

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

May 24, 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 25, 2006.

Directors Present: Lemere, Roberts, Drain, Lieberknecht

Directors Absent: Van Wingerden

Others Present: Charles Hamilton
Bob McDonald
Omar Castro
Suzie Lara
Chip Wullbrandt
Danna McGrew
Don Ashworth
Diane Cogburn
Linda Law
Greg Law
Dave Morris
Dick Poedtke
Jim Ballard
Vera Bensen
Roxanne Lapidus
Kathleen Wigle

MINUTES

Following discussion, Director Drain moved and Director Lieberknecht seconded the motion to approve the minutes of the regular Board meeting held on May 17, 2006. The motion carried by a 4 – 0 vote. Director Van Wingerden was absent.

MONTHLY BILLS

Following discussion Director Lieberknecht moved and Director Roberts seconded the motion to approve the monthly bills for the period of April 27, 2005 through May 24, 2006. The motion carried by a 4 – 0 vote.

PUBLIC FORUM

No one from the public addressed the Board on any matter not on the agenda.

OLD BUSINESS

**PUBLIC HEARING -
STORAGE TANK
PROJECT
ENVIRONMENTAL
IMPACT REPORT
ADDENDUM NO. 2**

President Lemere opened the public hearing on Addendum No. 2 for the Storage Tank Project Environmental Impact Report. General Manager Hamilton requested that the hearing be continued to June 7 in order to allow for revisions to the Addendum as a result of comments received when the hearing was first opened on April 24. Following Discussion, President Lemere declared that the hearing would be continued to the June 7 Board meeting at 4 pm.

**RESOLUTION NO. 830
ADOPTING
STORAGE TANK EIR
ADDENDUM NO. 2**

No action was taken on this item due to the continuation of the public hearing for the matter to June 7.

NEW BUSINESS

**SHEPARD MESA
STORAGE TANK
SITE – POSSIBLE CO-
LOCATION OF
WIRELESS CELL
PHONE FACILITIES**

General Manager Hamilton reported that he had determined that the Shepard Mesa storage tank site is not feasible for the co-location of wireless cell phone facilities due to the close proximity and objections of the neighbors as well as the lack of space on the ground for wireless transmission equipment. Following discussion and comments from Don Ashworth, Diane Cogburn, Linda Law and Greg Law, Director Lieberknecht moved and Director Drain seconded the motion that there be no further consideration of the Shepard Mesa storage tank site for co-location of wireless cell phone facilities. The motion carried by a 4-0 vote.

**REVIEW OF
CAPITAL COST
RECOVERY FEE
COLLECTIONS**

Danna McGrew of Bartlett Pringle & Wolf presented a summary of the findings of her report dated May 10, 2006 included in the Board agenda packet. Her review included examination of select transactions during the period from 1998 through March of 2006. One exception or difference between the methodology and approved rates and actual fee collection was noted in the 1999-2000 fiscal year. Discussion followed including a question about the rationale for not including the actual Capital Improvement Program (CIP) fee schedule in Resolution No. 736 which incorporated the CIP fee into the Capital Cost Recovery fee. Mr. Hamilton responded that he believed the intent at the time was to preclude having to do a separate new resolution each year. The CIP charge is a part of every annual Water Rates authorizing resolution. No action was taken.

**PUBLIC HEARING-
PROPOSED
DISTRICT 2006-2007
BUDGET AND
WATER RATES AND
CHARGES**

President Lemere opened the public hearing on the proposed District 2006-2007 Budget and Water Rates and Charges. Dr. Alex Keuper, Administrative Analyst, then presented a PowerPoint slide overview of the proposed Budget and Water Rates. Mr. Hamilton noted that the proposed Budget if approved includes a 5% cost of living increase for all 14 non-exempt employees of the District and a 3% cost of living increase for all exempt employees of the District, including the General Manager, and further that all exempt and non-exempt employees will contribute 2% and the District will contribute 5% of the 7% employee contribution to the Public Employee Retirement System (PERS). Also, the Budget includes funding for District paid orthodontic coverage for employee dependents only for a cost of \$2,040 to the District. Following discussion President Lemere closed the public hearing.

**RESOLUTION NO. 833
APPROVING THE
2006-2007 BUDGET**

Following discussion, Director Drain moved and Director Lieberknecht seconded the motion to adopt Resolution No. 833 Approving the 2006-2007 Budget.

Roll call on Resolution No. 833 resulted as follows:

Ayes: Drain, Roberts, Lieberknecht, Lemere
Nays: None

Absent: Van Wingerden
Abstain: None

The motion carried unanimously.

**RESOLUTION NO. 834
ADOPTING RATES
AND CHARGES FOR
WATER SERVICES
AND AMENDING
DISTRICT RULES
AND REGULATIONS
RELATING TO SUCH
RATES AND
CHARGES**

Following discussion, Director Roberts moved Director Lieberknecht seconded the motion to adopt Resolution No. 834 Adopting Rates and Charges for Water Services and Amending District Rules and Regulations Relating to such Rates and Charges.

Roll call on Resolution No. 834 resulted as follows:

Ayes: Drain, Roberts, Lieberknecht, Lemere
Nays: None
Absent: Van Wingerden
Abstain: None

The motion carried unanimously.

