

**MINUTES OF THE
SPECIAL MEETING OF THE BOARD OF DIRECTORS
OTAY WATER DISTRICT
March 29, 2003**

1. ROLL CALL

Directors Present: Bonilla (arrived at 9:05 a.m.), Breitfelder, Croucher, Lewis and Lopez

Staff Present: General Manager Robert Griego, Asst. GM Administration and Finance German Alvarez, Asst. GM Engineering and Operations Manny Magana, General Counsel Bonifacio Garcia, Chief of Administrative Services Rom Sarno, Chief of Engineering and Planning Mehdi Arbabian, Chief Financial Officer Joe Beachem, Chief of Water Operations Pedro Porras, District Secretary Susan Cruz and others per attached list.

2. PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE

The pledge of allegiance was followed by a moment of silence in honor of the victims and families of the 9/11 tragedy .

3. APPROVAL OF AGENDA

A motion was made by Director Croucher, seconded by Director Lewis and carried with the following vote:

Ayes:	Directors Breitfelder, Croucher, Lewis and Lopez
Noes:	None
Abstain:	None
Absent:	None

to approve the agenda.

4. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA

No one wished to be heard.

WORKSHOP

General Manager Griego indicated that today's meeting was the Board's annual workshop. The time would be utilized to review the District's Strategic Plan and incorporate any amendments which the Board wishes to include in the plan. He stated that through the committee process, staff has gathered information with regard to the wishes of the Directors and staff has already incorporated those changes into the Strategic Plan being presented today.

He stated that there would be three presentations at today's meeting; an update on the Public Relations and Strategic Plans and then a presentation on the Brown Act.

He stated that before moving forward with the presentations, he wished to provide a short presentation on the District's, Performance Cycle, Organizational Structure, Management Plan, Strategic Plan and Board Support/Policy Direction. He indicated that the Performance Cycle was the understanding of the District's customers' and stakeholders' needs. He indicated, to meet those needs, the District has defined a Mission and Strategy, aligned its structure and information systems, and created an empowered culture.

General Manager Griego presented a new organizational chart, which included two position reclassifications, and his Management Plan. He stated that it was important in an organization to have strong and direct communication between all areas of the organization from management to line staff. He noted the different teams that have been identified to discuss and lead in various areas, General Managers Staff, Leadership Team, Strategic Development and Planning Team, Administrative and Finance Team and the Engineering and Water Operations Teams.

He indicated that water conservation would be a very important component in the District's Strategic Plan due to the District's reliance on County Water Authority for its supply. He also shared that the Board would be receiving at the next Board meeting (April 2, 2003) a recommendation that standing committees be instituted. He indicated that the District has a very aggressive Strategic Plan and staff sees an on-going need to keep the Board apprised of all aspects of the plan and accomplishments. He stated that as standing committees the meetings will be posted and would be subject to the Brown Act and would allow the public to participate.

He stated that at today's meeting, the Board would receive an update on the Strategic Plan and staff would be looking for their input. He also noted that they would be receiving information in the near future on the Budget, OIS, Rate Study Implementation, Labor Negotiations, LAFCO and Legal Issues.

Director Lewis asked with regard to the Chief Information Officer if it was going to be a new position or a reclassification? General Manager Griego indicated that it would be a re-name and reclassification.

President Lopez asked with regard to the Water Resources and Security Committee, those items related to the District's security, if they could be discussed in closed session. Special Counsel Garcia indicated that there is an amendment to the Brown Act due to the 9/11 tragedy that does allow agencies to discuss such matters in closed session.

5. PRESENTATION ON MARSTON AND MARSTON, INC. PUBLIC RELATIONS PLAN

Mr. Jeff Marston, President of Marston and Marston, Inc., indicated that he would be presenting a review of the Public Relations Plan for the past year and the plan for the upcoming year. He introduced staff from Marston and Marston, Inc. who were also in attendance of the meeting, Ms. Myrna Marston, Founder and CEO, Mr. Rob Schupp, Sr. Vice-President and Mr. Hylton Lonstein, Account Executive. He provided a little background on Marston and Marston, Inc. indicating that the firm was founded by Ms. Marston in 1997.

