

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

September 27, 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 September 27, 2006.

Directors Present: Lemere, Roberts, Lieberknecht, Drain
Directors Absent: VanWingerden
Others Present: Charles Hamilton
Bob McDonald
Omar Castro
Norma Rosales
Suzie Lara
Chip Wullbrandt
Neal Meyers
Wayne Haefele
Jeff Dinkin
Bob Roebuck (arrived at 4:30 p.m.)
Bret Foster (arrived at 4:30 p.m.)

MINUTES

Following discussion, Director Drain moved and Director Lieberknecht seconded the motion to approve the minutes of the August 23, 2006 Board meeting. The motion carried by a 4-0 vote.

MINUTES

Following discussion, Director Lieberknecht moved and Director Drain seconded the motion to approve the minutes of the August 29, 2006 Board meeting. The motion carried by a 4-0 vote.

MONTHLY BILLS

Following a brief overview presented by Business Manager Norma Rosales, and discussion, Director Roberts moved and Director Drain seconded the motion to approve the monthly bills for the period of August 24, 2006 through September 27, 2006. 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".

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

President Lemere Convened the Board in Closed Session at 4:05 pm. pursuant to Government Code Section 54956.9 (a) for a conference with legal counsel - existing litigation: Theodore Sampson v. Carpinteria Valley Water District, Case No. CV-06-4383 GHK (MANx). President Lemere reconvened the Board in open session at 4:15 pm. No action was taken.

NEW BUSINESS

**RECOMMENDATION
TO APPLY A**

Following a presentation by Business Manager Norma Rosales and discussion, Director Drain moved and Director Lieberknecht seconded the

**CUSTOMER CREDIT
FOR WATER LOSS**

motion to apply a credit in the amount of \$319.41 to customer account no. 10-5200-2 in accordance with Board policy for large water loss caused by an unforeseeable leak in a customer water line. The motion carried by a 4-0 vote.

**RECOMMENDATION
TO REJECT CLAIM
OF LINDSAY
COZART**

Following review of material distributed by the General Manager and material enclosed with the Board packet, and discussion, Director Roberts moved and Director Lieberknecht seconded the motion to reject the claim submitted by Ms. Lindsay Cozart. The motion carried by a 4-0 vote.

**RECOMMENDATION
TO REJECT CLAIM
OF FAWNE FRAILEY**

Following review of material distributed by the General Manager and material enclosed with the Board packet, and discussion, Director Roberts moved and Director Lieberknecht seconded the motion to reject the claim submitted by Ms. Lindsay Cozart. The motion carried by a 4-0 vote.

**STORAGE TANK –
STATUS REPORT**

Wayne Haeefe, Construction Project Manager for the Storage Tank Project, presented a PowerPoint presentation about the status of construction of the Storage Tank Project including measures in place to address soil erosion and drainage run-off in the event of rainy weather. During a period of questions and answers, President Lemere requested that the Manager notify neighbors in the immediate vicinity if there is to be any discharge of dechlorinated water from the Tank following its leak testing into any drainage course that could be of concern to them. General Manager Hamilton also reported on the status of the emergency permit applied for by RMA from the County for improvements on Lot 4 to enable drainage into Santa Monica Creek.

**ORTEGA
RESERVOIR**

**REPORT OF THE
ORTEGA
RESERVOIR
COMMITTEE
MEETING,
SEPTEMBER 12, 2006**

Director Roberts gave a brief oral summary of the Ortega Reservoir meeting held on September 12, 2006 at Montecito Water District, and the need for an action item for construction administration and construction engineering services.

**PENFIELD &
SMITH'S PROPOSAL
FOR ORTEGA
RESERVOIR
CONSTRUCTION
ADMINISTRATION
AND
CONSTRUCTION
ENGINEERING
SERVICES**

Mr. Hamilton introduced General Manager Bob Roebuck who then discussed the successful completion of Phases I and II of the Ortega Reservoir Cover Project, including civil site work, and the preparations for installation of the aluminum cover. He also presented the item on the agenda concerning needed construction administration and engineering services as set forth in the proposal by Penfield and Smith enclosed with the Board packet. During questions and answers that followed, President Lemere requested that Bret Foster of Penfield and Smith consider some reduction of Penfield & Smith's hourly rates to help control costs. Mr. Foster indicated that he would pursue the request with his superiors. Following discussion, Director Drain moved and Director Lieberknecht seconded the motion to approve Penfield & Smith's proposal for Ortega Reservoir Construction Administration and Construction Engineering Services at a not to exceed cost of \$137,100 of which half will be paid by Montecito Water District. The motion carried by a 4-0 vote.

**RESOLUTION NO. 837
ADOPTING A
CONFLICT OF
INTEREST CODE**

Following an introduction by Mr. Hamilton noting the inclusion of Business Manager Norma Rosales in the new Conflict of Interest Code, and comments by Counsel Wullbrandt about the changes in the proposed Conflict of Interest Code, and discussion, Director Roberts moved and Director Lieberknecht seconded the motion to approve Resolution No. 837 Adopting a Conflict of Interest Code.

Roll Call on Resolution No. 837 resulted as follows:

Ayes: Drain, Roberts, Lieberknecht, Lemere

Nays: None

Absent: Van Wingerden

Abstain: None

The motion carried by a 4 – 0 vote.

