

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

**held at
3301 Laurel Canyon Road, Santa Barbara, CA
Monday, July 27, 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 (<i>Alternate</i>)
Polly Holcombe	Carpinteria Valley Water District

President Morgan noted a change to the Board and introduced Bendy White, Alternate Director for the City of Santa Barbara. Director Dale Francisco is approaching the end of his term as Councilman for the City of Santa Barbara; with that, he is stepping down as representative to the COMB Board and introducing his alternate as his replacement. Director White spoke to his knowledge base on COMB activities and is eager to work with everyone in the months ahead.

Dale Francisco addressed the Board and expressed how much he has enjoyed serving as a Director for COMB representing the City of Santa Barbara. Mr. Francisco noted he is slowly transitioning some of his responsibilities; he stated that the COMB Board is in good hands with Director White and wished COMB and Director White every success.

Others present:

Randall Ward	Dan Ellison
Janet Gingras	Tom Fayram
Dave Stewart	Chris Dahlstrom
Tim Robinson	Matt Naftaly
Adelle Capponi	Charles Hamilton
Amy Smith	Dale Francisco
Dale Francisco	Kelley Dyer

2. Public Comment

Phil Walker spoke to evaporation rates; new evaporation read technologies, and El Niño expectations.

3. Consent Agenda

a. Minutes

June 22, 2015 Regular Board Meeting

b. Investment Funds

Financial Reports

Investment Reports

c. Payment of Claims

Item 3c-Payment of Claims was removed for discussion. Director Holcombe commented on Item 3c, page 1, specifically a claim paid to Musick, Peeler & Garrett, LLP for April services. She echoed an on-going concern about legal claims being paid without the Board being made aware of claims' content. President Morgan asked Janet Gingras, Administrative Manager, whether or not the process for review of legal claims could occur prior to the issuance of payment, as referenced by Director Holcombe. Ms. Gingras responded that it could be accommodated, recognizing that a 'transitional' period would ensue in order to properly process payables. Director Holcombe requested to review invoice detail related to a payment made to Turenchalk Network Services.

Following consideration, the Board entertained the following motions:

Director Hanson moved to approve Item 3a and 3b of the Consent Agenda, seconded by Director Holcombe. Motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nayes: None

Absent/Abstain: None

Director Hanson moved to approve Item 3c of the Consent Agenda, seconded by Director Holcombe. Director Walsh commented he will be voting 'No' on Item 3c specific to the invoice related to Musick, Peeler & Garret, LLP. Motion carried 6/1/0 as follows:

Ayes: White, Holcombe, Hanson, Morgan

Nayes: Walsh

Absent/Abstain: None

President Morgan made a final comment with regards to legal issues: In his review, he observed some phone calls that could be interpreted as 'trivial;' whether they are or not, he directed that, going forward, all calls to legal counsel should go through either the General Manager or the President of the Board. This will assist in further reducing attorney costs.

4. Board Committee Appointments for Fiscal Year 2015-16

President Morgan made the following appointments:

COMMITTEE NAME	COMMITTEE CHAIR	COMMITTEE MEMBER	ALTERNATE MEMBER
Administrative (Finance, Personnel, Legal)	Director Morgan	Director Holcombe	Director Hanson
Operations	Director Walsh	Director Morgan	Director White
Fisheries	Director Holcombe	Director Hanson	Director Walsh

Lake Cachuma Oak Tree	Director White	Director Walsh	Director Morgan
Public Outreach	Director Hanson	Director Holcombe	Director White

President Morgan noted that with the recent change in the Board of Directors', he would revisit the appointments and make adjustments as/if needed.

