

**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, May 21, 2007**

1. Call to Order, Roll Call

The meeting was called to order at 4:08 p.m. by President Chuck Evans, who chaired the meeting. Those in attendance were:

Directors present:

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

Others present:

Kate Rees	William Hair (via conference phone)
Chip Wullbrandt	Steve Mack
Bob Roebuck	Gary Kvistad
Janet Gingras	Brett Gray
Shawn O'Callahan	David McDermott
Dave Negeotte	Michelle Ouellette (via conference phone)

2. [Closed Session.] Conference with Legal Counsel to Discuss Pending Litigation Pursuant to Government Code Section 54956.9 (a). One Case: Crawford-Hall V COMB, Superior Court of California, County of Santa Barbara, Case No. 1171135.

The Board went into closed session at 4:09 p.m. Closed session ended at 4:17 p.m. There was nothing to report out of closed session.

3. Public Comment

There were no comments from the public.

4. Consent Agenda

a. Minutes:

March 26, 2007 and April 23, 2007 Regular Board Meeting

Director Evan moved to approve the March 26, 2007 minutes, seconded by Director Williams, passed 7/0/0. Director Abel moved to approve the April 23, 2007 minutes, seconded by Director Evans, passed 3/0/4, Directors Williams, Loudon and Lieberknecht 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 for March and April 2007, seconded by Director Abel, passed 7/0/0.

5. Reports from the Manager

a. Water Storage, Water Production Use, SWP Accounting

The monthly reports were included in the Board packet

b. Operations Report

The April 2007 report on operations from Brett Gray was included in the board packet.

c. 2006 Surcharge Accounting

The April disposition of 2006 surcharge water was included in the board packet.

d. Letter from Reclamation in Response to COMB's June 21, 2005 Bradbury Dam SOD funding Issues

Although Reclamation indicated it would provide a response letter for this Board meeting, COMB had not yet received it. The letter will be included in the board packet when it is received.

e. Cachuma Reservoir Current Conditions

Date 05/21/2007

Lake elevation	740.15
Storage	160,039 acre feet
Rain (for the month to date)	0.00 inches
Rain YTD (for the season to date)	3.47 inches

Fish Release-Hilton Creek	14.7 acre feet per day
Month to Date Fish Release	291.8 acre feet
Month to Date Spill	0.00 acre feet

f. Letter from the State Compensation Insurance Fund

Included in the board packet was a letter from the State Compensation Insurance Fund thanking COMB staff on the outstanding work they have done to implement a safety program.

6. Capital Improvement Projects Update

a. Lauro Debris Basin Project

Brett Gray reported that the red-legged frog surveys had been completed and that no red-legged frogs were found in the Lauro Reservoir area. Currently the permitting process for the project is underway, and construction will probably begin in May of 2008.

b. 2nd Pipeline Project

Mr. Gray also reported that a public meeting on the Notice of Intent (NOI) and Notice of Preparation (NOP) for the 2nd Pipeline Project was held Thursday, May 17, 2007 at the COMB office. There were no public comments made at the meeting; the comment period for the NOI/NOP will end June 15, 2007. After that time the environmental document can be written and preliminary design work will begin.

7. Presentation on COMB Special Projects

Shawn O'Callahan and Dave Nageotte gave a presentation for the Directors on the special projects the COMB crew has been involved with. They gave an overview of the yearly challenge of structure rehab, working on blow-off piping, the Lauro Yard drain project, the COMB SCADA system, and the newly developing GPS/GIS system. The presentation was well-received by the Board.

8. Proposition 50 and Proposition 84 Integrated Regional Water Management Plan Issues and Grant Application

Agendas and minutes from recent IRWMP meetings were included in the board packet for information. Ms. Rees reported that the final IRWMP for Santa Barbara County will be distributed by the end of the month. The Plan will come before the CCRB and COMB Boards for approval at the June 25, 2007 Board meeting. A copy of the Plan will be distributed to the Directors as soon as it has been printed and delivered to the COMB office.

The next phase of work is to develop a grant application for \$25 million for a number of projects to be submitted to DWR and the SWRCB for funding from Prop 50 Round 2 grant money by August 1, 2007. The 2nd Pipeline Project was selected as one of the projects that will be included in grant package in the amount of \$4 million. The COMB Board will need to evaluate how best to come up with matching funds in the event the 2nd Pipeline Project is awarded a Round 2 grant from Prop 50. Staff will develop funding options for the Board to consider for matching funds and bring those to the Board for consideration.

9. Proposed Fiscal Year 2007-2008 COMB Budget

The proposed Draft FY 2007-08 Budget was presented at the Board meeting for Board review and discussion only. The Final FY 2007-08 Budget will be considered for approval at the June 25, 2007 Board meeting. Brett Gray reported that the Finance Committee had met with staff and approved bringing the proposed budget to the Board. Mr. Gray highlighted the Operation & Maintenance and Special Projects portions of the budget, and Janet Gingras reviewed the General and Administrative Expenses. Director Lieberknecht asked if JPIA had been considered for State Compensation rates. The Board requested that Ms. Gingras look into their rates and try to have an answer prior to budget approval.

Director Williams reported that the Finance Committee discussed increasing Director's fees for site visits and possibly having the Member Units pay their individual Directors fees. President Evans requested the subject of Directors fees be added to a future meeting agenda.

Ms Rees explained a new item under special projects for having Reclamation test pipe vibrations in the Bradbury Dam Outlet Works. There was some question about including it as a special project, and it was suggested that because it was a Reclamation project, it should be paid through the Cachuma water rates instead. Ms. Rees agreed to speak with Reclamation about how they plan to finance this activity before removing it from the FY 2007-08 Budget. Director Evans recommended showing the constructive return money being utilized for the Lauro Debris Basin Project as an approved budget item in the FY 2006-07 Budget.

Ms. Rees requested that Mr. Gray's interim 5% salary increase be made a permanent increase. The Board will consider this request at the June Board meeting along with the reclassification of Tim Robinson's Sr. Resources Scientist position and proposed salary increase.

Director Loudon requested that the Board consider a different allocation of G&A expenses to reflect expenses that should be borne by the South Coast member units only. It was determined that the Finance Committee would meet to develop a recommendation to take to the Board for the June Board meeting.

10. Directors' Request for Agenda Items for Next Meeting

There were no requests from Directors for agenda items for the next meeting.

11. Meeting Schedule

June 25, 2007 is the next regular COMB Board meeting following the 2:15 P.M. CCRB Board meeting, at the COMB office.

The Board Packets are availability on the CCRB-COMB Website, www.ccrb-comb.org

12. COMB Adjournment

There being no further business, the meeting was adjourned at 5:44 p.m.

Respectfully submitted,

Kate Rees, Secretary of the Board

APPROVED:

Chuck Evans, President