

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, July 26, 2010

1. Call to Order, Roll Call

The meeting was called to order at 2:15 p.m. by President Williams who chaired the meeting. Those in attendance were:

Directors present:

Das Williams	City of Santa Barbara
Bob Lieberknecht	Carpinteria Valley Water District
Doug Morgan	Montecito Water District
Lauren Hanson	Goleta Water District
Lee Bettencourt	SYR Conservation Dist ID#1

Others present:

Kate Rees	William Hair
Chris Dahlstrom	Chip Wullbrandt
Janet Gingras	Rebecca Bjork
Gary Kvistad	Robert Dunlap
Tom Fayram	Adelle Capponi
Liz Caspar	Phil Walker
Ruth Snodgrass	Charles Hamilton
Sam Schaefer	Tim Robinson
John McInnes	Sonja Fernandez
Ben Preston	Dale Francisco
Fran Farina	Bruce Wales
Chip Wullbrandt	Glen Hille

2. Public Comment

Phil Walker made comments regarding earthquakes and reservoirs and early warning systems.

3. Consent Agenda

- a. **Minutes:**
June 28, 2010 Regular Board Meeting
- b. **Investment Funds**
Financial Reports
Investment Report

c. Payment of Claims

Director Bettencourt moved to approve the consent agenda as presented, seconded by Director Hanson, 7/0/0.

4. Quagga Mussel Inspection Program at lake Cachuma – Presentation by Liz Gaspar, Cachuma Park Naturalist

Liz Caspar, Cachuma Park Naturalist gave a presentation on the program the County has implemented at Lake Cachuma for preventing the introduction of Quagga Mussels. She highlighted the strict boat entry requirements, the mandatory 14 day quarantine of vessels, vessel inspections and decontamination, boat tag system, monitoring program, boater education, training of staff and various advantages of Lake Cachuma and their program.

5. Proposed Cachuma Association – Presentation by Charles Hamilton, CVWD General Manager

Charles Hamilton highlighted the concept of the Cachuma Association. It would be a forum for the presentation and discussion of information of importance to all parties interested in Lake Cachuma and its environs, including but not limited to water purveyors, recreational users and environmental advocates.

6. COMB Capital Improvement Program

a. Second Pipeline Project

1) Project Status Report

The status report was included in the board packet.

2) Permit Status Report

The permit status report was included in the board packet. Ms. Rees reported that Applied Earthworks had been hired to provide further analysis and field surveying to address concerns brought up in the Chumash comment letters. They have also been contracted to document the historic significance of the existing South Portal structure and the tailings pile, and provide mitigation for the removal of the structure when the 2nd Pipeline is constructed. An MOA with SHPO will be needed to mitigate for the adverse impacts of destroying the South Portal structure and construction of the new pipeline within the archeological spoil area.

3) Consideration of Options Regarding Award of Construction Contract

Ms. Rees reported that bids for the 2nd Pipeline Project were opened on May 18, 2010, and the apparent low bidder was Blois Construction, Inc. The 90 day period within which to award the bid ends August 16, 2010, and due to the recent delay in getting a NHPA Section 106 permit approved by Reclamation, COMB will not be able to meet that deadline to award the construction contract. The bid document does state that COMB can negotiate an extension of the bid with the apparent low bidder, which

is Blois Construction, Inc. The Board considered several options regarding award of the construction contract.

ID#1 requested that the Project Indemnification Agreement for the 2nd Pipeline Project be approved before COMB entered into an extension agreement with the apparent low bidder. In order to do this a Special Board meeting was scheduled for COMB approval the Project Indemnification Agreement and consideration of entering into a 60-day extension agreement with the apparent low bidder. The Special Board meeting will be held August 2nd at 10:00 a.m.

Director Hanson moved to table this item to the Special Board meeting August 2nd at 10 a.m. seconded by Director Morgan, passed 7/0/0.

7. Reports From the Manager

a. Cachuma Water Reports

These reports were included in the board packet.

b. Operations Report

The Operations Report was included in the board packet.

c. Quagga Mussel Inspection Reports – County of Santa Barbara

These reports for April, May and June were included in the board packet.

d. Cachuma Reservoir Current Conditions

Date 07/26/2010

Lake Elevation	743.57 feet
Storage	168,235 acre feet
Rain (for the month to date)	.00 inches
Rain YTD (for the season to date)	26.77 inches
Fish Release-Hilton	17.0 acre feet
Month to Date Fish Release	444.3 acre feet
Month to Date Spill	0 acre feet
Year to Date Spill	0 acre feet