5. Proposed Annual Resolutions

- a. Resolution No. 596 Adopting An Annual Statement of Investment Policy
- b. Resolution No. 597 Authorizing Investment of Monies in the Local Agency Investment Fund
- c. Resolution No. 598 Establishing a Supplemental Account Agreement for Telephone Transfers
- d. Resolution No. 599 Establishing a Check Signing Policy for General Fund Account for Payment of Claims
- e. Resolution No. 600 Authorizing Signatories for General Fund Account at The Bank of Santa Barbara
- f. Resolution No. 601 Authorizing Signatories for Revolving Fund Account at The Bank of Santa Barbara
- g. Resolution No. 602 Establishing a Check Signing Policy for Cachuma Project Trust Fund and Master Contract Renewal Fund Accounts for Payment of Claims
- h. Resolution No. 603 Authorizing Signatories for Trust Fund and Renewal Fund Accounts at The Bank of Santa Barbara
- i. Resolution No. 604 Establishing Time and Place for Board Meetings

Director Walsh moved to approve Resolution No. 596 through Resolution No. 604 as presented, seconded by Director Holcombe. Motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

6. Consider Approval for Selection of Bartlett, Pringle & Wolf, LLP to Perform Fiscal Year 2014-15 Audit

Director Walsh moved to approve the selection and engagement agreement of Bartlett, Pringle & Wolf, LLP to perform Fiscal Year 2014-15 audit, seconded by Director Hanson. Director Holcombe confirmed the rotation of auditing partners within the firm. Ms. Gingras affirmed that is their practice. Following discussion, the motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

7. Presentation: Relocation of Emergency Pumping Facility

Randall Ward introduced Dan Ellison, Project Consultant with HDR Engineering, Inc. Mr. Ellison provided a briefing on the current status of operation and the pending potential barge

relocation. The presentation included analysis of existing usage, lake elevations and resulting impacts. Mr. Ward noted the updated analysis will be provided to the Board and Member Unit Manager's this week.

8. Consider Approval of Items Related to the Emergency Pumping Facilities Project

- a. Resolution No. 605 Increasing Project Expenditure and Extending Project Expenditure Date
- b. Resolution No. 606 Adopting Proposition 84 IRWMP Sub-Grant Agreement with the County of Santa Barbara
- c. HDR Engineering Inc., Professional Services Agreement (PSA) Contract for FY 2015-16

Item 8a-Randall Ward highlighted some specifics within the resolution, and noted it requires ratification by each Member Unit. Following discussion, Director Holcombe moved to approve Item 8a-Resolution No. 605, seconded by Director Hanson. Requiring a unanimous vote, motion failed by the following roll call vote:

Ayes: White, Holcombe, Hanson, Morgan

Nays: Walsh

Absent/Abstain: None

Chris Dahlstrom, General Manager of Santa Ynez RWCD, ID No.1, requested that the Indemnification Agreement (April 2014) that was entered in to at the inception of this project, be reviewed by his legal counsel to see if it applies to Resolution No. 605, as presented. Mr. Ward noted that this was provided to counsel who affirmed the current Indemnification Agreement applies. President Morgan requested Randall Ward to provide that affirmation to ID No.1.

Due to multiple concerns, Director Walsh requested that this item be brought back to the August meeting for consideration and approval.

Item 8b-Randall Ward provided a brief summary of the item under consideration. Director Hanson moved approval of Resolution No. 606, seconded by Director Holcombe. Motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

Item 8c-Randall Ward noted that this is an extension of the agreement with HDR Engineering, Inc., to continue their efforts related to the EPFP. Director Hanson moved to approve the Professional Services Agreement with HDR Engineering, Inc. or FY 2015-16, seconded by Director Holcombe. Motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

9. Consider Approval of Scopes of Work for Fisheries Division Consultants for FY 2015-16

Randall Ward noted that the items presented for approval are consistent with the budget as well as the work plan that has been carried out over the years. A lengthy examination ensued on

content in the individual Scopes of Work (SOW) and the 2001 MOU. Following consideration, Director Hanson moved to approve the Scopes of Work as presented, seconded by Director White. Discussion: Director White requested that he be supplied with a copy of the 2001 MOU. Director Morgan questioned the RiverWare Model Support Task 3 (\$5,000) as included on the SOW for Stetson Engineers, which is contracted by ID No.1 and the Santa Ynez River Water Conservation District, Parent District (Parent District). Director Morgan observed that for the past two years, no expenditures have occurred against this line item, and inquired as to its inclusion again this fiscal year. Tim Robinson, Fisheries Division Manager, responded that the model is anticipated to be completed this year, making it useful to the Fisheries Division. Chris Dahlstrom added that the Parent District, who is the lead agency on the RiverWare project, has not included that effort in their current budget year, nor has ID No. 1. Mr. Robinson noted that he was unaware of the exclusion in each budget and, thus, agreed it could be removed.

