

**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 28, 2008**

1. Call to Order, Roll Call

The meeting was called to order at 3:30 p.m. by President Chuck Evans, who chaired the meeting. Those in attendance were:

Directors present:

Matt Loudon	SYR Water Conservation Dist., ID#1
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
Bill Ferguson	Charles Hamilton
Kevin Walsh	Brett Gray
Tom Mosby	Alex Keuper
Chris Dahlstrom	David McDermott
Janet Gingras	

2. Public Comment

There were no comments from the public.

3. Consent Agenda

a. Minutes:

June 23, 2008 Regular Board Meeting

Director Williams moved to approve the minutes of June 23, 2008, seconded by Director Abel, passed 5/0/2, Director Evans abstained.

b. Investment Funds

Financial Report
Investment Report

c. Payment of Claims

Director Williams moved to approve the Investment of Funds and the Payment of Claims, seconded by Director Loudon, passed 7/0/0.

4. Annual Reorganization of Cachuma Operation & Maintenance Board

a. Election of President

Director Abel moved to nominate Director Evans to serve as President through November 2008, the ending of his term as representative of Goleta Water District on the COMB Board, and hold a second election for a new COMB President in December 2008, seconded by Director Williams, passed 5/0/2, Director Evans abstained.

b. Election of Vice-President

Director Loudon moved to nominate Director Williams for Vice-President. Director Abel nominated Director Lieberknecht, however, he declined the nomination. Director Loudon's motion was seconded by _____ passed 5/0/2, Director Williams abstained. *[NOTE: There was no second to the motion; the election of Vice-President will be re-agendized for the August 25, 2008 Board meeting.]*

c. Appointment of ACWA/JPIA Representative and Alternate

Director Loudon moved to appoint Director Lieberknecht as the ACWA/JPIA representative, seconded by Director Williams, passed 6/0/1, Director Lieberknecht abstained.

Director Evans moved to appoint General Manager, Kate Rees, as the alternate representative of ACWA/JPIA, seconded by Director Williams, passed 7/0/0.

d. Appointment of General Counsel

Director Williams moved to appoint the firm of Nordman, Cormany, Hair & Compton to serve as General Counsel for COMB, seconded by Director Evans, passed 7/0/0.

e. Appointment of Secretary, Treasurer and Auditor-Controller

The Board by consensus appointed Kate Rees as Secretary, Treasurer and Auditor-Controller of the Board for FY 2008/09.

f. Appointment of Assistant Secretary

The Board by consensus appointed Janet Gingras as Assistant Secretary of the Board for FY 2008/09.

g. Establishment of Time and Place of Board Meetings

The Board by consensus agreed to meet on the 4th Monday of the month at the COMB office, following the adjournment of the CCRB meeting.

5. Proposed Annual Resolutions

- a. Resolution No. 465 Adopting an Annual Statement of Investment Policy
- b. Resolution No. 466 Establishing a Supplemental Account Agreement for Telephone Transfers

- c. Resolution No. 467 Authorizing Signatories for Revolving Fund Account at Santa Barbara Bank and Trust
- d. Resolution No. 468 Authorizing Signatories for General Fund Account at Santa Barbara Bank & Trust
- e. Resolution No. 469 Establishing a Check Signing Policy for General Fund Account for Payment of Claims
- f. Resolution No. 470 Authorizing Signatories for General Fund Account at Santa Barbara Bank & Trust
- g. Resolution No. 471 Establishing a Check Signing Policy for Cachuma Project Trust Fund and Master Contract Renewal Fund Accounts for Payment of Claims
- h. Resolution No. 472 Authorizing Signatories for Trust Fund and Renewal Fund Accounts at Washington Mutual Bank
- i. Resolution No. 473 Establishing Time and Place for Board Meetings

Director Loudon moved to approve Resolutions 465 through 473 to reaffirm check signing policy, signatories for the COMB bank accounts, seconded by Director Williams, a roll call vote was taken, passed 7/0/0.

