHARGES**

Following discussion, Director Van Wingerden moved and Director Lieberknecht seconded the motion to approve Resolution No. 846 Adopting Rates and Charges for Water Service and Amending District Rules and Regulations Relating to Such Rates and Charges. The motion carried by a 4-0 vote.

**CACHUMA
CONSERVATION
RELEASE BOARD /
SANTA YNEZ ID # 1
FISCAL YEAR 2007-
2008 BUDGET**

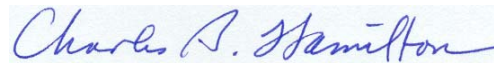
Following a presentation by Kate Rees, General Manager of the Cachuma Conservation Release Board, and discussion, Director Lieberknecht moved and Director Van Wingerden seconded the motion to ratify the Cachuma Conservation Release Board / Santa Ynez Improvement District ID No. 1 Fiscal Year 2007-2008 Budget of \$2,264,895 with a Carpinteria Valley Water District share of \$215,814. The motion carried by a 4-0 vote.

NEXT MEETING

The next scheduled Board meeting will be a regular Board meeting held on June 20, 2007, at 4:00 pm in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 9:22 p.m.



Charles B. Hamilton, General Manager/Secretary