President Morgan noted the motion, as amended, removing the RiverWare Task from Stetson Engineers' SOW, and called for the vote. Motion carried 6/1/0 as follows:

Ayes: White, Holcombe, Hanson, Morgan

Nays: Walsh

Absent/Abstain: None

10. General Manager's Report

- *USBR Site Inspection-Category 1 Recommendation Status:* Cross connection reports have all been completed. COMB requested USBR to remove these items from their Category 1 list. Their response is pending at this time.
- *Santa Barbara County Drought Task Force (DTF):* Lake conditions and water supply were considered.
- *Encroachment/Right-of-Way:* Staff is developing the GIS records that will provide additional overlays for the mapping process. This will be presented to the Operations Committee for review.
- *Drought Emergency Pumping Facility Project: 1-Operations; 2-Grant Funding:* There are several options of pipe storage, all of which are being considered at depth. The report on storage options has been provided to the Board and Member Unit Managers for comment; once received, this item will return to the Board for further consideration.
- *Infrastructure Improvement Plan (IIP):* The intention is to provide quarterly reports to the Board, with incremental reports presented to the Operations Committee.

11. Operations Division Report

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

Dave Stewart, Operations Division Manager referred to his report as included in the board packet and fielded questions as needed from the Board.

12. 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, Mr. Robinson attended the annual ESRI Conference in San Diego, where he gave a presentation on steelhead and the drought.

13. 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 soon.

14. Monthly Cachuma Water Reports

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

15. 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 of. This could be either in open or closed session as appropriate; and may be considered at the August or September Regular Board meeting.

16. Resolution No. 607 For General Manager Randall Ward Upon His Retirement from COMB

President Morgan asked Director Hanson to read and present the resolution to Mr. Ward.

Director Hanson moved to approve Resolution No. 607, seconded by Director White.

Discussion: Director Holcombe asked for a date clarification and rewording of one sentence as follows: 2nd WHEREAS, "... he is stepping down at the end of August 31, 2015"; the final WHEREAS "...Randy has guided COMB with a sure hand, and ability to focus on the critically important and ~~not be distracted by the intramural dramas of a multi-member agency~~, the confidence that comes from a....".

As the maker of the motion, Director Hanson agreed to the modifications as noted, seconded by Director White. President Morgan called for the vote. Motion carried 7/0/0 as follows:

Ayes: White, Walsh, Holcombe, Hanson, Morgan

Nays: None

Absent/Abstain: None

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

- 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
- b. [Government Code Section 54956.9(d)(1)]
Name of case: Andrew Brown and Jessica Brown v. Cachuma Operation & Maintenance Board, Santa Barbara Superior Court Case No. 1438821
- c. [Government Code Section 54957(b)(1)]
Title: Interim General Manager

The Board went into closed session at 5:04 p.m.

18. 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. Andrew Brown and Jessica Brown v. Cachuma Operation & Maintenance Board
Pursuant to a previously announced settlement, the Board approved an assignment agreement to ACWA/JPIA.
- c. Appointment of Interim General Manager
The Board of Directors approved appointing Janet Gingras, Assistant General Manager, to serve as Interim General Manager; and is effective August 1, 2015. Appointment was approved by unanimous vote 7/0/0 as follows:

Ayes: Morgan, White, Walsh, Holcombe, Hanson

Nays: None

Abstain/Absent: None

19. Meeting Schedule

- The next regular Board meeting will be held August 24, 2015 at 2:00 p.m.
- The Agendas and Board Packets are available on the COMB website at www.cachuma-board.org

20. COMB Adjournment


There being no further business, the meeting was adjourned at 6:20 p.m.

Respectfully submitted,



Janet Gingras, Secretary of the Board

APPROVED:



Doug Morgan, President of the Board