He stated that Marston and Marston, Inc. was a full-service public relations firm, providing marketing, community, governmental and media relations, and they have a graphics department in-house. He noted some of the firms clients and that they were also part of the City of San Diego / Sacramento lobbying efforts. He indicated that the Otay Water District was their number one client and that they were proud of the association and he hoped to see that continue into the future.

Ms. Marston indicated that there were three goals for the Public Relations Division: 1) to communicate openly and frequently with key audiences; 2) to make strides to change public perception about the District; and 3) to be proactive and identify public relations opportunities. She indicated that the plan also identifies target audiences and prioritizes public relations efforts. She presented the many outreach materials they had developed for the District, from the Customer Pipeline newsletter, bill inserts, Consumer Confidence Report, the first District Annual Financial Report, to various outreach collateral to assist the District with community outreach. She also noted that Marston and Marston, Inc. was assisting the District with community relations which included breakfast meetings with elected officials, etc., the City of Chula Vista Outreach Plan and the Water Conservation Plan. She noted that they have also put together a couple of press releases a month to counter-balance the investigative reporting that has been occurring for the last couple years. She indicated that their firm would continue to look at education issues, conservation, planning, water and find ways that they could promote the District's leadership in water issues.

Mr. Schupp indicated that Marston and Marston, Inc. had been working this past year on developing the visual communication tools and "messages." He stated that he felt that the materials developed communicates that Otay is a professional organization. He stated that they would continue to produce all the materials they had generated in the past year in the upcoming year. He stated the next step was to establish Otay as a leader in regional water issues. He indicated that this would be their focus for the upcoming year. Mr. Schupp indicated that they would also develop a media guidebook which would provide information on how to handle media issues/inquiries. He stated that the guidebook would provide the District's policy on appropriate responses to media inquiries and would include an analysis of reporters' techniques in acquiring the answers they are seeking. Marston and Marston, Inc. would also develop a training program along with the guidebook for the District's board and staff. He also noted that in the upcoming year that the Public Relations Plan would concentrate on holding media events on major developments at the District, ie. Water Agreements, Distribution of Scholarships, etc.

Director Breitfelder commended and thanked Marston and Marston, Inc. for the work they have done for the District over the past year. He indicated that he was very pleased with the visuals/collaterals they had produced on behalf of the District. He stated that their insight in developing relationships on a staff to staff level, especially with elected officials staff, is almost always overlooked and has been a benefit to the District. He stated that he appreciated their outlook in our participation in community events as this certainly makes a large impression in not only our participation, but how we participate.

Director Lewis indicated that Marston and Marston, Inc. has been a great support to the District in providing timely responses to negative press. This is important as much of the time the negative press is inaccurate. He stated that their role is to get the accurate answers back to the public. He indicated that he felt that we should continue to focus on the responsiveness of our message. He noted that, unfortunately, the District was not able to

respond many times due to legal issues, but that the District should aim to respond within 24 hours.

Director Croucher indicated that he wished to thank them for their excellent work during the difficult times. He stated that he wished to work with them and the Board in its entirety in developing relations with other public officials and starting to grow the reputation of the District. He thanked them for their help.

President Lopez thanked them for their expertise and work they have done for the District. He stated that he also would like to make it a priority to meet and create relationships with other elected officials. He also noted that he supports creating a speakers bureau that would also prep them in some responses to questions that may come up. He indicated that he looks forward to attending the media workshops they had discussed.

