

**Draft Meeting Notes
Joint Special Board Meeting of
Cachuma Operation and Maintenance Board
and
Cachuma Conservation Release Board
Wednesday, August 2, 2006**

**COMB Office
3301 Laurel Canyon Road
Santa Barbara, CA**

Attending:

Matt Loudon, Improvement District No. 1
Jan Abel, CCRB President, Montecito Water District
Chuck Evans, COMB President, Goleta Water District
Robert Lieberknecht, Carpinteria Water District
Das Williams, City of Santa Barbara

Kate Rees, Interim General Manager COMB/CCRB
Ruth Snodgrass, Admin. Secretary, CCRB

Observers:

Chris Dahlstrom, General Manager, I.D. #1 (via conference call)
Bob Roebuck, General Manager, Montecito Water District
Steve Mack, Water Resources Manager, City of Santa Barbara
Gary Kvistad, ID #1 General Counsel (via conference call)
William Hair, COMB General Counsel

Facilitator:

John Jostes

1. Call to Order and Roll Call for COMB and CCRB Boards

The meeting of the COMB Board was called to order by President Chuck Evans at 2:00 p.m., roll call was taken, all were present. The meeting of the CCRB Board was called to order by President Jan Abel at 2:01 p.m. roll call was taken, all were present.

2. Public Comment

Members of the public were provided with an opportunity to provide public comment to the Joint Special Board Meeting. However, no members of the public were present and no comments were received.

3. Continued Discussion of Macro-level Issues and Issues/Options Matrix

The discussion began with an oral report from William Hair, General Counsel to COMB on some of the difficulties associated with Option 2.2, including the potential withdrawal of Improvement District No. 1 and their participation in joint matters via a contract. He noted that it was technically feasible, but could entail some additional costs and time associated with amending contracts with the Bureau of Reclamation and the re-issuance of bonds issued by COMB on behalf of ID #1. John Jostes distributed an e-mail from Chris Dahlstrom regarding some of these same issues as well. Mr. Hair also noted that the existing term of the current COMB JPA is indeterminate until COMB has completed all of its business.

Following Mr. Hair's report, the Board Members turned their attention to making comments on the wording that defined Option 2.2 within Version 3.1 of the Discussion Paper. Considerable discussion took place on this option including the following points:

- ◆ ID #1 is very sensitive to costs and may not be able to participate in projects that cost in the neighborhood of \$1 million
- ◆ Out of basin fish projects are a major concern of ID #1.
- ◆ Need to reflect transferred project works in the language of Option 2.2, exclusive of Bradbury Dam.
- ◆ Option 2.2 would not require a CEQA review nor would it require a decision from LAFCO
- ◆ Any separation costs would need to be negotiated
- ◆ There is a need to review the wording of Option 2.2 to make sure that the wording is internally consistent and not at cross-purposes.
- ◆ Option 2.2 should not entail one member unit picking up the rights and responsibilities of another member unit
- ◆ Does the fiduciary responsibility of a member unit continue when it withdraws and goes to contract?
- ◆ The intent of 2.2 is not to provide ID #1 with unfettered latitude to take advantage of other member units
- ◆ Another concern has to do with what is perceived as unfair G & A costs – reorganization should solve this issue.

The discussion then turned to comments on Option 2.1. Like those regarding Option 2.2, the comments on Option 2.1 involved considerable discussion and detail, including the following points:

- ◆ COMB and CCRB managers need to be separate in a reorganization
- ◆ Cost accounting is an important issue for ID #1
- ◆ Where decisions involve water rights, these matters should be taken up by individual member units and not COMB
- ◆ If a State board decision were made that adversely affects water rights, then each member unit would need to address this from their own perspective
- ◆ The Fish Management Plan is not anticipated to change, but the Biological Opinion could change with respect to the requirements of incidental take permits
- ◆ All of the Fish Management Planning is going well at present; therefore, it would be simpler to implement Option 2.2 than Option 2.1
- ◆ We need to look at the issues that may arise over the next 10 – 20 years and make sure to consider these matters and integrate this thinking into the options under consideration.

Toward the end of the meeting, John Jostes indicated that he would take all of the comments provided on each of the options and refine the current draft to try to better reflect the concerns and perspectives offered by each of the Board Members and their staffs. The Boards gave direction to John Jostes to work with the Coordinating Committee to develop a new version of the Options Discussion Paper.

4. Next Steps

John Jostes indicated that he would contact the appropriate individuals and evolve a new version for review prior to setting a next meeting date.

Having no further business to conduct, the meeting was adjourned at 5:00 pm.

Respectfully submitted:

CCRB Secretary to the Board

COMB Secretary to the Board

Approved:

Jan Abel, CCRB President

C. Charles Evans, COMB President