

**MINUTES OF A REGULAR MEETING
of the
CACHUMA OPERATION & MAINTENANCE BOARD**

held at
3301 Laurel Canyon Road, Santa Barbara, CA
Monday, August 24, 2015

1. Call to Order, Roll Call

The meeting was called to order at 2:00 p.m. by President Doug Morgan who chaired the meeting. Those in attendance were:

Directors present:

Lauren Hanson	Goleta Water District
Doug Morgan	Montecito Water District
Kevin Walsh	SYR Water Conservation District, ID No. 1
Harwood "Bendy" White	City of Santa Barbara
Polly Holcombe	Carpinteria Valley Water District

Others present:

Janet Gingras	Chris Dahlstrom
Tim Robinson	Russell Ruiz
Dale Francisco	Kelley Dyer
Tyrone LaFay	Jane Usher
Charles Hamilton	Chris Dudley
Sam Schaefer	Phil Walker
Mitchell White	Amy Smith
Adelle Capponi	

2. Public Comment

Phil Walker spoke to expectations of a possible El Niño year.

Dale Francisco referenced the continued ability of member agencies to work together in times of need by recounting recent water exchanges made amongst them.

3. Introduction of Staff Intern

Janet Gingras, Interim General Manager, introduced Christopher Dudley, COMB's newest staff intern. Mr. Dudley is filling a Right-of-Way technician position and started work with COMB in January, 2015. The Board welcomed Mr. Dudley and noted they looked forward to the continued opportunity to work with him.

4. Election of Vice-President of the Cachuma Operation & Maintenance Board

Director Holcombe nominated Director White of the City of Santa Barbara for the Vice-Presidency. Hearing no other nominations, Director White was elected Vice-President of the Board by the following 6/0/1 roll call vote:

Ayes: Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: White

5. Procedure for Payment of Claims

The Board discussed the new, hybrid method of reviewing certain claims before the issuance of payment and continuing to pay others routinely. President Morgan stated that the new method would be carried out on a trial basis over the next few months before the Board makes any final decisions on implementing a new procedure.

6. Consent Agenda

a. Minutes

July 27, 2015 Regular Board Meeting

b. Investment Funds

Financial Reports

Investment Reports

c. Review of Paid Claims

d. Review of Pending Claims for Payment

Director Hanson moved to approve the Consent Agenda, seconded by Director Holcombe. Director Walsh exclaimed that he would be voting “No” for his “usual reasons,” and that he saw no need to go into further detail on the subject. Following discussion, the motion carried 6/1/0 as follows:

Ayes: White, Holcombe, Hanson, Morgan

Nays: Walsh

Absent/Abstain: None

7. Verbal Reports from Board Committees

- *Operations Committee Meeting – August 6, 2015:* Director Walsh reviewed topics discussed at the meeting, including certain facets of the Emergency Pumping Facilities Project (EPFP), Infrastructure Improvement Plan (IIP) projects, proposed labor contracts, and a temporary emergency stabilization of the South Coast Conduit (SCC) at Mission Creek.
- *Fisheries Committee Meeting – August 6, 2015:* Director Holcombe summarized the meeting in detail, highlighting several items on the agenda such as the 2015 Trust Fund and Renewal Fund Report, a proposed draft letter from COMB to NMFS demonstrating existence of a Nexus, and a status report on pending Quiota Creek tributary projects. Director Holcombe iterated that the Committee discussed at length and gave careful consideration to the 2001 Fisheries Memorandum of Understanding (MOU).
- *Administrative Committee Meeting – August 14, 2015:* President Morgan briefly outlined the agenda items, primarily focusing on the draft Director Handbook presented to the Committee; he spoke to the Committee’s plans to take the draft handbook to the Board once the next draft has been completed.

8. Operations Division Staff Presentation – Overview of South Coast Conduit Conveyance System

Operations staff was delayed due to operational needs at the lake. The presentation will be carried forward to the September or October COMB Regular Board Meeting.

9. Resolution No. 608 – Increasing Project Expenditure and Extending Project Expenditure Date for the Emergency Pumping Facilities Project

Ms. Janet Gingras, Interim General Manager, presented the item, explaining that Resolution No. 608 proposed an extension of the project expenditure date by six months alongside a corresponding increase in expenditure for six additional months' operational costs, totaling Six Hundred Thirty-Eight Thousand Dollars (\$638,000.00).

