

**MINUTES OF A REGULAR MEETING
of the
CACHUMA OPERATION & MAINTENANCE BOARD
held at the
Cachuma Operation & Maintenance Board Office
3301 Laurel Canyon Road, Santa Barbara, CA
Monday, September 22, 2008**

1. Call to Order, Roll Call

The meeting was called to order at 3:42 p.m. by President Chuck Evans, who chaired the meeting. Those in attendance were:

Directors present:

Chuck Evans	Goleta Water District
Das Williams	City of Santa Barbara
Jan Abel	Montecito Water District
Bob Lieberknecht	Carpinteria Valley Water District

Others present:

Kate Rees	William Hair
Chip Wullbrandt	Janet Gingras
Charles Hamilton	Brett Gray
Tom Mosby	Alex Keuper
Chris Dahlstrom	David McDermott
Gary Kvistad	Rebecca Bjork

2. Public Comment

There were no comments from the public.

3. Consent Agenda

a. Minutes:

August 25, 2008 Regular Board Meeting

b. Investment Funds

Financial Report
Investment Report

c. Payment of Claims

Director Williams moved to approve the Consent Agenda, seconded by Director Lieberknecht, passed 6/0/1, Director Loudon was absent.

4. Reports from the Manager

a. Water Storage, Water Production Use, SWP Accounting

The monthly reports from Janet Gingras were included in the board packet.

b. Operations Report

Brett Gray's monthly report on operations was included in the board packet.

c. 2008 Surcharge Accounting

Ms. Rees summarized the 2008 surcharge accounting table that was included in the board packet. She reported that in spill years and the year following a spill we are required to provide increased target flows for summer rearing habitat for steelhead. Out of the 8,300 A.F. of fish surcharge water available this year, 3,200 A.F. must be reserved for assisting with migration passage flows next winter. The surcharge balance of 5,100 A.F. to date has been used for target flows. and in order to continue to meet those flows, 664 A.F. has been supplied from Project Yield.

d. Fish Surcharge Operations Meeting, September 4, 2008

Ms. Rees highlighted the meeting she attended on September 4th. This meeting was concerning the 3 foot surcharge and the risk assessment that the surcharge would have on Bradbury Dam. Ms. Rees will be attending Reclamation's risk assessment workshop in Denver, October 6-10. The cost of the risk assessment study is about \$125,000. Reclamation's current fiscal year budget for the Cachuma Project has enough money to pay for this study. Therefore, no additional assessment will be needed.

e. Gap Fire Update – BAER Report

Ms. Rees had included in the board packet a copy of the BAER Report on the Gap Fire. She reported that Brett Gray is working with Boyle Engineers and Flowers and Associates to evaluate the effects of probable erosion and the possibility of initiating precautionary measures to protect the pipeline.

f. Draft Cachuma Recreation Area RMP/EIS Update

Ms. Rees reported that she requested Reclamation to extend the public comment period for the Cachuma Lake Recreation Area Resource Management Plan Draft EIS. Reclamation agreed to do so and extended the comment period to Friday, October 31, 2008. Charles Hamilton, Carpinteria Valley Water District General Manager, announced that a public hearing on the Draft RMP/EIS would be held at the Carpinteria City Hall on October 8th at 6:30 p.m.

g. Cachuma Reservoir Current Conditions

Date 09/22/2008

Lake elevation	743.32 feet
Storage	175,668 acre feet
Rain (for the month to date)	0.00 inches
Rain YTD (for the season to date)	21.52 inches
Fish Release-Hilton Creek	25.4 acre feet per day
Fish Release-Outlet Works	6 to 2 acre feet per day
Month to Date Fish Release	685.4 acre feet
Month to Date Spill	0 acre feet
Year to Date Spill	22,239 acre feet

5. Santa Barbara County's Integrated Regional Water Management Plan Prop 50 Grant Activities

a. IRWMP Meeting, September 18, 2008

Ms. Rees reported that at the October 27th Board meeting, the COMB Board will consider approving an MOU for administration of the Prop 50 grant contract. This MOU will include all of the project partners receiving grant money. The State Water Resources Control Board will enter into a grant contract with the County Water Agency that needs to be in place by December 31, 2008. The Board will also need to approve a sub-agreement between COMB and the County Water Agency obligating COMB to carry out its responsibilities under the State contract. Ms. Rees reported that Kennedy/Jenks Consultants have been hired to assist the county in the grant administration. The County is currently short staffed so hiring an IRWM project manager is being considered.

6. Capital Improvement Program/Bond Issuance

Ms. Rees highlighted the recommendation before the Board and summarized the qualifications of Douglas Brown, as Bond Counsel, and David Houston, as Underwriter, for preparation of the COMB CIP Bond documents. There was a discussion regarding the use of a Financial Advisor. President Evans requested that the CIP Committee evaluate the usefulness of hiring a Financial Advisor and bring a recommendation back to the Board at a later date.

Director Williams moved to: 1) authorize hiring Douglas Brown as Bond Counsel and David Houston of Citigroup as Underwriter to prepare the COMB CIP Bond documents; 2) identify in the bond documents that the Participating Agencies will be the South Coast member units only; 3) authorize a debt repayment term of 30 years for approximately \$16,000,000 not to exceed \$18,000,000, seconded by Director Abel, passed 6/0/1, Director Loudon was absent.

Ms. Rees reported that Doug Brown and David Houston would be invited to attend the Board meeting on October 27th.

7. Reconsideration of Quagga Mussel Cost Sharing Proposal

Consideration of the Quagga Mussel cost sharing proposal with the County Parks Department was postponed until the October 27th COMB Board meeting.

8. Approval of Resolution 475 to Enter into FishAmerica Grant Agreement for El Jaro Creek, Rancho San Julian Fish Passage Project

Director Williams moved to approve Resolution 475 to enter into a grant agreement with FishAmerica to partially fund the fish passage improvements on El Jaro Creek at Rancho San Julian, seconded by Director Lieberknecht, a roll call vote was taken, passed 6/0/1, Director Loudon was absent.

9. Consider Participating in Santa Barbara Historical Museum's Historic Santa Barbara: An Illustrated History

The consideration to participate in the Santa Barbara Historical Museum's Historic Santa Barbara: An illustrated History, was postponed to the October 27th COMB Board meeting.

10. Certificate of Appreciation for Kevin Walsh General Manager, upon His Retirement from the Goleta Water District

A Certificate of Appreciation for Kevin Walsh was presented during the CCRB meeting by the Presidents of the CCRB and COMB Boards.

11. New COMB Website and Electronic Distribution of Board Packages

Ms. Rees announced that starting in November 2008 the distribution of board packets would be done electronically and would be posted on the COMB website. Email notification will be sent once the packet is available on the website. The Directors will continue to receive a hardcopy of the packet in the mail.

12. Directors' Request for Agenda Items for Next Meeting

There were no additional items requested.

13. Meeting Schedule

- The next regular Board meeting will be held October 27, 2008 following the 2:15 p.m. CCRB regular Board meeting, at the COMB office.

The Agendas and Board Packets are available on the COMB website, www.cachuma-board.org

14. COMB Adjournment

There being no further business, the meeting was adjourned at 5:08 p.m.

Respectfully submitted,

Kate Rees, Secretary of the Board

APPROVED:

Chuck Evans, President