LA CUMBRE MUTUAL WATER COMPANY
BOARD OF DIRECTORS MEETING
FEBRUARY 24, 2014
MINUTES

The meeting was called to order at 2:02 pm by President Ed Sands

Present: Directors, Ed Sands, Sig Wathne, Jim Scorso, and Jane Lodas. Also present, Michael Burke from Pueblo Water, General Manager Mike Alvarado, Administrative Manager Jeff Dameron and Office Manager Maria Armijo

Absent: Bob Uradnicek

Approval of agenda

Mr. Sands requested item #9, Hope Ranch Basin test well be moved to item #4. It was moved by Mr. Scorso, seconded by Mr. Wathne to approve the agenda as modified. Motion carried.

Approval of Minutes of the regular Board meeting, January 27 and January 30, 2014

It was moved by Mr. Scorso, seconded by Ms. Lodas to approve the minutes of the regular Board meeting of January 27th and January 30th 2014 as presented. Motion carried.

Hope Basin test well project update

Mr. Burke from Pueblo Water, discussed with the Board the two potential sites for the test well. It was moved by Mr. Scorso, seconded by Ms. Lodas to proceed with the test well project at a cost of approximately $85K.

Water production report / February projected water production

Mr. Alvarado informed the Board, the State is considering delivering carryover water to those water companies that are in worse shape than LCMWC. A meeting will be held in Sacramento to discuss the matter. Mr. Alvarado will let the Board know of the State's decision once the information is available.

Mr. Alvarado discussed with the board the possibility of a bid to the City of Guadalupe for 15 AF of water at $1200/AF.

It was moved by Mr. Scorso, seconded by Ms. Lodas to approve an official bid to the City of Guadalupe for 15 AF at $1201/AF and to receive and file the water production report. Motion carried.

2014 Carryover water update

Mr. Alvarado reported, there may be a possibility of carryover water being reduced to 0%. A meeting will be held in Sacramento on 2/25/14 to discuss the matter. In the event carryover water is reduced to 0%, LCMWC will need to make the decision on whether to begin using banked water in the Goleta Central Basin and/or implement water restriction. Mr. Alvarado will inform the Board when the information is available.

Can & Will serve letters

The Long Range Planning Committee will meet on 3/6/14 to discuss the can & will serve letters and the possibility of placing a temporary moratorium on new meters due to the current drought conditions.

CCWA potential water broker

Mr. Alvarado reported, CCWA proposes to hire Sierra Water Group as a water broker to search for additional water resources for all its members. A decision by LCMWC Board will need to be made in the next couple of months whether or not to participate.

Potential need for desalinization feasibility study

Mr. Sands discussed with the Board the possibility of a desalination plant. Both he and Mr. Alvarado did a walk-through of the San City plant and suggested LCWMC contact the person who conducted the feasibility study for San City.

Project status

- Zenner meter pilot test project
  All but 7 Zenner meters are working. The 7 meters that are not working will be relocated to areas closer to the existing network. The office staff will be trained on the meter software program.

- Alegre booster pump
  Mr. Alvarado gave a power point presentation on the repairs to the Alegra booster pump. An undersized motor has been replaced and the hydropneumatic tank was cleaned and relined.

- Well #21
  Mr. Alvarado gave a power point presentation on the rebuilding of the power supply and automation of Well #21. The project which began in 2010 has been completed.

- Cresta pump station
  The large 1980's transformer which blew out causing damage to the pump has been replaced by Edison. The pump station is working now. The pump house is in process of being rebuilt due to safety, efficiency and modernization.

Next meeting – Regular Board meeting – Monday March 10, 2014 at 2:00 pm and Monday March 24, 2014 at 2:00 pm

There being no further business, the meeting was adjourned at 3:47 pm.

Maria Armijo
Office Manager