

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, April 24, 2006

1. Call to Order, Roll Call

President Loudon called the meeting to order at 2:00 p.m.

Directors present:

Matt Loudon	SYR Water Conservation Dist., ID#1
Chuck Evans	Goleta Water District
Jan Abel	Montecito Water District
Robert Lieberknecht	Carpinteria Valley Water District
Das Williams	City of Santa Barbara

Others present:

Kate Rees	Larry Wilson
Brett Gray	Toni Bailey
Bob Roebuck	Chip Wullbrandt
Lee Bettencourt	William Hair
Russell Ruiz	Kevin Walsh
Steve Mack	Chris Dahlstrom
B.R. Bertrando	Jack Ruskey
Tom Schultz	Tom Fayram

2. Public Comment

B.R. Bertrando, Goleta Water District (GWD) Citizens Rate Committee, commented on his concerns regarding the delivery of Ag water from Cachuma Lake for the Goleta Farmers. His comments were concerned with the total amount of Ag water ordered by Goleta Water District has not been delivered to the Ag customers but also used to supply water to the M & I customers.

3. Explanation of Cachuma Project Water Rates Structure.

Ms Rees gave a comprehensive power point presentation explaining the Cachuma Project water rates structure. Ms Rees covered the background information on the 1949 Cachuma Project Master Contract and the 1995 Renewal Master Contract. She stated that COMB is not a signatory to the Renewal Master Contract but functions as a pass through agency providing water rates administration and accounting for Cachuma water orders, reporting of actual water usage and transfer of payments to the U.S. Bureau of Reclamation (Reclamation). Ms Rees explained the overall process involved in water orders, payments and metered use reporting along with the

Reclamations annual water rate calculation to assure that the remaining capital cost of the Project will be paid off by 2015, as required by the Renewal Master Contract. Steve Mack, City of Santa Barbara Water Resources Manager, also participated in the presentation by giving an explanation of the internal melded water rates. At the end of the discussion, Ms Rees provided a comparison chart of the irrigation water ordered versus what was actually delivered Project-wide for the years 2001-2005. The 5 year average showed a deficit of 77 acre feet for agricultural water usage compared to what was ordered. In answer to a statement by Mr. Ruskey that irrigation water must be used on irrigable land, Ms Rees provided Reclamation's interpretation of the Renewal Master Contract. The Member Units may order and use any percentage split of irrigation or M&I water that they want. The intent of the contract was that irrigation water must be applied to irrigable land, but that if more irrigation water was ordered than was needed, the remainder could be applied to other uses by reconciling the water used at the end of the water year.

Director Williams requested a comparison study of the melded rate charged to the Member Units of water ordered versus water delivered in order to determine if there is a financial impact to the City of Santa Barbara.

The Board began a break at 3:07 p.m. and returned to order at 3:12 p.m. to resume the remaining agenda.

4. Consent Agenda

- a. Minutes of March 27, 2006 Regular Board Meeting and Minutes of March 9 & 16, 2006 Joint Special Board Meeting.
- b. Reports from the Manager
 - Water Storage
 - Productions & Use, SWP Accounting Water
 - Operations Report
 - Financial Report
 - Investment Report
- c. Payment of Claims

Director Evans moved to approve the Consent Agenda, seconded by Director Abel. Motion carried, 7/0/0.

5. Committee Appointments for Vacated Seats FY 2005-2006

- a. Finance Committee – one appointment
- b. Legal Affairs – one appointment
- c. Capital Improvements, Alternate – one appointment

President Loudon appointed the following directors to fill the vacated committee seats:

- a. Finance Committee - Director Loudon stepped down from this position, Directors Abel and Evans were appointed
- b. Legal Affairs – Director Williams was appointed

- c. Capital Improvements, Alternate – Director Loudon was appointed

6. Cachuma Reservoir Current Conditions

Reservoir Current Conditions:

Date 04/24/2006

Lake elevation	752.60 feet
Storage	196,053 acre feet
Rain (for the month to date)	4.71 inches
Rain YTD (for the season to date)	22.78 inches
Fish Release-Hilton Creek	20.2 acre feet per day
Month to Date Fish Release	1860.9 acre feet
Month to Date Spill	54,327 acre feet

Ms Rees reported that the reservoir started spilling on April 4, 2006 at elevation 752.47 feet (maximum allowed surcharge). In anticipation of more heavy rainfall and remaining water in the system, Reclamation dropped the lake level to 749 feet within a few days. There was concern that re-surcharging the reservoir to 753 feet may not be feasible, however as a result of slightly more rain and cool weather conditions, it appears that the surcharge will be recouped. Reclamation has scheduled its annual Cachuma operations meeting for May 23, 2006 to review the Operational Guidelines for Bradbury Dam. The Board requested that a report on the meeting with Reclamation be added to the June agenda.