6. Appointment of Outside Auditor to Prepare Financial Statements for the Fiscal year Ending June 30, 2008 and the Independent Auditor's Report

Ms. Rees reported that staff has been extremely pleased with the work product and prompt completion of the COMB and CCRB audits by Bartlett Pringle Wolf, LLP. They submitted a competitive proposal of \$11,000 for each of the audits for COMB and CCRB for FY 2008-09. To maintain consistency and continuity, Ms. Rees recommended the appointment of Bartlett Pringle Wolf, LLP to serve as the outside auditor for FY ending June 30, 2008.

Director Loudon moved to appointment Bartlett Pringle Wolf, LLP to prepare Financial Statements and the Independent Auditor's report for fiscal year ending June 30, 2008, seconded by Director Williams, passed 7/0/0.

7. 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 Spill/Surcharge Issues

Ms. Rees summarized the 2008 surcharge water table that was included in the board packet. The amount of surcharge for 2008 is 8,300 AF which will be used to supplement migration passage flows and rearing target flows downstream.

d. Cachuma Reservoir Current Conditions

Date 07/28/2008

Lake elevation	748.19 feet
Storage	182,592 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	23.5 – 27.5 acre feet per day
Month to Date Fish Release	406 acre feet
Month to Date Spill	0 acre feet
Year to Date Spill	22,239 acre feet

8. Consider Adoption of Mitigated Negative Declaration for Lauro Dam Retention Basin Enlargement

The recommendation before the Board was to adopt the Lauro Retention Basin Enlargement Initial Study/Mitigated Negative Declaration. Ms. Rees reported that the public comment period ended June 22, 2008. No comments have been received, and based on this public review, there are no anticipated objections to the project.

Director Williams moved to consider the Final Initial Study/Mitigated Negative Declaration for the Lauro Retention Basin Enlargement Project, and to independently find that there is no substantial evidence that the project will have a significant effect on the environment, seconded by Director Lieberknecht, passed 6/0/1 Director Loudon abstained.

Director Williams moved to adopt the Mitigated Negative Declaration by approving Resolution 474, seconded by Director Lieberknecht, a roll call vote was taken, passed 6/0/1, Director Loudon abstained.

Director Lieberknecht moved to adopt the Site Revegetation and Compensation Plan, seconded by Director Evans, passed 6/0/1 Director Loudon abstained.

9. Report on the Fish Conservation Surcharge Operations Meeting held July 22, 2008

Ms. Rees reported on the meeting held July 22 at the COMB office. Ms. Rees included in the board packet a draft memorandum, prepared by Stetson Engineers, summarizing preliminary criteria for fish surcharge operations under various scenarios. Reclamation engineers in Denver will utilize Stetson's criteria to develop a risk assessment for Bradbury Dam at elevation 753 feet.

Ms. Rees is attempting to get the County Flood Control and Reclamation to help fund this work with COMB, each contributing one third of the total cost. She will report to the Board at a later date regarding the proposed shared funding.

10. Report on Santa Barbara County's Integrated Regional Water Management Plan prop 50 Grant Activities

Janet Gingras reported on the recent meetings she had attended. It is expected that the grant agreement for Prop 50 will be executed by the end of the calendar year.

Ms. Gingras also reported on the progress of hiring a consultant to act as grant administrator for the state contract. Scott Couch and Kelley List, SWRCB grant management team, have scheduled individual project site visits during August 2008, including COMB's second pipeline project. The guidelines for Prop 84 have not yet been released but are expected to be released in the fall of 2008.

11. Employee Appreciation Lunch August 21, 2008

Ms. Rees announced that the employee appreciation lunch would be held on Thursday, August 21, 2008 at 1:00 p.m. She invited and encouraged all Directors to attend. They will be notified later of the location.

12. Directors' Request for Agenda Items for Next Meeting

Charles Hamilton requested that the COMB Board acknowledge the retirement of Gary Keefe, City of Lompoc, at a future meeting.

Director Evans and Director Williams requested a place holder on the August 25, 2008 agenda for the Quagga Mussel funding cost sharing item.

13. Meeting Schedule

- Employee Appreciation Lunch, August 21, 2008 at 1:00 p.m.
- The next regular Board meeting will be held August 25, 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 4:15 p.m.

Respectfully submitted,

Kate Rees, Secretary of the Board

APPROVED:

Chuck Evans, President