

**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, February 23, 2009**

1. Call to Order, Roll Call

The meeting was called to order at 3:51 p.m. by President Das Williams, who chaired the meeting. Those in attendance were:

Directors present:

Das Williams	City of Santa Barbara
Bob Lieberknecht	Carpinteria Valley Water District
Sam Frye	Montecito Water District
Lauren Hanson	Goleta Water District

Others present:

Kate Rees	William Hair
Eric Ford	Larry Mills
Brett Gray	Janet Gingras
Tom Mosby	Chris Dahlstrom
Alex Keuper	Phil Walker
Dan Hernandez	Charles Hamilton
Terri Nisch	John Ewasiuk

2. Public Comment

Phil Walker made public comments concerning the leak at Ortega Reservoir, the silt accumulation in Lake Cachuma, and seismic studies of the intake tower.

3. Lauro Debris Basin Site Visit

Due to the late start of the COMB Board meeting, the site visit was postponed until the March meeting.

(The board next considered Item #7)

7. Consider Cost Sharing for Repair of South Coast Conduit in Coyote Creek

Ms. Rees highlighted the events that led up to the damage to the SCC along Coyote Road. She reported that several meetings had occurred with the City of Santa Barbara, Tierra Contracting and COMB. As requested by Charles Hamilton, CVWD

General Manager, Janet Gingras had contacted JPIA to request that they evaluate the situation to determine responsibility for the pipeline damage. However, because they do not provide first party property insurance on the pipeline, they could not provide assistance in this matter.

Ms. Rees reported that a cost settlement had been worked out among the three parties and was being proposed by staff, where COMB would pay 50% of the repair cost, and the City and Tierra would pay the remaining 50%. The total cost for COMB would be \$15,000. The City engineer will request that a City attorney draft a no-fault, negotiated cost settlement agreement for the parties to sign describing the cost sharing arrangement.

Director Frye moved to approve that COMB pay \$15,000 (50%) of the repair cost for the South Coast Conduit line break in Coyote Creek, seconded by Director Lieberknecht, passed 6/0/1, Director Loudon was absent.

4. Consent Agenda

- a. Minutes:**
January 26, 2009 Regular Board Meeting
- b. Investment Funds**
Financial Report
Investment Report
- c. Payment of Claims**

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

5. Resolution Relating to COMB Bank Accounts

- a. Resolution No. 479 Establishing a Check Signing Policy for the Cachuma Project Trust fund and Renewal Fund Accounts Payment of Claims**
- b. Resolution No. 480 Authorizing Signatories for the Cachuma project Trust Fund and Renewal Fund Accounts at Santa Barbara Bank & Trust**
- c. Resolution No. 481 Establishing a Supplemental Account Agreement for Telephone Transfers**
- d. Resolution No. 482 Authorizing Signatories for Revolving Fund Account at Santa Barbara Bank & Trust**
- e. Resolution No. 483 Authorizing Investment of Monies in the Local Agency Investment Fund**
- f. Resolution No 484 Authorizing Signatories for General Fund Account at Santa Barbara Bank & Trust**

Janet Gingras reported that Resolution 479 included establishing a change in the banking institution for COMB. If approved, the Renewal Fund/Trust Fund accounts at Washington Mutual would be transferred to Santa Barbara Bank and Trust, where COMB's revolving and general fund is currently located. Also due

to a new Board Director, resolutions authorizing signatories for the bank accounts need to be approved and bank signatory cards need to be signed.

Director Lieberknecht move to approve Resolutions 479 to 484, seconded by Director Frye, a roll call vote was taken, passed 6/0/1, Director Loudon was absent.

6. Reports From the Manager

a. Cachuma Water Reports

The water reports prepared by Janet Gingras were included in the board packet.

b. Operations Report

The Operations Report from Brett Gray was included in the board packet.

c. Formation of the COMB Operating Committee

Ms. Rees highlighted her report on the formation and organization of the new COMB Operating Committee that met for the first time on February 4, 2009. Rebecca Bjork was voted Chair of the committee and Tom Mosby the Vice-Chair.

d. Stimulus Funding Application for 2nd Pipeline and Mission Creek CIP Projects

Brett Gray reported on the status of the Stimulus Funding Application process. He reported that the application is due February 27th and that COMB is submitting an application for approximately 9 capital improvement projects, with the 2nd Pipeline and Mission Creek Pipeline projects being the main focus. The \$2 billion in federal stimulus funds for drinking water projects will be distributed through low interest loans via the state revolving fund (SRF) program, with about \$1 million potentially available for grants.

e. Lauro Debris Basin Project Progress Report

Ms. Rees reported that the project is 99% complete pending the Slide Gate and Basin Grate installation.

f. 2008 Surcharge Accounting

Ms. Rees' surcharge accounting report was included in the board packet. All water being released for fish target flows is currently being provided from Cachuma Project yield. There are 3,200 acre feet of water remaining in the account to provide supplementation flows for steelhead passage migration.

h. Cachuma Reservoir Current Conditions

Date 02/23/2009

Lake elevation	742.73 feet
Storage	165,912 acre feet
Rain (for the month to date)	5.69 inches
Rain YTD (for the season to date)	6.34 inches
Fish Release-Hilton Creek	11.9 to 12.7 acre feet per day

Month to Date Fish Release	268.5 acre feet
Month to Date Spill	0 acre feet
Year to Date Spill	0 acre feet

(The Board next considered Item #10)

10. County's Proposed Changes to Quagga Mussel Inspection Protocols at Lake Cachuma

Ms. Rees highlighted the background information that was included in the board packet. Included was a letter to COMB from Salud Carbajal, County of Santa Barbara Board of Supervisors, a draft response from COMB, and the agenda for the February 24, 2009 County Board of Supervisors meeting. Of greatest concern to COMB was the recommendation from County staff that boat washing be eliminated from the current Quagga Mussel Inspection Program.