**RESOLUTION NO. 835
CONSENTING TO
ENTER THE JOINT
PROTECTION
PROGRAMS OF THE
ASSOCIATION OF
CALIFORNIA
WATER
AGENCIES/JOINT
POWERS
INSURANCE
AUTHORITY**

Mr. Hamilton reported that the District had recently obtained approval by the Association California Water Agencies /Joint Powers Insurance Authority (JPIA) to participate in the joint protection program for Workers' Compensation coverage. This was the result of a long standing goal of the District as encouraged by President Lemere to take advantage of cost savings associated with coverage of all three of the JPIA programs, namely Property, Liability and Workers Compensation. Mr. Hamilton noted that participation required that the District complete several tasks related to safety and commended the actions of staff, in particular Tootie Maier, Omar Castro and Norma Rosales for their successful efforts. In response to Director Lemere's question about the \$10,000 Retrospective Allocation Point (RAP) used as a basis for the District's cost allocation formula, Mr. Hamilton resounded that it is function of a set JPIA schedule related to the District's deposit premium. Mr. Lemere noted that it could possibly be lowered if the District's experience modification rate improved significantly. Director Lieberknecht then moved and Director Drain seconded the motion to adopt Resolution No. 835 Consenting to Enter the Joint Protection Programs of the Association of California Water Agencies and Joint Powers Insurance Authority.

Roll call on Resolution No. 835 resulted as follows:

Ayes: Drain, Roberts, Lieberknecht, Lemere
Nays: None
Absent: Van Wingerden
Abstain: None

The motion carried unanimously.

**RESOLUTION NO. 836
AUTHORIZING
APPLICATION TO
THE DIRECTOR OF**

Mr. Hamilton reported that proposed Resolution No. 836 is an action required in order to participate in the JPIA Worker's Compensation program. Following discussion, Director Lieberknecht moved and Director Roberts seconded the motion to adopt Resolution No. 836 Authorizing Application to

**INDUSTRIAL
RELATIONS, STATE
OF CALIFORNIA,
FOR A CERTIFICATE
OF CONSENT TO
SELF-INSURE
WORKERS'
COMPENSATION
LIABILITIES**

the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities.

Roll call on Resolution No. 836 resulted as follows:

Ayes: Drain, Roberts, Lieberknecht, Lemere
Nays: None
Absent: Van Wingerden
Abstain: None

The motion carried unanimously.

**NOTICE OF
ELECTIVE OFFICES
TO BE FILLED AT
THE CARPINTERIA
VALLEY WATER
DISTRICT**

Mr. Hamilton presented information from Joseph Holland, County Clerk, Recorder and Assessor, relative to the November election. He indicated that the Board must determine whether candidates for the District Board pay for candidate statements and whether the statements shall be limited to 200 or 400 words. Following discussion Director Lieberknecht moved and Director Roberts seconded the motion to direct the General Manager to complete the forms with candidates assuming payment and their statements limited to 200 words. The motion carried by a 4-0 vote.

**GRAND JURY
REPORT- LEGAL
SERVICES IN SANTA
BARBARA, VERY
HIGH PRICES FOR
COMPREHENSIVE
REPRESENTATION**

Mr. Hamilton presented the grand jury report entitled "Legal Services in Santa Barbara, Very High Prices for Comprehensive Representation." He noted that specific references to the District are favorable and that the District has addressed many of the more general questions and issues raised in the report. He indicated that he would prepare a required response for Board review within the required 60 day time frame. No action was taken.

**GENERAL
MANAGER'S
REPORTS**

FINANCIAL

Mr. Hamilton presented the Financial report for the month of April, 2006.

WATER SUPPLY

District Engineer Bob McDonald presented the Water Supply report for the month of April, 2006. He noted that the District is producing a much larger percentage of water than sold and would be looking into the matter further.

ENGINEERING

Mr. Mc Donald presented the Project Status report for the month of May, 2006.

OPERATIONS

Operations and Maintenance Manager Omar Castro presented the Operations and Maintenance report for the month of May, 2006.

GENERAL

**CAPITAL
IMPORVEMENT
PROGRAM**

**STORAGE TANK
STATUS REPORT**

Mr. Hamilton reported on the status of the Tank Project and the progress of the effort to address the drainage issue with the neighbors below the lower Ranch. Director Roberts indicated that the Ranch should consider quality control measures relative to any discharge into Santa Monica Creek. Mr. Hamilton responded that he would communicate this concern to the Project team.

**CARPINTERIA
RESERVOIR STATUS
REPORT**

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

**ORTEGA
RESERVOIR STATUS
REPORT**

Mr. Hamilton reported that there would be no need for the planned postcard mailing to all customers relative to possible shortages in June related to the Ortega covering project. He was recently informed that the Ortega reservoir will be going back in service earlier than anticipated.

**HEADQUARTERS
WELL AND
FILTRATION PLANT
STATUS REPORT**

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

**DIRECTORS
REPORTS**

**CACHUMA
CONSERVATION
RELEASE BOARD
MEETING MAY 24,
2006**

Director Lieberknecht gave an oral report about the May 24, 2006 Cachuma Conservation Release Board meeting.

**CACHUMA
OPERATION AND
MAINTENANCE
BOARD MEETING
MAY 24, 2006**

Director Lieberknecht gave an oral report about the May 24, 2006 Cachuma Operation and Maintenance Board meeting.

NEXT MEETING

The next scheduled Board meeting will be a special Board meeting held on June 7, 2006, at 4:00 pm in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 5:50 p.m.

Charles B. Hamilton, General Manager/Secretary