7. Status of Lauro Dam Seismic Safety Modifications Project.

Ms Rees referred to the construction updates included in the Board packet and reported the project has been delayed by the recent rains. To date \$2,214,824 has been spent on the construction. Ms Rees also reported that Granite Construction Company of Santa Barbara has purchased the current contractor A. J. Diani. This will have no affect on the continued construction at Lauro Dam. Reclamation has sent a letter to the neighborhood property owners alerting them to the anticipated number of truck trips on San Roque Road that will soon commence to haul sand and gravel to the construction site.

Ms Rees reported that the final Repayment Agreement has not yet been received but that it will be signed by President Loudon as soon as Reclamation forwards it to COMB.

8. Consider Approval of Contract and Scope of Work with URS Corp. for Environmental Services for Pipeline Project of South Coast Conduit.

Ms Rees reviewed the scope of work submitted by URS for completing the Environmental Impact Report (EIR) for the South Coast Conduit Pipeline Project. The total cost for the work is estimated to be \$69,190 and is currently budgeted. Ms Rees recommended the Board approve the URS scope of work to prepare an Environmental Impact Report.

Director Evans moved to approve the recommendation, seconded by Director Williams, passed 6/0/1. Director Loudon abstained.

Director Abel reported that Brett Gray and Robert Dunlap gave a presentation on the 2nd Barrel project to the Montecito Water District Board and that it was well received. Director Abel recommended the other Member Units invite Mr. Gray and Mr. Dunlap to give the presentation to their Boards to provide the Directors with more detailed information and knowledge regarding the project.

9. Report on Cachuma Project Renewal Fund/Trust Fund Meeting and County Water Agency's Public Meeting on Cachuma Project \$100,000 Contribution on April 11, 2006.

Ms Rees reported on the meeting held on April 11, 2006. The committee determined that the Renewal Fund/Trust Fund money should continue to be spent on the Santa Ynez River Fisheries Program. Ms Rees and Rob Almy, County Water Agency Manager, also agreed that the County's Cachuma Betterment Fund should be applied to the Fisheries Program. The recommendation was for the Board of Directors to approve the expenditure of the County Water Agency's Cachuma Project \$100,000 Contribution for Fiscal Year 2006-0007 to support ongoing Santa Ynez River Fisheries Monitoring Program and related activities as follows:

-USGS/County Santa Ynez River stream gage data collection program	\$50,000
-Lower Santa Ynez River Fish Management Plan and Biological Opinion Implementation activities	\$40,000
-Santa Barbara County Water Agency for Cachuma Park boat launch Ramp modifications (year 3)	<u>\$10,000</u>
-Total	\$100,000

Director Evans moved to approve the recommendation, seconded by Director Abel, passed 7/0/0.

10. Reschedule Tour for Board of Directors to Review the Cachuma Project South Coast Facilities.

The tour for the directors to review the Cachuma Project South Coast Facilities was scheduled for Wednesday May 24th, meeting at the COMB office at 8:00 a.m.

11. Schedule Employees Appreciation Lunch for Staff and Board of Directors.

Ms Rees suggested having a staff appreciation lunch and boat tour for staff and the Board of Directors at Lake Cachuma Park. Administrative staff will determine the availability of the facilities and finalize the date with the Board at the May 22 Board meeting.

12. [Closed Session] Conference with Legal Counsel to Discuss Pending Litigation Pursuant to Government Code Section 5496.9 (a) One case: Crawford-Hall v.

COMB, Superior Court of California. County of Santa Barbara, Case No. 1171135.

There was no closed session.

13. Requests from Directors for items to be included on next agenda

The next regular COMB Board meeting will be May 22, 2006 immediately following the CCRB Board meeting. The next Joint Special COMB/CCRB Board Meeting will be April 27, 2006. The Cachuma Project South Coast Facilities Tour will be May 24, 2006.

14. COMB Adjournment

There being no further business, the meeting was adjourned at 3:45 p.m.

Respectfully submitted,

Secretary of the Board

APPROVED:

Chair