Terri Maus-Nisich, Deputy CEO and Dan Hernandez, County Parks Director attended the meeting to discuss proposed changes to the current inspection program for preventing Quagga mussels in Lake Cachuma. They were concerned with COMB's request for a plan showing how boating fees would increase over time to cover the ongoing costs of the program, and the indemnification stipulations that COMB had placed on the County as a condition for accepting COMB's offer of a one-time \$60,000 contribution towards the cost of the program. Because of this, County Counsel had recommended that the Board of Supervisors not accept COMB's offer.

The COMB Directors and Counsel Hair explained that there had been a misunderstanding regarding an indemnification agreement, and referred to the November 24, 2008 letter from former COMB President, Chuck Evans. The letter did not require indemnification of COMB, but rather stated, "By making this contribution, COMB and its Member Units are making no determination as to the adequacy of current protocols to protect the Cachuma Project water delivery facilities from infestation. In addition, by making this contribution, COMB is not excusing the County for any responsibility to COMB or its Member Units should there be any future infestation of Quagga or Zebra mussels at Lake Cachuma".

President Williams requested that COMB's draft response letter to the County Board of Supervisors be revised to clarify COMB's position.

Ms Maus-Nisich and Mr. Hernandez said the County was still open to more discussion concerning the boat wash station, length of boat quarantine, and a one time contribution from COMB versus assistance with on-going costs. Ms. Nisch and Mr. Hernandez will present the desire of the COMB Board to the County Board of Supervisors that COMB would like to continue the discussion, particularly regarding continuance of high temperature boat washing before boats are allowed to enter the Lake. Mr. Hair will discuss these matters with County Counsel and attend the February 24th Board of Supervisors meeting to address this item on behalf of COMB.

Director Frye moved to table the discussion, seconded by Director Lieberknecht, passed 5/0/1, Director Loudon was absent.

The Board next considered Item #9)

9. Selection of Architect for COMB Office Building Project

Ms. Rees reported that COMB staff had had several meetings with the COMB CIP Board Committee and interviewed four architects for the COMB Office Building Project. The committee and staff recommended that the Board authorize hiring Peikert Group Architects, LLP to serve as architects for the COMB Office Building Project, and to authorize the General Manager to sign a Professional Service Agreement with Peikert Group Architects, LLP to develop programmatic objectives and conceptual designs for the COMB office building project not to exceed \$50,000.

A proposal for services for the new office/boardroom building from the Peikert Group was distributed at the Board meeting. The dollar amount from the Peikert Group was higher than the \$50,000 that was recommended the Board approve. Staff will discuss a slight reduction in the initial scope of services with the architect to lower the total cost of this first phase...

Director Lieberknecht moved to approve the recommendation to hire the Peikert Group Architects to serve as architects for the COMB Office Building Project and to develop programmatic objectives and conceptual designs for the office building not to exceed \$50,000, seconded by Director Frye, passed, 4/2/1, Director Hanson voted no and Director Loudon was absent.

President Williams left the meeting at 5:27 p.m., Vice-President Lieberknecht then chaired the meeting

8. Cachuma Project Water Metering

At the request of Director Lieberknecht, Brett Gray included in the board packet a general overview of the South Coast Conduit primary meters, with the exception of the 44 meters in the lower reach. The information was to provide a better understanding of the type, age, size and overall location of the SCC meters. Discussion regarding the condition and accuracy of the meters will be handled by the COMB Operating Committee at its next meeting. A more detailed report will be presented to the Board at a later time.

11. Prop 50 and Prop 84 Activities

Ms. Rees handed out a State Budget Letter from the Department of Finance which rescinded the stop work order and freeze on state funds from the Budget Letter of September 2008. This will now free up the Prop 50 grant money that the state had put on hold as soon as state bonds can be issued.

Included in the board packet was an agenda form the February 5, 2009 Prop 84 Process meeting. Ms. Rees informed the Board that an MOU for participation in the

Prop 84 process will be presented for approval at the March 23rd Board meeting. It will include cost sharing among the participants for the administrative and consultant expenses.

12. Consider Televised COMB Special Board Meeting in May 2009

The COMB Board will follow the same direction that the CCRB Board discussed during its meeting.

13. Director's Request for Agenda Items for Next Meeting

There was nothing additional to add to the agenda.

14. Meeting Schedule

The next regular Board meeting will be held March 23, 2009 following the 2:15 p.m. CCRB regular Board meeting, at the COMB office.

Proposed Field Trip Dates: March 25, March 26, April 29, April 30, 2009

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

15. COMB Adjournment

There being no further business, the meeting was adjourned at 5:40 p.m.

Respectfully submitted,

Kate Rees, Secretary of the Board

APPROVED:

Das Williams, President