

**Draft Meeting Notes
Joint Special Board Meeting of
Cachuma Operation and Maintenance Board
and
Cachuma Conservation Release Board
Monday, October 2, 2006**

**COMB Office
3301 Laurel Canyon Road
Santa Barbara, CA**

Attending:

Matt Loudon, Improvement District No. 1
Jan Abel, CCRB President, Montecito Water District
Chuck Evans, COMB President, Goleta Water District
Robert Lieberknecht, Carpinteria Water District
Das Williams, City of Santa Barbara

Kate Rees, Interim General Manager COMB/CCRB
Adele Capponi, Admin. Secretary, CCRB

Observers:

Chris Dahlstrom, General Manager, I.D. #1 (via conference call)
Bob Roebuck, General Manager, Montecito Water District
Bruce Wales, General Manager, Santa Ynez River Water Conservation District
Steve Mack, Water Resources Manager, City of Santa Barbara
Charles Hamilton, General Manager, Carpinteria Water District
Gary Kvistad, ID #1 General Counsel
Chip Wulbrandt, MWD General Counsel
William Hair, COMB General Counsel
David McDermott, Nordman, Cormany, Hair & Compton, LLP
Brett Gray, COMB Operations Supervisor

Facilitator:

John Jostes

1. Call to Order and Roll Call for COMB and CCRB Boards

The meeting of the COMB Board was called to order by President Chuck Evans at 2:15 p.m., roll call was taken, all were present. The meeting of the CCRB Board was called to order by President Jan Abel at 2:01 p.m. roll call was taken, all were present.

2. Adoption of Meeting Notes from August 2, 2006 Joint Special Board Meeting

The meeting notes from the August 2, 2006 Joint Special Board Meeting were adopted as written on a motion made by Matt Loudon and seconded by Chuck Evans.

3. Public Comment

Members of the public were provided with an opportunity to provide public comment to the Joint Special Board Meeting. However, no members of the public were present and no comments were received.

4. Continued Discussion of Macro-level Issues and Issues/Options Matrix

John Jostes introduced this item by providing a brief commentary on the efforts that had been made during the crafting of the latest versions of the two options – Option 2.1 and Option 3.1, and

reviewing his September 25, 2006 memo on the topic. He noted that it was important for all five Board Members to bring closure to the process by focusing on an option that works for all five Member Units and that the participants will need to be able to explain to each of their respective boards how the preferred option makes them and other member units better off when compared to the status quo situation. He indicated that the goal for the discussion was to come to a tentative agreement on an approach to reorganization that could be taken back to each of the Member Unit boards for ratification.

The discussion then turned to the specifics presented in a 7-page table entitled "Comparative matrix". The Joint Board offered detailed comments and suggested revisions that would improve the receptivity of each of the two options. Option 2.1 proposed a "merged" agency that would consolidate the relevant operations of CCRB and COMB and would place CCRB in a dormant state. Option 3.1 proposed a two-agency approach which entailed a new named agency and a South Coast agency, with CCRB being put in a dormant state similar to Option 2.1.

After considerable discussion, the Joint Board acted on a suggestion from Steve Mack that an option that entails two agencies with shared staff be pursued. The Joint Board directed John Jostes to draft up such an option with the assistance of the Coordinating Committee and facilitate its review and refinement through a meeting between the Coordinating Committee and the attorneys and Managers of the various Member Units. This direction was offered with the understanding from at least one Board Member that it did not imply wholehearted support of such an option, but rather the intent to understand whether such an option was feasible and practical when compared to the merged agency option.

The meeting of the Coordinating Committee with the Attorneys and managers was set for October 30, 2006 at the offices of Hatch and Parent.

5. Next Steps

John Jostes indicated that he would contact the appropriate individuals, work closely with the Coordinating Committee and facilitate the discussion of the identified option and bring the results back for discussion by the Joint Board at an unspecified meeting date in November or early December.

Having no further business to conduct, the meeting was adjourned at 5:00 pm.