8. FISCAL YEAR 2010-11 ELECTIONS AND APPOINTMENTS OF CACHUMA OPERATION & MAINTENANCE BOARD

a. Election of President

Director Williams nominated Director Hanson
Director Morgan nominated himself

A roll call vote was taken:

Director Bettencourt – abstained
Director Lieberknecht – voted for Director Hanson (1 vote)
Director Hanson – voted for Director Hanson (2 votes)
Director Morgan – voted for Director Morgan (1 vote)
Director Williams – voted for Director Hanson (2 votes)

Director Hanson received 5 votes

Director Morgan received 1 vote
Abstained 1 vote

Director Hanson was elected to serve as President of COMB for the fiscal year 2010/2010.

b. Election of Vice-President

Director Williams nominated Director Lieberknecht
Director Bettencourt nominated Director Morgan

A roll call vote was taken:

Director Bettencourt voted for Director Morgan (1 vote)
Director Lieberknecht voted for Director Lieberknecht (1 vote)
Director Hanson voted for Director Lieberknecht (2 votes)
Director Morgan voted for Director Morgan (1 vote)
Director Williams voted for Director Lieberknecht (2 votes)

Director Lieberknecht received 5 votes
Director Morgan received 2 votes

Director Lieberknecht was elected to serve as Vice-President of COMB for the fiscal year 2010/2011.

c. Appointment of ACWA/JPIA Representative and Alternate

President Williams appointed Director Lieberknecht as the ACWA Representative and Kate Rees was appointed the Alternate

d. Appointment of General Counsel

President Williams appointed the firm of Nordman, Cormany, Hair & Compton and Mr. Hair as General Counsel to continue for the fiscal year 2010/2011.

e. Appointment of Secretary, Treasurer and Auditor-Controller

President Williams appointed Kate Rees as Secretary of the Board and Janet Gingras was appointed Treasurer and Auditor-Controller.

f. Appointment of Assistant Secretary

President Williams appointed Janet Gingras as Assistant Secretary of the Board

9. SELECTION OF AN AUDIT FIRM FOR FISCAL YEAR 2009-2010

Janet Gingras reported that staff is extremely pleased with the resultant work product from Bartlett Pringle Wolf, LLP and feel there is no reason to engage a new firm at this time. The submitted proposal is for \$24,500 - \$12,500 for the COMB audit and \$12,000 for the CCRB audit. Ms. Gingras proposed that in the future the managing partner from the firm could be changed instead of using a different firm. The Board directed staff to seek bids for a new auditor for FY 2011-12, as COMB has used Bartlett Pringle Wolf for the last four years.

Director Hanson moved to engage Bartlett Pringle Wolf, LLP to perform the audits for fiscal year ending 6/30/2010 for both COMB and CCRB for a total not to exceed \$24,500, seconded by Director Lieberknecht, 7/0/0.

10. PROPOSED ANNUAL RESOLUTIONS

- a. Resolution No. 504 Adopting an Annual Statement of Investment Policy
- b. Resolution No. 505 Establishing a Supplemental Account Agreement for Telephone Transfers
- c. Resolution No. 506 Authorizing Signatories for Revolving Fund Account at Santa Barbara Bank and Trust
- d. Resolution No. 507 Authorizing Investment of Monies in the Local Agency Investment Fund
- e. Resolution No. 508 Establishing a Check Signing Policy for General Fund Account for Payment of Claims
- f. Resolution No. 509 Authorizing Signatories for General Fund Account at Santa Barbara Bank & Trust
- g. Resolution No. 510 Establishing a Check Signing Policy for Cachuma t Project Trust Fund and Master Contract Renewal Fund Accounts for Payment of Claims
- h. Resolution No. 511 Authorizing Signatories for Trust Fund and Renewal Fund Accounts at Santa Barbara Bank and Trust
- i. Resolution No. 512 Establishing Time and Place for Board Meetings

Director Morgan moved to approve Resolutions No. 504 through 512, seconded by Director Hanson, a roll call vote was taken,
Ayes: Bettencourt, Lieberknecht, Hanson, Morgan Williams
Passed 7/0/0.

11. Directors' Request for Agenda Items for Next Meeting

Director Morgan requested a report at the August Board meeting from the Finance Committee regarding the salary/benefit study.

12. Meeting Schedule

A COMB Special Board meeting will be held Monday, August 2, 2010 at 10:00 a.m.

The next regular Board meeting will be held August 23, 2010 following the CCRB meeting at 2:15 P.M.

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

13. [Closed Session] Conference with Legal Counsel Regarding Anticipated Litigation, Pursuant to Government Code Section 54956.9(c) (one case)

The Board went into closed session at 4:32 p.m. and came out of closed session at 5:15 p.m. There was nothing to report out of closed session.

