

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

held at
3301 Laurel Canyon Road, Santa Barbara, CA
Monday, January 25, 2015

1. Call to Order, Roll Call

The meeting was called to order at 2:03 p.m. by President Doug Morgan who chaired the meeting. Those in attendance were:

Directors present:

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

Others present:

| | |
|-----------------|----------------|
| Janet Gingras | Amy Smith |
| Dave Stewart | Adelle Capponi |
| Tom Fayram | Scott Volan |
| Fray Crease | William Carter |
| Joshua Haggmark | Phil Walker |
| Dale Francisco | |

2. Public Comment

Phil Walker spoke to the long-term stability of existing intake towers, including the Tecolote Tunnel Intake Tower.

3. Consent Agenda

a. Minutes

December 21, 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, the motion passed by unanimous roll call vote:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

4. Verbal Reports from Board Committees

- *Administrative Committee Meeting – January 18, 2015:* President Morgan highlighted the agenda, noting that the sole item was the Administrative Committee’s review of the Fiscal Year 2014-15 Draft Financial Audit. He explained that, subsequent to several minor changes, the audit would now be presented to the Board as the next item of today’s agenda.

5. Presentation of Fiscal Year 2014-15 Draft Financial Audit

Ms. Janet Gingras, Interim General Manager, introduced Ms. Dana McGrew, Managing Partner, and Ms. Nina Pisani, Audit Supervisor, from Bartlett, Pringle & Wolf LLP. Ms. McGrew and Ms. Pisani comprehensively presented the Fiscal Year 2014-2015 Draft Financial Audit to the Board. Ms. McGrew assured President Morgan that she would coordinate, through Ms. Gingras, with the individual Member Agencies to confirm they were each recording the guarantee from the note drawn to COMB as a disclosure in their footnotes within their respective audits.

Ms. McGrew went on to explain that the Board, if it so chose, could designate funds to set aside for later compensation of unfunded liabilities such as Governmental Accounting Standards Board (GASB) 43/45 and GASB 68, which all governmental agencies are now required to list as liabilities on their financial statements.

Director Hanson moved to receive and file the Fiscal Year 2014-15 Draft Financial Audit, with the correction offered by Ms. McGrew: placing brackets around the figures called “Other amounts reported as deferred outflows” in Note 12, Item #5, page 39, thus making those numbers negative, rather than positive. Seconded by Director Walsh, the motion passed by unanimous roll call vote:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nayes: None

Absent/Abstain: None

The Board requested that Ms. Gingras inquire about the repayment schedules and refinancing of the Safety of Dams Act payment.

6. HDR Professional Services Agreement Amendment: Emergency Pumping Facilities Project

Ms. Gingras explained the need for and purpose of the amendment to the Professional Services Agreement (PSA) with HDR, Inc. in an amount not-to-exceed \$31,038. HDR, Inc. proposes to provide COMB with further technical information in assistance of Board decision making regarding the future of the Emergency Pumping Facility Project (EPFP).

Director Hanson moved to authorize Ms. Gingras to execute the amended PSA. Seconded by Director Holcombe, the motion passed by unanimous roll call vote:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nayes: None

Absent/Abstain: None

7. Interim General Manager's Report

- *Administration*
- *Meetings*
- *Financial*
- *Operations Division*
- *Fisheries Division*

Ms. Gingras highlighted topics within her report as incorporated in the board packet, providing updates on each of the current and ongoing deliverables and topics of interest, and offered to field any questions from the Board.

8. Operations Division Report

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

Mr. Dave Stewart, Operations Division Manager, offered to field any questions on his report, as included in the board packet. Additionally, Ms. Gingras notified the Board that stabilizing K-rails were installed at the South Portal. Staff commented on the fact that the lake level had risen slightly within the past several days due to factors such as low demand, CCWA inflow of State Water, and a small amount of rain.

9. Fisheries Division Report

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

Mr. Scott Volan, Project Biologist, presented features as noted in the report in the board packet, providing updates on the current focuses of the Fisheries Division in the absence of Fisheries Division Manager, Dr. Tim Robinson. Mr. Volan also furnished a current weather outlook for the South Coast as well as the current status of the snowpack in the northern part of the state.

10. Progress Report on Lake Cachuma Oak Tree Program

- *Maintenance and Monitoring*

Mr. Volan gave a concise review of the status of the project, notifying the Board that, with the help of the California Conservation Corps (CCC), about 700 trees have been planted so far this season.

11. Monthly Cachuma Project Reports

Ms. Gingras advised the Board that the October, November, and December 2015 reports were included in the board packet for information and were reflective of the Bureau's decision to

charge evaporation to the unallocated water remaining in the lake, rather than to the member agencies' carryover water, due to the lake level being so low.

12. COMB's Operational Role in Diversions of Carryover for Water Year 2016

Ms. Gingras explained the interest in the referenced discussion: with the lake level being so low, what, if anything, is COMB's role and responsibility in the event that any particular member agency takes more than its allocated amount of water.

Mr. Bill Carter, General Counsel, noted that since there was no existing or pending litigation at this time, the Board could discuss this matter in open session. Mr. Carter sought direction from the Board in regards to whether he should write a legal opinion on the matter at this time; however, the Board ultimately urged Ms. Gingras to acquire the Bureau's written position on COMB's responsibility in the situation of a member agency receiving more than its share of water.

The Board next considered Item #14 and Item #15.

14. [Closed Session]: Confidential Personnel Matter; Conference with Legal Counsel: Existing and Potential Litigation

The Board went into closed session at 3:51 p.m.

- a. [Government Code Section 54957]
Public Employee Appointment
PUBLIC EMPLOYMENT:
Title: General Manager
- b. [Government Code Section 54956.9(d)(2)]
Alleged Access Rights to Ortega Ridge Road,
Ocean View Estates Subdivision

15. 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 4:36 p.m.

- a. Public Employee Appointment
PUBLIC EMPLOYMENT
Title: General Manager
There was no reportable action.
- b. Alleged Access Rights to Ortega Ridge Road,
Ocean View Estates Subdivision
There was no reportable action.

The Board next considered Item #13.

13. Directors' Requests for Agenda Items for Future Meeting

- Director White requested that an item for discussion on controlled burns within the watershed be placed on a future agenda. It was agreed that the item would be considered for discussion on a future Operations Committee meeting agenda.

16. Meeting Schedule

- The next regular Board meeting will be held February 22, 2016 at 2:00 p.m.
- The Agendas and Board Packets are available on the COMB website at www.cachuma-board.org

17. COMB Adjournment

There being no further business, the meeting was adjourned at 4:55 p.m.

Respectfully submitted,



Janet Gingras, Secretary of the Board

APPROVED:


Doug Morgan, President of the Board