Director Walsh brought up the project Indemnification Agreement's applicability to a possible increase in project expenditure, overall project finance, and grant funding reimbursement. Director Walsh also noted that it is unacceptable for project expenditures to be "piecemealed," as any COMB endeavor with a total expenditure equal to or exceeding One Million Dollars (\$1,000,000.00) requires a unanimous vote of approval by the Board.

Mr. Bill Carter, COMB General Counsel, weighed in on the increase in expenditure, stating that the initial Six Million Dollars (\$6,000,000.00) in project expenditure was originally approved by the Board in April, 2014, with the passing of Resolution No. 577. Separately, Resolution No. 608 proposes an increase in expenditure less than the One-Million-Dollar threshold and, thus, does not require a unanimous vote of the Board. If, however, an additional increase in expenditure were to be considered beyond Resolution No. 608, which with the currently proposed \$638,000.00 totaled in excess of One Million Dollars (\$1,000,000.00), its approval would likely require unanimous vote of the Board. Respective to the Indemnification Agreement, Counsel's opinion, after careful review, is that it does apply. Mr. Carter noted that if the project were to change or 'morph' into something different, it certainly would need to be revisited. President Morgan directed COMB Counsel to contact Counsel for ID No.1 and address the Indemnification query.

Director Holcombe moved to approve Resolution No. 608, seconded by Director Hanson. Following a lengthy exchange, Director Walsh pressed for President Morgan to call for the vote. Resolution No. 608 was passed by unanimous roll call vote:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

10. Contract with State of California Conservation Corps

Director Holcombe moved to authorize execution by Interim General Manager, Janet Gingras, of a contract with California Conservation Corps for an amount not-to-exceed \$25,000.00, upon Legal Counsel's review and approval. Seconded by Director White, the motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

11. Memorandum of Understanding with CAL FIRE Conservation Camp Program

Director White noted that the CAL FIRE program is one of the best free labor arrangements in the state of California. The Board acknowledged that while COMB may not receive an excess amount of labor from the agreement due to a prolific wildfire season, they would benefit from each day the program is able to assist. Director Hanson moved approval of the Memorandum of Understanding (MOU). Seconded by Director Holcombe, the motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

12. Fish Passage Improvement Project – Quiota Creek, Crossing 3

- a. Execution of Purchase Order for Contech Engineered Solutions, LLC*
- b. Payment of Encroachment Permit fees*
- c. Commencement of Bidding Process for Project Construction*
- d. Execution of Construction Contract with the Lowest Responsive and Responsible Bidder*

Ms. Gingras presented all the portions of the item being considered for approval. Director Walsh asked COMB Counsel about COMB's ability to enter into a Non-Competitive Bid contract. In reply, Ms. Jane Usher explained that because there is no other vendor for the specific type of bridge needed, the sole-source nature of the contract allows the non-competitive bid for the bridge purchase. Dr. Robinson added that the JPA allows non-competitive bidding; COMB, however, has historically sought approval to do so as a courtesy.

Director Walsh suggested the Board delay voting on the project, suggesting that its true cost would exceed One Million Dollars if it were to include prior costs and any contingencies. Director Hanson moved to approve Item 12a – d, commenting that the project is extremely cost-effective and paid for largely through grant funding. Director Holcombe seconded the motion while echoing Director Walsh's comment regarding 'piecemealing', and agreed that final cost analysis should be done.

President Morgan directed the Fisheries Committee to review some past tributary projects, as well as any moving forward, to ensure they have not and will not be piecemealed to result in total expenditures greater than One Million Dollars. Referring to this as "Speech A", Director Walsh once again mentioned the 2001 Fisheries MOU and the ability it gives ID No. 1 to decline to participate in certain fisheries projects.

Following discussion, the motion carried 6/1/0 as follows:

Ayes: White, Holcombe, Hanson, Morgan

Nays: Walsh

Absent/Abstain: None

13. Interim General Manager's Report

- *Board Administration:* Janet Gingras, Interim General Manager, briefed the Board on the reference booklet they received at the beginning of the meeting. The booklet included the COMB Fiscal Year 2015-16 Adopted Budget, Five-Year Infrastructure Improvement Plan (IIP), and Five-Year Habitat Improvement Plan (HIP). Ms. Gingras also referenced the status of the Director Handbook, which is under development for presentation to the Board.
- *Personnel:* Current staff recruitments were mentioned.
- *Financial:* Staff is preparing for the Fiscal Year 2014-15 Audit, scheduled to commence in late September.
- *Operations Division:* Both the USBR North Portal Elevator Site Inspection and the USBR Dam and Annual Security Inspections were completed with the full results pending. The Right-of-Way Project, Mission Creek Emergency Stabilization Project, and the Drought Emergency Pumping Facilities Project (EPPF) were examined. Ms. Gingras disclosed to the Board that the EPPF had just begun to pump that very afternoon. Director Hanson expressed deep gratitude for the project as a lifeline source of water to the communities served by the member agencies.
- *Fisheries Division:* WR 89-18 Release trapping and water hyacinth removal were examined.

Director Holcombe applauded Ms. Gingras for a thorough and complete report.

14. Operations Division Report

- *Lake Cachuma Operations*
- *Operation and Maintenance Activities*

Operations Division Manager, Dave Stewart, was not present at the time the Board considered the Operations Division Report. Interim General Manager, Janet Gingras, offered to receive and respond to any questions from the Board regarding to the report; there were no questions at that time.

15. Fisheries Division Report

- *LSYR Steelhead Monitoring Elements*
- *Tributary Project Updates*
- *Surcharge Water Accounting*
- *Reporting/Outreach/Training*

Tim Robinson, Fisheries Division Manager, noted some highlights as presented in his report included the board packet. Additionally, Tim reported on the results of the recent trapping effort performed by the Fisheries Division staff as requested by USBR.

16. Progress Report on Lake Cachuma Oak Tree Program

- *Maintenance and Monitoring*

Tim Robinson noted that the Oak Tree program is progressing and that an Oak Tree Committee Meeting is expected to be scheduled as soon as possible.

17. Monthly Cachuma Water Reports

The reports were included in the board packet for information. There were no questions from the Board.

18. General Manager Recruitment Process

President Morgan introduced the item, expressing that Director White had recommended the use of a recruitment firm, Bob Murray & Associates, to aid COMB in retaining a General Manager. A cursory discussion including an outline of the recruitment process and preliminary planning ensued. Director Holcombe then moved to authorize COMB to enter into a contract with Bob Murray & Associates for an amount not-to-exceed \$25,000. Seconded by Director White, the motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

Director Hanson proffered questions on a proposed time-table for the process; Director Walsh pronounced the importance of the discussion being conducted in a manner such that each Director's views may be openly aired and considered.

19. Directors' Requests for Agenda Items for Future Meeting

- Director Holcombe requested to have legal process and review on all of the items Counsel has been working on, many of which the Directors' have been unaware. This could be either in open or closed session, as appropriate, to be considered at the next Regular Board meeting.

20. [Closed Session]: Conference with Legal Counsel: Existing and Potential Litigation; and, Public Employment/Public Employee Appointment

Prior to entering closed session, Russell Ruiz commented on Item 20a.

The Board went into closed session at 4:40 p.m.

The Board Next Considered Item 20b

- b. [Government Code Section 54957(b)(1)]
Confidential Personnel Matter – Interim General Manager
- a. [Government Code Section 54956.9(d)(4)]
Name of case: California Trout, Inc. v. United States Bureau of Reclamation et al.,
United States District Court, CDCA, Case No. 2:14-CV-7744

Director Walsh recused himself from discussion on this item.

21. Reconvene Into Open Session

[Government Code Section 54957.7]

Disclosure of actions taken in closed session, as applicable

[Government Code Section 54957.1]

The Board came out of closed session at 6:17 p.m.

- a. California Trout, Inc. v. United States Bureau of Reclamation et al
There was no reportable action.
- b. Confidential Personnel Matter - Interim General Manager
There was no reportable action.

22. Meeting Schedule

- The next regular Board meeting will be held September 28, 2015 at 2:00 p.m.
- The Agendas and Board Packets are available on the COMB website at www.cachuma-board.org

23. COMB Adjournment

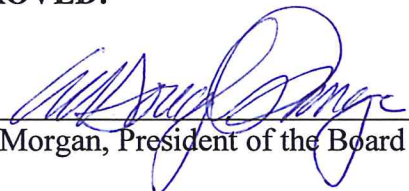
There being no further business, the meeting was adjourned at 6:18 p.m.

Respectfully submitted,



Janet Gingras, Secretary of the Board

APPROVED:



Doug Morgan, President of the Board