General Manager Griego indicated that he appreciates the Board's support in having the District work with Marston and Marston, Inc. He noted that the newly completed annual report would be forwarded to the elected officials and stakeholders. He stated that if the Board wishes to provide a list of their personal contact for this mailing, he indicated that they provide their list to District Secretary Cruz. He indicated that the District will send a personalized letter for the Directors and insert their business card. He thanked Martson and Marston, Inc. for their hard work and commitment to the District.

6. BOARD STRATEGIC PLAN UPDATE

Mr. Doug Spiers indicated that he would be providing a presentation to the Board on the District's current progress on the Strategic Plan and the modifications proposed for the FY2004 plan.

Mr. Spiers reviewed the FY04 plan indicating the additions and changes to the plan (please see attached). Some of these changes included, under the strategy Community and Governance, complete and Implement the Chula Vista Community Outreach Plan, Implement Public Relations Plan, Complete and Implement a Proactive Legislative Program and Develop and Promote a Speaker's Bureau and also added the Goal, Support Positive Board Advocacy. He stated that staff is making a commitment to assist the Board to broaden communications with stakeholders and implement a more proactive approach to community relations. In the Customer Service area of the strategic plan, there were three new goals identified with new objectives for the upcoming year. The goals were to improve customer servicing through the implementation of the Otay Information Systems and other technology. Mr. Spiers walked through the other changes throughout the Strategic Plan that included strategies for Financial, Information Technology, Optimize District Effectiveness, Safety and Security, Water Conservation and Water Services.

He indicated that these were the revisions for FY04 and that staff would like to receive the Board's comments. He indicated that staff would then finalize the implementation plan, tying the FY04 plan to the FY04 budget.

He stated that the District is currently on track and many of the objectives for FY03 were either complete, on schedule or ahead of schedule. He indicated that the District must now identify performance measures (how we are doing) and tie them back to the overall mission and goals of the District. He stated that the measure should indicate the organiza-

tions target based on its financial resources and the business environment. Once you identified your measures, you can then develop corrective action, where the District can improve.

He stated that this process is an annual process, which must be repeated each year and become part of the normal business process. He stated that the Strategic Plan is very important for the success of the organization and should be a living document that is updated as needed.

Director Breitfelder indicated that he had some concerns with the previous strategic plan as he felt that some of the thoughts were somewhat disconnected with the goals and objectives, though this was minor as the plan provided direction overall. He stated that the new plan, however, was certainly a better plan overall. He commended staff on a job well done. Director Breitfelder further indicated that he would like to add to Community Governance a strategy to reflect more demonstration of leadership and earning of trust. He stated that with regard to implementing a Public Relations Plan, he would like it to reflect more “outreach” and “education.” He stated that he sees the District’s leadership in terms of leading our ratepayers to new resources of water and conservation. He added that the objective, continue to promote environmental benefits of conservation, he indicated that using the “saving the planet” may not be our most beneficial approach. He indicated that emphasizing “lifestyle,” such as, saving monies via Xeriscaping, etc, would be a stronger approach. Director Breitfelder indicated that under customer service he would like to see Mr. Magana’s “neighborhood friendly” program incorporated, as he would like this to become part of the District’s legacy and under Water Conservation, he would like to see a reference under the objectives of working with developer and local governments, to educate and persuade. He stated that with regard to the reference to the dual-flush toilet incentive program, that if are specific, he suggests that we also include washers as savings will be best achieved through that means.

President Lopez indicated that he agreed with Director Breitfelder and was pleased in seeing the objectives being completed and the progress staff has made with the new strategic plan.

Director Lewis indicated that he likes to judge the effectiveness of a strategic plan by its tactical results. He stated that Otay actually puts their plan into effect and that every resolution adopted or action taken to the Board is tied to the Strategic Plan. He indicated that he appreciates Director Breitfelder’s comments and he also feels that the language and what is being conveyed has very much improved. He indicated that many organizations create a strategic plan, but never refer to it. He stated that staff is to be commended for their active commitment to the Strategic Plan.

