

LA CUMBRE MUTUAL WATER COMPANY
ANNUAL MEETING OF SHAREHOLDERS
JUNE 11, 2019
MINUTES

The meeting was called to order at 6:00 PM by President Jane Lodas.

Present: Directors Jane Lodas, Alex Rodriguez, Marc Russo, Doug Campbell and Bob Uradnicek. Also present, General Manager Mike Alvarado, Administrative Manager Jeff Dameron, Office Manager Maria Armijo and 6 additional signed-in shareholders.

Absent: None

Introductions

Ms. Lodas welcomed those present to the 2019 Annual Meeting and introduced the Board and Staff members.

Certification of a Quorum

As Vice President, Mr. Rodriguez reported there are 2106.13 shares of capital for LCMWC. Proxies representing 421.227 shares constitutes a quorum. 857.680 shares have been received and certifies sufficient shares are represented to constitute a quorum and qualify the annual meeting for legal transaction of business.

Report of Nominating Committee

Mr. Rodriguez reported that the 2019 Nominating Committee consisted of Alex Rodriguez (Chair), Susan McMillan and Russ Werner. The term of one Director, Ms. Jane Lodas expired this year. Ms. Lodas has been nominated to run for another term.

Minutes of June 12, 2018 Annual Meeting

After review of the Annual meeting minutes of June 12, 2018, it was moved by Mr. Russo, seconded by Mr. Rodriguez to approve the annual minutes of June 12, 2018 as presented. Motion carried.

Presentations

Modoc Preserve Report

- Ms. Lodas reported the Modoc Preserve committee members are Marc Russo, Mark Shevitz, Cyndie Young, Wendy Atterbury, Autumn Brook and Adam Lambert (advisor). The Modoc Preserve is in excellent condition. Approximately \$10K is spent per year by La Cumbre Mutual Water Company on maintenance.
- Mr. Nelson from The Oak Tree Company has helped restore 5 acres of the grassland by re-introducing native plants and removing non-native invasive plants.
- The County of Santa Barbara sent out a request for proposals for protection of biological habitats. Mr. Adam Lambert (ecologist with UCSB) submitted a restoration project with the County and the Modoc Preserve was granted \$67K.

General Manager's Annual Report

- As a means to be prepared and informed LCMWC has started a text service. This service will be used to broadcast emergency alerts. LCMWC has started an email list for faster communication.
- Mr. Alvarado reported the California Department of Water Resources (CDWR) determines the annual State Water allocation. The water allocation amount is based on the levels of rain and snowpack in the Sierra Nevada Mountains, hydrologic conditions and water supply demands. This year LCMWC is expected to receive 70% of its 1100 AF entitlement.
- LCMWC Well #16 can pump up to 300 AF per year on a 5-year running average from the Foothill basin. The well casing developed holes, exposing gravel packs and producing sand. After further study of the well, it has been determined that a new well is needed. Possible new locations for the well include the Modoc Preserve or the U-Haul facility (both properties owned by LCMWC).
- Mr. Dameron reported conservation efforts caused 2018 usage to be 33% less than 2013. During the course of the drought, the tiers were lowered and the rates were increased, to encourage water conservation.
- Due to the temporary State Water pipeline being removed from Bradbury Dam at Lake Cachuma, La Cumbre has entered into an exchange agreement with the City of Santa Barbara for them to treat and transfer their Cachuma entitlement water to La Cumbre in exchange for our State Water with Santa Ynez ID1.
- Mr. Alvarado informed those present there are issues with State water delivery into Cachuma Lake. The bypass piping which has been in use for the past five years has been removed from Cachuma Lake due to rising lake levels. The pumping station raft and inlet piping has issues and is unable to pump water.
- CCWA has submitted a request to USBR (U.S. Bureau of Reclamation) to install bypass piping over the Bradbury Dam. This will involve installing a temporary pipe/bridge road crossing on the dam's access road allowing vehicles to cross. It will also allow water deliveries from the top of the dam at the edge of spillway structure and discharge to deep water above the concrete apron of the spillway inlet.
- Fixed payments to the State are made whether State Water is delivered or not. The 2018 fixed payment to the State was approximately \$1.7M. Treatment and delivery cost for State water was approximately \$360K in 2018.
- LCMWC has installed 1380 smart meters out of a total of 1490 meters. The meter replacement program in Hope Ranch is complete. Currently working to replace the rest of the meters in the Annex. With the software, LCMWC (as well as the homeowners) can monitor water usage daily as well as set alerts for leaks.

Questions:

Where is the water treatment plant located?

- The water treatment plant (Nogal Treatment Plant) constructed in 2010 is located on Nogal Drive next to Vieja Valley School

Where are the Reservoirs located?

- One is located on Via Tranquila (at office), second one is at Cresta and the final one is located on Cuervo.

La Cumbre Water has stopped pumping ground water, has Goleta Water?

- Yes, Goleta has stopped.

Can homeowners have their own well?

- Yes, homeowners can have their own well if it is in the Hope Basin.

Who supplies the engineering needs?

- Currently LCW has an agreement with Pueblo Water Resources

Does the water company call if there is a leak?

- Yes, staff will call the resident if the smart meter has detected a leak. But calls are only made if the leak is 20 gallons and hour or more.

There being no further business, the meeting was adjourned at 7:24 pm
Next Annual Meeting – June 2020

Maria Armijo
Office Manager