**GENERAL
MANAGER'S
REPORTS**

**FINANCIAL -
MONTHLY
STATEMENTS**

Business Manager Norma Rosales presented the monthly financial statements for the period ending August 31, 2006.

WATER SUPPLY

District Engineer Bob McDonald presented the monthly Water Supply report for August 2006.

**PROJECT STATUS
REPORT**

Mr. Mc Donald presented the Project Status report for August 2006.

**OPERATIONS AND
MAINTENANCE**

Operations and Maintenance Manager Omar Castro presented the Operations and Maintenance report for the month of August, 2006. He provided additional information about the work performed by Bakersfield Well and Pump at Lyons Well. Mr. Hamilton noted that he was forming a staff working group to evaluate the status and consider options for all the District's wells and optimal groundwater production.

GENERAL

**CITY OF SANTA
BARBARA "WATER
AGENCY
QUARTERLY
PROJECT REVIEW"**

Mr. Hamilton distributed that latest technical status report of the large pilot project study underway by Carrollo Engineers for the City of Santa Barbara to determine the most feasible options available to address the new higher standards for disinfection byproducts at the Santa Barbara Cater Treatment Plant. The District pays for about 20% of the overall \$800,000 cost associated with this major study. He noted that preliminary findings indicate that ozonation may be necessary to sufficiently address the organic precursor problem associated with Cachuma water, and that from his experience at another water district, ozonation is both very expensive and problematic for a distribution system that includes other sources of treated water, such as

would be the case for Carpinteria Valley Water District with its heavy reliance on groundwater. A draft report is expected for review by January of 2007.

**USEPA PUBLIC
REGISTRATION FOR
THE UNREGULATED
CONTAMINANT
MONITORING
REGULATION**

Mr. Hamilton called the Board's attention to a letter from the U.S. Environmental Protection Agency enclosed in the Board packet. He noted that it is an example of one of the many technical regulatory requirements that the District, and in particular District Engineer Bob McDonald, handles routinely, with little or no notice by the Board, and for which he, Mr. Hamilton, is very appreciative.

**PUEBLO WATER
RESOURCES, INC**

Mr. Hamilton distributed copies of a notice announcing the formation of Pueblo Water Resources, Inc. by Steve Tanner, P.E., long-standing consulting engineer to the District, and his associates formerly with Padre Associates. He indicated that he has begun working with Mr. Tanner in his new capacity and organization relative the District's capital improvements associated with the Storage Tank and the District well field. Director Roberts commented that the Manager should look into the terms of the El Carro Well lease with the City of Carpinteria as it pertains to a requirement that there be a producing well on the site. Mr. Hamilton noted that Mr. Tanner would attend the next Board meeting to officially establish a new contractual relationship between the District and Pueblo Water Resources, Inc.

**"THE CASITAS
WATER NEWS" FALL
2006**

Mr. Hamilton distributed copies of a recent newsletter from Casitas Municipal Water District illustrating a comparison of water costs in several water agencies in both Santa Barbara and Ventura Counties, including those of Carpinteria Valley Water District. He noted there appeared to be an inconsistency in the comparison of the figures shown due to the use of the District's water rates for its highest pumping zone. There are few if any Irrigation customers in this zone and so the comparison as a typical agricultural water cost is inaccurate. Following discussion, the Manager was directed by President Lemere to call the matter to the attention of Casitas' General Manager John Johnson.

**DIRECTORS
REPORTS**

**CENTRAL COAST
WATER AUTHORITY
BOARD MEETING,
AUGUST 24, 2006**

Director Lemere gave an oral report about the August 24, 2006 Central Coast Water Authority Board meeting.

**CACHUMA
CONSERVATION
RELEASE BOARD
AND CACHUMA
OPERATION AND
MAINTENANCE
BOARD MEETINGS
SEPTEMBER 25, 2006**

Director Lieberknecht gave an oral report about the September 25, 2006 Cachuma Conservation Release Board and Cachuma Operation and Maintenance Board meetings.

**REPORT OF
PERSONNEL
COMMITTEE
MEETING HELD
SEPTEMBER 27, 2006**

Director Drain reported that the Personnel Committee had met earlier in the day, in closed session, for the purpose of performing the General Manager's annual evaluation.

**CLOSED SESSION:
CONFERENCE WITH
LABOR
NEGOTIATOR
PURSUANT TO
GOVERNMENT
CODE SECTION
54957.6.**

At 5:34 pm President Lemere announced and the Board convened in Closed Session for a conference with labor negotiator Jeff Dinkin pursuant to Government Code Section 54957.6, pertaining to negotiations with the International Union of Operating Engineers, Local 12. President Lemere reconvened the Board in Open Session at 6:02 pm and reported that Mr. Dinkin had been provided with direction from the Board, but that no action was taken.

NEXT MEETING

The next scheduled Board meeting will be a Regular meeting held on October 25, 2006, at 4:00 pm in the Board meeting room at 1301 Santa Ynez Avenue.

ADJOURNMENT

President Lemere declared the meeting adjourned at 6:03 p.m.

Charles B. Hamilton, General Manager/Secretary