Director Croucher indicated that the addition of the strategy, optimize the District effectiveness through implementation of strategic Best Management Practices, is a great addition. He asked with regard to the customer service goal, implementing OIS, evaluate interactive voice response systems per the OIS Plan, does this allow customers to receive information via telephone from the computer system? Mr. Geoff Stevens indicated that, yes, this will allow customers to retrieve information via telephone (ie, bill, etc.), however, staff is analyzing which data would be conducive to interactive voice response (IVR). Director Croucher indicated that he would like to see the option for customers to be able to default to a live individual. Mr. Stevens indicated that the system would allow that and also ac-

commodates multi-lingual customers. Mr. Alvarez noted that the IVR system provides customers 24 hour access to information and would provide a convenience to customers.

Director Breitfelder indicated that there was a strategy regarding work environment which was no longer part of the Strategic Plan. He indicated that he did note there was an entry under, optimize District effectiveness, that indicates “dignity and respect for employees.” He indicated that this was rather vague and was not measurable. He asked staff to review this portion of the Strategic Plan again as he felt it was a very important aspect of operations.

There was discussion that it was felt that staff had enhanced this portion in comparison to last year’s plan. It was indicated that training and development was key, and as long as it was noted in the plan and the District was moving in that direction, that was what is important.

Mr. Rom Sarno, indicated that he wished to note that the Strategic Plan also indicates an objective to “develop a HR Strategic Plan.” He stated that this objective would encompass many of the items that identify strategies that were in the work environment portion of the District.

Director Breitfelder thanked Mr. Sarno and indicated that that’s where he would look for it.

General Manager Griego thanked the Board for allowing staff to integrate the plan into the organization. He stated the Board Ad Hoc Committees has assisted staff in focusing on those issues that are import to the Board and that staff would be incorporating the accomplishment of the strategies into the Managers’ and Supervisors’ performance evaluations. He stated that staff would include the Board’s comments/suggestions into the new strategic plan and would develop the budget to support the goals. He thanked the Board for their input.

The Board recessed at 10:43 p.m. and reconvened at 10:55 a.m.

7. PRESENTATION OF BROWN ACT / LABOR & EMPLOYMENT LAW UPDATE

General Counsel Bonny Garcia indicated that it was planned that an update on both Labor and Employment Law and the Brown Act would be provided, however, because there has been significant changes to the Brown Act, they would be concentrating on the Brown Act at today’s meeting.

Mr. Yuri Calderon, Burke, Williams and Sorensen, LLP, indicated that the purpose of the Brown Act is to open discussions and the decision making process to the public. He stated that when determining issues concerning the Brown Act, if one asks how the public would be apprised and be able to participate in the discussions of the District’s issues, then one would always determine the proper action with regard to the Brown Act. With regard to closed session issues, the issues that may be discussed are limited and should be viewed as those items which are exceptions to the public’s right to participate/hear the discussions, such as, legal/personnel discussions, etc.

Mr. Calderon shared some of the legislative changes regarding the Brown Act which had passed in January 2003. He noted the Americans with Disabilities Act is applicable in that

if requested, the agenda and back-up materials must be provided in an alternate format at no cost to the requestor. He stated that confidential information obtained during closed session could not be made public. He stated that this is applicable to staff members, attorney's and board members. Mr. Calderon reviewed other new changes that included remedies for the release of confidential information, emergency meetings held without 24-hour notice in a "dire emergency" and allowing security matters to be discussed in closed session with security consultants or a security operations manager.

Mr. Yuri Calderon also provided a verbal quiz on how to apply the Brown Act in different situations (see attached).

General Manager Griego thanked the Board for taking a day of their weekend to be at today's meeting. He stated that the Board's feedback and support is important to the staff. He indicated that the District has a talented team and that the team would work hard to bring back results.

8. ADJOURNMENT

With no further business to come before the Board, Director Lewis adjourned the meeting in at 11:50 a.m.

President

ATTEST:

District Secretary